STATUTORY INSTRUMENTS

2024 No. 907

LOCAL GOVERNMENT, ENGLAND AND WALES

The Accounts and Audit (Amendment) Regulations 2024

Made - - - -	*5th September 2024*
Laid before Parliament	*9th September 2024*
Coming into force	*30th September 2024*

The Secretary of State makes the following Regulations in exercise of the powers conferred by sections 32(1)(d) and (e) and 43(2) of the Local Audit and Accountability Act 2014(**a**) and section 143(1) of, and paragraphs 7(1) and (2)(a), 33(1) and (4) and 44 of Schedule 7B to, the Local Government Finance Act 1988(**b**).

In accordance with section 32(3) of the Local Audit and Accountability Act 2014 the Secretary of State has consulted the Comptroller and Auditor General, such representatives of relevant authorities as she thinks appropriate and the recognised supervisory bodies.

Citation, extent and commencement

1.—(1) These Regulations may be cited as the Accounts and Audit (Amendment) Regulations 2024.

(2) These Regulations extend to England and Wales.

(3) These Regulations come into force on 30th September 2024.

Amendment of the Accounts and Audit Regulations 2015

2.—(1) The Accounts and Audit Regulations 2015(**c**) are amended as follows.

(2) In regulation 2(1) (interpretation) after the definition of "audit letter" insert—

> ""auditor's annual report" has the same meaning as in—
>
> (a) the Code of Audit Practice published by the National Audit Office(**d**) and dated April 2020 with Reference number: 11868-002; or
>
> (b) the Code of Audit Practice published by the National Audit Office and dated September 2024 with Reference number: 013422; ".

(3) After regulation 9 (signing and approval of statement of accounts for Category 1 authorities), insert—

(**a**) 2014 c. 2.
(**b**) 1988 c. 41. Schedule 7B was inserted by section 1 of, and Schedule 1 to, the Local Government Finance Act 2012 (c. 17).
(**c**) S.I. 2015/234; relevant amending instruments are S.I. 2020/404, 2021/263, 2021/265 and 2022/708.
(**d**) The National Audit Office ("the NAO") is incorporated under section 20 of the Budget Responsibility and National Audit Act 2011 (c. 4) ("the 2011 Act"). Under paragraph 2 of Schedule 3 to the 2011 Act the NAO is required to provide resources for the Comptroller and Auditor General's functions.

"Publication of statement of accounts, annual governance statement and narrative statement for Category 1 authorities: financial years 2015-2028

9A.—(1) This regulation applies to Category 1 authorities(**a**) for the financial years(**b**) in the period beginning with 1st April 2015 and ending with 31st March 2028.

(2) Subject to paragraph (4), where an authority has not published its accountability statements for a financial year beginning in 2015, 2016, 2017, 2018, 2019, 2020, 2021 or 2022, it must do so after approving the statement of accounts in accordance with regulation 9(2) but not later than 13th December 2024.

(3) Subject to paragraph (4), for the financial years listed in the first column of the following table, after approving the statement of accounts in accordance with regulation 9(2), an authority must publish its accountability statements on or before the corresponding date in the second column—

Financial year beginning in—	*Date*
2023	28th February 2025
2024	27th February 2026
2025	31st January 2027
2026	30th November 2027
2027	30th November 2028.

(4) Where paragraph (5) applies an authority must—

(a) on or as soon as reasonably practicable after the last publication date, publish a notice stating that it has not been able to publish its accountability statements and its reasons for this, and

(b) publish its accountability statements as soon as reasonably practicable.

(5) This paragraph applies in relation to an authority where the local auditor has not entered its opinion on the statement of accounts for a financial year before the last publication date and—

(a) on the day before the last publication date—

(i) the local auditor is considering an objection made under section 27 of the Act(**c**) (right to make objections at audit),

(ii) a person who has objected under section 27 of the Act may still appeal under section 28(3) of the Act (declaration that item of account is unlawful)(**d**),

(iii) the local auditor is considering whether to make an application to the court under section 28(1) of the Act, or

(iv) an application has been made under section 28(1) or an appeal has been brought under section 28(3) of the Act and the court(**e**) has not yet determined the application or appeal, or

(b) for a financial year listed in paragraph (3), on the day before the last publication date the local auditor is not yet satisfied that the authority has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources(**f**).

