



Local Government Finance Act 1988

1988 CHAPTER 41

PART VIII

FINANCIAL ADMINISTRATION

114 Functions of responsible officer as regards reports.

- (1) On and after the commencement day the person having responsibility for the administration of the financial affairs of a relevant authority under section 151 of the 1972 Act, section 73 of the 1985 Act [^{F1} section 127 of the 1999 Act,]^{F2} section 4D or 4I of the 2004 Act]^{F3}, or Schedule 1, 2 or 4 to the 2011 Act] or section 112 above shall have the duties mentioned in this section, without prejudice to any other functions; and in this section he is referred to as the chief finance officer of the authority.
- (2) [^{F4}Subject to subsection (2A),] the chief finance officer of a relevant authority shall make a report under this section if it appears to him that the authority, a committee [^{F5}of the authority, a person holding any office or employment under the authority, a member of [^{F6}the relevant police force],], or a joint committee on which the authority is represented—
- (a) has made or is about to make a decision which involves or would involve the authority incurring expenditure which is unlawful,
 - (b) has taken or is about to take a course of action which, if pursued to its conclusion, would be unlawful and likely to cause a loss or deficiency on the part of the authority, or
 - (c) is about to enter an item of account the entry of which is unlawful.
- [^{F7}(2ZA) In the case of a section 4A fire and rescue authority the reference to a person holding any office or employment under the authority includes a member of staff of the relevant police and crime commissioner who is exercising functions of that authority by virtue of an order under section 4A of the 2004 Act.]
- [^{F8}(2A) Where a relevant authority is operating executive arrangements, the chief finance officer of the relevant authority shall not make a report under subsection (2) in respect of any action referred to in paragraph (a), (b) or (c) of that subsection unless it is action taken otherwise than by or on behalf of the relevant authority's executive.]

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- (3) The chief finance officer of a relevant authority shall make a report under this section if it appears to him that the expenditure of the authority incurred (including expenditure it proposes to incur) in a financial year is likely to exceed the resources (including sums borrowed) available to it to meet that expenditure.
- [^{F9}(3A) It shall be the duty of the chief finance officer of a relevant authority [^{F10}(except where the relevant authority is a chief officer of police)], in preparing a report in pursuance of subsection (2) above, to consult so far as practicable—
- [^{F11}(a) with—
- (i) in the case of a Welsh county council or county borough council, the person who is for the time being appointed as the authority’s chief executive under section 54 of the Local Government and Elections (Wales) Act 2021;
 - (ii) in the case of a corporate joint committee, the person who is for the time being appointed as the authority’s chief executive;
 - (iii) in any other case, the person who is for the time being designated as the head of the authority’s paid service under section 4 of the Local Government and Housing Act 1989;] and
- (b) with the person who is for the time being responsible for performing the duties of the authority’s monitoring officer under section 5 of [^{F12}the Local Government and Housing Act 1989].]
- [^{F13}(3B) ^{F14}.....]
- (3C) Subsection (3A) above shall have effect in relation to Transport for London with the substitution for paragraphs (a) and (b) of the words “with the person who is for the time being designated for the purpose under subsection (3D) below”.
- (3D) Transport for London shall designate a member of Transport for London, or a member of the staff of Transport for London, as the person who is to be consulted under subsection (3A) above.]
- (4) Where a chief finance officer of a relevant authority has made a report under this section he shall send a copy of it to—
- (a) the person who at the time the report is made has the duty to audit the authority’s accounts, and
- [^{F15}(b) in the case of—
- (i) a police and crime commissioner, the commissioner and each member of the police and crime panel for the commissioner’s police area;
 - (ii) the Mayor’s Office for Policing and Crime, that Office and each member of the police and crime panel of the London Assembly;
 - (iii) a chief officer of police, [^{F16}in relation to a report about the exercise of policing functions of the chief officer] the chief officer and the elected local policing body;
- [^{F17}(iiia) a chief officer of police in relation to a report about the exercise of fire and rescue functions of the chief officer, the chief officer and the relevant section 4A fire and rescue authority;
- (iiib) a chief officer of police in relation to a report about the exercise of policing and fire and rescue functions of the chief officer, the chief officer, the elected local policing body and the relevant section 4A fire and rescue authority;

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(iiic) a section 4A fire and rescue authority, the relevant police and crime commissioner and each member of the relevant police and crime panel;] and

(iv) any other relevant authority, each person who is at that time a member of the authority; and]

^{F18}(c) in a case where the relevant authority has a mayor and council manager executive, the person who at the time the report is made is the council manager of that authority

[^{F19}(4A) The duty under subsection (4)(b) above—

(a) in a case where the relevant authority is the Greater London Authority, is to send a copy of the report to the Mayor of London and to each member of the London Assembly; and

(b) in a case where the relevant authority is a functional body, within the meaning of the 1999 Act, includes a duty to send a copy of the report to the Mayor of London and to the Chair of the Assembly, within the meaning of that Act.]

