

## SCHEDULE 1

Regulation 4

### CLASSES OR DESCRIPTIONS OF PLANNED EXPENDITURE PRESCRIBED FOR THE PURPOSES OF THE NON-SCHOOLS EDUCATION BUDGET OF A LOCAL AUTHORITY

#### Special educational provision

1. Expenditure on services provided by educational psychologists.
2. Expenditure in connection with the authority's functions under sections 321 to 331 of the 1996 Act (which functions relate to the identification and assessment of children with special educational needs and the making, maintaining and reviewing of statements for such children).
3. Expenditure on monitoring the provision for pupils in schools (whether or not maintained by the authority) for the purposes of disseminating good practice in relation to, and improving the quality of educational provision for, children with special educational needs.
4. Expenditure on collaboration with other statutory and voluntary bodies to provide support for children with special educational needs.
5. Expenditure in connection with—
  - (a) the provision of parent partnership services (that is services provided under section 332A of the 1996 Act to give advice and information to parents of children with special educational needs), or other guidance and information to such parents which, in relation to pupils at a school maintained by the authority, are in addition to the information usually provided by the governing bodies of such schools; or
  - (b) arrangements made by the authority with a view to avoiding or resolving disagreements with the parents of children with special educational needs.
6. Expenditure on carrying out the authority's child protection functions under the Children Act 1989, functions under section 175 of the 2002 Act, and other functions relating to child protection.
7. Expenditure incurred in entering into, or subsequently incurred pursuant to, an arrangement under section 31 of the Health Act 1999<sup>(1)</sup> or regulations made under section 75 of the National Health Service Act 2006<sup>(2)</sup> (arrangements between NHS bodies and local authorities).
8. Expenditure on the provision of special medical support for individual pupils in so far as such expenditure is not met by a Primary Care Trust, National Health Service Trust, NHS foundation trust or Local Health Board.

#### School improvement

9. Expenditure incurred by a local authority in respect of action to support the improvement of standards in the authority's schools, in particular expenditure incurred in connection with functions under the following sections of the 2006 Act—
  - (a) section 60 (performance standards and safety warning notice),
  - (b) section 60A (teachers' pay and conditions warning notice),
  - (c) section 63 (power of local authority to require governing bodies of schools eligible for intervention to enter into arrangements),
  - (d) section 64 (power of local authority to appoint additional governors),

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(1) 1999 c.8. Section 31 was repealed by section 6 of, and Schedule 4 to, the National Health Service (Consequential Provisions) Act 2006 (c.43) but section 4 of, and paragraph 1 of Schedule 2 to, that Act contains a savings provision which means that arrangements made under section 31 of the 1999 Act continue to have effect as if made under section 75 of the National Health Service Act 2006.

(2) 2006 c. 41.

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- (e) section 65 (power of local authority to provide for governing bodies to consist of interim executive members) and Schedule 6; and
- (f) section 66 (power of local authority to suspend right to delegated budget).

#### **Access to education**

**10.** Expenditure in relation to the following matters—

- (a) management of the authority’s capital programme including preparation and review of an asset management plan and negotiation and management of private finance transactions;
- (b) planning and managing the supply of school places, including the authority’s functions in relation to the establishment, alteration or discontinuance of schools pursuant to Part 2 of, and Schedule 2 to, the 2006 Act;
- (c) the authority’s functions in relation to the exclusion of pupils from schools, excluding any provision of education to excluded pupils, but including advice to the parents of such pupils;
- (d) the authority’s functions under sections 508A, 508E and 509 (school travel) of the 1996 Act; and
- (e) the authority’s functions under sections 510 and 514 of the 1996 Act (provision and administration of clothing grants and boarding grants), and pursuant to regulations made under section 518(2) of the 1996 Act.

**11.** Expenditure arising from the authority’s functions under Chapter 2 of Part 6 of the 1996 Act (school attendance).

**12.** Expenditure on the provision of support for students under regulations made under section 1(1) of the Education Act 1962 and under section 22 of the Teaching and Higher Education Act 1998.

**13.** Expenditure on discretionary grants paid under section 1(6) or 2 of the Education Act 1962(3) (awards for designated and other courses).

**14.** Expenditure on the payment of 16-19 Bursaries(4).

**15.** Expenditure on the provision of tuition in music, or on other activities which provide opportunities for pupils to enhance their experience of music.

**16.** Expenditure incurred in enabling pupils to enhance their experience of the visual, creative and performing arts other than music.

