

## SCHEDULES

### SCHEDULE 32

#### TRANSITIONAL PROVISIONS AND SAVINGS

##### PART I

##### FUNDING

##### *Interpretation*

- 1 In this Part of this Schedule—
- “the 1996 Act” means the Education Act 1996;
  - “the appointed day”, in relation to any provision of this Schedule, means such day as may be appointed for the purposes of that provision by an order made by the Secretary of State.

##### *Continued operation of GMS grants provisions*

- 2 (1) Subject to the provisions of this paragraph, the GMS grants provisions shall continue to have effect on and after the appointed day in relation to—
- (a) any payments of maintenance grant under section 244 or 250 of the 1996 Act in respect of any financial year (or part of such a year) beginning before that day; and
  - (b) any payments of capital or special purpose grants under section 245, 246, 251 or 252 of that Act made before that day.
- (2) Regulations may provide—
- (a) for any functions of the funding authority under the GMS grants provisions—
    - (i) to be discharged instead by the Secretary of State as from a date specified in the regulations, or
    - (ii) to be discharged instead by local education authorities as from the appointed day (either subject to obtaining the Secretary of State’s consent or otherwise); and
  - (b) for any of those provisions to have effect, for any purposes specified in the regulations, with such modifications as are so specified.
- (3) Regulations under sub-paragraph (2) shall not authorise a local education authority to impose any requirement under section 247(1) of that Act (as it has effect by virtue of sub-paragraph (1)); but the Secretary of State may by order—
- (a) impose such a requirement; or
  - (b) waive or remove such a requirement even though a local education authority is by such regulations also authorised to do so.

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*Status: This is the original version (as it was originally enacted).*

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- (4) In this paragraph “the GMS grants provisions” means sections 244 to 254 and 256 to 258 of the 1996 Act and any regulations in force under any of those provisions immediately before the appointed day.

*Existing loans*

- 3 (1) Any loan made under section 255 of the 1996 Act (loans to governing bodies) shall not be affected by the repeal of that section by this Act.
- (2) Where such a loan was made by the funding authority, any rights or liabilities of the authority in respect of the loan shall become rights or liabilities of the Secretary of State on the appointed day.

*Grants by Secretary of State in respect of planned expenditure*

- 4 (1) Regulations may provide for the payment by the Secretary of State of grants to—
- (a) the governing bodies of schools to which this paragraph applies, or
  - (b) local education authorities,
- in respect of relevant expenditure incurred or to be incurred by them.
- (2) Regulations under this paragraph may—
- (a) in relation to grants made to the governing bodies of any such schools, make provision corresponding to sub-paragraphs (6) and (7) of paragraph 5 of Schedule 3; and
  - (b) in relation to grants made to the governing bodies of voluntary aided schools, make in addition provision corresponding to sub-paragraphs (8) to (10) of paragraph 5 of that Schedule.
- (3) This paragraph applies to a school if immediately before the appointed day—
- (a) the school was a grant-maintained or grant-maintained special school within the meaning of the 1996 Act, or
  - (b) proposals for the establishment of the school fell to be implemented in accordance with section 215 of that Act.
- (4) Each of the following provisions of Schedule 22, namely—
- (a) paragraph 1(1)(d),
  - (b) paragraph 2(1)(d), and
  - (c) paragraph 3(1)(e),
- shall (subject to sub-paragraph (5) below) apply in relation to any grant made by virtue of this paragraph as if it were such a grant as is mentioned in that provision.
- (5) Sub-paragraph (4) does not apply to any grant made by virtue of this paragraph to the governing body of a voluntary aided school.
- (6) In this paragraph “relevant expenditure” means such expenditure (being expenditure arising out of an obligation incurred or decision made before the appointed day) as may be prescribed.

*Deferment of governing body’s right to delegated budget*

- 5 (1) A maintained school falling within section 49(1) shall not have a delegated budget as from the day on which section 49 comes into force if—

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- (a) the governing body's right to a delegated budget has been suspended under section 117 of the Education Act 1996 (suspension of financial delegation for mismanagement etc.) or section 28 of the School Inspections Act 1996 (suspension of right to delegated budget); and
  - (b) that suspension has not been previously revoked with effect from that or any earlier day.
- (2) Such a school shall, however, have a delegated budget as from the day with effect from which that suspension is revoked.
- (3) The Secretary of State may by order determine that a relevant school shall not have a delegated budget as from the day on which section 49 comes into force where he considers that it would not be expedient for the school to have such a budget as from that day for reasons connected with—
  - (a) the financial position, or
  - (b) the financial management,of the school.
- (4) Where the Secretary of State makes an order under sub-paragraph (3) in relation to a school—
  - (a) for the purposes of Part II of this Act the right of the governing body to a delegated budget shall be treated as if it had been suspended by the local education authority under paragraph 1 of Schedule 15 on the day on which section 49 comes into force;
  - (b) paragraphs 2 to 4 (but not 3(1)(a)) of that Schedule shall apply to any such suspension; and
  - (c) the school shall have a delegated budget as from the day with effect from which that suspension is revoked.
- (5) Any reference in any of sections 54 to 57 to any suspension of a school's delegated budget under Schedule 15 includes a reference to—
  - (a) any suspension of a school's delegated budget by virtue of sub-paragraph (1); and
  - (b) (in accordance with sub-paragraph (4)), any such suspension by virtue of sub-paragraph (3).
- (6) Where the day on which section 49 comes into force is earlier than the day appointed under section 20(7) any reference in this paragraph to a maintained school is a reference to a school which is (within the meaning of the Education Act 1996)—
  - (a) a school maintained by a local education authority, or
  - (b) a grant-maintained or grant-maintained special school,and to which section 49 applies in accordance with regulations under section 144(1).
- (7) In this paragraph—
  - (a) "relevant school" means a maintained school which immediately before the day on which section 49 comes into force was a grant-maintained or grant-maintained special school within the meaning of the Education Act 1996; and
  - (b) references to a school having a delegated budget or to a governing body's right to such a budget shall be construed in accordance with section 49(7).