



In Focus

Local Audit (Public Access to Documents) Bill (HL Bill 115 of 2016–17)

The [Local Audit \(Public Access to Documents\) Bill](#) is a House of Commons private member's bill introduced by Wendy Morton (Conservative MP for Aldridge-Brownhills) and sponsored in the House of Lords by Baroness Eaton (Conservative). The Bill has completed all stages in the House of Commons and is scheduled to have its second reading in the House of Lords on 6 April 2017. The Bill is backed by the Government, who have drafted the Explanatory Notes which accompany it.

Background and Purpose of the Bill

The Bill seeks to extend public access to certain local audit documents under section 26 of the Local Audit and Accountability Act 2014. The Local Audit and Accountability Act 2014 established new arrangements for the audit and accountability of local public bodies (as listed in schedule 2 of the Act). At each audit of accounts held under the Act, section 26(1) allows “any persons interested”¹ to inspect the accounting records for the financial year “and all books, deeds, contracts, bills, vouchers, receipts and other documents relating to those records”.² Clause 1 of the Local Audit (Public Access to Documents) Bill would amend section 26(1). After “any persons interested” it would insert “or any journalist”. Clause 1(3) of the Bill would also insert a new subsection 1A that would define a journalist as “any person who produces for publication journalistic material (whether paid to do so or otherwise)”.³ The Explanatory Notes to the Bill argue that previous case law demonstrates that the term ‘interested persons’ is not broad enough to include journalists unless they have another ‘interest’ in the local authority (for example by being a ratepayer).⁴ The Coalition Government ran a consultation on local audit regulations proposed in association with the Local Audit and Accountability Act 2014. In its response to this consultation it stated that it believed that journalists should also be able to consult documents under section 26 and that it would legislate to ensure the definition of “any persons interested” would enable this.⁵

Consideration in the House of Commons

During the Bill's second reading in the House of Commons, Wendy Morton argued that the Bill was necessary in order to provide journalists with an important tool to aid them in journalistic investigations. Consequently, it would better enable local electors to hold local authorities to account on issues of spending.⁶ She explained that she wanted the definition to also include “citizen journalists” (ie bloggers who meet the definition in clause 1(3)) as well as accredited members of the press.⁷ However, she did not think it necessary to expand section 26 to “everyone” because this would give rise to a “great potential to make mischief” without the benefit of awareness raising or improving accountability.⁸ Responding to concerns about possible additional costs placed on local authorities, Wendy Morton said that she was conscious of budget pressures and therefore the Bill would not give

journalists the right to question auditors or make formal objections to the accounts.⁹ She also said that bodies could recover the cost of providing copies from the requestor.¹⁰ Jim McMahon (Labour MP for Oldham West and Royton) said the Bill could have increased access further, saying he could imagine a situation in which an academic might want to carry out legitimate research into the spending of public money.¹¹ Responding to the Bill, Parliamentary Under Secretary of State for Communities and Local Government, Marcus Jones, described the Bill as an important aid in improving local transparency and accountability, arguing that the measures in the Bill were “proportionate and they could help to uncover poor practice so that people could hold their local councils to account”.¹² The Bill passed second reading without a division. There were no amendments tabled to the Bill at its committee stage.

At report stage, the House of Commons divided on one amendment (amendment 2), which was defeated by 41 votes to 17.¹³ Tabled by Christopher Chope (Conservative MP for Christchurch), it sought to expand access to local audit documents under section 26 to include “any members of the public who are registered to vote in local elections in the United Kingdom”.¹⁴ Teresa Pearce, Shadow Secretary of State for Communities and Local Government, said that “we support measures to extend transparency and openness, and the amendment would undoubtedly help to achieve that”.¹⁵ Parliamentary Under Secretary of State for Communities and Local Government, Andrew Percy, argued amendment 2 would “likely impose a new burden on local authorities” as they would need to make their records available to everyone.¹⁶ Similarly, Wendy Morton spoke against the amendment on the grounds of the increased cost burden on local authorities.¹⁷ The Bill passed third reading without a division.

Further Information

- House of Commons Library, [Local Audit \(Public Access to Documents\) Bill 2016–17](#), 24 November 2016

¹ Local Audit and Accountability Act 2014, s 26(1).

² *ibid*, subsection 1(a). Under section 25 of the Local Audit and Accountability Act 2014, local government electors have a separate, and different power, to inspect audit and account documents.

³ Local Audit (Public Access to Documents) Bill, HL Bill 115 of 2016–17, clause 1(3).

⁴ [Explanatory Notes](#), p 1.

⁵ Department for Communities and Local Government, [Future of Local Audit: Consultation on Secondary Legislation Summary of Responses and the Government Response](#), December 2014, para 4.11.

⁶ [HC Hansard, 25 November 2016, col 1198](#).

⁷ *ibid*, col 1198.

⁸ *ibid*, col 1199.

⁹ *ibid*, col 1200.

¹⁰ *ibid*.

¹¹ *ibid*, col 1209.

¹² *ibid*, col 1213.

¹³ [HC Hansard, 24 March 2017, col 1081](#).

¹⁴ House of Commons, [Consideration of Bill \(Report Stage\): Local Audit \(Public Access to Documents\) Bill](#), 24 March 2017.

¹⁵ [HC Hansard, 24 March 2017, col 1072](#).

¹⁶ *ibid*, col 1074.

¹⁷ *ibid*, col 1076.

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