



# Local Government Act 1999

## 1999 CHAPTER 27

### PART I

#### BEST VALUE

##### *Best value inspections*

#### **10 Inspections**

- (1) The Audit Commission may carry out an inspection of a best value authority's compliance with the requirements of this Part.
- (2) If the Secretary of State directs the Commission to carry out an inspection of a specified best value authority's compliance with the requirements of this Part in relation to specified functions, the Commission shall comply with the direction.
- (3) Before giving a direction under subsection (2) the Secretary of State shall consult the Commission.
- (4) In carrying out an inspection, and in deciding whether to do so, the Commission shall have regard to—
  - (a) any relevant recommendation under section 7(4)(e), and
  - (b) any guidance issued by the Secretary of State.

#### **11 Inspectors' powers and duties**

- (1) An inspector has a right of access at all reasonable times—
  - (a) to any premises of the best value authority concerned, and
  - (b) to any document relating to the authority which appears to him to be necessary for the purposes of the inspection.
- (2) An inspector—
  - (a) may require a person holding or accountable for any such document to give him such information and explanation as he thinks necessary, and

- (b) may require that person to attend before him in person to give the information or explanation or to produce the document.
- (3) A best value authority shall provide an inspector with every facility and all information which he may reasonably require for the purposes of the inspection.
- (4) An inspector shall—
  - (a) give three clear days' notice of any requirement under this section, and
  - (b) must, if so required, produce documents identifying himself.
- (5) A person who without reasonable excuse fails to comply with a requirement of an inspector under this section is guilty of an offence and liable on summary conviction to a fine not exceeding level 3 on the standard scale.
- (6) Any expenses incurred by an inspector in connection with proceedings for an offence under subsection (5) alleged to have been committed in relation to an inspection of a best value authority are, so far as not recovered from any other source, recoverable from the authority.
- (7) In this section “inspector” means an officer, servant or agent of the Audit Commission carrying out an inspection under section 10.

## 12 Fees

- (1) The Audit Commission shall prescribe a scale or scales of fees in respect of inspections carried out under section 10.
- (2) An authority inspected under section 10 shall, subject to subsection (3), pay to the Commission the fee applicable to the inspection in accordance with the appropriate scale.
- (3) If it appears to the Commission that the work involved in a particular inspection was substantially more or less than that envisaged by the appropriate scale, the Commission may charge a fee which is larger or smaller than that referred to in subsection (2).
- (4) Before prescribing a scale of fees under this section the Commission shall consult—
  - (a) the Secretary of State, and
  - (b) persons appearing to the Commission to represent best value authorities.

## 13 Reports

- (1) Where the Audit Commission has carried out an inspection of an authority under section 10 it shall issue a report.
- (2) A report—
  - (a) shall mention any matter in respect of which the Commission believes as a result of the inspection that the authority is failing to comply with the requirements of this Part, and
  - (b) may, if it mentions a matter under paragraph (a), recommend that the Secretary of State give a direction under section 15.
- (3) The Commission—
  - (a) shall send a copy of a report to the authority concerned, and
  - (b) may publish a report and any information in respect of a report.

- (4) If a report recommends that the Secretary of State give a direction under section 15, the Commission shall as soon as reasonably practicable—
  - (a) arrange for the recommendation to be published, and
  - (b) send a copy of the report to the Secretary of State.
- (5) If a report states that the Commission believes as a result of an inspection that an authority is failing to comply with the requirements of this Part, the next performance plan prepared by the authority under section 6 must record—
  - (a) that fact, and
  - (b) any action taken by the authority as a result of the report.

#### **14 Inspections: housing benefit and council tax benefit**

- (1) The following shall be substituted for section 139A(1) and (2) of the Social Security Administration Act 1992 (reports on administration of housing benefit and council tax benefit)—
  - “(1) The Secretary of State may authorise persons to consider and report to him on the administration by authorities of housing benefit and council tax benefit.
  - (2) The Secretary of State may ask persons authorised under subsection (1) to consider in particular—
    - (a) authorities' performance in the prevention and detection of fraud relating to housing benefit and council tax benefit;
    - (b) authorities' compliance with the requirements of Part I of the Local Government Act 1999 (best value).
  - (2A) A person may be authorised under subsection (1)—
    - (a) on such terms and for such period as the Secretary of State thinks fit;
    - (b) to act generally or in relation to a specified authority or authorities;
    - (c) to report on administration generally or on specified matters.”
- (2) In section 139C(1) of that Act (reports) for the words from “in particular” to the end there shall be substituted “in particular—
  - (a) in the prevention and detection of fraud relating to benefit, or
  - (b) for the purposes of complying with the requirements of Part I of the Local Government Act 1999 (best value).”

#### **15 Secretary of State's powers**

- (1) This section applies in relation to a best value authority if the Secretary of State is satisfied that it is failing to comply with the requirements of this Part.
- (2) Where this section applies in relation to an authority the Secretary of State may direct it—
  - (a) to prepare or amend a performance plan;
  - (b) to follow specified procedures in relation to a performance plan;
  - (c) to carry out a review of its exercise of specified functions.
- (3) Where this section applies in relation to an authority the Secretary of State may direct a local inquiry to be held into the exercise by the authority of specified functions.

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

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- (4) Subsections (2) to (5) of section 250 of the Local Government Act 1972 (inquiries) shall apply in relation to an inquiry which the Secretary of State directs to be held under this section as they apply in relation to an inquiry which a Minister causes to be held under that section.
- (5) Where this section applies in relation to an authority the Secretary of State may direct the authority to take any action which he considers necessary or expedient to secure its compliance with the requirements of this Part.
- (6) Where this section applies in relation to an authority the Secretary of State may direct—
- (a) that a specified function of the authority shall be exercised by the Secretary of State or a person nominated by him for a period specified in the direction or for so long as the Secretary of State considers appropriate, and
  - (b) that the authority shall comply with any instructions of the Secretary of State or his nominee in relation to the exercise of that function and shall provide such assistance as the Secretary of State or his nominee may require for the purpose of exercising the function.
- (7) The Secretary of State may by regulations make provision which—
- (a) relates to an enactment which confers a function on him in respect of a function of a best value authority, and
  - (b) he considers necessary or expedient for the purposes of cases in which he makes a direction under subsection (6)(a).
- (8) Regulations under subsection (7) may, in relation to the cases mentioned in subsection (7)(b)—
- (a) disapply or modify an enactment of the kind mentioned in subsection (7)(a);
  - (b) have an effect similar to the effect of an enactment of that kind.
- (9) Subject to subsection (11), before giving a direction under this section the Secretary of State shall give the authority concerned an opportunity to make representations about—
- (a) the report (if any) as a result of which the direction is proposed, and
  - (b) the direction proposed.
- (10) Subject to subsection (11), before giving a direction under this section following a recommendation in a report under section 7(4)(f) the Secretary of State shall have regard to any statement under section 9(2) which the authority concerned sends to him before the expiry of the period of one month starting with the day on which the authority received the report.
- (11) The Secretary of State may give a direction without complying with subsection (9) or (10) if he considers the direction sufficiently urgent.
- (12) Where the Secretary of State gives a direction without complying with subsection (9) or (10) he shall inform—
- (a) the authority concerned, and
  - (b) such persons appearing to him to represent best value authorities as he considers appropriate,
- of the direction and of the reason why it was given without complying with subsection (9) or (10).

- (13) A direction given under this section shall be enforceable by order of mandamus on the application of the Secretary of State.