EXPLANATORY MEMORANDUM TO

THE EDUCATION (OUTTURN STATEMENTS) (ENGLAND) REGULATIONS 2009

2009 No. 1586

1. This explanatory memorandum has been prepared by the Department for Children Schools and Families and is laid before Parliament by Command of Her Majesty.

2. Purpose of the instrument

2.1 The regulations provide the legal basis for and prescribe the information which Local Authorities must provide relating to their actual expenditure on their education functions for the financial year 2008-2009.

3. Matters of special interest to the Joint Committee on Statutory Instruments

3.1 None

4. Legislative Context

4.1 Section 52 imposes an obligation upon Local Authorities (LAs) to prepare outturn statements after the end of each financial year. The regulations prescribe the form of the statement and the manner of its publication. .The statements must set out information relating to the following matters-

(a) expenditure actually incurred, or treated by the LA as having been incurred by them, in that financial year;

(b) any other resources allocated by the LA in the year to schools maintained by them during any part of that year; and

(c) accountable resources held, received or expended in that year by any person in relation to a school maintained by the LA. (Accountable resources means resources not provided by the LA which governing bodies have an obligation to keep account of under section 44 of the Education Act 2002.)

4.2 Copies of outturn statements must be sent to the governing body and head teacher of each school maintained by the LA as well as to the Department

5. Territorial Extent and Application

5.1 This instrument applies to England.

6. European Convention on Human Rights

6.1 As the instrument is subject to negative resolution procedure and does not amend primary legislation, no statement is required.

7. Policy background

7.1 The School Standards and Framework Act 1998 sets out the budgetary framework for schools maintained by LAs. The policy objective underlying the making of these Regulations is to ensure that LAs provide particular information to maintained schools, the Secretary of State and the public about their actual expenditure for the 2008-09 financial year.

7.2 The Department provides electronic workbooks containing linked tables and some pre-populated cells so that the data collection burden on LAs is reduced as far as possible. The tables making up the electronic workbooks set out in detail the information required.

7.3 Outturn statements are also intended to be the means of informing schools and the public in general about the actual expenditure of the LA in respect of school funding and other education services. The statements provide a consistent format across the country so that schools and other interested parties can make comparisons. The information provided in the statements will provide a clear picture of the authority's planned spending, in particular:

- how much of the overall education budget the LA has spent on items outside the schools budget;

- how much the LA has retained centrally within the schools budget for school and pupil services;

- how an LA's formula for delegation of schools' budget shares has operated.

7.4 The Regulations contained in this instrument form part of the annual updating process of these requirements whereby additions and changes are made to the tables set out annually in the Schedules to the regulations and reflect the collection of financial data in the Education (Budget Statements) (England) Regulations 2008 as amended by The Education (Budget Statements) (England) (Amendment) Regulations 2009.

8. Consultation outcome

8.1 The Department undertook a consultation on the minor changes to be made for this year to the templates and guidance which were used for the financial year 2007-2008. This ran from 11 November to 23 December 2008. Consultees included all 152 local authorities, CLG, the Local Government Association and

CIPFA. The Department received 8 responses. The responses did not relate to the changes to be made but asked for further guidance on how to complete other data lines. Very clear guidance on how all data lines should be completed has been included in the guidance which will be sent electronically to LAs.

9. Guidance

9.1 Detailed guidance will be sent electronically to all Local Authorities. The guidance will also be published on the Department's website. In addition, there is a small team of policy advisers available to provide supplementary assistance via telephone and email.

10. Impact

10.1 The impact on business, charities or voluntary bodies is none.

10.2 The impact on the public sector is minimal.

10.3 An Impact Assessment has not been prepared for this instrument.

11. Regulating small business

11.1 The legislation does not apply to small business.

12. Monitoring & review

12.1 The DCSF undertakes an extensive review and consultation annually of the tables and the accompanying guidance and makes amendments in the light of responses and other changes to the wider funding policy framework.

13. Contact

Cheryl Bailey at the Department for Children Schools and Families, Telephone number 0207 340 7746 or email: cheryl.bailey@dcsf.gsi.gov.uk can answer any queries regarding the instrument.