

---

STATUTORY INSTRUMENTS

---

**2001 No. 826**

**EDUCATION, ENGLAND**

**The Education Standards Fund (England) Regulations 2001**

*Made* - - - - *6th March 2001*  
*Laid before Parliament* *9th March 2001*  
*Coming into force* - - *1st April 2001*

In exercise of the powers conferred on the Secretary of State by sections 484, 489 and 569(4) of the Education Act 1996(1) the Secretary of State for Education and Employment hereby makes the following Regulations:

**Citation, commencement and extent**

1.—(1) These Regulations may be cited as the Education Standards Fund (England) Regulations 2001 and shall come into force on 1st April 2001.

(2) These Regulations apply only in relation to England.

**Interpretation**

2.—(1) In these Regulations—

“the 1989 Act” means the Local Government and Housing Act 1989(2);

“the 1996 Act ” means the Education Act 1996;

“the 1998 Act ” means the School Standards and Framework Act 1998(3);

“advanced skills teacher” means a teacher who has been certified by an assessor appointed by the Secretary of State for Education and Employment as eligible for appointment to that post and who has been so appointed;

“approved expenditure” means any expenditure which is approved as provided in regulation 3 below;

---

(1) 1996 c. 56; sections 484 and 489 were amended by the School Standards and Framework Act 1998 (c. 31), section 7(10) and Schedule 30, paragraphs 125 and 126. By virtue of the National Assembly for Wales (Transfer of Functions) Order 1999 (S.I. 1999/672) the powers conferred by these provisions are exercisable by the Secretary of State only in relation to England. *See* section 579(1) for the definition of “regulations”.

(2) 1989 c. 42.

(3) 1998 c. 31.

“asylum seeker” means a person who has made a claim for asylum which has been recorded by the Secretary of State as having been made and which has not been recorded by the Secretary of State as having been finally determined or abandoned;

“claim for asylum” means a claim that it would be contrary to the United Kingdom’s obligations under the Convention relating to the Status of Refugees done at Geneva on 28th July 1951<sup>(4)</sup> and the Protocol to that Convention for him to be removed from, or required to leave, the United Kingdom;

“class” means a group in which pupils are taught in an ordinary teaching session;

“determine” means determine by notice in writing;

“education authority” means a local education authority;

“Excellence in Cities” means the programme of action by the Department for Education and Employment to raise education standards in selected urban areas;

“family literacy programmes” means programmes which enable parents to improve their own literacy skills while helping their children to learn to read and write;

“family numeracy programmes” means programmes which enable parents to improve their own numeracy skills while helping their children with numeracy;

“financial year” means a period of 12 months beginning on 1st April;

“fresh start school” means a maintained school which replaces a discontinued school—

- (i) which immediately before its discontinuance was a school to which section 15 of the 1998 Act applied, or
- (ii) which was a secondary school, less than 15% of whose candidates for the General Certificate of Secondary Education in the academic year ending immediately before its discontinuance obtained at least 5 grades A\* to C;

“key skills qualification” means a qualification accredited as such by the Qualifications and Curriculum Authority under section 24(2)(g) of the Education Act 1997<sup>(5)</sup>;

“key stage 2” means the second key stage referred to in section 355(1)(b) of the 1996 Act;

“key stage 3” means the third key stage referred to in section 355(1)(c) of the 1996 Act;

“learning support unit” means a unit which provides separate short-term teaching and support programmes for pupils who need intensive support;

“maintained school” means a school maintained by an education authority;

“National Grid for Learning” means a system of inter-connecting networks and education services based on the Internet which is designed to support teaching, learning, training and administration in schools, the wider education service, and the community;

“nursery education” means full-time or part-time education suitable for children who have not attained compulsory school age (whether provided at schools or elsewhere);

“prescribed expenditure” means

- (a) expenditure by an education authority for or in connection with any of the purposes specified in Schedule 1 other than the purpose specified in paragraph 6(c); or
- (b) expenditure by an education authority which satisfies the conditions specified in paragraph (2) below for or in connection with the purpose specified in paragraph 6(c) of Schedule 1;

---

(4) UKTS 39 (1954), Cmd 9171.

(5) 1997 c. 44.

“relevant lender” has the meaning given to it in regulation 65(1) of the Local Authorities (Capital Finance) Regulations 1997<sup>(6)</sup>;

“small school” means

- (a) a primary school other than a special school with no more than 200 registered pupils, or
- (b) a secondary school other than a special school with no more than 600 registered pupils.

