

**EXPLANATORY MEMORANDUM TO  
THE CONSISTENT FINANCIAL REPORTING (ENGLAND) (AMENDMENT)  
REGULATIONS 2006**

**2006 No. 437**

1. This explanatory memorandum has been prepared by the Department for Education and Skills and is laid before Parliament by Command of Her Majesty.
2. **Description**
  - 2.1. This instrument amends Statutory Instrument 2003 no. 373 – The Consistent Financial Reporting (England) Regulations 2003 – to bring forward the date for submission of the CFR return from the 22 August to the 3rd Friday in July in line with Eurostat rulings.
3. **Matters of special interest to the Joint Committee on Statutory Instruments**
  - 3.1. None
4. **Legislative Background**
  - 4.1. Under Office for National Statistics (ONS) classifications all publicly funded schools would remain a part of the public services and need to be included in Whole of Government Accounts (WGA). The 2003 ruling by Eurostat, the body that governs European Union economic statistics, requires all EU countries to classify all schools providing statutory age education, funded by government as a part of government for national accounting purposes.
  - 4.2. Local Authorities must submit their end of year financial statements to be included in the WGA by 30th June. Our desire to bring forward the CFR submission date by one month is consistent with ONS and Eurostat rulings.
5. **Extent**
  - 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 Consistent Financial Reporting (England) Regulations 2003, under Section 44 of the Education Act 2002 came into force on 1 April 2003. The main aim of CFR is to make available all maintained schools financial data on a benchmarking website, a directive of the settlement of the 2000 Comprehensive Spending Review. The website was officially launched in November 2003 and now allows around 24,000 schools to identify similar schools, based on the contextual information it contains, in

order to compare their finances and ensure value for money from their resources.

7.2. £30bn of recurrent expenditure is made by maintained schools in England each year and we must ensure that these funds are being used effectively in order to improve children's outcomes. There is an increasing interest from the media in this area in terms of ensuring value for money from our public services.

## **8. Impact**

8.1. A Regulatory Impact Assessment has not been prepared for this instrument as it has no impact on business, charities or voluntary bodies.

8.2. The impact on the public sector is negligible.

## **9. Contact**

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