



Greater London Authority Act 1999

1999 CHAPTER 29

PART III

FINANCIAL PROVISIONS

CHAPTER V

FINANCIAL ADMINISTRATION, ACCOUNTS AND AUDIT

Financial administration

127 Proper financial administration and chief finance officer

- (1) In this section “relevant authority” means—
 - (a) the Authority; or
 - (b) a functional body.
- (2) Every relevant authority—
 - (a) shall make arrangements for the proper administration of its financial affairs; and
 - (b) shall secure that one of its officers (its “chief finance officer”) has responsibility for the administration of those affairs.
- (3) No person may be the chief finance officer of two or more relevant authorities at the same time.
- (4) In subsection (2)(b) above, the reference to officers includes a reference to employees or members of staff and, in the case of Transport for London and the London Development Agency, includes a reference to members of the relevant authority.
- (5) The chief finance officer of the Authority must be a member of staff appointed under section 67(2) above.

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- (6) The function of appointing the Authority’s chief finance officer under subsection (2) (b) above shall be a function of the Authority which is exercisable on behalf of the Authority by the Assembly after consultation with the Mayor.
- (7) If the Mayor is a member of Transport for London, he must not be its chief finance officer.
- (8) In section 2 of the Local Government and Housing Act 1989 (politically restricted posts) in subsection (6)(d) (the effect of which is that the chief finance officer appointed under certain provisions is included among “the chief statutory officers” for the purposes of that section) after “section 112 of the Local Government Finance Act 1988” there shall be inserted “, section 127(2) of the Greater London Authority Act 1999”.

128 Application of Part VIII of Local Government Finance Act 1988

- (1) Section 111 of the Local Government Finance Act 1988 (interpretation of Part VIII (financial administration)) shall be amended as follows.
- (2) In subsection (2) (which specifies the bodies which are relevant authorities for the purposes of Part VIII) after paragraph (b) there shall be inserted—
 - “(bb) the Greater London Authority;
 - (bc) a functional body, within the meaning of the 1999 Act;
 - (bd) the London Pensions Fund Authority;”.
- (3) In subsection (3) (meaning of “1972 Act” etc) at the end there shall be added “and the 1999 Act is the Greater London Authority Act 1999”.

129 Qualifications of chief finance officer

In section 113(1) of the Local Government Finance Act 1988 (requirements to be fulfilled by person having responsibility for administration of financial affairs under certain provisions) after “section 73 of the 1985 Act” there shall be inserted “, section 127 of the 1999 Act”.

130 Functions of chief finance officer as regards reports

- (1) Section 114 of the Local Government Finance Act 1988 (functions of responsible officer as regards reports) shall be amended as follows.
- (2) In subsection (1) (person having responsibility for administration of financial affairs under certain provisions to have functions as regards reports) after “section 73 of the 1985 Act” there shall be inserted “, section 127 of the 1999 Act”.
- (3) After subsection (3A) (preparation of report: duty to consult head of paid service and monitoring officer) there shall be inserted—
 - “(3B) Subsection (3A) above shall have effect in relation to the London Development Agency with the substitution for paragraphs (a) and (b) of the words “with the person who is for the time being appointed under paragraph 4(2) of Schedule 2 to the Regional Development Agencies Act 1998 as the chief executive of the London Development Agency”.

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- (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) After subsection (4) (duty to send copy of report to each member of the authority etc) there shall be inserted—
- “(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.”

131 Duties of Authority or functional body as regards reports

- (1) Section 115 of the Local Government Finance Act 1988 (authority’s duties as regards reports) shall be amended as follows.
- (2) After subsection (1) there shall be inserted—
- “(1A) Where the report under section 114 above is a report by the chief finance officer of the Greater London Authority, section 115A below shall have effect in place of subsections (2) and (3) below.”
- (3) After subsection (3) there shall be inserted—
- “(3A) In the case of the London Development Agency or Transport for London, Part VA of the 1972 Act (access to meetings etc) shall have effect in relation to the meeting as if that authority were a principal council.”
- (4) After subsection (4) (which prevents delegation under section 101(2) of the Local Government Act 1972) there shall be inserted—
- “(4A) In the case of the London Development Agency or Transport for London, neither—
- (a) paragraph 7 of Schedule 2 to the Regional Development Agencies Act 1998 (delegation by London Development Agency etc), nor
 - (b) paragraph 7 of Schedule 10 to the 1999 Act (delegation by Transport for London),
- shall apply to the duty under subsection (2) above.”
- (5) After subsection (9) (the prohibition period) there shall be inserted—
- “(9A) In the application of this section where the report under section 114 above is a report by the chief finance officer of the Greater London Authority, subsection (9) above shall have effect with the substitution for paragraph (b) of—

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“(b) ending with the first business day to fall after the day (if any) on which the Mayor makes the decisions under section 115A(6) below”.

