



Local Government Act 1999

1999 CHAPTER 27

PART I

BEST VALUE

General

21 Transition from compulsory competitive tendering to best value

- (1) The following provisions shall cease to have effect on 2nd January 2000—
 - (a) Part III of the Local Government, Planning and Land Act 1980 (direct labour organisations);
 - (b) Part I of the Local Government Act 1988 (competition);
 - (c) section 32 of and Schedule 6 to that Act (direct labour organisations);
 - (d) sections 8 to 11 of and Schedule 1 to the Local Government Act 1992 (competition).
- (2) The Secretary of State may issue to best value authorities guidance which—
 - (a) concerns the exercise of their functions between 2nd January 2000 and the date on which any provision of this Part comes into force, and
 - (b) is designed to secure or facilitate compliance with the requirements of the provision after it comes into force.
- (3) A best value authority shall have regard to any guidance issued by the Secretary of State under this section.

22 Audit Commission

- (1) In this Act a reference to the Audit Commission is a reference to the Audit Commission for Local Authorities and the National Health Service in England and Wales.
- (2) The Audit Commission may delegate any of its functions under this Part to—

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- (a) a committee or sub-committee established by the Commission (including a committee or sub-committee including persons who are not members of the Commission), or
 - (b) an officer or servant of the Commission.
- (3) The Audit Commission Act 1998 shall be amended as follows.
- (4) In section 33 (studies by Commission)—
- (a) in subsection (1)(a), for “the provision of local authority services and of other services provided by bodies subject to audit” substitute “the exercise of the functions of best value authorities and the provision of services provided by other bodies subject to audit”, and
 - (b) in subsection (6)(a) for “local authorities” substitute “best value authorities”.
- (5) In section 49(1) (restrictions on disclosure of information)—
- (a) after “any provision of this Act” insert “or of Part I of the Local Government Act 1999”, and
 - (b) at the end of paragraph (b) insert “or under Part I of the 1999 Act”.
- (6) In section 53(1) (interpretation) after the definition of “auditor” insert—
- ““best value authority” means a best value authority for the purposes of Part I of the Local Government Act 1999;”.
- (7) After section 75(1)(e) of the Housing Associations Act 1985 (Housing Corporation and, in relation to Wales, Secretary of State: general functions) there shall be added—
- “(f) to provide on request, to such extent as the Relevant Authority considers appropriate, advice and assistance to the Audit Commission for Local Authorities and the National Health Service in England and Wales in relation to the Commission’s functions under Part I of the Local Government Act 1999 (best value).”
- (8) The Audit Commission may make payments to the Housing Corporation or the Secretary of State in respect of advice and assistance provided under section 75(1)(f) of the Housing Associations Act 1985.

23 Accounts

- (1) The Secretary of State may make regulations about the keeping of accounts by best value authorities.
- (2) The regulations may—
- (a) require accounts and statements of accounts to be prepared, kept and certified in such form or manner as the regulations may specify;
 - (b) require accounts to be deposited at such places as the regulations may specify;
 - (c) require the publication of information about accounts and of statements of accounts;
 - (d) make provision (which may include provision requiring the payment of fees) entitling specified classes of person to inspect and to make or receive copies of specified documents.
- (3) The regulations may—

- (a) make provision in relation to best value authorities generally or in relation to one or more particular authorities;
 - (b) make different provision for different cases.
- (4) Before making regulations under subsection (1) the Secretary of State must consult—
- (a) the Audit Commission,
 - (b) the authorities concerned or persons appearing to him to represent them, and
 - (c) such bodies of accountants as appear to him to be appropriate.
- (5) If—
- (a) a person contravenes a provision of regulations under subsection (1) without reasonable excuse, and
 - (b) the regulations declare that contravention of the provision is an offence,
- the person is liable on summary conviction to a fine not exceeding level 3 on the standard scale.
- (6) Any expenses incurred by an auditor (within the meaning of section 7) in connection with proceedings in respect of an offence under subsection (5) which is alleged to have been committed in relation to the accounts of an authority are recoverable from the authority so far as they are not recovered from any other source.

24 Police Act 1996

- (1) Section 8(2) of the Police Act 1996 (local policing plans) shall be amended by—
- (a) the omission of the word “and” after paragraph (b), and
 - (b) the insertion of the following after paragraph (c)—
 - “, and
 - (d) any action proposed for the purpose of complying with the requirements of Part I of the Local Government Act 1999 (best value).”
- (2) In section 54 of that Act (inspectors of constabulary) after subsection (2) there shall be inserted—
- “(2A) The inspectors of constabulary may inspect, and report to the Secretary of State on, a police authority’s compliance with the requirements of Part I of the Local Government Act 1999 (best value).”
- (3) In section 55(1) of that Act (publication of reports) after “section 54(2)” there shall be inserted “or (2A)”.

