

APPRENTICESHIPS, SKILLS, CHILDREN AND LEARNING ACT 2009

EXPLANATORY NOTES

COMMENTARY ON SECTIONS

Part 12: Miscellaneous

Information about local authority expenditure

849. The Secretary of State for Children, Schools and Families currently uses two separate powers (one specific and one general) to collect information about a local education authority's planned and actual expenditure on its education functions and its children's social services functions. These are section 52 of the School Standards and Framework Act 1998 ("the 1998 Act") and section 230 of the Local Government Act 1972 ("the 1972 Act") respectively. Section 52 of the 1998 Act imposes a duty on local education authorities to prepare and publish financial statements containing information about their planned and actual expenditure on their education functions and accountable resources held, received or expended, in accordance with regulations made by the Secretary of State. Section 230 of the 1972 Act allows the Secretary of State to collect such information as he may require from local education authorities with respect to their functions and is used to collect financial information about their planned and actual expenditure on their children's social services functions. Section 251 will provide the Secretary of State with one specific power to collect both types of information but only in relation to local education authorities in England and to do so by means of a direction. This enables the Secretary of State to collect the information he needs without having to make or amend regulations. The section does not impose additional burdens on local education authorities.

Section 251: Information about planned and actual expenditure

850. *Subsections (1) and (2)* enable the Secretary of State to direct a local authority to provide information about its planned and actual expenditure on its education and its children's social services functions and about "accountable resources" held, received or expended by any person in relation to a school maintained by the authority. "Accountable resources" are defined in section 252(4).

851. *Subsections (3) to (5)* respectively provide that the information must be provided in accordance with the direction, the direction may specify the period to which the information relates; the form and manner in which the information is to be provided; the persons to whom the information is to be provided; and requirements for the publication of this information; and, where a direction requires information to be provided to a person other than the Secretary of State, it may also require that person to make that information available for inspection in accordance with the direction.

852. The purpose of the financial statements is to provide schools, parents and other interested bodies such as the Local Government Association and CIPFA, for example, with details about local authority funding and expenditure on schools and children's

social services. The Government sees it as important that finance data is available to help inform debate and planning about differing levels of expenditure between local authorities. The information informs policy making in the Department for Children, Schools and Families as well as providing information to Parliament in its role of monitoring that Department's accountability for public funds.

Section 252: Information about expenditure: supplementary

853. *Subsections (2) to (4)* define the education and children's social services functions of a local authority and accountable resources in relation to a school maintained by a local authority. Local authority education functions include the determination of individual school budgets, and what is spent by the local authority centrally to support those responsibilities, including provision for pupils with special educational needs, and learner support. Local authority functions for children's social services include expenditure on the children's services strategy and services to young people, including youth justice.
854. *Subsection (5)* enables the Secretary of State to amend the section by order for the purposes of adding, removing or changing the description of education functions or children's social services functions. Orders made under this subsection are to be subject to the affirmative resolution procedure.
855. *Subsection (6)* defines certain other terms used in this section.

Section 253: Information about expenditure: consequential amendments

856. *Subsection (2)* amends section 52 of the School Standards and Framework Act 1998 in order to restrict its application to local education authorities in Wales.
857. *Subsection (3)* repeals section 53 of the School Standards and Framework Act 1998 (certification of expenditure statements by the Audit Commission). The Secretary of State no longer requires local education authorities to make arrangements for the Audit Commission to examine their expenditure statements. This power has not been used during the past three years.