

# Local Government Act 1999

# **1999 CHAPTER 27**

# PART I

# BEST VALUE

# Best value authorities

# **1** Best value authorities.

- (1) For the purposes of this Part each of these is a best value authority—
  - (a) a local authority;
  - (b) a National Park authority;
  - (c) the Broads Authority;
  - (d) a police authority;
  - (e) a fire authority constituted by a combination scheme and a metropolitan county fire and civil defence authority;
  - (f) the London Fire and Emergency Planning Authority;
  - (g) a waste disposal authority;
  - (h) a metropolitan county passenger transport authority;
  - (i) Transport for London;
  - (j) the London Development Agency.
- (2) In relation to England "local authority" in subsection (1)(a) means—
  - (a) a county council, a district council, a London borough council, a parish council or a parish meeting of a parish which does not have a separate parish council;
  - (b) the Council of the Isles of Scilly;
  - (c) the Common Council of the City of London in its capacity as a local authority;
  - (d) the Greater London Authority so far as it exercises its functions through the Mayor.
- (3) In relation to Wales "local authority" in subsection (1)(a) means a county council, a county borough council or a community council.

(4) In subsection (1)(d) "police authority" means-

- (a) a police authority established under section 3 of the Police Act 1996;
- (b) the Common Council of the City of London in its capacity as a police authority;
- (c) the Metropolitan Police Authority.

(5) In subsection (1)(g) "waste disposal authority" means an authority which—

- (a) is a waste disposal authority for the purposes of Part II of the <sup>MI</sup>Environmental Protection Act 1990, or
- (b) is established under section 10 of the <sup>M2</sup>Local Government Act 1985 (joint arrangements).

### **Commencement Information**

I1 S. 1 wholly in force at 27.7.2000; s. 1 not in force at Royal Assent see s. 27; s. 1(1)(d)(e)(4)(a)(b) in force at 10.8.1999 by S.I. 1999/2169, art. 2(1); s. 1(1)(a)(b)(c)(g)(h)(2)(a)(b)(c)(5) in force (E.) at 10.8.1999 and (W.) for certain purposes at 10.8.1999 by S.I. 1999/2169, art. 2(2), Sch. 1; s. 1(1)(a) (b)(g)(3)(5)(a) in force (W.) at 1.10.1999 by S.I. 1999/2815, art. 2; s. 1(1)(f)(i)(j)(2)(d)(4)(c) in force at 3.7.2000 in relation to England by S.I. 2000/1724, art. 2; s. 1 in force at 27.7.2000 in so far as not already in force see s. 27

### **Marginal Citations**

**M1** 1990 c.43.

M2 1985 c.51.

# VALID FROM 27/09/1999

# 2 Power to extend or disapply.

- (1) The Secretary of State may by order provide that any of the authorities and bodies mentioned in subsection (2) is a best value authority for the purposes of this Part.
- (2) The authorities and bodies are—
  - (a) a local precepting authority within the meaning of section 39(2) of the <sup>M3</sup>Local Government Finance Act 1992;
  - (b) a levying body within the meaning of section 74(1) of the <sup>M4</sup>Local Government Finance Act 1988;
  - (c) a body to which section 75 of that Act applies (special levies).
- (3) An order under subsection (1) providing for an authority or body to be a best value authority may provide for section 7 to have effect in relation to that authority or body with specified modifications.
- (4) The Secretary of State may by order provide for the Greater London Authority to be a best value authority for the purposes of this Part in relation to—
  - (a) specified functions of the Authority which it does not exercise through the Mayor;
  - (b) specified functions which are not functions of the Authority but are functions of another best value authority;

and an order may provide for this Part to have effect in relation to those functions with specified modifications.

- (5) The Secretary of State may by order provide that a best value authority specified, or of a description specified, in the order is not to be subject, in relation to such functions as may be specified, to a duty—
  - (a) which is specified in the order, and
  - (b) to which the authority would otherwise be subject under this Part.
- (6) No order shall be made under this section unless a draft has been laid before, and approved by resolution of, each House of Parliament.

#### **Commencement Information**

S. 2 wholly in force at 27.7.2000; s. 2 not in force at Royal Assent see s. 27; s. 2(1)-(3) (5)(6) in force (E.) at 27.9.1999 and (W.) for certain purposes at 27.9.1999 by S.I. 1999/2169, art. 3(2), Sch. 2; s. 2(1) (2)(3)(5) in force at 1.10.1999 (W.) by S.I. 1999/2815, art. 2; s. 2(4) in force at 3.7.2000 in relation to England by S.I. 2000/1724, art. 2; s. 2 in force at 27.7.2000 in so far as not already in force see s. 27

#### **Marginal Citations**

M3 1992 c.14.

M4 1988 c.41.

