
STATUTORY INSTRUMENTS

2005 No. 1968

The Local Government (Northern Ireland) Order 2005

PART II

LOCAL GOVERNMENT AUDIT

Audit of accounts

Audit of accounts of councils, etc.

3.—(1) The accounts of every local government body—

- (a) shall be made up to the end of each financial year; and
- (b) shall be audited in accordance with this Part by [^{F1}the local government auditor] .

(2) In this Part “local government body” means—

- (a) a council;
- (b) a committee of a council for which accounts are separately kept;
- (c) a joint committee of two or more councils.

(3) Without prejudice to section 19(9)(c) of the principal Act, in its application to a joint committee this Part has effect as if any reference to the district of a council included a reference to the districts of all the councils which have concurred in appointing a joint committee.

F1 Words in art. 3(1)(b) substituted (2.6.2014) by [Local Government Act \(Northern Ireland\) 2014 \(c. 8\)](#), s. 129, [Sch. 7 para. 1](#) (with s. 124(4)); S.R. 2014/153, art. 2, Sch. 1

[^{F2}The local government auditor

4.—(1) The Department may, with the consent of the Comptroller and Auditor General for Northern Ireland, designate a member of the staff of the Northern Ireland Audit Office as the local government auditor.

(2) The local government auditor may make arrangements with the Comptroller and Auditor General for Northern Ireland for members of the staff of the Northern Ireland Audit Office to assist in the performance of the local government auditor's functions.

(3) The Department may, with the consent of the Comptroller and Auditor General for Northern Ireland, designate a member of the staff of the Northern Ireland Audit Office to be known as the deputy local government auditor.

(4) The deputy local government auditor has all the powers of the local government auditor but must exercise them subject to the direction and control of the local government auditor.

(5) The local government auditor must in respect of each financial year—

- (a) prepare a report on the exercise of the local government auditor's functions in that year; and

(b) send a copy of the report to each council and to the Department.

(6) Any sums payable by the local government auditor in consequence of any liability for breach of duty (whether arising under a contract or otherwise) incurred in the performance of the local government auditor's functions are charged on and issued out of the Consolidated Fund.]

F2 Art. 4 substituted (2.6.2014) by [Local Government Act \(Northern Ireland\) 2014 \(c. 8\), ss. 108\(1\), 129](#) (with s. 124(4)); S.R. 2014/153, art. 2, Sch. 1

Commencement Information

I1 Art. 4 wholly in operation at 1.4.2006; art. 4(3) in operation at 1.11.2005 by [S.R. 2005/465, art. 2](#); art. 4(1)(2)(4)(5) in operation at 1.4.2006 by [S.R. 2006/151, art. 2, Sch.](#)

Code of audit practice

5.—(1) The ^{F3}... local government auditor shall prepare, and keep under review, a code of audit practice prescribing the way in which [^{F4}the functions of the local government auditor under this Part are to be carried out] .

(2) The code shall embody what appears to the ^{F5}... local government auditor to be the best professional practice with respect to the standards, procedures and techniques to be adopted by [^{F6}the local government auditor] .

(3) The code does not come into force until approved by a resolution of the Assembly, and its continuation in force is subject to its being so approved at intervals of not more than five years.

(4) Paragraph (3) does not preclude alterations to the code being made by the ^{F7}... local government auditor in the intervals between its being approved in accordance with that paragraph.

(5) The ^{F7}... local government auditor shall send copies of the code, and of any alterations made to the code, to the Department.

(6) The ^{F7}... local government auditor shall publish the code as for the time being in force.

(7) The Department shall lay before the Assembly the code as for the time being in force.

(8) Before preparing or altering the code, the ^{F8}... local government auditor shall consult district councils and—

- (a) such associations or bodies representative of district councils;
- (b) such associations or bodies representative of officers of councils;
- (c) such bodies of accountants; and
- (d) such other bodies or persons,

as appear to him to be appropriate.

F3 Word in [art. 5\(1\)](#) repealed (2.6.2014) by [Local Government Act \(Northern Ireland\) 2014 \(c. 8\), s. 129, Sch. 7 para. 2\(2\)\(a\), Sch. 10](#) (with s. 124(4)); S.R. 2014/153, art. 2, Sch. 1

F4 Words in [art. 5\(1\)](#) substituted (2.6.2014) by [Local Government Act \(Northern Ireland\) 2014 \(c. 8\), s. 129, Sch. 7 para. 2\(2\)\(b\)](#) (with s. 124(4)); S.R. 2014/153, art. 2, Sch. 1