**17.** Expenditure on outdoor education centres, but not including centres wholly or mainly for the provision of organised games, swimming or athletics.

#### **Additional education and training for children, young persons and adults**

**18.** Expenditure on the provision of education and training and of organised leisure time occupation, and other provision under sections 15ZA and 15ZC of the 1996 Act.

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(3) 1962 c.12. The 1962 Act was repealed by the Teaching and Higher Education Act 1998 (c.30) with transitional savings provisions. The repeal does not affect the continued operation of the provisions that relate to the making of subordinate legislation. Relevant regulations made under section 1(1) of the 1962 Act are the Education (Mandatory Awards) Regulations 2003 (S.I. 2003/1994), as amended by S.I. 2004/1038 and 2004/1792). These Regulations describe the designated courses and methodology for calculating grants.

(4) A 16-19 Bursary is financial assistance under section 14 of the 2002 Act paid to, or in respect of, a person who is aged 16 to 19 in connection with undertaking any course or training.

19. Expenditure on the provision by the local authority under sections 507A and 507B of the 1996 Act of recreation, social and physical training, educational leisure-time activities and recreational leisure-time activities.

### **Strategic management**

20. Expenditure on education functions related to—

- (a) functions of the director of children’s services and the personal staff of the director;
- (b) planning for the education service as a whole;
- (c) functions of the authority under Part I of the Local Government Act 1999<sup>(5)</sup> (Best Value) and the provision of advice to assist governing bodies in procuring goods and services with a view to securing continuous improvement in the way the functions of those governing bodies are exercised, having regard to a combination of economy, efficiency and effectiveness;
- (d) revenue budget preparation, preparation of information on income and expenditure relating to education for incorporation into the authority’s annual statement of accounts, and the external audit of grant claims and returns relating to education;
- (e) administration of grants to the authority (including preparation of applications), functions imposed by or under Chapter IV of Part 2 of the 1998 Act (financing of maintained schools) and, where it is the authority’s duty to do so, ensuring payments are made in respect of taxation, national insurance and superannuation contributions;
- (f) authorisation and monitoring of—
  - (i) expenditure which is not met from schools’ budget shares, and
  - (ii) expenditure in respect of schools which do not have delegated budgets, and all related financial administration;
- (g) the formulation and review of the methods of allocation of resources to schools and other bodies;
- (h) the authority’s monitoring of compliance with the requirements of their financial scheme prepared under section 48 of the 1998 Act, and any other requirements in relation to the provision of community facilities by governing bodies under section 27 of the 2002 Act;
- (i) internal audit and other tasks necessary for the discharge of the authority’s chief finance officer’s responsibilities under section 151 of the Local Government Act 1972<sup>(6)</sup>;
- (j) the authority’s functions under regulations made under section 44 of the 2002 Act<sup>(7)</sup>;
- (k) recruitment, training, continuing professional development, performance management and personnel management of staff who are funded by expenditure not met from schools’ budget shares and who are paid for services carried out in relation to those of the authority’s functions and services which are referred to in other paragraphs of this Schedule;
- (l) investigations which the authority carry out of employees, or potential employees, of the authority, or of governing bodies of schools, or of persons otherwise engaged, or to be engaged, with or without remuneration to work at or for schools;
- (m) functions of the authority in relation to local government superannuation which it is not reasonably practicable for another person to carry out, and functions of the authority in relation to the administration of teachers’ pensions;

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(5) 1999 c. 27.

(6) 1972 c. 70.

(7) The Consistent Financial Reporting (England) Regulations 2012 (S.I. 2012/674).