“standards fund grant” means a grant under these Regulations;

“study support centre” means a centre providing an out of school hours learning programme aimed at raising standards in literacy and numeracy;

“teacher” means a person who by virtue of regulations<sup>(7)</sup> relating to the employment of teachers from time to time in force under section 218 of the Education Reform Act 1988<sup>(8)</sup> is qualified to be employed as a teacher at a school of the kind described in subsection (12) of that section;

“teaching assistant” means an employee of an education authority or of the governing body of a school who is normally present in a classroom with a teacher and who assists the teacher; and

“youth and community worker” means a person employed or working in a voluntary capacity in connection with the provision of facilities of a kind mentioned in sections 2(3) (b) or 508 of the 1996 Act other than a person undertaking duties that are solely administrative, secretarial, clerical or manual.

(2) The conditions referred to in sub-paragraph (b) of the definition of “prescribed expenditure” in paragraph (1) above are that on 1st April 2001 the education authority—

- (a) has a credit ceiling, as determined under Part III of Schedule 3 to the 1989 Act which was nil or a negative amount; and
- (b) had no money outstanding by way of borrowing other than—
  - (i) short-term borrowing (within the meaning of section 45(6) of the 1989 Act); or
  - (ii) borrowing undertaken before 24th August 1995, other than borrowing by the issue of stock on or after 15th December 1993 from a person who is not a relevant lender.

### **Expenditure in respect of which standards fund grants are payable**

3. Standards fund grants shall only be payable in respect of prescribed expenditure incurred or to be incurred in a financial year to the extent to which that expenditure is approved for that year by the Secretary of State for the purposes of these Regulations.

### **Standards fund grants in respect of payments to third parties**

4. Where—

- (a) an education authority incurs expenditure in making payments, whether by way of maintenance, assistance or otherwise, to any other body or persons (including another education authority) who incur expenditure for or in connection with educational purposes; and
- (b) that expenditure by the recipient of the payments or any part thereof would be prescribed expenditure if it were expenditure by the authority,

---

<sup>(6)</sup> S.I. 1997/319.

<sup>(7)</sup> The regulations currently in force are the Education (Teachers' Qualifications and Health Standards) (England) Regulations 1999 (S.I. 1999/2166).

<sup>(8)</sup> Section 218 was amended by paragraph 49 of Schedule 8 to the Further and Higher Education Act 1992 (c. 13), section 14(1) and (3) of, and paragraph 8(4) of Schedule 2 to, the Education Act 1944, paragraph 76 of Schedule 73 to the 1996 Act, section 49(1) to (4) of the Education Act 1997 and sections 11 and 13 and prospectively section 18 of the Teaching and Higher Education Act 1998 (c. 30).

such payments shall to that extent be treated as prescribed expenditure for the purposes of these Regulations.

### **Rate of standards fund grant**

5.—(1) Standards fund grants in respect of approved expenditure incurred on or after 1st April 2001 shall be payable at the rate of 100 per cent. of such expenditure in respect of items referred to in paragraphs 1(b), 2(b), 3(a) and (d), 4, 5(a) and 6(a), (c) and (d) of Schedule 1.

(2) Standards fund grants in respect of approved expenditure incurred on or after 1st April 2001 in respect of items referred to in paragraph 3(c) of Schedule 1 shall be payable, in relation to the education authorities listed in the left hand column of the table in Schedule 2, at the percentage rate of such expenditure specified in the right hand column of the table.

(3) Standards fund grants in respect of approved expenditure incurred on or after 1st April 2001 in respect of items referred to in paragraphs of Schedule 1 other than those mentioned in paragraph (1) or (2) above shall be payable at the rate of 53 per cent. of such expenditure.

### **Conditions for payment of standards fund grant**

6.—(1) No payment of standards fund grant shall be made except in response to an application from an education authority to the Secretary of State.

(2) An education authority shall, when requested by the Secretary of State, inform him of the approved expenditure in respect of which an application for grant has been made which has been or which it is estimated will be incurred by the education authority during the course of the financial year.

7. Where at the time of approving expenditure for the purposes of these Regulations, the Secretary of State requests information in respect of any purpose listed in Schedule 1, payment of standards fund grant in respect of that purpose shall be conditional on that information being included in the education authority's application for payment of grant.

8.—(1) The Secretary of State may from time to time determine further conditions on the fulfilment of which the making of any payment under these Regulations shall be dependent.