#### **Duties**

### **3** The general duty.

- (1) A best value authority must make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.
- (2) For the purpose of deciding how to fulfil the duty arising under subsection (1) an authority must consult—
  - (a) representatives of persons liable to pay any tax, precept or levy to or in respect of the authority,
  - (b) representatives of persons liable to pay non-domestic rates in respect of any area within which the authority carries out functions,
  - (c) representatives of persons who use or are likely to use services provided by the authority, and
  - (d) representatives of persons appearing to the authority to have an interest in any area within which the authority carries out functions.
- (3) For the purposes of subsection (2) "representatives" in relation to a group of persons means persons who appear to the authority to be representative of that group.

(4) In deciding on—

- (a) the persons to be consulted, and
- (b) the form, content and timing of consultations,

an authority must have regard to any guidance issued by the Secretary of State.

#### **Commencement Information**

I3 S. 3 wholly in force at 1.4.2000; s. 3 not in force at Royal Assent see s. 27; s. 3(2)-(4) in force (E.) at 10.8.1999 and (W.) for certain purposes at 10.8.1999 by S.I. 1999/2169, art. 2(2), Sch. 1; s. 3(1) in force (E.) at 1.4.2000 and (W.) for certain purposes at 1.4.2000 by S.I. 1999/2169, art. 4(2), Sch. 3; s. 3(2)-(4) in force (W.) at 1.10.1999 by S.I. 1999/2815, art. 2; s. 3(1) in force (W.) at 1.4.2000 by S.I. 1999/2815, art. 3

### 4 **Performance indicators and standards.**

(1) The Secretary of State may by order specify—

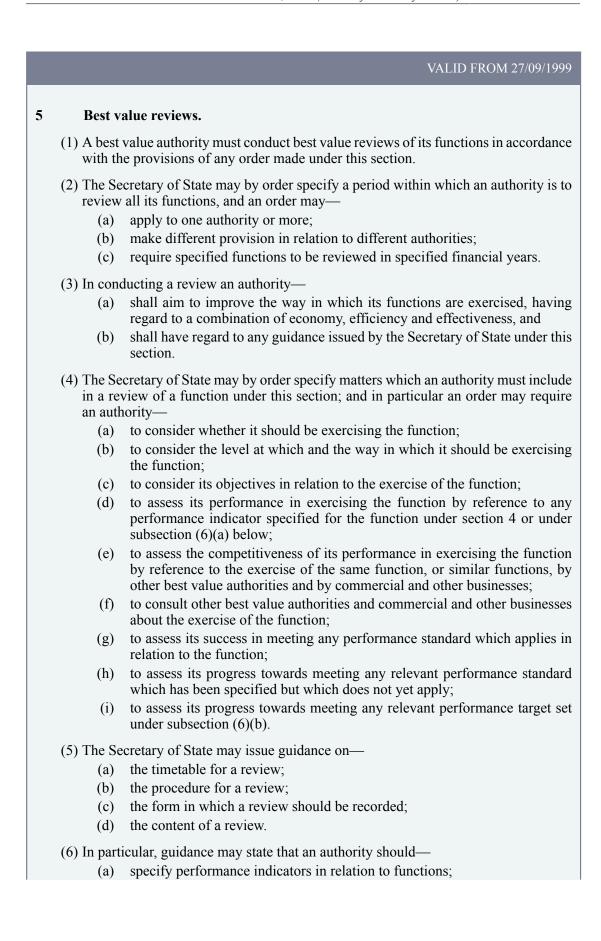
- (a) factors ("performance indicators") by reference to which a best value authority's performance in exercising functions can be measured;
- (b) standards ("performance standards") to be met by best value authorities in relation to performance indicators specified under paragraph (a).

(2) An order may specify different performance indicators or standards—

- (a) for different functions;
- (b) for different authorities;
- (c) to apply at different times.
- (3) Before specifying performance indicators or standards the Secretary of State shall consult—
  - (a) persons appearing to him to represent the best value authorities concerned, and
  - (b) such other persons (if any) as he thinks fit.
- (4) In specifying performance indicators and standards, and in deciding whether to do so, the Secretary of State—
  - (a) shall aim to promote improvement of the way in which the functions of best value authorities are exercised, having regard to a combination of economy, efficiency and effectiveness, and
  - (b) shall have regard to any recommendations made to him by the Audit Commission.
- (5) In exercising a function a best value authority must meet any applicable performance standard specified under subsection (1)(b).

