EXPLANATORY MEMORANDUM TO

THE GOVERNMENT RESOURCES AND ACCOUNTS ACT 2000 (ALTERATION OF TIMETABLES FOR ACCOUNTS) ORDER 2013

2013 No. 148

1. Introduction

1.1. This explanatory memorandum has been prepared by Her Majesty's Treasury and is laid before the House of Commons by Command of Her Majesty.

2. Purpose of the instrument

2.1. This Order alters section 6(4) of the Government Resources and Accounts Act 2000 ("the Act") in relation to the resource accounts prepared by the Department for Culture, Media and Sport ("DCMS") for the financial year ending on 31st March 2012 ("the Accounts").

2.2. As altered by the Order, section 6(4) of the Act will require the Treasury to lay the Accounts as certified by the Comptroller and Auditor General ("C&AG") and the C&AG's related report not later than 25th February 2013. Without alteration the date for laying under section 6(4) would be 31st January 2013.

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

3.1. DCMS made a decision to delay the laying of the Accounts in order to provide complete focus on the delivery of the 2012 Olympic and Paralympic Games. Recently DCMS confirmed to the Treasury that it would be unable to lay accounts of good quality by 31st January.

3.2. DCMS expects to be in a position to prepare and lay the Accounts by the new deadline of 25th February 2013. The Treasury has been given clear assurances by the DCMS Accounting Officer that the extension of time will result in materially better accounts being laid before Parliament. When consulted by the Treasury this view was supported by the C&AG.

3.3. The Treasury is, therefore, satisfied that with more time the Accounts should be of better quality. The 21-day rule has regrettably been breached on this occasion due to the timing of confirmation that DCMS would be unable to lay accounts of good quality by 31st January.

4. Legislative Context

4.1. Each financial year a government department is required to prepare resource accounts in accordance with section 5 of the Act. Once prepared the department is required to

send its accounts to the C&AG not later than 30th November of the financial year following that to which the accounts relate (section 5(5) of the Act).

4.2. The C&AG is required to examine any resource accounts which he receives under section 5(5) of the Act with a view to satisfying himself - (a) that the accounts present a true and fair view, (b) that money provided by Parliament has been expended for the purposes intended by Parliament, (c) that resources authorised by Parliament to be used have been used for the purposes in relation to which the use was authorised, and (d) that financial transactions are in accordance with any relevant authority (section 6(1) of the Act).

4.3. Where the C&AG has conducted an examination of resource accounts, the C&AG must – (a) certify the accounts and issue a report, and (b) send the certified accounts and the report to the Treasury not later than 15th January of the financial year following that to which the accounts relate. If the C&AG is not satisfied of the matters set out in section 6(1)(a) to (d) of the Act he must report to the House of Commons (section 6(3) of the Act).

4.4. The Treasury is required to lay the certified accounts and reports before the House of Commons not later than 31st January of the financial year following that to which the accounts relate (section 6(4) of the Act).

4.5. Section 22(1) of the Act enables the Treasury by order to substitute a new date for a date which for the time being is specified in section 5, 6 or 7 of the Act. An order under section 22(1) may specify a new date for all purposes or for specified purposes only and before making such an order the Treasury must consult the C&AG (section 22(2) and (3) of the Act).

5. Territorial Extent and Application

5.1. This instrument extends to the United Kingdom. It only applies in relation to the resource accounts prepared by the Department for Culture, Media and Sport for the financial year ending on 31st March 2012.

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 DCMS made a decision to delay the laying of the Accounts – which are the department's first Group Financial Statements – in order to provide complete focus on the delivery of the 2012 Olympic and Paralympic Games. Under the revised timetable DCMS planned to lay the Accounts in December 2012.

7.2 DCMS did not meet that timetable and has now confirmed to the Treasury that it will be unable to lay accounts of good quality by 31st January 2013. DCMS expects to be in a position to prepare and lay the Accounts by 25th February 2013. The Treasury has been given clear assurances by the DCMS Accounting Officer that the extension of time will result in materially better accounts being laid before Parliament. When consulted by the Treasury this view was supported by the C&AG.

7.3 Parliament has a right to examine the accounts of public service organisations which handle public funds. The Treasury seeks to deliver these accounts in a timely fashion. Postponing publication of the DCMS's resource accounts for this year only should ensure that the Accounts offer better quality information for Parliament to consider.

8. Consultation outcome

8.1 Before making the Order the Treasury consulted the C&AG in accordance with section 22(3) of the Act. The C&AG advised that with more time to prepare DCMS should be able to lay better quality accounts.

9. Guidance

9.1 No guidance is required in relation to the operation of this Order.

10. Impact

10.1 There is no impact on business, charities outside the public sector or voluntary bodies.

10.2 The impact on the public sector is that the resource accounts prepared by the Department for Culture, Media and Sport for the financial year ending on 31st March 2012 will be laid before the House of Commons not later than 25th February 2013.

10.3 An impact assessment has not been prepared for this Instrument because no impact on the private or voluntary sector is foreseen.

11. Regulating small business

11.1 The legislation does not apply to small business.

12. Monitoring & review

12.1 DCMS have undertaken to consider how they can improve the process of producing their accounts on a more timely basis for future years. The Treasury will take a close interest in this process and provide any assistance required.

13. Contact

13.1 Karen Sanderson at Her Majesty's Treasury Tel: 020 7270 5887 or email: karen.sanderson@hmtreasury.gsi.gov.uk can answer any queries regarding the instrument.