



Local Audit and Accountability Act 2014

2014 CHAPTER 2

PART 2

BASIC CONCEPTS AND REQUIREMENTS

5 Modification of Act in relation to smaller authorities

- (1) The Secretary of State may by regulations make provision about the audit of the accounts of smaller authorities.
- (2) Regulations under subsection (1) may, in particular, provide for any provision of or made under this Act not to apply, or to apply with modifications, in relation to smaller authorities.
- (3) Subsection (2) applies to a provision of or made under this Act even if it makes specific provision about a smaller authority to which the regulations apply.
- (4) Regulations under subsection (1) may, in particular—
 - (a) provide for the appointment, by a person specified by the Secretary of State, of a local auditor in relation to the audit of the accounts of a smaller authority;
 - (b) make provision about the persons that may be specified by the Secretary of State;
 - (c) make provision about the procedure for specifying a person and for a person's specification to come to an end in specified circumstances;
 - (d) make provision about the consequences of a person's specification coming to an end, including for the exercise of functions by the Secretary of State and the transfer of the person's rights and liabilities arising by virtue of the regulations to the Secretary of State or another specified person;
 - (e) confer functions on a specified person, including in relation to—
 - (i) the appointment of local auditors under the regulations,
 - (ii) the activities of such auditors, and
 - (iii) the resignation or removal from office of such auditors;
 - (f) require a specified person to consult such persons as are specified in the regulations before exercising specified functions;

Changes to legislation: Local Audit and Accountability Act 2014, Section 5 is up to date with all changes known to be in force on or before 27 April 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details) View outstanding changes

- (g) make provision for the appointment of a local auditor in relation to the accounts of a smaller authority to which arrangements within paragraph (a) apply where the specified person does not make an appointment under the regulations (and in particular for such an appointment to be made by the authority or the Secretary of State).
- (5) Regulations under subsection (1) may, in particular—
- (a) make provision about the smaller authorities to which arrangements within subsection (4)(a) apply, including provision for them to apply to an authority that has opted into them or has not opted out of them;
 - (b) make provision about the procedures to be followed in relation to opting into or out of those arrangements;
 - (c) impose duties on smaller authorities to which those arrangements apply, including duties as to—
 - (i) the payment of fees to a specified person, and
 - (ii) the provision of information to a specified person;
 - (d) make provision for the making of payments, in specified circumstances and by the smaller authorities to which those arrangements apply, to a fund of a specified kind for the purposes of meeting local auditors' costs of a specified kind.
- (6) Provision made by regulations under subsection (1) by virtue of subsection (5)(c)(i) may, in particular—
- (a) provide for fees to be paid in accordance with a scale or scales of fees determined by a specified person, and
 - (b) provide for the payment in specified circumstances of a larger or smaller fee than is set out in the appropriate scale.
- (7) Regulations under subsection (1) may, in particular—
- (a) make provision about the eligibility of a person to be appointed as a local auditor of the accounts of a smaller authority;
 - (b) make provision about the functions of a local auditor in relation to the accounts of a smaller authority.
- (8) Regulations under subsection (1) may, in particular—
- (a) provide that, in specified circumstances, the accounts of a smaller authority of a specified description are to be exempt from specified audit requirements;
 - (b) make provision for an exemption under paragraph (a) not to apply or to cease to apply to an authority in specified circumstances.
- (9) In this section “specified” (except in the expressions “person specified by the Secretary of State” and “specified person”) means specified in regulations under subsection (1).

Commencement Information

- 11** S. 5 in force at 18.6.2014 for specified purposes by [S.I. 2014/1596, art. 2\(a\)](#)
- 12** S. 5 in force at 16.12.2014 in so far as not already in force by [S.I. 2014/3319, art. 2\(d\)](#)

Changes to legislation:

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[View outstanding changes](#)

Changes and effects yet to be applied to :

- specified provision(s) amendment to earlier commencing S.I. 2015/841 by [S.I. 2016/675 art. 2](#)