#### **Commencement Information**

S. 4 wholly in force at 1.4.2000; s. 4 not in force at Royal Assent see s. 27; s. 4(3)(4) in force (E.) at 10.8.1999 and (W.) for certain purposes at 10.8.1999 by S.I. 1999/2169, art. 2(2), Sch. 1; s. 4(1) (2) in force (E.) at 27.9.1999 and (W.) for certain purposes at 27.9.1999 by S.I. 1999/2169, art. 3(2), Sch. 2; s. 4(1)-(4) in force (W.) at 1.10.1999 by S.I. 1999/2815, art. 2; s. 4(5) in force (E.) at 1.4.2000 and (W.) for certain purposes at 1.4.2000 by S.I. 1999/2169, art. 4(2), Sch. 3; s. 4(5) in force (W.) at 1.4.2000 by S.I. 1999/2169, art. 4(2), Sch. 3; s. 4(5) in force (W.) at 1.4.2000 by S.I. 1999/2169, art. 4(2), Sch. 3; s. 4(5) in force (W.) at 1.4.2000 by S.I. 1999/2169, art. 4(2), Sch. 3; s. 4(5) in force (W.) at 1.4.2000 by S.I. 1999/2169, art. 4(2), Sch. 3; s. 4(5) in force (W.) at 1.4.2000 by S.I. 1999/2169, art. 4(2), Sch. 3; s. 4(5) in force (W.) at 1.4.2000 by S.I. 1999/2169, art. 4(2), Sch. 3; s. 4(5) in force (W.) at 1.4.2000 by S.I. 1999/2169, art. 4(2), Sch. 3; s. 4(5) in force (W.) at 1.4.2000 by S.I. 1999/2169, art. 4(2), Sch. 3; s. 4(5) in force (W.) at 1.4.2000 by S.I. 1999/2169, art. 4(2), Sch. 3; s. 4(5) in force (W.) at 1.4.2000 by S.I. 1999/2815, art. 3



- (b) set targets for the performance of functions ("performance targets") by reference to performance indicators specified under section 4 or under paragraph (a);
- (c) set a plan of action to be taken for the purposes of meeting a performance target.
- (7) Guidance may state the matters which should be taken into account in setting performance targets; and these may include the range of performances expected to be attained by best value authorities.

#### Modifications etc. (not altering text)

C1 S. 5: functions of local authority may be responsibility of an executive of the authority (E.) (16.11.2000) by virtue of S.I. 2000/2853, reg. 3(1), Sch. 2 para. 9

### **Commencement Information**

I5 S. 5 wholly in force at 1.4.2000; s. 5 not in force at Royal Assent see s. 27; s. 5(2)(4)-(7) in force (E.) at 27.9.1999 and (W.) for certain purposes at 27.9.1999 by S.I. 1999/2169, art. 3(2), Sch. 2; s. 5(2)(4)-(7) in force at 1.10.1999 (W.) by S.I. 1999/2815, art. 2; s. 5(1)(3) in force (E.) at 1.4.2000 and (W.) for certain purposes at 1.4.2000 by S.I. 1999/2169, art. 4(2), Sch. 3; s. 5(1)(3) in force (W.) at 1.4.2000 by S.I. 1999/2815, art. 3

VALID FROM 27/09/1999

### 6 Best value performance plans.

- (1) A best value authority must prepare a best value performance plan for each financial year in accordance with any order made or guidance issued under this section.
- (2) The Secretary of State may by order specify matters which an authority must include in a plan for a financial year; and in particular an order may require an authority—
  - (a) to summarise the authority's objectives in relation to the exercise of its functions;
  - (b) to summarise any assessment made by the authority of the level at which and the way in which it exercises its functions;
  - (c) to state any period within which the authority is required to review its functions under section 5;
  - (d) to state the timetable the authority proposes to follow in conducting a review;
  - (e) to state any performance indicators, standards and targets specified or set in relation to the authority's functions;
  - (f) to summarise the authority's assessment of its performance in the previous financial year with regard to performance indicators;
  - (g) to compare that performance with the authority's performance in previous financial years or with the performance of other best value authorities;
  - (h) to summarise its assessment of its success in meeting any performance standard which applied at any time in the previous financial year;
  - (i) to summarise its assessment of its progress towards meeting any performance standard which has been specified but which does not yet apply;

- (j) to summarise its assessment of its progress towards meeting any performance target;
- (k) to summarise any plan of action to be taken in the financial year to which the plan relates for the purposes of meeting a performance target;
- (1) to summarise the basis on which any performance target was set, and any plan of action was determined, in relation to a function reviewed under section 5 in the previous financial year.

### (3) An authority must publish its plan for a financial year before—

- (a) 31st March of the previous financial year, or
- (b) such other date as the Secretary of State may specify by order.
- (4) The Secretary of State may issue guidance on the form and content of plans and the manner in which they should be published.