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- (n) retrospective membership of pension schemes and retrospective elections made in respect of pensions where it would not be appropriate to expect the governing body of a school to meet the cost from the school's budget share;
- (o) advice, in accordance with the authority's statutory functions, to governing bodies in relation to staff paid, or to be paid, to work at a school, and advice in relation to the management of all such staff collectively at any individual school, including in particular advice with reference to alterations in remuneration, conditions of service and the collective composition and organisation of such staff;
- (p) determination of conditions of service for non-teaching staff, and advice to schools on the grading of such staff;
- (q) the authority's functions regarding the appointment or dismissal of employees;
- (r) consultation and functions preparatory to consultation with or by governing bodies, pupils and persons employed at schools or their representatives, or with other interested bodies;
- (s) compliance with the authority's duties under the Health and Safety at Work etc Act 1974<sup>(8)</sup> and the relevant statutory provisions as defined in section 53(1) of that Act, in so far as compliance cannot reasonably be achieved through tasks delegated to the governing bodies of schools; but including expenditure incurred by the authority in monitoring the performance of such tasks by governing bodies and, where necessary, the giving of advice to them;
- (t) the investigation and resolution of complaints;
- (u) legal services relating to the statutory functions of the authority;
- (v) the preparation and review of plans involving collaboration with other local authority services or with public or voluntary bodies;
- (w) provision of information to or at the request of the Crown and the provision of other information which the authority are under a duty to make available;
- (x) the authority's functions pursuant to regulations made under section 12 of the 2002 Act (supervising authorities of companies formed by governing bodies); and
- (y) the authority's functions under the discrimination provisions of the Equality Act 2010<sup>(9)</sup> in so far as compliance cannot reasonably be achieved through tasks delegated to the governing bodies of schools; but including expenditure incurred by the authority in monitoring the performance of such tasks by governing bodies and, where necessary, the giving of advice to them.

### **Other functions**

**21.** Expenditure in pursuance of a binding agreement, where the other party is a local authority, or the other parties include one or more local authorities, in relation to the operation of a facility provided partly, but not solely, for the use of schools.

**22.** Expenditure on establishing and maintaining those electronic computer systems, including data storage, which are intended primarily to maintain linkage between local authorities and their schools.

**23.** Expenditure on monitoring National Curriculum assessment arrangements required by orders made under section 87 of the 2002 Act.

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<sup>(8)</sup> 1974 c.37.

<sup>(9)</sup> 2010 c.15.

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**24.** Expenditure in connection with the authority's functions in relation to the standing advisory council on religious education constituted by the authority under section 390 of the 1996 Act<sup>(10)</sup> or in the reconsideration and preparation of an agreed syllabus of religious education in accordance with Schedule 31 to the 1996 Act.

**25.** Expenditure in respect of the dismissal or premature retirement of, or for the purpose of securing the resignation of, or in respect of acts of discrimination against, any person except to the extent that these costs are chargeable to schools' budget shares or fall within paragraph 4(b) of Schedule 2.

**26.** Expenditure in respect of a teacher's emoluments under section 19(9) of the Teaching and Higher Education Act 1998.

**27.** Expenditure on the appointment of governors, the making of instruments of government, the payment of expenses to which governors are entitled and which are not payable from a school's budget share, and the provision of information to governors.

**28.** Expenditure on making pension payments, other than in respect of staff employed in schools.

**29.** Expenditure on insurance, other than for liability arising in connection with schools or school premises.

**30.** Expenditure in connection with powers and duties performed under Part 2 of the Children and Young Persons Act 1933<sup>(11)</sup> (enforcement of, and power to make byelaws in relation to, restrictions on the employment of children).

## SCHEDULE 2

Regulations 6 and 8

### CLASSES OR DESCRIPTIONS OF PLANNED EXPENDITURE PRESCRIBED FOR THE PURPOSES OF THE SCHOOLS BUDGET OF A LOCAL AUTHORITY WHICH MAY BE DEDUCTED FROM IT TO DETERMINE THE INDIVIDUAL SCHOOLS BUDGET

## PART 1

### Central Services

**1.** Expenditure on the operation of the system of admissions of pupils to schools (including expenditure incurred in carrying out consultations under section 88C(2) of the 1998 Act<sup>(12)</sup>) and in relation to appeals.

**2.** Expenditure in connection with the authority's functions under section 47A of the 1998 Act (establishment and maintenance of, and consultation with, schools forums).

**3.** CERA incurred for purposes not falling within any other paragraph of this Schedule or Schedule 1.

**4.** Expenditure on—

(a) prudential borrowing;

(b) termination of employment costs, where the schools forum have approved the charging of these costs to the schools budget for the funding period in which they were incurred and

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<sup>(10)</sup> Section 390 was amended by section 140(1) of, and paragraph 93 of Schedule 20 to, the 1998 Act.

<sup>(11)</sup> 1933 c.12.

<sup>(12)</sup> Section 88C(2) was amended by section 51 of, and Schedule 4 to, the 2002 Act and sections 45 and 56 of the 2006 Act.