(2) Where conditions have been determined under this regulation no standards fund grant shall be payable unless such conditions have either been fulfilled or been withdrawn under paragraph (3) below.

(3) The Secretary of State may determine to withdraw or, after consulting the education authority, vary conditions determined under this regulation.

### **Requirements to be complied with**

9. Any education authority to whom a payment of standards fund grant has been made shall furnish the Secretary of State with such further information as he may require in connection with his functions in relation to the payment of standards fund grant.

10.—(1) Any education authority to whom a payment of standards fund grant has been made shall comply with such requirements as may be determined by the Secretary of State in the case in question.

(2) Requirements determined under this regulation may in particular include requirements as to—

- (a) the repayment of standards fund grant;
- (b) the payment to the Secretary of State of other sums related to the value of assets acquired, provided or improved—

- (i) with the aid of standards fund grant; or
- (ii) by any other body or persons referred to in regulation 4(a) above with the aid of payments made by the authority in respect of which standards fund grant has been paid; or
- (c) the payment of interest on sums due to the Secretary of State.

**11.**—(1) The Secretary of State may require any education authority to whom a payment of standards fund grant in respect of any of the items specified in Schedule 1 is made to delegate decisions about the spending of—

- (a) such grant, and
  - (b) the amount allocated by the authority to meet the approved expenditure,
- to the governing body of a maintained school.

(2) The Secretary of State may determine to withdraw or, after consulting the education authority, vary requirements determined in pursuance of this regulation.

#### **Revocation and transitional provisions**

**12.**—(1) The Regulations specified in Schedule 3 are hereby revoked.

(2) Notwithstanding paragraph (1), Regulations made under section 484 of the 1996 Act<sup>(9)</sup> shall continue to apply in relation to financial years beginning before 1st April 2001 for the purpose of paying grant in respect of expenditure incurred in those financial years and any condition or requirement determined by or in accordance with any of those Regulations shall continue to apply.

6th March 2001

*Estelle Morris*  
Minister of State,  
Department for Education and Employment

---

(9) The relevant Regulations, in addition to those referred to in paragraph (1) above, are S.I. 1999/606 (amended by 1999/1955 and 1999/3211).

SCHEDULE 1

Regulations 2, 5 and 11

PURPOSES FOR OR IN CONNECTION WITH WHICH  
STANDARDS FUND GRANTS ARE PAYABLE

**School Improvement**

- (a) (a) School improvement, save as mentioned in (b) below.
- (b) Initiatives to raise standards in schools with the lowest levels of attainment.

**Inclusion**

- (a) (a) Support for—
  - (i) measures to reduce the number of exclusions and levels of truancy, except in relation to truancy buster awards as mentioned in paragraph 2(b)(iv) below;
  - (ii) the provision of full-time education for children of compulsory school age not attending school;
  - (iii) pupils with special educational needs;
  - (iv) measures designed to improve the educational achievements of children who are looked after by local authorities;
  - (v) drug prevention;
  - (vi) out of school hours learning; and
  - (vii) the training of youth and community workers.
- (b) Support for—
  - (i) mothers and expectant mothers of compulsory school age in education and measures to reduce the level of pregnancy among pupils;
  - (ii) measures designed to improve the educational achievements of children who are unable to attend school because of illness or injury;
  - (iii) schools drugs advisors;
  - (iv) truancy buster awards, being awards in respect of schools which have achieved the greatest reductions in levels of truancy to enable them to take action to further reduce such levels and to disseminate good practice to other schools;
  - (v) measures to improve standards of education of pupils whose parents are asylum seekers; and
  - (vi) measures to support child protection procedures.

**Raising standards of achievement**

- (a) (a) Raising standards of achievement by pupils, save as mentioned in sub-paragraphs (b), (c), (d) or (e) below.
- (b) (i) Measures to provide equality of educational opportunity for all minority ethnic groups, including in particular measures to assist pupils for whom English is an additional language and measures to raise standards of achievement for those minority ethnic groups who are particularly at risk of under-achieving.
- (ii) The improvement of literacy and numeracy skills of parents and children through family literacy programmes and family numeracy programmes respectively.