### Modifications etc. (not altering text)

C2 S. 6(1): functions of local authority not to be sole responsibility of an executive of the authority (E.) (16.11.2000) by virtue of S.I. 2000/2853, reg. 4(1), Sch. 3

#### **Commencement Information**

I6 S. 6 wholly in force at 1.4.2000; s. 6 not in force at Royal Assent see s. 27; s. 6 in force (E.) at 27.9.1999 and (W.) for certain purposes at 27.9.1999 by S.I. 1999/2169, art. 3(2), Sch. 2; s. 6 in force at 1.10.1999 (W.) by S.I. 1999/2815, art. 2

#### VALID FROM 27/09/1999

#### Audit of best value performance plans

#### VALID FROM 01/04/2000

#### Audit.

7

- (1) A performance plan published by a best value authority for a financial year under section 6 shall be audited by the authority's auditor.
- (2) An audit of a performance plan is an inspection for the purpose of establishing whether the plan was prepared and published in accordance with section 6 and any order or guidance under that section.
- (3) Subsections (1), (2) and (4) to (7) of section 6 of the <sup>M5</sup>Audit Commission Act 1998 (auditor's right to documents and information) shall have effect in relation to an auditor's functions under this Part as they have effect in relation to his functions under that Act.

### (4) In relation to an authority's performance plan the auditor shall issue a report—

- (a) certifying that he has audited the plan,
- (b) stating whether he believes that it was prepared and published in accordance with section 6 and any order or guidance under that section,

(c)	if appropriate, recommending how it should be amended so as to accord with section 6 and any order or guidance under that section,
(d)	if appropriate, recommending procedures to be followed by the authority in relation to the plan,
(e)	recommending whether the Audit Commission should carry out a best value inspection of the authority under section 10, and
(f)	recommending whether the Secretary of State should give a direction under section 15.
(5) An aud plan—	ditor shall send a copy of his report relating to an authority's performance
(a)	to the authority,
(b)	to the Audit Commission, and
(c)	if the report recommends that the Secretary of State give a direction under section 15, to the Secretary of State.
(6) Copies	s of a report shall be sent in accordance with subsection (5)-
(a)	by 30th June of the financial year to which the relevant performance plan relates, or
(b)	by such other date as the Secretary of State may specify by order.
is, in re	t to subsection (8), the reference in subsection (1) to an authority's auditor espect of a financial year, a reference to the auditor or auditors appointed to he authority's accounts for the previous financial year.
	son who would by virtue of subsection (7) be an authority's auditor in respect nancial year or one of an authority's auditors in respect of a financial year— is no longer eligible for appointment under section 3 of the <sup>M6</sup> Audit Commission Act 1998, or is not willing to act,
the ref	Ference in subsection (1) to the authority's auditor is, in respect of that al year, a reference to an auditor or auditors appointed by the Audit
were a	n 3 of the 1998 Act shall apply to an appointment under subsection (8) as if it n appointment of a person to audit the authority's accounts under section 2(1) 1998 Act.
I7 S. 7 wh 1.4.200	ent Information olly in force at 1.4.2000; s. 7 not in force at Royal Assent see s. 27; s. 7 in force (E.) at 0 and (W.) for certain purposes at 1.4.2000 by S.I. 1999/2169, art. 4(2), Sch. 3; s. 7 in force 1.4.2000 by S.I. 1999/2815, art. 3
Marginal Cita M5 1998 c.	

M6 1998 c.18.

#### 8 Code of practice and fees.

- (1) An auditor carrying out an audit under section 7 shall have regard to any code of practice under this section.
- (2) The Commission shall prepare, and keep under review, a code of practice prescribing the way in which auditors are to carry out their functions under section 7.
- (3) Section 4(3) to (6) of the Audit Commission Act 1998 (code of audit practice) shall have effect in relation to a code of practice under this section.
- (4) The Audit Commission shall prescribe a scale or scales of fees in respect of the audit of performance plans which are required to be audited in accordance with this Part.
- (5) Section 7(3) to (8) of the Audit Commission Act 1998 (fees for audit) (read with section 52(1) and (3) of that Act (orders and regulations)) shall have effect in relation to fees under subsection (4).
- (6) Before preparing or altering a code under subsection (2) or prescribing a scale of fees under subsection (4) the Commission shall consult—
  - (a) the Secretary of State, and
  - (b) persons appearing to the Commission to represent best value authorities.
- (7) Before making any regulations under section 7(8) of the Audit Commission Act 1998 as it has effect in relation to fees under subsection (4) the Secretary of State shall consult—
  - (a) the Commission, and
  - (b) persons appearing to the Secretary of State to represent best value authorities.