(5) Subject to subsection (6) below, the duties of a chief finance officer of a relevant authority under subsections (2) and (3) above shall be performed by him personally.

(6) If the chief finance officer is unable to act owing to absence or illness his duties under subsections (2) and (3) above shall be performed—

(a) by such member of his staff as is a member of one or more of the bodies mentioned in section 113(3) above and is for the time being nominated by the chief finance officer for the purposes of this section, or

(b) if no member of his staff is a member of one or more of those bodies, by such member of his staff as is for the time being nominated by the chief finance officer for the purposes of this section.

(7) A relevant authority shall provide its chief finance officer with such staff, accommodation and other resources as are in his opinion sufficient to allow his duties under this section to be performed.

(8) In this section—

(a) references to a joint committee are to a committee on which two or more relevant authorities are represented, and

(b) references to a committee (joint or otherwise) include references to a sub-committee.

[^{F20}(8A) In this section “relevant police force”, in relation to the chief finance officer of a relevant authority, means—

(a) in the case where the relevant authority is a chief officer of police, the police force of which that person is chief officer;

(b) in any other case, the police force maintained by the relevant authority.]

^{F21}(9)

Textual Amendments

F1 Words in s. 114(1) inserted (8.5.2000 for certain purposes and otherwise 3.7.2000) by 1999 c. 29, s. 130(1)(2) (with Sch. 12 para. 9(1)); S.I. 1999/3434, arts. 3, 4

F2 Words in s. 114(1) inserted (22.2.2018) by The Policing and Crime Act 2017 (Consequential Amendments) Regulations 2018 (S.I. 2018/226), reg. 1, Sch. para. 3(2)

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- F3** Words in s. 114(1) inserted (16.1.2012) by Police Reform and Social Responsibility Act 2011 (c. 13), s. 157(1), **Sch. 16 para. 188(2)**; S.I. 2011/3019, art. 3, Sch. 1
- F4** Words in s. 114(2) inserted (E.) (11.7.2001) by S.I. 2001/2237, **art. 20(1)(a)** and inserted (W.) (1.4.2002) by S.I. 2002/808, **art. 19(1)(a)**
- F5** Words in s. 114(2) substituted (1.10.1994) by 1994 c. 29, s. 43, **Sch. 4 Pt. I para. 34**; S.I. 1994/2025, **art. 6(1)(2)(e)(g)**
- F6** Words in s. 114(2) substituted (16.1.2012) by Police Reform and Social Responsibility Act 2011 (c. 13), s. 157(1), **Sch. 16 para. 188(3)**; S.I. 2011/3019, art. 3, Sch. 1
- F7** S. 114(2ZA) inserted (22.2.2018) by The Policing and Crime Act 2017 (Consequential Amendments) Regulations 2018 (S.I. 2018/226), reg. 1, **Sch. para. 3(3)**
- F8** S. 114(2A) inserted (E.) (11.7.2001) by S.I. 2001/2237, **art. 20(1)(b)** and inserted (W.) (1.4.2002) by S.I. 2002/808, **art. 19(1)(b)**
- F9** S. 114(3A) inserted by Local Government and Housing Act 1989 (c. 42, SIF 81:1), s. 139, **Sch. 5 para. 66**
- F10** Words in s. 114(3A) inserted (16.1.2012) by Police Reform and Social Responsibility Act 2011 (c. 13), s. 157(1), **Sch. 16 para. 188(4)**; S.I. 2011/3019, art. 3, Sch. 1
- F11** S. 114(3A)(a) substituted (5.5.2022) by 2021 asc 1, **Sch. 5 para. 3(a)** (as substituted by The Corporate Joint Committees (General) (No. 2) (Wales) Regulations 2021 (S.I. 2021/1349), regs. 1(2), **42(3)(a)(ii)**)
- F12** Words in s. 114(3A)(b) substituted (3.12.2021) by The Corporate Joint Committees (General) (No. 2) (Wales) Regulations 2021 (S.I. 2021/1349), regs. 1(2), **6(2)(b)**
- F13** S. 114(3B)-(3D) inserted (8.5.2000 for certain purposes and otherwise 3.7.2000) by 1999 c. 29, s. **130(1)(3)** (with Sch. 12 para. 9(1)); S.I. 1999/3434, **arts. 3, 4**
- F14** S. 114(3B) repealed (31.3.2012) by Localism Act 2011 (c. 20), s. 240(2), **Sch. 25 Pt. 32**; S.I. 2012/628, art. 4(d)
- F15** S. 114(4)(b) substituted (16.1.2012) by Police Reform and Social Responsibility Act 2011 (c. 13), s. 157(1), **Sch. 16 para. 188(5)**; S.I. 2011/3019, art. 3, Sch. 1
- F16** Words in s. 114(4)(b)(iii) inserted (22.2.2018) by The Policing and Crime Act 2017 (Consequential Amendments) Regulations 2018 (S.I. 2018/226), reg. 1, **Sch. para. 3(4)(a)**
- F17** S. 114(4)(b)(iiia)-(iiic) inserted (22.2.2018) by The Policing and Crime Act 2017 (Consequential Amendments) Regulations 2018 (S.I. 2018/226), reg. 1, **Sch. para. 3(4)(b)**
- F18** S. 114(4)(c) and preceding “; and” added (E.) (11.7.2001) by S.I. 2001/2237, **art. 20(1)(c)** and added (W.) (1.4.2002) by S.I. 2002/808, **art. 19(1)(c)**
- F19** S. 114(4A) inserted (8.5.2000 for certain purposes and otherwise 3.7.2000) by 1999 c. 29, s. **130(1)(4)** (with Sch. 12 para. 9(1)); S.I. 1999/3434, **arts. 3, 4**
- F20** S. 114(8A) inserted (16.1.2012) by Police Reform and Social Responsibility Act 2011 (c. 13), s. 157(1), **Sch. 16 para. 188(6)**; S.I. 2011/3019, art. 3, Sch. 1
- F21** S. 114(9) repealed (1.4.2002) by 2001 c. 16, ss. 128, 137, Sch. 6 Pt. 2 para. 48, **Sch. 7 Pt. 5(1)**; S.I. 2002/344, **art. 3(k)(m)** (with transitional provisions in art. 4)

