



# Education Reform Act 1988

## 1988 CHAPTER 40

### PART I

#### SCHOOLS

#### CHAPTER IV

##### GRANT-MAINTAINED SCHOOLS

##### *Finance*

#### **79 Maintenance grants, special purpose grants and capital grants.**

- (1) The payments the Secretary of State is required to make in pursuance of his duty to maintain a grant-maintained school are annual grants to the governing body of the school in respect of expenditure for the purposes of the school incurred or to be incurred by the governing body in the financial year to which any such grant relates (to be known as maintenance grants).
- (2) The amount of the maintenance grant payable in respect of such a school for any financial year shall be such as may be determined (and from time to time revised) in accordance with regulations made by the Secretary of State under this section (referred to below in this Chapter as grant regulations).
- (3) Grant regulations may also provide for the payment to the governing bodies of such schools—
  - (a) of grants (to be known as special purpose grants) in respect of expenditure incurred or to be incurred by them of any class or description specified in the regulations—
    - (i) for or in connection with educational purposes of any class or description so specified;
    - (ii) in making any provision (whether of educational services or facilities or otherwise) of any class or description so specified which appears

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*Status: Point in time view as at 01/02/1991. This version of this provision has been superseded.*

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- to the Secretary of State to be required for meeting any special needs of the population of the area served by the school; or
- (iii) in respect of expenses of any class or description so specified, being expenses which it appears to the Secretary of State the governing bodies of such schools cannot reasonably be expected to meet from maintenance grant; and
- (b) of grants (to be known as capital grants) in respect of expenditure of a capital nature incurred or to be incurred by them of any class or description so specified.
- (4) Grant regulations may provide for special purpose grants to be payable on a regular basis in respect of expenditure of a recurrent kind or by reference to expenditure incurred or to be incurred on particular occasions or during any particular period.
- (5) The amount of any capital grant shall be equal to 100 per cent. of the expenditure in respect of which it is made.
- (6) The descriptions of expenditure which are to be regarded for the purposes of subsection (3)(b) above as expenditure of a capital nature shall be such as may be determined by or in accordance with the regulations.
- (7) A governing body to whom any payments in respect of maintenance grant or special purpose grants are made shall comply with such requirements as the Secretary of State may from time to time impose, being requirements—
- (a) specified in grant regulations as requirements which may be imposed by the Secretary of State on governing bodies to whom such payments are made; or
- (b) determined in accordance with such regulations by the Secretary of State.
- (8) A governing body to whom any payments in respect of capital grant are made shall comply with such requirements determined by the Secretary of State as he may from time to time impose.
- (9) Requirements imposed under subsection (7) or (8) above—
- (a) may be imposed on or at any time after the making of any payment by reference to which they are imposed; and
- (b) may at any time be waived or removed or, subject to subsection (10) below, varied by the Secretary of State.
- (10) The power of the Secretary of State to vary such a requirement—
- (a) does not apply to a requirement imposed under subsection (7)(a) above; and
- (b) is subject, in the case of a requirement imposed under subsection (7)(b) above, to the provisions of the regulations with respect to the determination of the requirements that may be so imposed in the case of payments in respect of the grants in question.
- (11) The requirements—
- (a) which may be specified in or authorised by grant regulations as requirements which may be imposed on governing bodies to whom payments are made in respect of special purpose grants; or
- (b) which may be imposed by the Secretary of State on a governing body to whom payments in respect of capital grants are made;
- include in particular requirements with respect to the repayment, in whole or in part, of payments made in respect of those grants if any other requirement imposed under subsection (7) or (8) above by reference to payments of such grants (whether imposed

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before, at or after the time when the payments subject to the repayment requirement are made) is not complied with.

(12) Subject to—

- (a) any requirements imposed by the Secretary of State under subsection (7) above; and
- (b) any requirements with respect to the application of maintenance grant contained in the articles of government of the school;

it shall be the duty of the governing body of a grant-maintained school to apply any payments made to them in respect of maintenance grant solely for the purposes of the school.

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