#### **Commencement Information**

I8 S. 8 wholly in force at 1.4.2000; s. 8 not in force at Royal Assent see s. 27; s. 8(2)-(7) in force
(E.) at 27.9.1999 and (W.) for certain purposes at 27.9.1999 by S.I. 1999/2169, art. 3(2), Sch. 2; s. 8(2)-(7) in force (W.) at 1.10.1999 by S.I. 1999/2815, art. 2; s. 8(1) in force (E.) at 1.4.2000 and
(W.) for certain purposes at 1.4.2000 by S.I. 1999/2169, art. 4(2), Sch. 3; s. 8(1) in force (W.) at 1.4.2000 by S.I. 1999/2169, art. 4(2), Sch. 3; s. 8(1) in force (W.) at 1.4.2000 by S.I. 1999/2169, art. 4(2), Sch. 3; s. 8(1) in force (W.) at 1.4.2000 by S.I. 1999/2169, art. 4(2), Sch. 3; s. 8(1) in force (W.) at 1.4.2000 by S.I. 1999/2169, art. 4(2), Sch. 3; s. 8(1) in force (W.) at 1.4.2000 by S.I. 1999/2169, art. 4(2), Sch. 3; s. 8(1) in force (W.) at 1.4.2000 by S.I. 1999/2169, art. 4(2), Sch. 3; s. 8(1) in force (W.) at 1.4.2000 by S.I. 1999/2169, art. 4(2), Sch. 3; s. 8(1) in force (W.) at 1.4.2000 by S.I. 1999/2169, art. 4(2), Sch. 3; s. 8(1) in force (W.) at 1.4.2000 by S.I. 1999/2169, art. 4(2), Sch. 3; s. 8(1) in force (W.) at 1.4.2000 by S.I. 1999/2169, art. 3

### VALID FROM 01/04/2000

### 9 **Response to audit.**

- (1) A best value authority shall publish any report received in accordance with section 7(5)(a).
- (2) The following subsections apply where a best value authority receives a report under subsection (4) of section 7 which contains a recommendation under any of paragraphs (c) to (f) of that subsection.
- (3) The authority shall prepare a statement of—
  - (a) any action which it proposes to take as a result of the report, and
  - (b) its proposed timetable.
- (4) A statement required by subsection (3) shall be prepared—

(a)	before the end of the period of 30 working days starting with the day on which the authority receives the report, or
(b)	if the report specifies a shorter period starting with that day, before the end of that period.
(5) The au plan.	athority shall incorporate the statement in its next best value performance
give a	statement relates to a report which recommends that the Secretary of State direction under section 15, the authority shall send a copy of the statement Secretary of State—
(a)	before the end of the period of 30 working days starting with the day on which the authority receives the report, or
(b)	if the report specifies a shorter period starting with that day, before the end of that period.
(7) For the	e purposes of this section a working day is a day other than—
(a)	a Saturday or a Sunday,
(b)	Christmas Day or Good Friday, or
(c)	a day which is a bank holiday under the <sup>M7</sup> Banking and Financial Dealings Act 1971 in England and Wales.
Commencem	ent Information
1.4.200	olly in force at 1.4.2000; s. 9 not in force at Royal Assent see s. 27; s. 9 in force (E.) at 0 and (W.) for certain purposes at 1.4.2000 by S.I. 1999/2169, art. 4(2), Sch. 3; s. 9 in force 1.4.2000 by S.I. 1999/2815, art. 3

Marginal Citations M7 1971 c.80.

# Best value inspections

# VALID FROM 27/09/1999

### 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.

#### **Commencement Information**

S. 10 wholly in force at 1.4.2000; s. 10 not in force at Royal Assent see s. 27; s. 10(4) in force for certain purposes at 27.9.1999 by S.I. 1999/2169, art. 3(2), Sch. 2; s. 10(4) in force at (W.) 1.10.1999 by S.I. 1999/2815, art. 2; s. 10(1)-(4) in force (E.) at 1.4.2000 and (W.) for certain purposes at 1.4.2000 in so far as not already in force by S.I. 1999/2169, art. 4(2), Sch. 3; s. 10(1)-(3) in force (W.) at 1.4.2000 by S.I. 1999/2815, art. 3

### VALID FROM 01/04/2000

### 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.

### **Commencement Information**

S. 11 wholly in force at 1.4.2000; s. 11 not in force at Royal Assent see s. 27; s. 11 in force (E.) at 1.4.2000 and (W.) for certain purposes at 1.4.2000 by S.I. 1999/2169, art. 4(2), Sch. 3; s. 11 in force (W.) at 1.4.2000 by S.I. 1999/2815, art. 3