(6) In subsection (10) (immaterial for subsection (9)(b) that subsection (3) is not complied with) after “subsection (3) above” there shall be inserted “, or, where section 115A below applies, subsection (4) or (8) of that section,”.

(7) In subsection (11) (nature of decisions at meeting immaterial for subsection (9)(b)) after “decisions made at the meeting” there shall be inserted “, or, where section 115A below applies, by the Mayor under subsection (6) of that section,”.

(8) After subsection (12) there shall be added—

“(13) In the application of this section in relation to the Greater London Authority, the references to the authority in subsections (5) to (12) above shall be taken as references to the Greater London Authority whether acting by the Mayor, the Assembly or the Mayor and Assembly acting jointly.

(14) In this section—

“the Assembly” means the London Assembly;

“the Mayor” means the Mayor of London.”

(9) After section 115 of the Local Government Finance Act 1988 there shall be inserted—

“115A Duties of Mayor of London and London Assembly as regards reports

(1) This section applies where copies of a report under section 114 above by the chief finance officer of the Greater London Authority have been sent under section 114(4) above.

(2) The Mayor shall consider the report preparatory to making the decisions under subsection (6) below.

(3) The Assembly shall consider the report at a meeting where it shall decide—

- (a) whether it agrees or disagrees with the views contained in the report; and
- (b) what action (if any) it recommends that the Mayor should take in consequence of it.

(4) The meeting must be held not later than the end of the period of 21 days beginning with the day on which the copies of the report are sent.

(5) The Mayor must attend the meeting.

(6) After the meeting, the Mayor shall decide—

- (a) whether he agrees or disagrees with the views contained in the report; and
- (b) what action (if any) he proposes to take in consequence of it.

(7) In making any decision under subsection (6) above, the Mayor shall take account of any views or recommendations of the Assembly at the meeting.

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- (8) The Mayor must make the decisions under subsection (6) above before the end of the period of 14 days beginning with the day on which the meeting of the Assembly concludes.
- (9) Any functions of the Mayor under this section must be exercised by the Mayor personally.
- (10) Section 54 of the 1999 Act (discharge of Assembly functions by committees etc) shall not apply in relation to any function of the Assembly under this section.
- (11) In this section—
 - “the Assembly” means the London Assembly;
 - “the Mayor” means the Mayor of London.”

132 Monitoring officer not to be chief finance officer etc

- (1) Section 5 of the Local Government and Housing Act 1989 (designation and reports of monitoring officer) shall be amended as follows.
- (2) In subsection (8) (interpretation) in the definition of “chief finance officer” after “Local Government Finance Act 1988” there shall be inserted “, section 127(2) of the Greater London Authority Act 1999”.

Accounts and audit

133 Application of the Audit Commission Act 1998

- (1) In Schedule 2 to the Audit Commission Act 1998 (accounts subject to audit) in paragraph 1 (bodies to whose accounts section 2 applies) after paragraph (b) there shall be inserted—
 - “(bb) the Greater London Authority;
 - (bc) a functional body;
 - (bd) the London Pensions Fund Authority;”.
- (2) Schedule 8 to this Act (which makes further amendments of the Audit Commission Act 1998) shall have effect.

134 Summary statement of accounts of Authority and other bodies

- (1) For each financial year the Authority shall prepare a summary statement of accounts.
- (2) The summary statement of accounts shall be in respect of the Authority, the functional bodies and the London Pensions Fund Authority.
- (3) Subsection (1) above is without prejudice to any other duty of the Authority, a functional body or the London Pensions Fund Authority to prepare accounts or statements of accounts.
- (4) Section 14 of the Audit Commission Act 1998 (inspection of statements of accounts and auditors' reports) shall apply in relation to a summary statement of accounts required to be prepared under this section as it applies in relation to a statement of accounts prepared by the Authority under regulations under section 27 of that Act.

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- (5) Sections 15 to 24 of the Audit Commission Act 1998 (public inspection etc and action by the auditor, and prevention of unlawful expenditure) shall not apply in relation to a summary statement of accounts required to be prepared under this section.
- (6) Section 27 of the Audit Commission Act 1998 (accounts and audit regulations) shall apply in relation to a summary statement of accounts required to be prepared under this section as it applies in relation to accounts or statements of accounts.

135 Information for purposes of section 134

- (1) A body to which this section applies shall, at the request of the Mayor, provide the Authority with such information relating to any accounts or statement of accounts of the body as may be specified or described in the request.
- (2) The bodies to which this section applies are—
 - (a) each of the functional bodies; and
 - (b) the London Pensions Fund Authority.
- (3) The information shall be provided in such form and manner, and within such time, as may be specified in the request.
- (4) The information that may be requested under subsection (1) above is such information as may be required for the purpose of discharging the functions of the Authority under or by virtue of section 134 above.