(**a**) For the definition of "Category 1 authority", see regulation 2(1) of S.I. 2015/234.
(**b**) For the definition of "financial year", see section 3(4) of the Local Audit and Accountability Act 2014.
(**c**) For the definition of "the Act", see regulation 2(1) of S.I. 2015/234. If an objection is made, section 27(3) provides that the local auditor must decide whether to consider the objection. Grounds for not considering the objection are provided in subsection (4).
(**d**) Where the local auditor decides not to consider an objection under section 27(1)(b) of the Local Audit and Accountability Act 2014, the person who has objected may request written reasons and, following receipt of those reasons, appeal against the decision to the court. The period for doing so is limited: see section 28(3).
(**e**) The High Court and the county court have jurisdiction for the purposes of section 28: see section 28(8).
(**f**) The local auditor must be satisfied that this is the case when auditing the accounts of a Category 1 authority: see section 20(1)(c) of the Local Audit and Accountability Act 2014.

(6) Where paragraph (5) does not apply and a Category 1 authority fails to comply with paragraph (2) or (3) (as the case may be), the authority must—

(a) on or as soon as reasonably practicable after the last publication date, publish a notice stating—

(i) that it has not been able to publish its accountability statements,

(ii) its reasons for this, and

(iii) that it acknowledges that it must publish its accountability statements as soon as reasonably practicable,

(b) on or as soon as reasonably practicable after the last publication date, send a copy of the notice mentioned in sub-paragraph (a) to the Secretary of State, and

(c) as soon as reasonably practicable publish its accountability statements.

(7) When accountability statements are published under this regulation, an authority must—

(a) keep copies of those documents for purchase by any person on payment of a reasonable sum, and

(b) ensure that those documents remain available for public access for a period of not less than five years beginning with the date on which those documents were first published in accordance with this regulation.

(8) Where an authority publishes any statement or notice in accordance with this regulation, this must include publication on the authority's website.

(9) In this regulation—

"accountability statements" means—

(a) the statement of accounts together with the opinion and any certificate, entered by the local auditor in accordance with section 20(2) of the Act (general duties of auditors);

(b) the annual governance statement approved in accordance with regulation 6(2);

(c) the narrative statement prepared in accordance with regulation 8;

"last publication date", in relation to a financial year, means the date on or before which the accountability statements must be published in accordance with paragraphs (2) or (3).".

(4) In regulation 10 (publication of statement of accounts, annual governance statement and narrative statement for Category 1 authorities)—

(a) in the heading, at the end, insert ": financial years 2028 onwards";

(b) in paragraph (1)—

(i) for "Subject to paragraphs (4) to (4C)" substitute "For a financial year beginning in 2028 or later";

(ii) for "any certificate or opinion" substitute " the opinion and any certificate";

(c) in paragraph (2), for "Subject to paragraphs (5) to (6B), where" substitute "Where";

(d) omit paragraphs (4) to (6B).

(5) In regulation 15 (commencement of the period for the exercise of public rights)—

(a) in paragraph (1), for "paragraphs (5) and (6)" substitute "paragraphs (5), (6) and (7)";

(b) after paragraph (6) insert—

"(7) Paragraph (1) applies in relation to accounts of a Category 1 authority for the financial years beginning in 2024, 2025, 2026 and 2027 as if from "on such a day" to the end there were substituted "on or before the first working day of July of the financial year immediately following the end of the financial year to which the statement relates."".

(6) In regulation 20 (publication of annual audit letter)—

(a) in the heading after "letter" insert "or auditor's annual report";

(b) in paragraph (1)—

(i) omit ", following completion of an audit,";

(ii) after "audit letter" insert "or auditor's annual report";

(iii) after "that letter" insert "or report";

(c) in paragraph (2)—

(i) in the opening words, after "letter" insert "or report";

(ii) in sub-paragraph (a) after "audit letter" insert "or auditor's annual report".

Amendment of the Non-Domestic Rating (Transitional Protection Payments) Regulations 2013

3. In regulation 6 (end of year calculations) of the Non-Domestic Rating (Transitional Protection Payments) Regulations 2013(**a**)—

(a) in paragraph (1), for "paragraph (3)" substitute "paragraphs (3) to (6)";

(b) after paragraph (3) insert—

"(5) Subject to paragraph (6), paragraph (1) applies in relation to calculations for the relevant years(**b**) listed in the first column of the following table as if for "30 September in the year following a relevant year" there were substituted the words in the second column—

Relevant year beginning in—	*Date*
2023	"28th February 2025"
2024	"27th February 2026"
2025	"31st January 2027"
2026	"30th November 2027"
2027	"30th November 2028".

