



Local Audit and Accountability Act 2014

CHAPTER 2

LOCAL AUDIT AND ACCOUNTABILITY ACT 2014

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SCHEDULE 2 — Relevant authorities

- 1 A county council in England.
- 2 A district council.
- 3 A London borough council.
- 4 A parish council.
- 5 A joint authority established under Part 4 of the Local...
- 6 A Passenger Transport Executive.
- 7 The Greater London Authority.
- 8 A functional body.
- 9 The London Pensions Fund Authority.
- 10 The London Waste and Recycling Board.
- 11 The Common Council. NOTE: This Act applies to the Common...
- 12 A parish meeting.
- 13 The Council of the Isles of Scilly.
- 14 Charter trustees.
- 15 A port health authority for a port health district that...
- 16 The Broads Authority.
- 17 A National Park authority for a National Park in England....
- 18 A conservation board established by order of the Secretary of...
- 19 A police and crime commissioner for a police area in...
- 20 A chief constable for an area in England.

- 21 The Commissioner of Police of the Metropolis.
- 22 A fire and rescue authority in England constituted by a...
- 23 A clinical commissioning group.
- 24 Special trustees for a hospital.
- 25 An authority established for an area in England by an...
- 26 An internal drainage board for an internal drainage district that...
- 27 An economic prosperity board established under section 88 of the...
- 28 A combined authority.
- 29 Any person or body exercising functions in relation to an...

SCHEDULE 3 — Further provisions about appointment of local auditors

- 1 Provisions applying to certain local authorities
- 2 Provisions applying to chief constables
- 3 Provisions applying to the Commissioner of Police of the Metropolis
- 4 Provisions applying to other authorities

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- 1 Options for auditor panels
- 2 Constitution of auditor panels
- 3 Constitution of auditor panels: health service bodies
- 4 Power to make further provision about constitution of auditor panels
- 5 Application of local authority enactments to auditor panels
- 6 Status of auditor panels
- 7 Expenses of auditor panels
- 8 Meaning of “connected entity”

SCHEDULE 5 — Eligibility and regulation of local auditors

- 1 (1) Part 42 of the Companies Act 2006 (statutory auditors)...
- 2 (1) The general modifications are that— (a) references to a...
- 3 Omit the following provisions— (a) Chapter 1 (introductory);
- 4 In section 1212 (individuals and firms: eligibility for appointment as...
- 5 For section 1214 (independence requirement) substitute—
Independence requirement (1) A person (“P”) may not act as local
auditor...
- 6 In section 1215 (effect of lack of independence) omit subsections...
- 7 In section 1216 (effect of appointment of a partnership), after...
- 8 In section 1217 (supervisory bodies), for subsection (1A) substitute—
- 9 For section 1219 (appropriate qualifications) substitute— Appropriate
qualifications (1) A person holds an appropriate qualification for the
purposes...
- 10 After section 1224 insert— Provision of documents to the Secretary...
- 11 (1) Section 1225 (enforcement: general) applies with the following
modifications....
- 12 In section 1225C(3) (compliance orders) omit “or, in Scotland, the...
- 13 In section 1225F(10) (appeals against financial penalties) omit “or, in...
- 14 (1) Section 1239 (the register of auditors) applies with the...
- 15 In section 1240(1)(b) (information to be made available to public),...
- 16 For section 1248 (Secretary of State’s power to require second...
- 17 For section 1249 (supplementary provision about second audits)
substitute— Supplementary...
- 18 (1) Section 1250 (misleading, false and deceptive statements) applies
with...
- 19 (1) Section 1251 (fees) applies with the following modifications.

- 20 In section 1251A (duty of Secretary of State to report...
- 21 (1) Section 1252 (delegation of the Secretary of State's functions)...
- 22 In section 1253(5) (delegation of functions to an existing body)—...
- 23 (1) Section 1254 (directions to comply with international obligations) applies...
- 24 (1) Section 1256 (time limits for prosecution of offences) applies...
- 25 (1) Section 1257 (jurisdiction and procedure in respect of offences)...
- 26 (1) Section 1261 (minor definitions) applies with the following modifications....
- 27 (1) Section 1262 (index of defined expressions) applies with the...
- 28 (1) Schedule 10 (recognised supervisory bodies) applies with the following...
- 29 In Schedule 13 (supplementary provision with respect to delegation order)—...

