
WELSH STATUTORY INSTRUMENTS

2014 No. 3362

The Accounts and Audit (Wales) Regulations 2014

PART 4

Published Accounts and Audit – Larger Relevant Bodies

Statement of accounts

8.—(1) A larger relevant body must prepare for each year a statement of accounts in accordance with these Regulations and proper practices and the statement must include such of the following accounting statements as are relevant to the functions of the body—

- (a) housing revenue account;
- (b) firefighters' pension fund;
- (c) any other statements relating to each and every other fund in relation to which the body is required by any statutory provision to keep a separate account.

(2) Where a county council or a county borough council is required by section 74 (duty to keep housing revenue account) of the 1989 Act⁽¹⁾ to maintain a Housing Revenue Account the statement of accounts required by paragraph (1) must include a note prepared in accordance with proper practices in relation to any Major Repairs Allowance grant paid to the county council or county borough council under section 31 of the 2003 Act detailing income and expenditure and any balance on any account used to record the grant.

Declaration of remuneration

9.—(1) The statement of accounts required by regulation 8(1) must be accompanied by the notes referred to in paragraphs (2) to (4).

(2) The first note is a note of the relevant body's remuneration ratio information (but this requirement does not apply to a relevant body which is a joint committee).

(3) The second note is a note of (except in relation to persons to whom paragraph (4) applies) the number of employees or police officers in the year to which the accounts relate whose remuneration fell in each bracket of a scale in multiples of £5,000 starting with £60,000.

(4) The third note is a note of the remuneration (set out according to the categories listed in paragraph (7)) and the contribution to the person's pension by the relevant body of—

- (i) senior employees, or
- (ii) relevant police officers,

in respect of their employment by the relevant body or in their capacity as a police officer, whether on a permanent or temporary basis.

(1) 1989 c. 42; section 74 was amended by the Housing Act 1996 (c. 52), Schedule 18, paragraph 24(2).

(5) The persons whose remuneration is to be noted under paragraph (4) must be listed individually and identified by way of job title only, except that those persons whose salary is £150,000 or more per year must also be identified by name.

(6) The remuneration and the pension contribution noted under paragraph (4) must be noted in respect of both the year to which the accounts relate and the previous year.

(7) The categories to which paragraph (4) refers are—

- (a) the total amount of salary, fees or allowances paid to or receivable by the person;
- (b) the total amount of bonuses paid to or receivable by the person;
- (c) the total amount of sums paid by way of expenses allowance that are chargeable to United Kingdom income tax, and were paid to or receivable by the person;
- (d) the total amount of any compensation for loss of employment paid to or receivable by the person, and any other payments made to or receivable by the person in connection with the termination of their employment by the relevant body, or, in the case of a relevant police officer, the total amount of any payment made to a relevant police officer who ceases to hold office before the end of a fixed term appointment;
- (e) the total estimated value of any benefits received by the person otherwise than in cash which do not fall within sub-paragraphs (a) to (d) above, which are emoluments of the person, and which are received by the person in respect of their employment by the relevant body or in their capacity as a police officer; and
- (f) in relation to relevant police officers, any payments, whether made under the Police Regulations 2003⁽²⁾ or otherwise, which do not fall within (a) to (e) above.

(8) In this regulation—

“chief executive” (*“prif weithredwr”*) means—

- (a) in the case of a relevant body which is a county council or county borough council, fire and rescue authority or National Park authority, the head of the body’s paid service designated under section 4(1) of the 1989 Act;
- (b) in the case of a relevant body which is a chief constable, the chief constable;
- (c) in the case of a relevant body which is a police and crime commissioner, the chief executive appointed by the commissioner under Schedule 1 to the Police Reform and Social Responsibility Act 2011⁽³⁾;
- (d) in the case of any other relevant body, the highest ranking employee;

“contribution to the person’s pension” (*“cyfraniad at bensiwn y person”*) means an amount to be calculated as follows—

- (a) in relation to contributions to the relevant pension scheme established under section 7 of the Superannuation Act 1972⁽⁴⁾, the common rate of employer’s contribution specified in a rates and adjustments certificate prepared under regulation 62 (actuarial valuations of pension funds) of the Local Government Pension Scheme Regulations 2013⁽⁵⁾, being the amount appropriate for that body calculated in accordance with the certificate and regulation 67 (employer’s contributions) of those Regulations, multiplied by the person’s pensionable pay;

(2) S.I. 2003/527; relevant amending instruments are S.I. 2006/3449, 2011/3026, and 2012/192 and 2712.

(3) 2011 c. 13.

(4) 1972 c. 11; section 7 was amended by the Public Service Pensions Act 2013(c. 25), Schedule 8, paragraphs 6 and 8.

(5) S.I. 2013/2356.