F5 Word in [art. 5\(2\)](#) repealed (2.6.2014) by [Local Government Act \(Northern Ireland\) 2014 \(c. 8\), s. 129, Sch. 7 para. 2\(3\)\(a\), Sch. 10](#) (with s. 124(4)); S.R. 2014/153, art. 2, Sch. 1

F6 Words in [art. 5\(2\)](#) substituted (2.6.2014) by [Local Government Act \(Northern Ireland\) 2014 \(c. 8\), s. 129, Sch. 7 para. 2\(3\)\(b\)](#) (with s. 124(4)); S.R. 2014/153, art. 2, Sch. 1

F7 Word in [art. 5\(4\)\(5\)\(6\)](#) repealed (2.6.2014) by [Local Government Act \(Northern Ireland\) 2014 \(c. 8\), s. 129, Sch. 7 para. 2\(4\), Sch. 10](#) (with s. 124(4)); S.R. 2014/153, art. 2, Sch. 1

F8 Word in art. 5(8) repealed (2.6.2014) by [Local Government Act \(Northern Ireland\) 2014 \(c. 8\)](#), s. 129, [Sch. 7 para. 2\(4\)](#), [Sch. 10](#) (with s. 124(4)); S.R. 2014/153, art. 2, [Sch. 1](#)

Modifications etc. (not altering text)

C1 [Art. 5](#) modified (1.4.2015) by [Local Government Act \(Northern Ireland\) 2014 \(c. 8\)](#), [ss. 102\(a\)](#), 129 (with s. 124(4)); S.R. 2015/209, art. 2, [Sch. 1](#)

General duties of [F⁹the local government auditor]

6.—(1) In auditing accounts required to be audited in accordance with this Part, [F¹⁰the local] government auditor shall by examination of the accounts and otherwise satisfy himself—

- (a) that they are prepared in accordance with regulations under Article 24;
- (b) that they comply with the requirements of all other statutory provisions applicable to the accounts;
- (c) that proper practices have been observed in the compilation of the accounts; and
- (d) that the body whose accounts are being audited has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources.

(2) In auditing any such accounts the [F¹¹local government auditor] shall comply with the code of audit practice as for the time being in force under Article 5.

(3) In relation to a local government body the reference to proper practices in paragraph (1)(c) is a reference to those accounting practices—

- (a) which the body is required to follow by virtue of any statutory provision; or
- (b) which, whether by reference to any generally recognised published code or otherwise, are regarded as proper accounting practices to be followed in the keeping of accounts of local government bodies, either generally or of the description concerned;

but, in the event of any conflict in any respect between the practices falling within sub-paragraph (a) and those falling within sub-paragraph (b), only those falling within sub-paragraph (a) are to be regarded as proper practices.

F9 Words in [art. 6](#) heading substituted (2.6.2014) by [Local Government Act \(Northern Ireland\) 2014 \(c. 8\)](#), s. 129, [Sch. 7 para. 3\(4\)](#) (with s. 124(4)); S.R. 2014/153, art. 2, [Sch. 1](#)

F10 Words in [art. 6\(1\)](#) substituted (2.6.2014) by [Local Government Act \(Northern Ireland\) 2014 \(c. 8\)](#), s. 129, [Sch. 7 para. 3\(2\)](#) (with s. 124(4)); S.R. 2014/153, art. 2, [Sch. 1](#)

F11 Words in [art. 6\(2\)](#) substituted (2.6.2014) by [Local Government Act \(Northern Ireland\) 2014 \(c. 8\)](#), s. 129, [Sch. 7 para. 3\(3\)](#) (with s. 124(4)); S.R. 2014/153, art. 2, [Sch. 1](#)

[F¹²Right] to documents and information

7.—(1) [F¹³The] local government auditor has a right of access at all reasonable times to every document relating to a local government body which appears to him necessary for the purposes of his functions under this Part.

(2) [F¹⁴The] local government auditor may—

- (a) require a person holding or accountable for any such document to give him such information and explanation as he thinks necessary for the purposes of his functions under this Part; and
- (b) if he thinks it necessary, require the person to attend before him in person to give the information or explanation or to produce the document.

- (3) Without prejudice to paragraph (2), the [^{F15}local government] auditor may—
- (a) require any officer or member of a local government body to give him such information or explanation as he thinks necessary for the purposes of his functions under this Part; and
 - (b) if he thinks it necessary, require the officer or member to attend before him in person to give the information or explanation.

(4) Without prejudice to paragraphs (1) to (3), every local government body shall provide [^{F16}the local government auditor] with every facility and all information which he may reasonably require for the purposes of his functions under this Part.

(5) A person who without reasonable excuse fails to comply with any requirement of [^{F17}the local government auditor] under this Article is guilty of an offence and liable on summary conviction—

- (a) to a fine not exceeding level 3 on the standard scale, and
- (b) to an additional fine not exceeding £20 for each day on which the offence continues after conviction for that offence.