### 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.

### **Commencement Information**

S. 12 wholly in force at 1.4.2000; s. 12 not in force at Royal Assent see s. 27; s. 12(4) in force (E.) at 10.8.1999 and (W.) for certain purposes at 10.8.1999 by S.I. 1999/2169, art. 2(2), Sch. 1; s. 12(1) in force (E.) at 27.9.1999 and (W.) for certain purposes at 27.9.1999 by S.I. 1999/2169, art. 3(2), Sch. 2; s. 12(2)(3) in force (E.) at 1.4.2000 and (W.) for certain purposes at 1.4.2000 by S.I. 1999/2169, art. 4(2), Sch. 3; s. 12(1)(4) in force (W.) at 1.10.1999 by S.I. 1999/2815, art. 2; s. 12(2)(3) in force (W.) at 1.4.2000 by S.I. 1999/2815, art. 3

### VALID FROM 01/04/2000

# 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.

#### **Commencement Information**

I13 S. 13 wholly in force at 1.4.2000; s. 13 not in force at Royal Assent see s. 27; s. 13 in force (E.) at 1.4.2000 and (W.) for certain purposes at 1.4.2000 by S.I. 1999/2169, art. 4(2), Sch. 3; s. 13 in force (W.) at 1.4.2000 by S.I. 1999/2815, art. 3

VALID FROM 01/04/2000

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

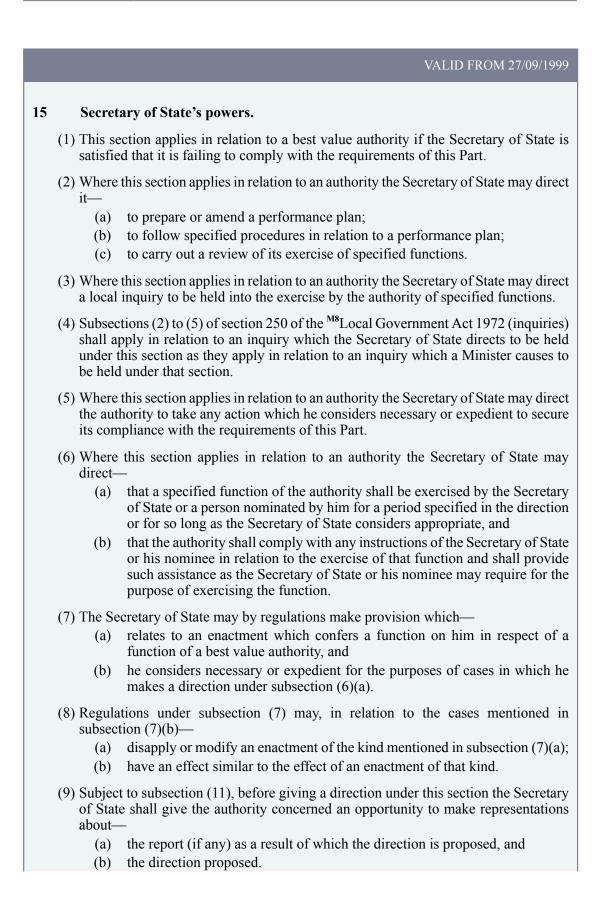
- (1) The following shall be substituted for section 139A(1) and (2) of the Social Security Administration Act 1992 (reports on administration of housing benefit and council tax benefit)—
  - "(1) The Secretary of State may authorise persons to consider and report to him on the administration by authorities 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)."

#### **Commencement Information**

I14 S. 14 wholly in force at 27.7.2000; s. 14 not in force at Royal Assent see s. 27 ; s. 14 in force (E.W.) at 1.4.2000 by S.I. 1999/2169, art. 4(1); s. 14 in force at 27.7.2000 in so far as not already in force see s. 27



- (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.

#### **Commencement Information**

I15 S. 15 wholly in force at 1.4.2000; s. 15 not in force at Royal Assent see s. 27; s. 15(7)(8) in force (E.) at 27.9.1999 and (W.) for certain purposes at 27.9.1999 by S.I. 1999/2169, art. 3(2), Sch. 2; s. 15(1)-(6) (9)-(13) in force (E.) at 1.4.2000 and (W.) for certain purposes at 1.4.2000 by S.I. 1999/2169, art. 4(2), Sch. 3; s. 15 in force (W.) at 1.4.2000 by S.I. 1999/2815, art. 3

# **Marginal Citations**

**M8** 1972 c.70.

# Exercise of functions by best value authorities

# VALID FROM 27/09/1999

### 16 Power to modify enactments and confer new powers.

- (1) If the Secretary of State thinks that an enactment prevents or obstructs compliance by best value authorities with the requirements of this Part he may by order make provision modifying or excluding the application of the enactment in relation to those authorities.
- (2) The Secretary of State may by order make provision conferring on best value authorities any power which he considers necessary or expedient to permit or facilitate compliance with the requirements of this Part.
- (3) An order under this section may—
  - (a) impose conditions on the exercise of any power conferred by the order (including conditions about consultation or approval);
  - (b) amend an enactment;

- (c) include consequential, incidental and transitional provision;
- (d) make different provision for different cases.
- (4) No order shall be made under this section unless a draft has been laid before, and approved by resolution of, each House of Parliament.
- (5) In exercising a power conferred under subsection (2) a best value authority shall have regard to any guidance issued by the Secretary of State.