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the revenue savings achieved by the termination of employment to which they relate are equal to or greater than the costs incurred;

- (c) combined services where the expenditure relates to classes or descriptions of expenditure falling outside those set out in this Schedule;
- (d) special educational needs transport costs; and
- (e) purposes not falling within any other paragraph of this Schedule, provided that the expenditure does not amount in total to more than 0.1% of the authority's schools budget; where the expenditure has been approved by the schools forum or the Secretary of State in a previous funding period.

5. Any deductions under each of paragraphs 1 to 4 must not exceed the amount deducted under each of paragraphs 13, 31, 33, 34, 36(a), 36(b), 36(c) and 36(e) of Schedule 2 to the 2012 Regulations for the previous funding period.

## PART 2

### Central Schools Expenditure

6. Expenditure on pay arrears due to staff employed at maintained schools and other staff whose salaries are met from the schools budget, and expenditure on the costs of financing payment of such arrears, where the expenditure is not chargeable to a maintained school's budget share under the terms of the local authority's scheme.

7. Expenditure pursuant to section 18 of the 1996 Act<sup>(13)</sup> in making any grant or other payment in respect of fees or expenses (of whatever nature) which are payable in connection with the attendance of pupils at a school which is not maintained by any local authority.

8. Expenditure due to a significant growth in pupil numbers as a result of the local authority's duty under section 13(1) of the 1996 Act to secure that efficient primary education and secondary education are available to meet the needs of the population of their area.

9. Expenditure to be incurred prior to the opening of new schools to fund the appointment of staff and to enable the purchase of any goods and services necessary in order to admit pupils.

10. Expenditure in order to make provision for extra classes in order to comply with the School Admissions (Infant Class Sizes) (England) Regulations 2012<sup>(14)</sup>.

11. Expenditure on the purchase of CRC allowances for schools.

12. Remission of boarding fees payable in connection with the attendance of pupils at maintained schools and Academies.

## PART 3

### Central Early Years Expenditure

13. Expenditure on early years provision, excluding expenditure—

- (a) on such provision in a maintained school; and
- (b) on relevant early years provision.

14. Expenditure on determining the eligibility—

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<sup>(13)</sup> Section 18 was amended by article 5(1) of, and paragraph 7 of Schedule 2 to, [S.I. 2010/1158](#).

<sup>(14)</sup> [S.I. 2012/10](#).

- (a) of a pupil for free school meals where that pupil is being provided with early years provision; or
- (b) of a child for prescribed early years provision.

## PART 4

### Pupils With High Needs

**15.** Expenditure in respect of pupils with special educational needs at primary and secondary schools and in relevant early years providers, excluding expenditure—

- (a) in respect of pupils in places which the authority have reserved for children with special educational needs; or
- (b) where it would be reasonable to expect such expenditure to be met from a school's budget share, the amount allocated to a relevant early years provider or the general annual grant paid to an Academy by the Secretary of State.

**16.** Expenditure in respect of pupils—

- (a) with special educational needs at special schools and special Academies; or
- (b) in places at primary or secondary schools or Academies which the authority have reserved for children with special educational needs,  
where the expenditure cannot be met from the sum referred to in regulation 14(2).

**17.** Expenditure in respect of persons provided with further education who are—

- (a) aged under 19 and have learning difficulties, or
- (b) aged 19 or over but under 25 and are subject to learning difficulty assessment.

**18.** Expenditure on support services for pupils who have a statement of special educational needs and for pupils with special educational needs who do not have such a statement.

**19.** Expenditure for the purposes of encouraging—

- (a) collaboration between special schools and primary and secondary schools to enable children with special educational needs to engage in activities at primary and secondary schools;
- (b) the education of children with special educational needs at primary and secondary schools; and
- (c) the engagement of children with special educational needs at primary and secondary schools in activities at the school with children who do not have special educational needs in cases where the local authority consider it would be unreasonable for such expenditure to be met from a school's budget share.

**20.** Expenditure incurred in relation to education otherwise than at school under section 19 of the 1996 Act or in relation to a pupil referral unit, where the expenditure cannot be met from the sum referred to in regulation 14(5).

**21.** Expenditure on the payment of fees in respect of pupils with special educational needs—

- (a) at independent schools or at special schools which are not maintained by a local authority under section 348 of the 1996 Act; or
- (b) at an institution outside England and Wales under section 320 of the 1996 Act.

**22.** Expenditure on hospital education services, aside from expenditure on hospital education places referred to in regulation 14(3) and (6).

