



# Education Act 1996

## 1996 CHAPTER 56

### PART VIII

#### GRANTS AND OTHER FINANCIAL MATTERS

##### *Recoupment*

#### **492    Recoupment: adjustment between local education authorities**

- (1) Regulations may provide, in relation to cases where any provision for education to which this section applies is made by a local education authority in respect of a person who belongs to the area of another local education authority, for requiring or authorising the other authority to pay to the providing authority—
  - (a) such amount as the authorities may agree, or
  - (b) failing agreement, such amount as may be determined by or under the regulations.
- (2) This section applies to primary education, secondary education and further education and to part-time education for those who have not attained the age of five.
- (3) The regulations may provide for the amounts payable by one authority to another—
  - (a) to reflect the whole or any part of the average costs incurred by local education authorities in the provision of education (whether in England and Wales as a whole or in any particular area or areas); and
  - (b) to be based on figures for average costs determined by such body or bodies representing local education authorities, or on such other figures relating to costs so incurred, as the Secretary of State considers appropriate.
- (4) The regulations may provide for the amounts so payable, in such cases as may be specified in or determined in accordance with the regulations, to be such amounts as may be determined by the Secretary of State.

---

*Status: This is the original version (as it was originally enacted).*

---

- (5) Any dispute between local education authorities as to whether one of them is entitled to be paid any amount by another under the regulations shall be determined by the Secretary of State.
- (6) In this section—
  - (a) references to provision for education include provision of any benefits or services for which provision is made by or under this Act or any other enactment relating to education; and
  - (b) “further education” does not include further education of a kind such that expenditure on its provision would fall within paragraph 6 of Schedule 10 to the Local Government, Planning and Land Act 1980.

#### **493      Recoupment: cross-border provisions**

- (1) Regulations may make provision requiring or authorising payments of amounts determined by or under the regulations to be made by one authority to another where—
  - (a) the authority receiving the payment makes, in such cases or circumstances as may be specified in the regulations, provision for education in respect of a person having such connection with the area of the paying authority as may be so specified, and
  - (b) one of the authorities is a local education authority and the other an education authority in Scotland.
- (2) Subsections (3) and (4) of section 492 shall apply for the purposes of this section as they apply for the purposes of that section.
- (3) Any question concerning the connection of any person with the area of a particular local education authority or education authority shall be decided in accordance with the regulations.
- (4) In subsection (1) “provision for education” includes provision of any benefits or services for which provision is made by or under this Act or any other enactment relating to education.

#### **494      Recoupment: excluded pupils**

- (1) Subsection (2) applies where a pupil is permanently excluded from any school maintained by a local education authority or any grant-maintained school and, in the financial year in which the exclusion first takes effect—
  - (a) he is subsequently provided with—
    - (i) education at a school maintained by a local education authority,
    - (ii) education provided by such an authority otherwise than at school, or
    - (iii) education at a grant-maintained school, and
  - (b) the person accountable for that education (“the new provider”) is not the same as the person accountable for the education provided for him immediately before his exclusion (“the former provider”).
- (2) The former provider shall pay to the new provider an amount determined in accordance with regulations as the appropriate amount of funding to be transferred to the new provider in respect of that pupil for that financial year.

---

*Status: This is the original version (as it was originally enacted).*

---

- (3) Every local education authority shall, where any scheme made (or treated as made) by them as mentioned in section 101(1) does not make the provision required by subsection (4) below, exercise their powers to revise the scheme so that it makes such provision.
- (4) The provision required by this subsection, in relation to a local education authority, is—
- (a) provision requiring the authority, where a pupil is permanently excluded from a school and the exclusion first takes effect in a financial year in which the school is required to be covered by the scheme, to reduce the school's budget share for that year by an amount determined in accordance with regulations as the appropriate amount of funding in respect of that pupil for that year to be subtracted from the school's budget share; and
  - (b) provision requiring the authority, where a pupil admitted to a school in a financial year in which the school is required to be covered by the scheme has been permanently excluded—
    - (i) from a school maintained by them or any other local education authority, or
    - (ii) from any grant-maintained school,and the exclusion (as well as the admission) first took effect in that year, to allocate for the purposes of the school in that year an amount determined in accordance with regulations as the appropriate amount of funding in respect of that pupil for that year to be allocated for those purposes.
- (5) Expressions used in subsection (4) and in Chapter V of Part II have the same meaning as in that Chapter.
- (6) Subject to subsection (7), for the purposes of this section—
- (a) the local education authority are accountable for education provided at any school maintained by them or education provided by them otherwise than at school; and
  - (b) the governing body are accountable for education provided at a grant-maintained school.
- (7) Where a pupil is permanently excluded from any school maintained by a local education authority or from any grant-maintained school and, in the financial year in which the exclusion first takes effect, the following events subsequently occur—
- (a) he is first provided with education for which a different local education authority or, in the case of exclusion from a grant-maintained school, any local education authority are accountable (“the first new provider”) and which is provided in a pupil referral unit or otherwise than at school, and
  - (b) at any time afterwards he is provided with education at a grant-maintained school or with education for which a local education authority other than the first new provider are accountable,
- then, in relation to the education mentioned in paragraph (b), the first new provider is to be treated as accountable for the education provided for the pupil immediately before the exclusion first took effect.
- (8) Any dispute as to whether any local education authority or governing body of a grant-maintained school are entitled to be paid any amount under this section by any other such authority or body shall be determined by the Secretary of State.

---

**Status:** *This is the original version (as it was originally enacted).*

---

(9) For the purposes of this section the permanent exclusion of a pupil does not take effect until—

- (a) any review under the articles of government of the decision to exclude him has been completed, and
- (b) either any time for appealing under section 159 or those articles has expired without such an appeal being made or such an appeal has been finally concluded.

(10) In this section “grant-maintained school” includes a grant-maintained special school.