### **Commencement Information**

I16 S. 16 wholly in force at 27.9.1999; s. 16 not in force at Royal Assent see s. 27 ; s. 16 in force at 27.9.1999 by S.I. 1999/2169, art. 3(1)

# 17 Orders under section 16: procedure.

- (1) Before the Secretary of State makes an order under section 16 he shall consult such authorities or persons as appear to him to be representative of interests affected by his proposals.
- (2) If, following consultation under subsection (1), the Secretary of State proposes to make an order under section 16 he shall lay before each House of Parliament a document explaining his proposals and, in particular—
  - (a) setting them out in the form of a draft order, and
  - (b) giving details of consultation under subsection (1) above.
- (3) Where a document relating to proposals is laid before Parliament under subsection (2), no draft of an order under section 16 to give effect to the proposals (with or without modification) shall be laid before Parliament until after the expiry of the period of sixty days beginning with the day on which the document was laid.
- (4) In calculating the period mentioned in subsection (3) no account shall be taken of any time during which—
  - (a) Parliament is dissolved or prorogued, or
  - (b) either House is adjourned for more than four days.
- (5) In preparing a draft order under section 16 the Secretary of State shall consider any representations made during the period mentioned in subsection (3) above.
- (6) A draft order laid before Parliament in accordance with section 16(4) must be accompanied by a statement of the Secretary of State giving details of—
  - (a) any representations considered in accordance with subsection (5) above, and
  - (b) any changes made to the proposals contained in the document laid before Parliament under subsection (2) above.

#### VALID FROM 27/09/1999

# 18 Contracting out.

(1) Section 70 of the <sup>M9</sup>Deregulation and Contracting Out Act 1994 (contracting out functions of local authorities) shall apply in relation to functions of any best value

authority (other than excluded functions within the meaning of section 71) as it applies in relation to certain functions of local authorities.

- (2) An order under section 70 as applied by subsection (1) above may be made only—
  - (a) by the Secretary of State, and
  - (b) if he considers the order necessary or expedient for the purpose of permitting or facilitating compliance with the requirements of this Part.

#### **Commencement Information**

II7 S. 18 wholly in force at 27.7.2000; s. 18 not in force at Royal Assent see s. 27; s. 18 in force (E.W.) at 27.9.1999 by S.I. 1999/2169, art. 3(1); s. 18 in force at 27.7.2000 in so far as not already in force see s. 27

### **Marginal Citations**

**M9** 1994 c.40.

### VALID FROM 27/09/1999

### **19** Contracts: exclusion of non-commercial considerations.

- (1) The Secretary of State may by order provide, in relation to best value authorities, for a specified matter to cease to be a non-commercial matter for the purposes of section 17 of the <sup>M10</sup>Local Government Act 1988 (local and other public authority contracts: exclusion of non-commercial considerations).
- (2) An order under this section may—
  - (a) provide for a matter to cease to be a non-commercial matter for specified purposes or to a specified extent;
  - (b) apply in relation to specified authorities, functions or contracts;
  - (c) make different provision for different cases;
  - (d) include consequential or transitional provision (including provision amending an enactment).
- (3) No order shall be made under this section unless a draft has been laid before, and approved by resolution of, each House of Parliament.
- (4) In exercising a function regulated by section 17 of the Local Government Act 1988 with reference to a matter which is the subject of an order under this section a best value authority shall have regard to any guidance issued by the Secretary of State.

#### **Commencement Information**

118 S. 19 wholly in force at 27.7.2000; s. 19 not in force at Royal Assent see s. 27; s. 19 in force (E.) at 27.9.1999 and (W.) for certain purposes at 27.9.1999 by S.I. 1999/2169, art. 3(2), Sch. 2; s. 19(1)(2)(4) in force (W.) at 1.10.1999 by S.I. 1999/2815, art. 2; s. 19 in force at 27.7.2000 in so far as not already in force see s. 27

#### Marginal Citations M10 1988 c.9.

VALID FROM 27/09/1999

### 20 Publication of information.

At the end of section 2(1) of the <sup>M11</sup>Local Government, Planning and Land Act 1980 (duty of authorities to publish information) there shall be inserted— ;and any other authority which is a best value authority for the purposes of Part I of the Local Government Act 1999 (best value).

#### **Commencement Information**

S. 20 wholly in force at 1.10.1999; s. 20 not in force at Royal Assent see s. 27; s. 20 in force (E.) at 27.9.1999 and (W.) for certain purposes at 27.9.1999 by S.I. 1999/2169, art. 3(2), Sch. 2; s. 20 in force (W.) at 1.10.1999 by S.I. 1999/2815, art. 2

Marginal Citations M11 1980 c.65.