Modifications etc. (not altering text)

- C1** S. 114 amended (28.11.1994) by S.I. 1994/2825, **regs. 36, 37(1), 38**
S. 114 applied (with modifications) (28.11.1994) by S.I. 1994/2825, **reg. 37(1)**
- C2** Ss. 114-116 applied (with modifications) (5.3.2008) by The Cheshire (Structural Changes) Order 2008 (S.I. 2008/634), arts. 1, **8(5)**
- C3** Ss. 114-116 applied (with modifications) (28.3.2008) by The Bedfordshire (Structural Changes) Order 2008 (S.I. 2008/907), arts. 1, **17(5)**
- C4** S. 114 excluded (8.5.2017) by The Greater Manchester Combined Authority (Transfer of Police and Crime Commissioner Functions to the Mayor) Order 2017 (S.I. 2017/470), art. 1(2), **Sch. 2 para. 14**
- C5** S. 114 applied (with modifications) (8.5.2017) by The Greater Manchester Combined Authority (Transfer of Police and Crime Commissioner Functions to the Mayor) Order 2017 (S.I. 2017/470), art. 1(2), **Sch. 1 para. 7(2)**
- C6** Ss. 114-116 applied (with modifications) (25.5.2018) by The East Suffolk (Local Government Changes) Order 2018 (S.I. 2018/640), arts. 1, **9(6)**

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- C7** Ss. 114-116 applied (with modifications) (25.5.2018) by [The West Suffolk \(Local Government Changes\) Order 2018 \(S.I. 2018/639\)](#), arts. 1, **9(6)**
- C8** Ss. 114-116 applied (26.5.2018) by [The Bournemouth, Dorset and Poole \(Structural Changes\) Order 2018 \(S.I. 2018/648\)](#), arts. 1, **28(6)**
- C9** Ss. 114-116 applied (with modifications) (26.5.2018) by [The Somerset West and Taunton \(Local Government Changes\) Order 2018 \(S.I. 2018/649\)](#), arts. 1, **9(6)**
- C10** Ss. 114-116 applied with modifications (26.5.2018) by [The Bournemouth, Dorset and Poole \(Structural Changes\) Order 2018 \(S.I. 2018/648\)](#), arts. 1, **13(6)**
- C11** Ss. 114-115 applied (with modifications) (23.5.2019) by [The Buckinghamshire \(Structural Changes\) Order 2019 \(S.I. 2019/957\)](#), arts. 1, **7(5)**
- C12** Ss. 114-115 applied (with modifications) (14.2.2020) by [The Northamptonshire \(Structural Changes\) Order 2020 \(S.I. 2020/156\)](#), arts. 1, **9(6)**
- C13** S. 114 applied (with modifications) by S.I. 2017/469, **Sch. 1 para. 1(2)** (as inserted (26.6.2020) by [The Greater Manchester Combined Authority \(Fire and Rescue Functions\) \(Amendment\) Order 2020 \(S.I. 2020/641\)](#), arts. 1, **9**)
- C14** Ss. 114-115 applied (with modifications) (18.3.2022) by [The Cumbria \(Structural Changes\) Order 2022 \(S.I. 2022/331\)](#), arts. 1(1), **9(6)**
- C15** S. 114 modified (20.12.2023) by [The York and North Yorkshire Combined Authority Order 2023 \(S.I. 2023/1432\)](#), arts. 1(2), 33(2), **Sch. 5 para. 7(2)**
- C16** S. 114 applied (with modifications) (20.12.2023) by [The York and North Yorkshire Combined Authority Order 2023 \(S.I. 2023/1432\)](#), arts. 1(2), 46(2), **Sch. 7 para. 2(2)**

