



Local Democracy, Economic Development and Construction Act 2009

2009 CHAPTER 20

PART 2

LOCAL AUTHORITIES: GOVERNANCE AND AUDIT

CHAPTER 3

AUDIT OF ENTITIES CONNECTED WITH LOCAL AUTHORITIES

Supplementary

50 Fees

- (1) An entity in relation to which a person is appointed under this Chapter must pay the appointing audit authority a fee in respect of the discharge by that person of any of the functions specified by subsection (2) in relation to the entity.
- (2) Those functions are—
 - (a) functions under section 44(2) to (5);
 - (b) functions under sections 45 to 49.
- (3) The entity must pay a fee under this section at such time, and otherwise in accordance with such requirements, as the audit authority may specify.
- (4) The amount of a fee payable under this section is, subject as follows, to be such as may be specified in or determined under a scale or scales of fees prescribed by the audit authority for the purposes of this section.
- (5) Before prescribing a scale of fees under subsection (4) the audit authority must consult—
 - (a) such associations of local authorities, and

Status: This is the original version (as it was originally enacted).

- (b) such bodies of accountants,
as it considers appropriate.
- (6) A scale of fees under this section is not to provide for the amount of a fee to be different depending on whether or not the person appointed under this Chapter is a member of staff of the audit authority.
- (7) A scale of fees under this section and standard terms and conditions under section 43 are not to provide for fees of different amounts in respect of—
 - (a) the discharge of a function referred to in subsection (2)(a), and
 - (b) the discharge of an equivalent function pursuant to an appointment pursuant to section 43(1).
- (8) If the Secretary of State considers it desirable or necessary to do so, the Secretary of State may by regulations prescribe a scale or scales of fees to have effect, for such period as is specified in the regulations, in place of any scale or scales prescribed by the Audit Commission under subsection (4).
- (9) Before making any regulations under subsection (8) the Secretary of State must consult—
 - (a) the Audit Commission, and
 - (b) such associations of local authorities, and such bodies of accountants, as the Secretary of State considers appropriate.
- (10) If the Welsh Ministers consider it desirable or necessary to do so, they may by regulations prescribe a scale or scales of fees to have effect, for such period as is specified in the regulations, in place of any scale or scales prescribed by the Auditor General for Wales under subsection (4).
- (11) Before making any regulations under subsection (10) the Welsh Ministers must consult—
 - (a) the Auditor General for Wales, and
 - (b) such associations of local authorities, and such bodies of accountants, as the Welsh Ministers consider appropriate.
- (12) If it appears to the audit authority that the work involved in a particular case differed (or is likely to differ) substantially from that envisaged by the person prescribing the appropriate scale, the audit authority may charge a fee of an amount different from that referred to in subsection (4).

51 Power of audit authority to require information

- (1) At any time after the appointment of a person under this Chapter in relation to an entity, the appointing audit authority may for the purpose specified in subsection (2) require the entity to produce to it—
 - (a) the accounts audited by the person pursuant to section 43 or under section 44, or
 - (b) any other document or information relating to the entity to which the person has or had a right of access under or pursuant to this Chapter.
- (2) The purpose referred to in subsection (1) is to enable an audit authority to secure that persons appointed by the authority under this Chapter maintain proper standards.

52 Subsidiaries of Passenger Transport Executives

- (1) For the purposes of this Chapter, where a relevant entity is an undertaking in relation to which a Passenger Transport Executive is a parent undertaking, the entity is to be regarded as connected with the Integrated Transport Authority for the area for which the Executive is established.
- (2) In this section—
 - “undertaking” has the meaning given by section 1161 of the [Companies Act 2006 \(c. 46\)](#);
 - “parent undertaking” has the meaning given by section 1162 of that Act.
- (3) Section 31 of the [Audit Commission Act 1998 \(c. 18\)](#) is repealed.