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23. Expenditure on special schools and pupil referral units in financial difficulty.
24. Expenditure on costs in connection with private finance initiatives and the programme known as “Building Schools for the Future” at special schools.

## PART 5

### Items That May Be Removed From Maintained Schools’ Budget Shares

25. Expenditure (other than expenditure referred to in Schedule 1 or any other paragraph of this Schedule) incurred on services relating to the education of children with behavioural difficulties, and on other activities for the purpose of avoiding the exclusion of pupils from schools.
26. Expenditure on determining the eligibility of a pupil for free school meals.
27. Expenditure on making payments to, or in providing a temporary replacement for, a woman on maternity leave or a person on adoption leave.
28. Expenditure on making payments to, or in providing a temporary replacement for, any person—
  - (a) carrying out trade union duties or undergoing training under sections 168 and 168A of the Trade Union and Labour Relations (Consolidation) Act 1992<sup>(15)</sup>;
  - (b) taking part in trade union activities under section 170 of the Trade Union and Labour Relations (Consolidation) Act 1992;
  - (c) performing public duties under section 50 of the Employment Rights Act 1996<sup>(16)</sup>;
  - (d) undertaking jury service;
  - (e) who is a safety representative under the Safety Representatives and Safety Committees Regulations 1977<sup>(17)</sup>;
  - (f) who is a representative of employee safety under the Health and Safety (Consultation with Employees) Regulations 1996<sup>(18)</sup>;
  - (g) who is an employee representative for the purposes of Chapter 2 of Part 4 of the Trade Union and Labour Relations (Consolidation) Act 1992, as defined in section 196 of that Act or regulation 13(3) of the Transfer of Undertakings (Protection of Employment) Regulations 2006<sup>(19)</sup>;
  - (h) taking time off for ante-natal care under section 55 of the Employment Rights Act 1996;
  - (i) undertaking duties as a member of the reserve forces as defined in section 1(2) of the Reserve Forces Act 1996<sup>(20)</sup>;
  - (j) suspended from working at a school; or
  - (k) who is appointed a learning representative of a trade union, in order for that person to analyse training requirements or to provide or promote training opportunities, and to carry out consultative or preparatory work in connection with such functions.

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(15) 1992 c.52. Section 168A was inserted by section 43 of the Employment Act 2002 (c.22).

(16) 1996 c.18.

(17) S.I. 1977/500, amended by section 1 of the Employment Rights (Dispute Resolution) Act 1998 (c.8) and S.I. 1996/1513, 1999/860, 1999/2024, 1999/3242, 2005/1541, 2006/594 and 2008/960.

(18) S.I. 1996/1513, amended by section 1 of the Employment Rights (Dispute Resolution) Act 1998 (c.8) and S.I. 1999/3242 and 2005/1541.

(19) S.I. 2006/246, amended by S.I. 2010/93.

(20) 1996 c.14.



29. Expenditure on making payments to, or in providing a temporary replacement for, a person who is seconded on a full-time basis for a period of three months or more other than to a local authority or the governing body of a school.
30. Expenditure on making payments to, or in providing a temporary replacement for, persons who have been continuously absent from work because of illness for 21 days or more.
31. Expenditure on insurance in respect of liability arising in connection with schools and school premises.
32. Expenditure on services to schools provided by museums and galleries.
33. Expenditure on library services.
34. Expenditure on licence fees or subscriptions paid on behalf of schools.
35. Expenditure on the schools' specific contingency.
36. Expenditure for the purposes of—
  - (a) improving the performance of under-performing pupils from minority ethnic groups; or
  - (b) meeting the specific needs of bilingual pupils.

### SCHEDULE 3

Regulation 18

#### ADDITIONAL REQUIREMENTS, OR FACTORS OR CRITERIA WHICH MAY BE TAKEN INTO ACCOUNT, IN A LOCAL AUTHORITY'S FORMULA UNDER REGULATION 18

### PART 1

#### Applicable only to budget shares for maintained schools

1. A single sum of an equal amount to be given to each school of up to £200,000 per school.
2. Prior attainment based on the number of pupils in school years 1 to 4, who achieved either—
  - (a) fewer than 78 points; or
  - (b) fewer than 73 points,on the current Early Years Foundation Stage Profile.
3. Prior attainment based on the number of pupils at key stages 3 and 4 who achieved level 3 or lower in both English and Maths at key stage 2.
4. A single per pupil amount for each pupil, based on the number of pupils in school years 1 and 2 and at key stage 2 for whom English is not their first language, where either—
  - (a) the pupil has been attending a school or schools in England since 7th October 2010;
  - (b) the pupil has been attending a school or schools in England since 6th October 2011; or
  - (c) the pupil has been attending a school or schools in England since 4th October 2012.
5. A single per pupil amount for each pupil, based on the number of pupils at key stages 3 and 4 for whom English is not their first language, where either—
  - (a) the pupil has been attending a school or schools in England since 7th October 2010;
  - (b) the pupil has been attending a school or schools in England since 6th October 2011; or
  - (c) the pupil has been attending a school or schools in England since 4th October 2012.