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Changes and effects yet to be applied to :

- s. 114(3A)(a) words inserted by [2021 asc 1 Sch. 5 para. 3\(a\)](#) (This amendment not applied to legislation.gov.uk. 2021 asc 1, Sch. 5 para. 3(a) substituted (3.12.2021) by S.I. 2021/1349, regs. 1(2), 42(3)(a)(i))
- s. 114(3A)(b) words substituted by [2021 asc 1 Sch. 5 para. 3\(b\)](#) (This amendment not applied to legislation.gov.uk. 2021 asc 1, Sch. 5 para. 3(b) omitted (3.12.2021) by S.I. 2021/1349, regs. 1(2), 42(3)(a)(ii))

Changes and effects yet to be applied to the whole Act associated Parts and Chapters:

- Act applied (with modifications) by [S.I. 2024/414 art. 5Sch. 1 para. 7](#)

Whole provisions yet to be inserted into this Act (including any effects on those provisions):

- s. 44A(2A) inserted by [2023 c. 53 Sch. para. 2\(b\)](#)
- s. 44A(5)(e) inserted by [2023 c. 53 Sch. para. 2\(c\)](#)
- s. 52A inserted by [2023 c. 53 s. 8](#)
- s. 54(7A) inserted by [2023 c. 53 Sch. para. 34](#)
- s. 57A(7A) inserted by [2023 c. 53 Sch. para. 4\(d\)](#)
- s. 63A(1A) inserted by [2023 c. 53 s. 12\(1\)](#)
- s. 63E inserted by [2023 c. 53 s. 12\(2\)](#)
- s. 67(1A) inserted by [2023 c. 53 Sch. para. 7\(a\)](#)
- s. 67(8A)(8B) inserted by [2023 c. 53 Sch. para. 37\(a\)](#)
- s. 143(7A)-(7F) inserted by [2023 c. 53 Sch. para. 8\(c\)](#)
- s. 143(9AZB) inserted by [2023 c. 53 Sch. para. 39\(a\)](#)
- Sch. 4ZA inserted by [2023 c. 53 s. 1\(3\)](#)
- Sch. 4ZB inserted by [2023 c. 53 s. 2\(4\)](#)
- Sch. 5A para. 8 inserted by [2023 c. 53 Sch. para. 38](#)
- Sch. 5A inserted by [2023 c. 53 s. 3\(3\)](#)
- Sch. 9 para. 4B-4H and cross-heading inserted by [2023 c. 53 s. 13\(2\)](#)
- Sch. 9 para. 4I-4M and cross-heading inserted by [2023 c. 53 s. 13\(3\)](#)
- Sch. 9 para. 5BA-5BC and cross-heading inserted by [2023 c. 53 s. 13\(6\)](#)
- Sch. 9 para. 5BD-5BF and cross-heading inserted by [2023 c. 53 s. 13\(7\)](#)
- Sch. 9 para. 5CA and cross-heading inserted by [2023 c. 53 Sch. para. 46](#)
- Sch. 9 para. 5CB inserted by [2023 c. 53 Sch. para. 47](#)
- Sch. 9 para. 5F(1A)(1B) inserted by [2023 c. 53 Sch. para. 49\(c\)](#)
- Sch. 9 para. 5F(A1) inserted by [2023 c. 53 Sch. para. 49\(a\)](#)
- Sch. 9 para. 5FA inserted by [2023 c. 53 Sch. para. 50](#)
- Sch. 9 para. 5FB inserted by [2023 c. 53 Sch. para. 51](#)
- Sch. 9 para. 5ZA5ZB and cross-heading inserted by [2023 c. 53 s. 13\(4\)](#)
- Sch. 9 para. 5ZC-5ZF and cross-heading inserted by [2023 c. 53 s. 13\(5\)](#)
- Sch. 9 para. 7B inserted by [2023 c. 53 s. 10](#)