(6) If, on an application made by [^{F18}the local] government auditor, the High Court is satisfied that—

- (a) the [^{F19}local government] auditor has made a requirement under this Article; and
- (b) a person or body specified in the application has, without reasonable excuse, failed to comply with that requirement,

the High Court may make an order directing that person or body to comply with that requirement within such time as is specified in the order.

(7) Any expenses incurred by [^{F20}the local government auditor] —

- (a) in connection with proceedings for an offence under paragraph (5) alleged to have been committed in relation to the audit of the accounts of any body, or
- (b) in connection with proceedings under paragraph (6) arising in connection with the audit of the accounts of any body,

are, so far as not recovered from any other source, recoverable from that body.

F12 Word in art. 7 heading substituted (2.6.2014) by [Local Government Act \(Northern Ireland\) 2014 \(c. 8\), s. 129, Sch. 7 para. 4\(8\)](#) (with s. 124(4)); S.R. 2014/153, art. 2, Sch. 1

F13 Word in art. 7(1) substituted (2.6.2014) by [Local Government Act \(Northern Ireland\) 2014 \(c. 8\), s. 129, Sch. 7 para. 4\(2\)](#) (with s. 124(4)); S.R. 2014/153, art. 2, Sch. 1

F14 Word in art. 7(2) substituted (2.6.2014) by [Local Government Act \(Northern Ireland\) 2014 \(c. 8\), s. 129, Sch. 7 para. 4\(3\)](#) (with s. 124(4)); S.R. 2014/153, art. 2, Sch. 1

F15 Words in art. 7(3) inserted (2.6.2014) by [Local Government Act \(Northern Ireland\) 2014 \(c. 8\), s. 129, Sch. 7 para. 4\(4\)](#) (with s. 124(4)); S.R. 2014/153, art. 2, Sch. 1

F16 Words in art. 7(4) substituted (2.6.2014) by [Local Government Act \(Northern Ireland\) 2014 \(c. 8\), s. 129, Sch. 7 para. 4\(5\)](#) (with s. 124(4)); S.R. 2014/153, art. 2, Sch. 1

F17 Words in art. 7(5) substituted (2.6.2014) by [Local Government Act \(Northern Ireland\) 2014 \(c. 8\), s. 129, Sch. 7 para. 4\(5\)](#) (with s. 124(4)); S.R. 2014/153, art. 2, Sch. 1

F18 Words in art. 7(6) substituted (2.6.2014) by [Local Government Act \(Northern Ireland\) 2014 \(c. 8\), s. 129, Sch. 7 para. 4\(6\)\(a\)](#) (with s. 124(4)); S.R. 2014/153, art. 2, Sch. 1

F19 Words in art. 7(6)(a) inserted (2.6.2014) by [Local Government Act \(Northern Ireland\) 2014 \(c. 8\), s. 129, Sch. 7 para. 4\(6\)\(b\)](#) (with s. 124(4)); S.R. 2014/153, art. 2, Sch. 1

F20 Words in art. 7(7) substituted (2.6.2014) by [Local Government Act \(Northern Ireland\) 2014 \(c. 8\), s. 129, Sch. 7 para. 4\(7\)](#) (with s. 124(4)); S.R. 2014/153, art. 2, Sch. 1

Modifications etc. (not altering text)

- C2** Art. 7 modified (1.4.2015) by Local Government Act (Northern Ireland) 2014 (c. 8), ss. 102(a), 129 (with s. 124(4)); S.R. 2015/209, art. 2, Sch. 1
- C3** Art. 7(7) modified (1.4.2015) by Local Government Act (Northern Ireland) 2014 (c. 8), ss. 102(b), 129 (with s. 124(4)); S.R. 2015/209, art. 2, Sch. 1

Audit fees

8. There shall be paid to the Comptroller and Auditor General for Northern Ireland by every body whose accounts are audited by [^{F21}the local government auditor such fees as the local government auditor] may determine.

- F21** Words in art. 8 substituted (2.6.2014) by Local Government Act (Northern Ireland) 2014 (c. 8), s. 129, Sch. 7 para. 5 (with s. 124(4)); S.R. 2014/153, art. 2, Sch. 1

Modifications etc. (not altering text)

- C4** Art. 8 modified (1.4.2015) by Local Government Act (Northern Ireland) 2014 (c. 8), ss. 102(c), 129 (with s. 124(4)); S.R. 2015/209, art. 2, Sch. 1

Changes to legislation:

There are currently no known outstanding effects for the The Local Government (Northern Ireland) Order 2005, Cross Heading: Audit of accounts.