### 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 <sup>M12</sup>Local Government, Planning and Land Act 1980 (direct labour organisations);
- (b) Part I of the <sup>M13</sup>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 <sup>M14</sup>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.

### **Marginal Citations**

- M12 1980 c.65.
- M13 1988 c.9.

M14 1992 c.19.

VALID FROM 27/09/1999

### 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-
  - (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 <sup>M15</sup>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 <sup>M16</sup>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.

#### **Commencement Information**

S. 22 wholly in force at 1.4.2000; s. 22 not in force at Royal Assent see s. 27; s. 22 in force (E.) at 27.9.1999 and (W.) for certain purposes at 27.9.1999 by S.I. 1999/2169, art. 3(2), Sch. 2; s. 22 in force (W.) at 1.4.2000 by S.I. 1999/2815, art. 2

Marginal Citations M15 1998 c.18.

**M16** 1985 c.69.

# 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.

# **Commencement Information**

I21 S. 23 wholly in force at 1.10.1999; s. 23 not in force at Royal Assent see s. 27; s. 23(4) in force (E.) at 10.8.1999 and (W.) for certain purposes at 10.8.1999 by S.I. 1999/2169, art. 2(2), Sch. 1; s. 23(1)-(3) (5)(6) in force (E.) at 27.9.1999 and (W.) for certain purposes at 27.9.1999 by S.I. 1999/2169, art. 3(2), Sch. 2; s. 23 in force (W.) at 1.10.1999 by S.I. 1999/2815, art. 2

# VALID FROM 27/09/1999

### 24 Police Act 1996.

- (1) Section 8(2) of the <sup>M17</sup>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) ".

#### **Commencement Information**

S. 24 wholly in force at 1.4.2000; s. 24 not in force at Royal Assent see s. 27; s. 24(1) in force at 27.9.1999 by S.I. 1999/2169, **art. 3(1**); s. 24(2)(3) in force at 1.4.2000 by S.I. 1999/2169, **art. 4(1)** 

#### Marginal Citations M17 1996 c.16.

I22

### VALID FROM 27/09/1999

#### 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—
  - (a) the Audit Commission;
  - (b) an inspector, assistant inspector or other officer appointed under section 24(1) of the <sup>M18</sup>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 <sup>M19</sup>Local Authority Social Services Act 1970 (inquiries);
- (f) a person carrying out an inspection under section 48 of the <sup>M20</sup>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 <sup>M21</sup>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 <sup>M22</sup>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.

### **Commencement Information**

I23 S. 25 wholly in force at 27.7.2000; s. 25 not in force at Royal Assent see s. 27; s. 25 in force (E.) at 27.9.1999 and (W.) for certain purposes at 27.9.1999 by S.I. 1999/2169, art. 3(2), Sch. 2; s. 25(1)(2)(a) (d)(e)(f)(g)(h)(3) in force (W.) at 1.10.1999 by S.I. 1999/2815, art. 2; s. 25 in force at 27.7.2000 in so far as not already in force see s. 27

#### **Marginal Citations**

- M18 1947 c.41.
- M19 1970 c.42.
- M20 1990 c.19.
- **M21** 1989 c.41.
- M22 1992 c.5.

# 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.

#### **Commencement Information**

I24 S. 26 wholly in force at 1.10.1999; s. 26 not in force at Royal Assent see s. 27; s. 26(2)(c)(3)(4) in force (E.) at 10.8.1999 and (W.) for certain purposes at 10.8.1999 by S.I. 1999/2169, art. 2(2), Sch. 1; s. 26(1)(2)(a)(b)(d) in force (E.) at 27.9.1999 and (W.) for certain purposes at 27.9.1999 by S.I. 1999/2169, art. 3(2), Sch. 2; s. 26 in force (W.) at 1.10.1999 by S.I. 1999/2815, art. 2

### 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.

#### **Subordinate Legislation Made**

- P1 S. 27(2)(4) power partly exercised (28.7.1999): different dates appointed for specified provisions by S.I. 1999/2169, arts. 2, 3, 4, Sch. 1, Sch. 2, Sch. 3
- P2 S. 27(2)(a) power partly exercised: 3.7.2000 appointed for specified provisions by S.I. 2000/1724, art.
   2
- P3 S. 27(3)(4) power partly exercised (28.9.1999): different dates appointed for specified provisions by S.I. 1999/2815, arts. 2, 3

### 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.

# Status:

Point in time view as at 10/08/1999. This version of this part contains provisions that are not valid for this point in time.

# Changes to legislation:

There are currently no known outstanding effects for the Local Government Act 1999, Part I.