- (b) in relation to contributions to the firefighters' pension scheme established under the Fire Services Acts 1947 and 1959(6), the percentage of the aggregate of the pensionable pay calculated for the purposes of paragraph G2(3) and (4) of Schedule 2 to the Firemen's Pension Scheme Order 1992(7), multiplied by the person's pensionable pay;
- (c) in relation to contributions to the firefighters' pension scheme established under the Fire and Rescue Services Act 2004(8), the percentage of the aggregate of the pensionable pay calculated for the purposes of paragraphs (2) and (3) of rule 2 of Part 13 of Schedule 1 to the Firefighters' Pension Scheme (Wales) Order 2007(9), multiplied by the person's pensionable pay;
- (d) in relation to contributions to police pension schemes established under the Police Pensions Regulations 1987(10) or the Police Pensions Regulations 2006(11), the percentage of pensionable pay specified in regulation 5(1) (contributions) of the Police Pension Fund Regulations 2007(12), multiplied by the person's pensionable pay;

"employee" ("cyflogai") includes a member of the relevant body and a holder of an office under the relevant body, but does not include a person who is an elected councillor, and "employment" ("cyflogaeth") is to be construed accordingly;

"relevant body's remuneration ratio information" ("gwybodaeth cymhareb tâl y corff perthnasol") means—

- (a) the remuneration of the body's chief executive during the year to which the accounts relate;
- (b) the median remuneration of all the body's employees during the year to which the accounts relate; and
- (c) the ratio of the amount in sub-paragraph (a) to the amount in sub-paragraph (b);

"relevant police officer" ("swyddog heddlu perthnasol") means—

- (a) in relation to a police force maintained under section 2 (maintenance of police forces) of the Police Act 1996(13), the chief constable, and
- (b) any other senior police officer whose salary is £150,000 per year or more;

"remuneration" ("tâl") means all amounts paid to or receivable by a person, and includes sums due by way of expenses allowance (so far as those sums are chargeable to United Kingdom income tax), and the estimated money value of any other benefits received by an employee otherwise than in cash;

"senior employee" ("cyflogai hŷn") means an employee whose salary is £150,000 or more per year, or an employee whose salary is £60,000 or more per year who falls within at least one of the following categories—

- (a) a person employed by a relevant body to which section 2 (politically restricted posts) of the 1989 Act(14) applies who—

(6) 1947 c. 41 and 1959 c. 44. Both these Acts have been repealed by the Fire and Rescue Services Act 2004 (c. 21) which contained savings in respect of pension schemes established under them.

(7) S.I. 1992/129; rule G2 was amended by S.I. 2006/1672 (W. 160), 2007/1074 (W. 112) and 2012/974 (W. 128).

(8) 2004 c. 21.

(9) S.I. 2007/1072 (W. 110); rule 2 was amended by S.I. 2009/1225 (W. 108).

(10) S.I. 1987/257 to which there are amendments not relevant to these Regulations.

(11) S.I. 2006/3415 to which there are amendments not relevant to these Regulations.

(12) S.I. 2007/1932, amended by S.I. 2008/1887; there are other amending instruments but none are relevant.

(13) 1996 c. 16. Section 2 was amended by the Police Reform and Social Responsibility Act 2011 (c. 13), Schedule 16, paragraphs 1 and 4.

(14) 1989 c. 42. Section 2 was amended by the Education Act 1996 (c.56), Schedule 37, paragraph 95; S.I. 2002/808 (W. 89); the Children Act 2004 (c. 31), Schedule 2, paragraph 3; the Fire and Rescue Services Act 2004 (c. 21), Schedule 2; the Local Government and Public Involvement in Health Act 2007 (c. 28), section 203(1); the Local Democracy, Economic Development and Construction Act 2009 (c. 20), sections 30(1) and (2) and 146(1); S.I. 2010/1158; the Local Government (Wales) Measure 2011 (nawm 4), section 21; and the Health and Social Care Act 2012 (c. 7), Schedule 5, paragraph 57.

- (i) has been designated as head of paid service under section 4 of that Act⁽¹⁵⁾;
- (ii) is a statutory chief officer within the meaning of section 2(6) of that Act; or
- (iii) is a non-statutory chief officer within the meaning of section 2(7) of that Act;
- (b) the person who is the head of staff for any relevant body to which section 4 of the 1989 Act does not apply; or
- (c) a person who has responsibility for the management of the relevant body to the extent that the person has power to direct or control the major activities of the body (in particular activities involving the expenditure of money), whether solely or collectively with other persons; and

“senior police officer” (“*swyddog heddlu hŷn*”) means a member of a police force holding a rank above that of superintendent.

(9) The sums of £60,000 and £150,000 in this regulation are to be reduced pro rata for an employee or officer who is employed or engaged on a temporary or part-time basis.

Signing, approval and publication of statement of accounts

10.—(1) The responsible financial officer of a larger relevant body must, no later than 30 June immediately following the end of a year, sign and date the statement of accounts, and certify that it presents a true and fair view of the financial position of the body at the end of the year to which it relates and of that body’s income and expenditure for that year.

