

*These notes refer to the Education Act 2002 (c.32)
which received Royal Assent on 24 July 2002*

EDUCATION ACT 2002

EXPLANATORY NOTES

SUMMARY AND BACKGROUND

Territorial Coverage

Part 3: Maintained schools

Chapter 2 of Part 3: Financing of Maintained Schools

17. This Chapter introduces components of a new system for funding LEAs and schools. It introduces new definitions of the 'LEA budget' for central functions and the 'schools budget' for expenditure on pupils. It requires LEAs to establish a schools forum in accordance with regulations, to represent the views of schools with respect to the funding of schools in the area. It also provides a power for the Secretary of State, or the NAW, to set a minimum level for the schools budget.
18. In addition, the Chapter provides that the governing body of a maintained school may be required to keep prescribed accounts and records, prepare prescribed financial statements, comply with prescribed audit conditions and to send copies of accounts and financial statements to the Secretary of State or the NAW. Financial statements must also be prepared in relation to private funds.