*Status: This is the original version (as it was originally made). This item of legislation is currently only available in its original format.*

- (iii) Preparation for changes to the National Curriculum or in relation to personal, social and health education.
  - (iv) The introduction of courses leading to General Certificate of Education advanced level and advanced subsidiary examinations, the introduction of post-16 key skills qualifications, or units thereof, and preparation for other changes to the post-16 curriculum.
  - (v) Study support centres within or near the premises of football and other sports clubs participating in the Department for Education and Employment's programme known as Playing for Success, other than in the case of those education authorities piloting innovatory types of sports and education partnership under the programme.
  - (vi) Training and development of staff providing nursery education when the education provided is included in an education authority's early years development plan under section 120 of the 1998 Act.
  - (vii) Improving adult: pupil ratios in reception classes.
  - (viii) Improving the teaching of literacy and numeracy in primary, middle and special schools.
  - (ix) Improving results at key stage 3, except in those schools which were included in the Department for Education and Employment's pilot programme known as "transforming key stage 3".
  - (x) Additional literacy and numeracy classes for pupils in maintained schools who will complete key stage 2 in the summer of 2001.
- (c) Education authority music services to schools.
  - (d) Additional support for the teaching of literacy and numeracy in primary, middle and special schools.
  - (e) The making of provision to promote and facilitate access to education and more regular school attendance and to promote levels of educational achievement by any person who—
    - (i) by reason of his way of life (or, in the case of a child, his parent's way of life) either has no fixed abode or leaves his main abode to live elsewhere for significant periods in each year;
    - (ii) fell within sub-paragraph (i) within a period of two years immediately preceding the making of the provision referred to above; or
    - (iii) is for the time being resident in a camp or other accommodation or establishment provided for refugees or for displaced or similar persons.

#### **Particular groupings or descriptions of schools or further education colleges**

- (a) (a) Support for particular descriptions or groupings of schools or further education institutions.
- (b) Support for summer schools for gifted and talented pupils.

#### **Teachers**

- (a) (a) Support for teachers, save as mentioned in sub-paragraph (b) below.
- (b) Support for—
  - (i) the induction of newly-qualified teachers;
  - (ii) advanced skills teachers up to the target number for such teachers set for the education authority by the Department for Education and Employment;

**Status:** This is the original version (as it was originally made). This item of legislation is currently only available in its original format.

- (iii) the national Leadership Programme for Serving Headteachers;
- (iv) teaching assistants;
- (v) small schools; and
- (vi) the early retirement of head teachers.

### Capital projects

- (a) (a) Capital projects and other projects relating to the buildings and other infrastructure of schools, save as mentioned in sub-paragraph (b) or (c) below, the setting up and running of Fresh Start schools, the setting up and running of learning support units and schemes by education authorities to pilot new methods of providing education services.
- (b) (i) Enabling maintained schools to secure effective use of the networked educational services made available through the National Grid for Learning.
- (ii) Measures to improve school security.
- (iii) Measures to reduce the size of classes at key stage 2.
- (c) Capital projects and other projects relating to the buildings and other infrastructure of specialist schools, being schools which are designated as such in the Department for Education and Employment’s programme for specialist schools.
- (d) Information and communication technology.

## SCHEDULE 2

Regulation 5(2)

LEA	Grant Rate
City of London	100.0%
Camden	74.6%
Greenwich	90.5%
Hackney	62.5%
Hammersmith	81.6%
Islington	82.7%
Kensington & Chelsea	90.5%
Lambeth	92.5%
Lewisham	82.0%
Southwark	72.3%
Tower Hamlets	86.9%
Wandsworth	64.5%
Westminster	50.0%
Barking	65.5%
Barnet	100.0%
Bexley	88.1%



<b>LEA</b>	<b>Grant Rate</b>
Brent	75.2%
Bromley	90.1%
Croydon	89.6%
Ealing	64.2%
Enfield	72.3%
Haringey	81.6%
Harrow	100.0%
Havering	79.7%
Hillingdon	70.5%
Hounslow	96.3%
Kingston upon Thames	50.0%
Merton	60.6%
Newham	61.3%
Redbridge	72.0%
Richmond upon Thames	79.8%
Sutton	68.7%
Waltham Forest	73.8%
Birmingham	69.7%
Coventry	64.4%
Dudley	50.0%
Sandwell	100.0%
Solihull	50.0%
Walsall	87.0%
Wolverhampton	75.9%
Knowsley	82.0%
Liverpool	95.0%
St Helens	100.0%
Sefton	91.1%
Wirral	86.7%
Bolton	77.8%
Bury	96.2%
Manchester	100.0%
Oldham	59.9%
Rochdale	100.0%

*Status: This is the original version (as it was originally made). This item of legislation is currently only available in its original format.*