SCHEDULE 6 — Codes of audit practice and guidance

- 1 Duty to prepare code
- 2 Procedure for code
- 3 Duty to keep code under review
- 4 Alteration of code
- 5 Replacement of code
- 6 Publication of code
- 7 Assistance from relevant authority
- 8 Saving for codes of practice under Audit Commission Act 1998
- 9 Guidance
- 10 Application to auditors of NHS foundation trusts
- 11 Meaning of “40-day period”

SCHEDULE 7 — Reports and recommendations

- 1 Public interest reports
- 2 Written recommendations
- 3 Supply of public interest reports
- 4 Publicity for public interest reports
- 5 Consideration of report or recommendation
- 6 Consideration of report or recommendation: Greater London Authority
- 7 Bar on delegation of functions relating to meetings
- 8 Publicity for meetings
- 9 Access to meetings and documents
- 10 Publicity for decisions under paragraph 5 or 6

SCHEDULE 8 — Advisory notices

- 1 Power to issue advisory notice
- 2 Service and withdrawal of notice
- 3 Effect of an advisory notice
- 4 Further provisions about advisory notices

SCHEDULE 9 — Data matching

- 1 Power to conduct data matching exercises
- 2 Mandatory provision of data
- 3 Voluntary provision of data
- 4 Disclosure of results of data matching etc
- 5 Publication
- 6 Fees for data matching

Status: This is the original version (as it was originally enacted).

- 7 Code of data matching practice
- 8 Powers to amend this Schedule

SCHEDULE 10 — Best value inspections

- 1 The Local Government Act 1999 is amended as follows.
- 2 For section 10 substitute— Inspections (1) The Secretary of State may appoint a person to...
- 3 In section 11(7) (powers and duties: definition of “inspector”), for...
- 4 For section 12 substitute— Fees An authority inspected under section 10 must pay the reasonable...
- 5 (1) Section 13 (reports) is amended as follows.
- 6 In section 15 (Secretary of State’s powers)—
- 7 Omit section 22(1) (Audit Commission).
- 8 In section 25(2) (coordination of inspections: persons to whom the...
- 9 Omit section 26(3) (consultation with Audit Commission before issuing guidance)...
- 10 In section 33 (grants to Audit Commission and Wales Audit...
- 11 On the coming into force of the repeal (by the...

SCHEDULE 11 — Disclosure of information

- 1 Information to which this Schedule applies
- 2 General bar on disclosure and exceptions
- 3 Further exceptions
- 4 Disclosure with consent of local auditor
- 5 Offence of wrongful disclosure
- 6 Meaning of “enactment”

SCHEDULE 12 — Related amendments

- 1 Public Health Act 1875 (c. 55)
- 2 Prison Act 1952 (c. 52)
- 3 Transport Act 1968 (c. 73)
- 4 Local Government Act 1972 (c. 70)
- 5 In section 86(1)(b) (disqualifications from being local authority member that...
- 6 In section 87(1)(d) (date of vacancy in local authority membership...
- 7 In section 137(7A) (requirement for separate account for expenditure under...
- 8 Section 246(15) of the Local Government Act 1972 continues to...
- 9 House of Commons Disqualification Act 1975 (c. 24)
- 10 Local Government, Planning and Land Act 1980 (c. 65)
- 11 Building Act 1984 (c. 55)
- 12 Further Education Act 1985 (c. 47)
- 13 Transport Act 1985 (c. 67)
- 14 Housing Associations Act 1985 (c. 69)
- 15 Local Government Act 1986 (c. 10)
- 16 Airports Act 1986 (c. 31)
- 17 (1) Section 22 (other local authority capital controls in England...
- 18 In section 24(3)(a) (provision of services by principal council for...
- 19 Norfolk and Suffolk Broads Act 1988 (c. 4)
- 20 Education Reform Act 1988 (c. 40)
- 21 In section 124B, omit subsection (5) (duty of certain higher...
- 22 In paragraph 18 of Schedule 7 (higher education corporations)—
- 23 Local Government and Housing Act 1989 (c. 42)

