



2014 CHAPTER 8

PART 12

PERFORMANCE IMPROVEMENT

Special inspections

Special inspections

98.—(1) The local government auditor may carry out an inspection of a council's compliance with the requirements of this Part if the local government auditor is of the opinion that the council may fail to comply with the requirements of this Part.

(2) But the local government auditor must, before deciding whether to carry out an inspection—

- (a) consult the Department; and
- (b) in a case where the local government auditor has stated in a report under section 95(2)(g) that the local government auditor is minded to carry out a special inspection, consider any statement made by the council in response in accordance with section 96(2).

(3) An inspection under subsection (1) may relate to some or all of a council's functions.

(4) The Department may direct the local government auditor to carry out an inspection of compliance with the requirements of this Part by a council and the local government auditor must comply with the direction.

(5) A direction under subsection (4) may relate to some or all of a council's functions.

- (6) Before giving a direction under subsection (4), the Department must consult the local government auditor.
- (7) The local government auditor must notify a council if—
- (a) the local government auditor decides to carry out an inspection of the council under subsection (1); or
 - (b) the Department has directed the local government auditor to carry out an inspection of the council under subsection (4).
- (8) The notification must specify the functions to which the inspection relates.
- (9) In carrying out an inspection, and, in the case of an inspection under subsection (1), deciding whether to do so, the local government auditor must have regard to any guidance issued by the Department.
- (10) For the purposes of this Part, an inspection under this section is referred to as a special inspection.
- (11) In this section a reference to a council's functions includes a reference to arrangements made to facilitate or support the exercise of its functions.

Reports of special inspections

- 99.—**(1) Where the local government auditor has carried out a special inspection the local government auditor must issue a report.
- (2) A report—
- (a) must mention any matter in respect of which the local government auditor believes as a result of the inspection that the council is failing or may fail to comply with the requirements of this Part; and
 - (b) may, if it mentions a matter under paragraph (a), recommend that the Department give a direction under section 100.
- (3) The local government auditor—
- (a) must send a copy of a report to the council concerned and the Department;
 - (b) if a report makes a recommendation under subsection (2)(b), must as soon as reasonably practicable arrange for the recommendation to be published; and
 - (c) may publish a report and any information in respect of a report.
- (4) If a report states that the local government auditor believes as a result of an inspection that a council is failing to comply with the requirements of this Part, the next improvement plan prepared by the council must record—
- (a) that fact; and
 - (b) any action taken, or to be taken, by the council as a result of the report.