<b>LEA</b>	<b>Grant Rate</b>
Salford	97.3%
Stockport	89.2%
Tameside	89.0%
Trafford	96.2%
Wigan	100.0%
Barnsley	88.4%
Doncaster	98.2%
Rotherham	96.2%
Sheffield	100.0%
Bradford	100.0%
Calderdale	72.9%
Kirklees	88.8%
Leeds	100.0%
Wakefield	94.4%
Gateshead	91.6%
Newcastle upon Tyne	58.1%
North Tyneside	75.5%
South Tyneside	98.3%
Sunderland	88.8%
Isles of Scilly	100.0%
Bath & NE Somerset	100.0%
City of Bristol	91.0%
North Somerset	92.1%
South Gloucestershire	93.5%
Hartlepool	92.0%
Middlesbrough	0.0%
Redcar and Cleveland	0.0%
Stockton-on-Tees	0.0%
Kingston-upon-Hull	100.0%
East Riding of Yorkshire	100.0%
North East Lincolnshire	61.2%
North Lincolnshire	100.0%
North Yorkshire	97.2%
York	95.1%

<b>LEA</b>	<b>Grant Rate</b>
Bedfordshire	100.0%
Luton	66.0%
Buckinghamshire	71.7%
Milton Keynes	83.0%
Derbyshire	73.6%
Derby	0.0%
Dorset	74.2%
Poole	0.0%
Bournemouth	0.0%
Durham	100.0%
Darlington	80.2%
East Sussex	96.8%
Brighton & Hove	95.8%
Hampshire	81.3%
Portsmouth	54.4%
Southampton	70.2%
Leicestershire	100.0%
Leicester	88.2%
Rutland	100.0%
Staffordshire	89.2%
Stoke-on-Trent	83.0%
Wiltshire	100.0%
Swindon	50.0%
Bracknell Forest	81.7%
Windsor & Maidenhead	100.0%
West Berkshire	97.1%
Reading	100.0%
Slough	58.4%
Wokingham	100.0%
Cambridgeshire	85.2%
Peterborough	100.0%
Cheshire	91.7%
Halton	100.0%
Warrington	85.6%

**Status:** This is the original version (as it was originally made). This item of legislation is currently only available in its original format.

<b>LEA</b>	<b>Grant Rate</b>
Devon	85.2%
Plymouth	0.0%
Torbay	0.0%
Essex	67.5%
Southend-on-Sea	77.3%
Thurrock	85.9%
Herefordshire	88.7%
Worcestershire	83.3%
Kent	73.0%
Medway Towns	77.5%
Lancashire	71.8%
Blackburn with Darwen	87.8%
Blackpool	80.4%
Nottinghamshire	86.9%
Nottingham City	90.7%
Shropshire	100.0%
Telford & Wreken	100.0%
Cornwall	67.6%
Cumbria	80.5%
Gloucestershire	73.9%
Hertfordshire	81.1%
Isle of Wight	87.6%
Lincolnshire	93.4%
Norfolk	92.8%
Northamptonshire	100.0%
Northumberland	94.2%
Oxfordshire	81.6%
Somerset	69.0%
Suffolk	90.5%
Surrey	87.9%
Warwickshire	87.1%
West Sussex	92.3%

## SCHEDULE 3

Regulation 12

## REVOCATIONS

(1) <b>Regulations revoked</b>	(2) <b>References</b>
The Education Standards Fund (England) Regulations 2000.	S.I.2000/703.
The Education Standards Fund (England) (Amendment) Regulations 2000.	S.I. 2000/2332.
The Education Standards Fund (England) (Amendment No. 2) Regulations 2000.	S.I. 2000/3329.
The Education Standards Fund 2000 (England) (Amendment) Regulations 2001.	S.I. 2001/210.

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

These Regulations supersede the Education Standards Fund (England) Regulations 2000, as amended, which are revoked.

The purposes for or in connection with which standards fund grants are payable are set out in Schedule 1. There are seven principal headings under which grant may be paid, namely (1) school improvement, (2) inclusion (which relates to matters such as exclusions, truancy, special educational needs, education for children not attending school, drug prevention, youth and community workers and teenage pregnancy), (3) raising standards of achievement by pupils, (4) particular descriptions or groupings of schools or further education institutions, (5) teachers and (6) capital projects and other projects relating to the infrastructure of schools.

The Regulations specify the rate or rates at which grant is payable in respect of each of the purposes, They also set out conditions for payment of grant and requirements to be complied with by persons to whom grant has been paid.