
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.