(6) Paragraph (1) applies in relation to calculations for the relevant year as if for "30 September in the year following the relevant year" there were substituted "the date the accountability statements are published" where—

(a) the relevant year begins in 2023, 2024, 2025, 2026 or 2027, and

(b) the billing authority has not published its accountability statements on or before the last publication date.

(7) In this regulation, "accountability statements" and "last publication date" have the meanings given in regulation 9A of the Accounts and Audit Regulations 2015.".

Amendment of the Non-Domestic Rating (Rates Retention) Regulations 2013

4. In regulation 9 (end of year calculations) of the Non-Domestic Rating (Rates Retention) Regulations 2013(**c**)—

(a) in paragraph (1), for "paragraph (5)" substitute "paragraphs (5) to (8)";

(b) after paragraph (5) insert—

"(7) Subject to paragraph (8), paragraph (1) applies in relation to calculations for the relevant years(**d**) listed in the first column of the following table as if for "30 September in the year following the relevant year" there were substituted the words in the second column—

Relevant year beginning in—	*Date*
2023	"28th February 2025"

(**a**) S.I. 2013/106; relevant amending instruments are S.I. 2020/449, 2021/262 and 2022/784.
(**b**) For the definition of "relevant year", see regulation 1(2) of S.I. 2013/106.
(**c**) S.I. 2013/452; relevant amending instruments are S.I. 2015/628, 2016/1268, 2017/1321, 2020/449, 2021/262, 2021/404 and 2022/784.
(**d**) For the definition of "relevant year", see regulation 2(1) of S.I. 2013/452.

2024	"27th February 2026"
2025	"31st January 2027"
2026	"30th November 2027"
2027	"30th November 2028".

(8) Paragraph (1) applies in relation to calculations for the relevant year as if for "30 September in the year following the relevant year" there were substituted "the date the accountability statements are published" where—

(a) the relevant year begins in 2023, 2024, 2025, 2026 or 2027, and

(b) the billing authority has not published its accountability statements on or before the last publication date.

(9) In this regulation, "accountability statements" and "last publication date" have the meanings given in regulation 9A of the Accounts and Audit Regulations 2015.".

Signed by authority of the Secretary of State for Housing, Communities and Local Government

Jim McMahon
Minister of State
5th September 2024 Ministry of Housing, Communities and Local Government

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations amend the Accounts and Audit Regulations 2015 (S.I. 2015/234) (the "2015 Regulations"), which set out detailed requirements applicable to a relevant authority (defined in section 2(1) of the Local Audit and Accountability Act 2014 (c.2) (the "Act")) other than a health service body in relation to its annual audit and accounting processes.

Regulation 2 makes several amendments to the 2015 Regulations to provide deadlines for a Category 1 authority (defined in regulation 2 of the 2015 Regulations) to publish certain accounts and statements.

Regulation 2 of the 2015 Regulations is amended to insert a definition of an auditor's annual report, with reference to the latest Codes of Audit Practice. The Codes may be found on the National Audit Office website at this page: Code of Audit Practice - National Audit Office (NAO). Hard copies of the Codes may be obtained from, or inspected by appointment with, the National Audit Office at 157-197 Buckingham Palace Road, London SW1W 9SP.

Regulation 9A is inserted into the 2015 Regulations to provide that, for the financial years 2015/16 to 2022/23, the deadline to publish the final accounts and statements is 13th December 2024. Deadlines for publication are also provided for the financial years 2023/24 to 2027/28. The published statement of accounts must have been approved by the Category 1 authority in accordance with regulation 9(2) of the 2015 Regulations and include the opinion and any certificate from the local auditor in accordance with section 20(2) of the Act. Provision is made for scenarios in which a Category 1 authority may be unable to comply with the publication deadlines.

Regulation 10 of the 2015 Regulations is amended so that it only applies from the financial years 2028/29 onwards and to amend the reference to the auditor's opinion and certificate to ensure that the duty to publish the statement of accounts applies where the opinion has been entered but the certificate is outstanding. Regulation 15 is amended so that the period for the exercise of public rights does not need to commence until the first working day of July for financial years beginning in 2024, 2025, 2026 and 2027. Regulation 20 is amended so that Category 1 authorities are required to consider and publish annual audit letters or reports whenever they are received.

Regulations 3 and 4 make consequential amendments to the Non-Domestic Rating (Transitional Protection Payments) Regulations 2013 (S.I. 2013/106) and Non-Domestic Rating (Rates Retention) Regulations 2013 (S.I. 2013/452).

A full impact assessment has not been produced for this instrument as no, or no significant, impact on the private, public or voluntary sectors is foreseen.

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