25 Coordination of inspections, &c

- (1) In arranging for or carrying out—
- (a) inspections of best value authorities, or
 - (b) inquiries or investigations in relation to best value authorities,
- a person or body to whom this section applies shall have regard to any guidance issued by the Secretary of State for the purposes of securing the coordination of different kinds of inspection, inquiry and investigation.
- (2) This section applies to—

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- (a) the Audit Commission;
 - (b) an inspector, assistant inspector or other officer appointed under section 24(1) of the Fire Services Act 1947 (inspectors of fire brigades);
 - (c) Her Majesty’s Chief Inspector of Schools in England;
 - (d) Her Majesty’s Chief Inspector of Schools in Wales;
 - (e) a person carrying out an inquiry under section 7C of the Local Authority Social Services Act 1970 (inquiries);
 - (f) a person carrying out an inspection under section 48 of the National Health Service and Community Care Act 1990 (inspection of premises used for provision of community care services);
 - (g) a person conducting an inspection under section 80 of the Children Act 1989 (inspection of children’s homes, &c.) or an inquiry under section 81 of that Act (inquiries in relation to children);
 - (h) a person authorised under section 139A(1) of the Social Security Administration Act 1992 (reports on administration of housing benefit and council tax benefit);
 - (i) an inspector appointed under section 54 of the Police Act 1996 (inspectors of constabulary).
- (3) The Secretary of State may by order provide for this section to apply to a person or body specified in the order.

26 Guidance

- (1) This section has effect in relation to any guidance issued by the Secretary of State under this Part.
- (2) The Secretary of State—
- (a) may issue guidance to or in respect of best value authorities generally or to or in respect of one or more particular authorities;
 - (b) may issue different guidance to or in respect of different authorities;
 - (c) must, before he issues guidance, consult the authorities concerned or persons appearing to him to represent them;
 - (d) must arrange for guidance to be published.
- (3) Before issuing guidance under section 10 the Secretary of State shall, in addition to the consultation required by subsection (2)(c) above, consult the Audit Commission.
- (4) Before issuing guidance under section 25 the Secretary of State shall, in addition to the consultation required by subsection (2)(c) above, consult the persons or bodies concerned.

27 Commencement

- (1) Subject to subsections (2) and (3), sections 1 to 20 and 22 to 26 shall come into force at the end of the period of 12 months beginning with the day on which this Act is passed.
- (2) The Secretary of State may by order provide for—
- (a) any of sections 1 to 13, 15, 19, 20, 22, 23, 25 and 26 to be brought into force in relation to England before the time appointed by subsection (1);

- (b) any of those sections, in so far as it relates to an authority falling within section 1(1)(d) or (e), to be brought into force in relation to Wales before that time;
 - (c) any of sections 14, 16 to 18 and 24 to be brought into force before that time.
- (3) The National Assembly for Wales may by order provide for any of the sections mentioned in subsection (2)(a), except in so far as it relates to an authority falling within section 1(1)(d) or (e), to be brought into force in relation to Wales before the time appointed by subsection (1).
- (4) An order under subsection (2) or (3) may appoint different days for different purposes.

28 Orders and regulations

- (1) An order or regulations under this Part—
- (a) shall be made by statutory instrument, and
 - (b) may include supplementary, incidental, consequential and transitional provisions.
- (2) An order under section 4, 5, 6, 7 or 25, and regulations under section 15 or 23, shall be subject to annulment in pursuance of a resolution of either House of Parliament.

29 Modifications for Wales

- (1) In its application to Wales this Part shall have effect with these modifications—
- (a) for each reference to the Secretary of State there shall be substituted a reference to the National Assembly for Wales;
 - (b) sections 2(6), 19(3) and 28(2) shall be omitted.
- (2) But subsection (1) shall not apply—
- (a) in relation to an authority falling within section 1(1)(d) or (e), or
 - (b) in relation to any of sections 14, 16 to 18, 24 and 27.
- (3) In exercising a power under section 16 the Secretary of State—
- (a) shall not make any provision which has effect in relation to Wales unless he has consulted the National Assembly for Wales, and
 - (b) shall not amend, or modify or exclude the application of, legislation made by the National Assembly for Wales, unless the Assembly consents.
- (4) Section 15(7)(a) shall apply to Wales as if the reference to a function conferred on the Secretary of State were a reference to a function conferred on the National Assembly for Wales or the Secretary of State; but the Assembly may not make regulations under section 15(7) which relate to a function conferred on the Secretary of State without his approval.