
DRAFT STATUTORY INSTRUMENTS

2015 No.

The Local Audit (Appointing Person) Regulations 2015

PART 2

Specification of the appointing person

Specification of a person to appoint local auditors

3.—(1) The Secretary of State may, in accordance with regulation 4, specify a person (an “appointing person”) to appoint a local auditor to audit the accounts of an opted in authority.

(2) The Secretary of State may specify different persons in relation to different classes of principal authorities.

Procedure for specifying an appointing person

4.—(1) The specification of a person must be in writing and may, but need not, specify a date when the specification ends.

(2) The Secretary of State must publish the relevant details of any appointing person—

- (a) on a website;
- (b) in the London Gazette.

(3) The relevant details are—

- (a) the appointing person’s name;
- (b) the appointing person’s registered address (if any);
- (c) the appointing person’s address for correspondence; and
- (d) details of the class of principal authorities in relation to which that person is the appointing person, if the class is not all principal authorities.

Ending specification

5.—(1) The Secretary of State may end the specification of an appointing person in accordance with this regulation.

(2) Before ending the specification, the Secretary of State must—

- (a) consult such principal authorities as the Secretary of State considers have an interest;
- (b) consult such associations of principal authorities or relevant authorities as appear to the Secretary of State to have an interest.

(3) The Secretary of State must—

- (a) give notice to the appointing person concerned of the ending of specification, giving—
 - (i) the date on which specification is to end,
 - (ii) the reason for ending the specification;

- (b) publish notice of the ending of the specification—
 - (i) on a website, and
 - (ii) in the London Gazette; and
 - (c) make arrangements for notifying opted in authorities of the ending of the specification.
- (4) The Secretary of State may make arrangements under paragraph (3)(c) by requiring the appointing person to notify opted in authorities.

Consequences of end of specification

- 6.—(1) If the Secretary of State gives notice to an appointing person under regulation 5(3)(a), the Secretary of State may, either before or after (or both before and after) the specification ends—
- (a) exercise the functions of the appointing person arising by virtue of these Regulations;
 - (b) transfer rights and liabilities of the appointing person arising by virtue of these Regulations to—
 - (i) the Secretary of State; or
 - (ii) another appointing person.
- (2) The Secretary of State may transfer some rights and liabilities under paragraph (1)(b) to the Secretary of State and some to another appointing person.
- (3) The appointing person to whom notice is given under regulation 5(3)(a) must—
- (a) disclose all of the appointing person’s rights and liabilities arising by virtue of these Regulations to the Secretary of State;
 - (b) co-operate with the Secretary of State and any other appointing person for the purpose of ensuring an audit of an opted in authority is not adversely affected.

Additional functions of appointing person

7. A specified appointing person must—
- (a) keep and maintain a record of which principal authorities are opted in authorities and publish that record on a website;
 - (b) design and implement appropriate systems to—
 - (i) oversee issues of independence of any auditor which it has appointed, arising both at the time of appointment and when undertaking audit work;
 - (ii) monitor compliance by a local auditor against the contractual obligations in an audit contract;
 - (iii) resolve disputes or complaints from—
 - (aa) local auditors, opted in authorities and local government electors relating to audit contracts and the carrying out of audit work by auditors it has appointed;
 - (bb) authorities regarding the refusal of a request to become an opted in authority under regulation 11.