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6. A single per pupil amount in respect of pupil mobility, based on the number of pupils at key stages 1 and 2 who joined the school—
  - (a) in the previous three academic years at any time other than August or September, excluding pupils who joined the school in the nursery class, if the school has such a class; and
  - (b) in the reception class at any time other than January, in the previous three academic years.
7. A single per pupil amount in respect of pupil mobility, based on the number of pupils at key stages 3 and 4 who joined the school in the last three academic years at any time other than August or September.
8. A single per pupil amount, based on the number of pupils who on 31st March 2012 were either—
  - (a) looked after children and were attending a school in the local authority area;
  - (b) children who had been looked after for six months or more and were attending a school in the local authority area; or
  - (c) children who had been looked after for twelve months or more and were attending a school in the local authority area.
9. Funding for schools with split sites, where the funding must be in accordance with criteria published by the authority.
10. Non-domestic rates payable in respect of the premises of each school (including actual or estimated cost).
11. Payments in relation to a private finance initiative (including actual or estimated cost).
12. Differential salaries of teachers at schools in the county councils of Buckinghamshire, Essex, Hertfordshire, Kent or West Sussex due to the schools being in different London salary weighting areas.

## PART 2

Applicable only to budget shares for, and amounts to be allocated to, providers of prescribed early years provision

13. Incidence of looked after children.
14. Prior attainment of pupils entering a school or relevant early years provider.
15. Pupils and children for whom English is not their first language.
16. A single sum for each school and relevant early years provider which may vary according to the type of provider.
17. Funding for schools and relevant early years providers with split sites, where the funding must be in accordance with criteria published by the authority.
18. Non-domestic rates payable in respect of the premises of each school or relevant early years provider (including actual or estimated cost).
19. Payments in relation to a private finance initiative (including actual or estimated cost).
20. Differential salaries of teachers at schools in the county councils of Buckinghamshire, Essex, Hertfordshire, Kent or West Sussex due to the schools being in different London salary weighting areas.
21. The need to improve the quality of provision by particular providers or types of provider.

22. The degree of flexibility in the hours of attendance that a provider makes available.
23. The need to secure or sustain a sufficiency of prescribed early years provision within the authority's area or any sub-area within that area; and in this paragraph "sub-area" means—
- (a) an electoral division or ward of the authority; or
  - (b) such other appropriate geographical division into which the authority have notionally divided their area.

#### SCHEDULE 4

Regulation 19

##### MINIMUM FUNDING GUARANTEE

1. In this Schedule—
- (a) references to the number of pupils exclude those funded by a sixth form grant and those in places which the local authority have reserved for children with special educational needs;
  - (b) the "relevant number" of pupils for the previous funding period is the number of pupils at the school on 6th October 2011;
  - (c) the "relevant number" of pupils for the funding period is the number of pupils at the school on 4th October 2012;
  - (d) references to a redetermined adjusted budget share for the previous funding period must be reduced by the following—
    - (i) any amount included pursuant to regulation 20 (sixth form funding) of the 2012 Regulations,
    - (ii) any amount allocated to the school pursuant to Schedule 3 of the 2012 Regulations where such amount has been deducted from the schools budget under Part 4 (Pupils With High Needs) of Schedule 2,
    - (iii) any amount the local authority estimates the school would have been allocated for places the authority reserves for children with special educational needs in the previous funding period had regulation 14(2) applied to the previous funding period,
    - (iv) any amount allocated to the school pursuant to regulation 9(3)(b) (nursery classes) of the 2012 Regulations,
    - (v) any amount included in respect of paragraph 8 (rates) of Schedule 3 of the 2012 Regulations, and
    - (vi) any amount allocated to the school pursuant to paragraph 1 (single sum) of Schedule 3.
  - (e) references to a redetermined adjusted budget share for the funding period include the effect of any alternative arrangements approved by the Secretary of State under regulation 25, but are reduced by the following—
    - (i) any amount included pursuant to regulation 20 (sixth form funding),
    - (ii) any amount allocated under regulation 14(2) (places in special schools and places reserved for children with special educational needs),
    - (iii) any amount included in respect of paragraph 10 (rates) of Schedule 3,
    - (iv) any amount allocated to the school pursuant to paragraph 1 (single sum) of Schedule 3,
    - (v) any amounts allocated pursuant to regulation 10(1) (formula for determining budget shares) which would have been within a class or description of the expenditure listed

