

1988 No. 133 (S.17)

LOCAL GOVERNMENT, SCOTLAND

The Commission for Local Authority Accounts in  
Scotland Regulations 1988

<i>Made</i> - - - -	<i>1st February 1988</i>
<i>Laid before Parliament</i>	<i>1st February 1988</i>
<i>Coming into force</i>	<i>22nd February 1988</i>

The Secretary of State, in exercise of the powers conferred upon him by section 98(1)(b), and that section as applied by section 106(1) as read with section 135(9), of the Local Government (Scotland) Act 1973(a) and of all other powers enabling him in that behalf, and after consultation with such associations of local authorities as appear to him to be concerned, hereby makes the following Regulations:

**Citation and commencement**

1. These Regulations may be cited as the Commission for Local Authority Accounts in Scotland Regulations 1988 and shall come into force on 22nd February 1988.

**Interpretation**

2. In these Regulations—

“the 1973 Act” means the Local Government (Scotland) Act 1973;

“the 1975 Act” means the Local Government (Scotland) Act 1975(b);

“the Commission” means the Commission for Local Authority Accounts in Scotland established under section 97(1) of the 1973 Act;

“the designated body for Scotland” means the Commission, which is designated (c) by the Secretary of State under section 22(1) of the 1975 Act as the designated body for Scotland;

“the expenses of the Commission” do not include any expenses incurred by the Commission as the designated body for Scotland in connection with the discharge of its functions under Part II of the 1975 Act;

“financial year” means a period of 12 months ending with 31st March;

“net expenses of the Commission” means such part of the expenses of the Commission as is not met by grants under section 98(1)(a) of the 1973 Act;

“product of a rate of one penny in the pound” and “standard penny rate product” have the meanings assigned to them by section 9 of the Local Government (Financial Provisions) (Scotland) Act 1963(d);

“specified body” means—

(a) a local authority;

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(a) 1973 c.65; sections 106(1) and 135(9) were amended by the Water (Scotland) Act 1980 (c.45), Schedule 9, paragraph 3 and Schedule 10, Part II.

(b) 1975 c.30.

(c) S.I. 1975/1974.

(d) 1963 c.12; section 9 was relevantly amended by the Decimal Currency Act 1969 (c.19), Schedule 2, paragraph 18, and by the 1973 Act, Schedule 9, paragraph 54.

- (b) any of the bodies referred to in section 106(1) of the 1973 Act; and
- (c) a river purification board established under section 135 of the 1973 Act.

**Expenses**

3.—(1) The expenses incurred by the Commission in the financial year 1988-89 shall be met as follows:—

- (a) the part of those expenses which is incurred by the Commission in securing the audit of the accounts of any of the specified bodies for any financial year or years prior to the financial year 1988-89 shall be met by regional and islands councils in proportion to their respective products of a rate of one penny in the pound or standard penny rate products, whichever in each case is the higher, for that financial year, which products shall be as first estimated by the Secretary of State for the purposes of section 12 of the Local Government (Scotland) Act 1966(a); and
- (b) the remaining part of those expenses shall be met by each of the specified bodies in accordance with the following formula:—

$$A \times \frac{B}{C}$$

where—

- (i) A is the remaining part of those expenses;
- (ii) B is the number of hours during which an auditor or an employee of an auditor is engaged, on behalf of the Commission, in the financial year 1988-89 on the audit of the accounts of that specified body for that financial year; and
- (iii) C is the number of hours during which an auditor or an employee of an auditor is engaged, on behalf of the Commission, in that financial year on the audit of the accounts of all of the specified bodies for that financial year.

(2) Where in the financial year 1988-89 any grant is paid to the Commission under section 98(1)(a) of the 1973 Act—

- (a) any reference in paragraph (1)(a) or (b) above to the part or the remaining part of the expenses of the Commission is a reference to the part or the remaining part under deduction of the amount of grant referable to it; and
- (b) the amount of grant referable to the part or the remaining part of the expenses of the Commission for this purpose shall be determined by apportioning the total amount of the grant as between the part and the remaining part in proportion to their respective amounts.

4. The net expenses of the Commission incurred in the financial year 1989-90 and in each subsequent financial year shall be met by each of the specified bodies in accordance with the following formula:—

$$D \times \frac{E}{F}$$

where—

- (a) D is the net expenses of the Commission in such a financial year;
- (b) E is the number of hours during which an auditor or an employee of an auditor is engaged, on behalf of the Commission, in that financial year on the audit of the accounts of that specified body; and
- (c) F is the number of hours during which an auditor or an employee of an auditor is engaged, on behalf of the Commission, in the financial year mentioned in subparagraph (a) above on the audit of the accounts of all of the specified bodies.

5. Each specified body shall pay to the Commission—

- (a) such instalments in respect of the amounts due by the body for a financial year under regulations 3 and 4 of these Regulations, and
- (b) at such intervals in that financial year,

as may be agreed between the body and the Commission or, in the case of disagreement, as may be determined by the Secretary of State.

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(a) 1966 c.51; section 12 was amended by the Decimal Currency Act 1969, Schedule 2, paragraph 27.

**Revocation**

6. The Commission for Local Authority Accounts in Scotland Regulations 1975(a) are revoked in respect of the financial year 1988-89 and subsequent financial years.

New St. Andrew's House, Edinburgh  
1st February 1988

*Ian Lang*  
Minister of State,  
Scottish Office

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(a) S.I. 1975/662.

## EXPLANATORY NOTE

*(This note is not part of the Regulations)*

These Regulations make provision as to how the expenses of the Commission for Local Authority Accounts in Scotland in respect of the financial year 1988-89 and subsequent financial years are to be met insofar as they are not met by grants paid by the Secretary of State under section 98(1)(a) of the Local Government (Scotland) Act 1973. They do not apply to any expenses incurred by the Commission as the designated body for Scotland in connection with the discharge of its functions under Part II of the Local Government (Scotland) Act 1975.

At present, under the Commission for Local Authority Accounts in Scotland Regulations 1975 ("the 1975 Regulations"), regional and islands councils meet all such expenses of the Commission in proportion to their respective penny rate products or standard penny rate products, whichever in each case is the higher, as estimated by the Secretary of State under section 12 of the Local Government (Scotland) Act 1966.

Regulation 3(1)(a) of these Regulations provides that this continues to be the way in which part of the expenses of the Commission in the financial year 1988-89 is to be met, namely that part of their expenses which is incurred in securing the audit of the accounts of the bodies whose accounts are audited by the Commission ("the specified bodies") for any financial year before 1988-89.

Regulations 3(1)(b) and 4 of the Regulations provide that the remaining part of the Commission's expenses in 1988-89 and their expenses in any subsequent financial year shall be met by each specified body in proportion to the number of hours spent in that year on auditing their accounts.

Regulation 5 of these Regulations provides for the payment to the Commission by each specified body during a financial year of instalments in respect of the amount due by them for that financial year under the Regulations.

Regulation 6 revokes the 1975 Regulations in respect of the financial year 1988-89 and subsequent financial years.

85p net

ISBN 0 11 086133 7

Printed in the United Kingdom by Her Majesty's Stationery Office at Edinburgh Press

800 WO 194 C10 2/88 452/4 19593 PS 7944009 (254320)