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STATUTORY INSTRUMENTS

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**1996 No. 381**

**EDUCATION, ENGLAND AND WALES**

**The Education (School Financial Statements) (Prescribed Particulars etc.) (Amendment and Revocation) Regulations 1996**

<i>Made</i>	- - - -	<i>21st February 1996</i>
<i>Laid before Parliament</i>		<i>27th February 1996</i>
<i>Coming into force</i>	- -	<i>20th March 1996</i>

In exercise of the powers conferred by sections 42(4) and (6) to (8) and 232(5) and (6) of the Education Reform Act 1988(1) the Secretary of State for Wales hereby makes the following Regulations:—

**Citation, commencement and interpretation**

1.—(1) These Regulations may be cited as the Education (School Financial Statements) (Prescribed Particulars etc.) (Amendment and Revocation) Regulations 1996 and shall come into force on 20th March 1996.

(2) In these Regulations “the principal Regulations” means the Education (School Financial Statements) (Prescribed Particulars etc.) Regulations 1995(2).

**Amendment of the principal Regulations**

2. The principal Regulations shall be amended as follows—

- (a) by the omission from paragraph (1) of regulation 1 of the words “and shall apply only to local education authorities in England”;
- (b) by the insertion in paragraph (2) of regulation 1 after the word “apply” of the words “in the case of local education authorities in England” and by the insertion at the end of the paragraph of the words “and in the case of local education authorities in Wales in relation to a financial year beginning on or after 1st April 1996”;
- (c) by the insertion in paragraph (a) of regulation 6 after the word “copy” of the words “in the case of a local education authority in England” and by the insertion at the end of that

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(1) 1988 c. 40. Subsections (4) and (6) of section 42 were amended, and a new subsection (8) of that section was substituted, by section 275(1) of the Education Act 1993 (c. 35); for the expression “prescribed” see section 235(7) of the Education Reform Act 1988 and section 114(1) of the Education Act 1944 (c. 31); and for the transfer of that function to the Secretary of State see S.I. 1964/490, 1970/1536 and 1978/274.

(2) S.I. 1995/208. These Regulations apply to local education authorities in England only.

paragraph of the words “or in the case of a local education authority in Wales, to the Secretary of State for Wales”;

- (d) by the insertion in Schedule 1 in the Form of Part 1 of the Budget Statement (under the heading “Discretionary exceptions outside the PSB (24)” after “OFSTED” of the words “or OHMCI (Wales)”;
- (e) by the insertion in Schedule 1 at the end of notes (12) and (27) of the Notes to the Form of Part 1 of the Budget Statement of the words “or Her Majesty’s Chief Inspector of Schools in Wales (as the case may be)”;
- (f) by the insertion in Schedule 2 at the end of note (2) of the Notes to the Form of Part 2 of the Budget Statement of the words “or the Welsh Office (as the case may be)”.

### **Revocation**

**3.—**(1) The Education (School Financial Statements) (Prescribed Particulars etc.) Regulations 1994<sup>(3)</sup> in so far as they apply to local education authorities in Wales and the Education (School Financial Statements) (Prescribed Particulars etc.) (Amendment) Regulations 1995<sup>(4)</sup> are revoked.

(2) Notwithstanding paragraph (1) and except in so far as they impose any requirements in respect of section 42(4)(f) to (i) of the Education Reform Act 1988<sup>(5)</sup>—

- (a) the Education (School Financial Statements) (Prescribed Particulars etc.) Regulations 1990<sup>(6)</sup> continue to apply in relation to a financial year beginning on or before 1st April 1992;
- (b) the Education (School Financial Statements) (Prescribed Particulars etc.) Regulations 1993<sup>(7)</sup> continue to apply in relation to the financial year beginning on 1st April 1993; and
- (c) the Education (School Financial Statements) (Prescribed Particulars etc.) Regulations 1994 continue to apply in relation to the financial years beginning on 1st April 1994 and 1st April 1995; in relation to local education authorities in Wales.

21st February 1996

*William Hague*  
Secretary of State for Wales

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(3) S.I. 1994/323. These Regulations were revoked by S.I. 1995/208 in so far as they applied to local education authorities in England.

(4) S.I. 1995/532.

(5) Paragraphs (f) to (i) of section 42(4) were repealed by the Education Act 1993 (c. 35), section 275.

(6) S.I. 1990/353.

(7) S.I. 1993/113.

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## EXPLANATORY NOTE

*(This note is not part of the Regulations)*

These Regulations extend the application of the Education (School Financial Statements) (Prescribed Particulars etc.) Regulations 1995 as amended (which apply only in relation to local education authorities in England) so that, for any financial year beginning on or after 1st April 1996, those 1995 Regulations will apply also in relation to local education authorities in Wales in place of the Education (School Financial Statements) (Prescribed Particulars etc.) Regulations 1994, which are revoked. Those 1994 Regulations and the similarly named 1993 and 1990 Regulations will, however, continue to apply in relation to earlier financial years.

The main changes from the 1994 Regulations are as follows:

- (a) In Part 1 of a budget statement—
  - (i) certain categories of planned expenditure by a local education authority (on school inspections offset by income received from Her Majesty’s Chief Inspector of Schools in Wales, on pupil support, on governors’ and local education authority liability insurance, on local education authority initiatives, on school specific contingencies and on certain provision for pupils from ethnic minorities) are reclassified as discretionary exceptions outside the potential schools budget, and
  - (ii) certain categories of planned expenditure by a local education authority (on services provided by education welfare officers and education social workers, on certain services provided by educational psychologists, on certain redundancy and compensation payments and in connection with the authority’s duties to make assessments of, and to make, maintain and review statements for, children with special educational needs) are reclassified as mandatory exceptions following the inclusion of such items of expenditure as mandatory exceptions in relation to Wales as a result of the Education (Financial Delegation to Schools) (Mandatory Exceptions) (Revocation and Amendment) Regulations 1996 (S.I.1996/395).
- (b) In Part 3 of a budget statement a new section 3Aii (special educational needs funding counted as pupil-led) has been added. Local education authorities will be able to treat certain forms of funding, relating to pupils with statements of special educational needs, as funding to be distributed by reference to pupil numbers for the purpose of meeting requirements in their scheme as to the proportion of funding to be distributed by reference to such matters.
- (c) Outturn statements are required to contain information about the amount of any reduction in a school’s budget share arising from the permanent exclusion of pupils and any increase in funding arising from the admission of pupils who have been permanently excluded from other schools.