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- in Schedule 2 to the 2012 Regulations that the authority deducted in the previous funding period, and
- (vi) any amount allocated to the school under regulation 10(3) (early years single funding formula);
- (f) for the purposes of this Schedule—
- (i) where a school opened during the previous funding period, its redetermined adjusted budget share for the previous funding period is the amount it would have been had the school opened on 1st April 2012,
- (ii) where a school opens during the funding period, its redetermined adjusted budget share for the funding period is the amount it would have been had the school opened on 1st April 2013,
- adjusted in accordance with sub-paragraph (d) or (e), whichever is applicable.
2. Where  $(A/B)$  is less than  $(C/D)$  then the guaranteed funding level is  $(C/D)xB$  where—
- A is the redetermined adjusted budget share for the funding period,
- B is the relevant number of pupils in the funding period,
- C is the redetermined adjusted budget share for the previous funding period multiplied by 0.985, and
- D is the number of relevant pupils in the previous funding period.
3. Where a new school opens during the funding period and is a replacement for two or more schools being discontinued during the funding period its guaranteed funding level must be calculated in accordance with paragraph 2, subject to paragraph 4.
4. In calculating the guaranteed level of funding under paragraph 3 the relevant number of pupils in the previous funding period under paragraph 1(b) is the sum of the relevant number of pupils in the discontinued schools on 6th October 2011.

## SCHEDULE 5

Regulation 26

### CONTENTS OF SCHEMES

1. The carrying forward from one funding period to another of surpluses and deficits arising in relation to schools' budget shares.
2. Amounts which may be charged against schools' budget shares.
3. Amounts received by schools which may be retained by their governing bodies and the purposes for which such amounts may be used.
4. The imposition, by or under the scheme, of conditions which must be complied with by schools in relation to the management of their delegated budgets and of sums made available to governing bodies by the authority which do not form part of delegated budgets, including conditions prescribing financial controls and procedures.
5. Terms on which services and facilities are provided by the authority for schools maintained by them.
6. The payment of interest by or to the authority.

7. The times at which amounts equal in total to the school's budget share are to be made available to governing bodies and the proportion of the budget share to be made available at each such time.
8. The virement between budget heads within the delegated budget.
9. Circumstances in which a local authority may delegate to the governing body the power to spend any part of the authority's non-schools education budget or schools budget in addition to those set out in section 49(4)(a) to (c) of the 1998 Act(21).
10. The use of delegated budgets and of sums made available to a governing body by the local authority which do not form part of delegated budgets.
11. Borrowing by governing bodies.
12. The banking arrangements that may be made by governing bodies.
13. A statement as to the personal liability of governors in respect of schools' budget shares having regard to section 50(7) of the 1998 Act.
14. A statement as to the allowances payable to governors of a school which does not have a delegated budget in accordance with the scheme made by the authority for the purposes of section 519 of the 1996 Act(22).
15. The keeping of a register of any business interests of the governors and the head teacher.
16. The provision of information by and to the governing body.
17. The maintenance of inventories of assets.
18. Plans of a governing body's expenditure.
19. A statement as to the taxation of sums paid or received by a governing body.
20. Insurance.
21. The use of delegated budgets by governing bodies so as to satisfy the authority's duties imposed by or under the Health and Safety at Work etc Act 1974.
22. The provision of legal advice to a governing body.
23. Funding for child protection issues.
24. How complaints by persons working at a school or by school governors about financial management or financial propriety at the school will be dealt with and to whom such complaints should be made.
25. Expenditure incurred by a governing body in the exercise of the power conferred by section 27 of the 2002 Act.

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(21) Section 49(4) was amended by section 215 of, and paragraph 100 of Schedule 21 to, the 2002 Act.

(22) Section 519 was amended by section 140 of, and paragraph 139 of Schedule 2 to, the 1998 Act.