(2) A larger relevant body must, no later than 30 September in the year immediately following the end of the year to which the statement relates—

- (a) consider either by way of a committee or by the members meeting as a whole the statement of accounts;
- (b) following that consideration, approve the statement of accounts by a resolution of that committee or meeting;
- (c) following approval, ensure that the statement of accounts is signed and dated by the person presiding at the committee or meeting at which that approval was given; and
- (d) publish (which must include publication on the body’s website) the statement of accounts together with any certificate, opinion or report issued, given or made by the auditor under sections 23(2) (general report)⁽¹⁶⁾ and 33 (advisory notices)⁽¹⁷⁾ of the 2004 Act before the date of publication, or, if the publication takes place prior to the conclusion of the audit and no such opinion has been given, together with a declaration and explanation of the fact that at the date of publication the auditor has given no opinion.

(3) The responsible financial officer must re-certify the presentation of the statement of accounts before the relevant body approves it.

(4) If the responsible financial officer does not comply with paragraph (1) or (3), the larger relevant body must—

- (a) publish immediately a statement setting out the reasons for the officer’s non-compliance; and
- (b) agree to a course of action to ensure compliance as soon as possible.

⁽¹⁵⁾ Section 4 was amended by the Local Democracy, Economic Development and Construction Act 2009 (c. 20), Schedule 6, paragraph 81(1) and (2) and by the Police Reform and Social Responsibility Act 2011 (c. 13), Schedule 19, paragraphs 199 and 201.

⁽¹⁶⁾ 2004 c. 23; section 23(2) was amended by the Public Audit (Wales) Act 2013 (anaw 3), Schedule 4, paragraphs 20 and 28.

⁽¹⁷⁾ 2004 c. 23; section 33(2) was amended by the Public Audit (Wales) Act 2013 (anaw 3), Schedule 4, paragraphs 20 and 38.

(5) If the accounts were approved pursuant to paragraph (2) before the conclusion of an audit of those accounts, the accounts must be approved as soon as reasonably practicable after the receipt of any report from the auditor which contains the auditor's final findings from the audit and which is issued before the conclusion of the audit.

(6) The approval required by paragraph (5) is in addition to approval pursuant to paragraph (2).

(7) Where any material amendment is made to the accounts, the responsible financial officer must report such amendment to the larger relevant body or the committee of that body immediately before the body or committee is to approve the accounts pursuant to paragraph (2) or (5).

(8) A larger relevant body must keep copies of the documents mentioned in paragraph (2)(d) for purchase by any person on payment of a reasonable sum.

Procedure for public inspection of accounts

11. The procedure for public inspection of accounts for a larger relevant body, referred to in regulation 22, is that it must make the documents referred to in that regulation available for public inspection for 20 working days before the date appointed by the auditor under regulation 21.

Notice of public rights

12.—(1) The procedure for a larger relevant body to give notice of public rights, referred to in regulation 24, is that, not later than 14 days before the commencement of the period during which the accounts and other documents are made available in pursuance of regulation 11, the body must give notice by advertisement and on its website of the matters set out in paragraph (2).

(2) The matters referred to in paragraph (1) are—

- (a) the period during which the accounts and other documents referred to in paragraph (1) will be available for inspection in accordance with regulation 11;
- (b) the place at which, and the hours during which, they will be so available;
- (c) the name and address of the auditor;
- (d) the rights contained in section 30 (inspection of documents and questions at audit)**(18)** and section 31 (right to make objections at audit)**(19)** of the 2004 Act; and
- (e) the date appointed under regulation 21 for the exercise of rights of electors.

(3) A larger relevant body must on giving notice under paragraph (1) notify the auditor immediately in writing that a notice has been given.

Notice of conclusion of audit

13. As soon as reasonably possible after conclusion of an audit, a larger relevant body must give notice by advertisement and on its website stating that the audit has been concluded and that the statement of accounts is available for inspection by local government electors and including—

- (a) a statement of the rights conferred on local government electors by section 29 (inspection of statements of accounts and Auditor General for Wales' reports)**(20)** of the 2004 Act;
- (b) the address at which and the hours during which those rights may be exercised; and
- (c) details of where the last approved statement of accounts and auditor's reports can be found on the body's website.

(18) 2004 c. 23; section 30 was amended by the [Public Audit \(Wales\) Act 2013 \(anaw 3\)](#), Schedule 4, paragraphs 20 and 35.

(19) 2004 c. 23; section 31 was amended by the [Public Audit \(Wales\) Act 2013 \(anaw 3\)](#), Schedule 4, paragraphs 20 and 36.

(20) 2004 c. 23; section 29 was amended by the [Public Audit \(Wales\) Act 2013 \(anaw 3\)](#), Schedule 4, paragraphs 20 and 34.

Status: This is the original version (as it was originally made). This item of legislation is currently only available in its original format.