- 24 (1) Until the coming into force of the repeal of...
- 25 Town and Country Planning Act 1990 (c. 8)
- 26 Environmental Protection Act 1990 (c. 43)
- 27 Social Security Administration Act 1992 (c. 5)
- 28 In section 123(8) (unauthorised disclosure of information relating to particular...
- 29 Omit section 139BA (interaction with Audit Commission).
- 30 Social Security Administration (Northern Ireland) Act 1992 (c. 8)
- 31 Police Act 1996 (c. 16)
- 32 Noise Act 1996 (c. 37)
- 33 In section 12 (protection of members etc of authorities) omit...
- 34 In section 14(4) (application of Act to Northern Ireland), in...
- 35 Local Government (Contracts) Act 1997 (c. 65)
- 36 Local Government Act 1999 (c. 27)
- 37 Greater London Authority Act 1999 (c. 29)
- 38 In section 7(b) (disqualifications from being an Assembly member that...
- 39 In section 9(1)(f) (date of vacancy in Assembly membership in...
- 40 In section 14(a) (disqualifications from being Mayor that do not...
- 41 In section 21(1)(e) (disqualification from election as Assembly member or...
- 42 In section 125(2) (certification of information)— (a) omit “in one...
- 43 (1) Section 134 (summary statement of accounts of Authority and...
- 44 Crown Prosecution Service Inspectorate Act 2000 (c. 10)
- 45 Freedom of Information Act 2000 (c. 36)
- 46 Criminal Justice and Court Services Act 2000 (c. 43)
- 47 Public Finance and Accountability (Scotland) Act 2000 (ASP 1)
- 48 Anti-terrorism, Crime and Security Act 2001 (c. 24)
- 49 Local Government Act 2003 (c. 26)
- 50 (1) Section 21 (accounting practices) is amended as follows.
- 51 In section 22 (meaning of “revenue account” for the purposes...
- 52 In section 24 (by which, in the application of Part...
- 53 Omit section 99 (categorisation of English local authorities by reference...
- 54 (1) Section 100 (exercise of powers by reference to authorities’...
- 55 Health and Social Care (Community Health and Standards) Act 2003 (c. 43)
- 56 In section 95 (studies as to economy, efficiency etc), omit...
- 57 In section 148 (interpretation of Part 2) omit the definition...
- 58 Audit and Accountability (Northern Ireland) Order 2003 (SI 2003/418 (NI 5))
- 59 Public Audit (Wales) Act 2004 (c. 23)
- 60 Omit section 43 (co-operation with Audit Commission).
- 61 Omit section 57 (provision of information to Audit Commission).
- 62 (1) Section 62 (co-operation) is amended as follows.
- 63 (1) Section 64D (disclosure of results of data matching etc)...
- 64 Omit sections 69 and 70 (transitional provision: local government bodies...
- 65 (1) Schedule 3 (transfer schemes) is amended as follows.
- 66 (1) The amendments of Schedule 3 to the Public Audit...
- 67 Companies (Audit, Investigations and Community Enterprise) Act 2004 (c. 27)
- 68 Children Act 2004 (c. 31)

