



BRIEFING PAPER

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Local Audit (Public Access to Documents) Bill 2016-17

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Introduction

The *Local Audit (Public Access to Documents) Bill 2016-17* is a short 'handout' Bill. It was introduced to the House of Commons by Wendy Morton MP. Its [First Reading took place on 4 July 2016](#) and its Second Reading is scheduled for 25 November 2016. A copy of the Bill, Explanatory Notes and other related documents can be found on the [Bill's pages on the Parliamentary website](#).

The Bill makes a short amendment to the [Local Audit and Accountability Act 2014](#). It permits 'journalists' to inspect the accounting records of local authorities and other bodies covered by the 2014 Act: local authorities, parish councils, Police and Crime Commissioners, fire authorities, combined authorities, and clinical commissioning groups within the NHS. A full list of authorities covered can be found in Schedule 2 of the 2014 Act.

The Bill

The Bill consists of two clauses.

Clause 1 (2) inserts the words "or any journalist" into the definitions of people who can inspect accounting records, found in section 26 (1) of the *Local Audit and Accountability Act 2014*.

Clause 1 (3) inserts a new subsection 1A into section 26 of the 2014 Act, defining a 'journalist' as "any person who produces for publication journalistic material (whether paid to do so or otherwise)". The mention of being paid is intended to avoid access being restricted to accredited or paid journalists, opening access to 'citizen journalists' and bloggers.

Clause 2 provides for commencement, territorial extent and short title. The Bill extends to England and Wales but has effect, like the 2014 Act, in England only.

Effect of the Bill

In a consultation response in the wake of the passage of the 2014 Act, the Government stated:

... the Government believes that journalists should also be able to inspect accounts and information, in the interests of local people, and therefore intends to legislate at the earliest opportunity to ensure that the definition of "persons interested" (see

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section 26 of the Local Audit and Accountability Act 2014) is wide enough to enable this.¹

This Bill would implement this commitment, including 'journalists' in the category of people who may inspect accounting records of relevant bodies. They would be able to make copies of any such documents, and the body would be able to charge them for making copies. Commercially confidential and personal information is exempted from this requirement by the 2014 Act.

The Government suggests that case law has shown that journalists would not necessarily be covered by the definition of 'interested persons' unless they had another interest e.g. by being a ratepayer in the local authority area. The case of *HTV v Bristol City Council* (2004) established that HTV had a right to inspect Bristol City Council's accounts as it was a non-domestic ratepayer within the city council area. However, the judge also found that HTV's role as a media body would not itself have enabled it to claim the status of an 'interested person', implying that a journalist could not inspect any local authority's accounts on request.²

The Bill would not give journalists the right to raise objections to the accounts or to question the auditor. These would still be open only to local electors (see sections 25 and 27 of the 2014 Act). It would be for journalists to bring matters to the attention of local electors, who could then choose to raise objections to the accounts. The Bill does not oblige 'journalists' to do this, though it defines 'journalist' as "any person who produces for publication journalistic material".

The rights to inspect accounts are only exercisable within a period of 30 working days, starting with the day on which the statement of accounts is published. This period is fixed by each individual local authority, but it must cover the first 10 working days of July (parish and town councils and other smaller authorities) or the first 10 working days of June (all other authorities) following the financial year to which the accounts relate.³

¹ DCLG, [Future of Local Audit: Consultation on secondary legislation: summary of responses and the Government Response](#), December 2014, p. 10

² This case was brought under the *Audit Commission Act 1998*, the predecessor to the 2014 Act.

³ See paragraphs 14 and 15 of the [Accounts and Audit Regulations 2015](#) (SI 2015/234)

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