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- 69 Education and Inspections Act 2006 (c. 40)
- 70 National Health Service Act 2006 (c. 41)
- 71 In Schedule 1A (clinical commissioning groups), in paragraph 17(5), for...
- 72 Schedule 7 (constitution of public benefit corporations: auditors) is amended...
- 73 (1) Paragraph 23 is amended as follows.
- 74 (1) Paragraph 24 is amended as follows.
- 75 In Schedule 15 (accounts and audit of certain NHS bodies),...
- 76 (1) Until the repeal of Chapter 3 of Part 2...
- 77 National Health Service (Wales) Act 2006 (c. 42)
- 78 Companies Act 2006 (c. 46)
- 79 Serious Crime Act 2007 (c. 27)
- 80 Local Government and Public Involvement in Health Act 2007 (c. 28)
- 81 Omit section 148 (Benefit Fraud Inspectorate: transfers to the Audit...
- 82 In section 212(7) (entities controlled by local authorities: definitions)—
- 83 (1) Section 214 (further provision about orders under section 212)...
- 84 Omit Schedule 10 (Benefit Fraud Inspectorate: transfer schemes).
- 85 (1) The repeals of section 148 of and Schedule 10...
- 86 Health and Social Care Act 2008 (c. 14)
- 87 Omit section 56 (role of Audit Commission in undertaking or...
- 88 (1) Schedule 4 (interaction between Care Quality Commission and other...
- 89 Housing and Regeneration Act 2008 (c. 17)
- 90 Omit section 106A (co-operation between the Regulator of Social Housing...
- 91 In section 128(4)(a) (duty of local authority which is registered...
- 92 In section 196(1) (duty of Regulator to consult listed bodies...
- 93 In section 197(4) (duty of Secretary of State to consult...
- 94 In section 201 (arrangements by Regulator for inspections by third...
- 95 (1) Section 210A (extraordinary report: local authorities) is amended as...
- 96 In section 249(1) (management transfer) after “section 210” insert “or...
- 97 Local Democracy, Economic Development and Construction Act 2009 (c. 20)
- 98 (1) Section 36 (overview of Chapter) is amended as follows....
- 99 In section 37 (notification duties of local authorities) omit subsection...
- 100 (1) Section 38 (power to appoint auditor) is amended as...
- 101 (1) Section 39 (power to appoint replacement auditor) is amended...
- 102 (1) Section 40 (exclusions from power to appoint auditor) is...
- 103 In section 41(1) (persons who may be appointed as auditor)—...
- 104 (1) Section 42 (terms of appointment of auditor) is amended...
- 105 (1) Section 43 (right of entity to appoint auditor to...
- 106 In section 44(5)(b) (functions of auditor not appointed to conduct...
- 107 In section 45(4)(b) (duty of auditor to send public interest...
- 108 In section 46 (codes of practice) omit subsections (1) to...
- 109 (1) Section 50 (fees for appointment of auditor) is amended...
- 110 (1) Section 51 (power of audit authority to require information)...
- 111 Omit section 52 (subsidiaries of Passenger Transport Executives).
- 112 (1) Section 53 (regulations) is amended as follows.
- 113 In section 54(1) (interpretation) omit the definitions of “audit authority”,...
- 114 Equality Act 2010 (c. 15)

- 115 Police Reform and Social Responsibility Act 2011 (c. 13)
- 116 In section 18(7) (delegation of functions by police and crime...
- 117 In section 19(7) (delegation of functions by Mayor's Office for...
- 118 Charities Act 2011 (c. 25)
- 119 (1) Section 149 (audit or examination of English NHS charity...
- 120 (1) Section 151 (audit of accounts of larger groups) is...
- 121 (1) Section 152 (examination of accounts an option for smaller...
- 122 In section 154(1) (regulations relating to audits and examinations)
after...
- 123 Repeals and revocations in consequence of this Schedule

SCHEDULE 13 — NHS trusts and trustees for NHS trusts: transitory and saving
provision

- 1 Operation of this Schedule
- 2 (1) The Secretary of State may by order make further...
- 3 “Relevant authorities”, “health service bodies” and “accounts”
- 4 In section 3(9), the definition of “health service body” is...
- 5 (1) Section 4 is to be read as if after...
- 6 Notice of appointment of local auditor
- 7 Functions of auditor panel
- 8 Failure to appoint local auditor
- 9 (1) If an NHS trust fails, or the trustees for...
- 10 General duties of auditors
- 11 Independence requirement: directors of NHS trusts
- 12 Public interest reports and written recommendations
- 13 Unlawful expenditure or activity