



# School Standards and Framework Act 1998

## 1998 CHAPTER 31

### PART II

#### NEW FRAMEWORK FOR MAINTAINED SCHOOLS

#### CHAPTER IV

#### FINANCING OF MAINTAINED SCHOOLS

#### *Financial delegation*

#### **49 Maintained schools to have delegated budgets.**

- (1) Every maintained school shall have a delegated budget.
- [<sup>F1</sup>(2) A new school shall have a delegated budget from a date determined in accordance with regulations.
- (2A) Regulations under subsection (2) may—
  - (a) enable the date that would otherwise apply by virtue of the regulations to be varied in accordance with the regulations, on the application of the [<sup>F2</sup>local authority], by the authority's schools forum or by the Secretary of State, and
  - (b) make provision about the respective powers of the schools forum and the Secretary of State in relation to any application to vary that date.]
- [<sup>F1</sup>(3) .....
- (4) Subject to—
  - (a) section 50 (right of governing body to spend budget share where school has a delegated budget),

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- (b) paragraph 4 of Schedule 15 (power of governing body to spend amounts out of budget share where delegation of budget suspended),
  - (c) section 489(2) of the <sup>M1</sup>Education Act 1996 (education standards grants), and
  - (d) any provisions of the scheme,
- a [<sup>F2</sup>local authority] may not delegate to the governing body of any maintained school the power to spend any part of the authority's [<sup>F3</sup>[<sup>F4</sup>non-schools education budget] or schools budget].
- (5) Any amount made available by a [<sup>F2</sup>local authority] to the governing body of a maintained school (whether under section 50 or otherwise)—
- (a) shall remain the property of the authority until spent by the governing body or the head teacher; and
  - (b) when spent by the governing body or the head teacher, shall be taken to be spent by them or him as the authority's agent.
- (6) Subsection (5)(b) does not apply to any such amount where it is spent—
- (a) by way of repayment of the principal of, or interest on, a loan, or
  - (b) (in the case of a voluntary aided school) to meet [<sup>F5</sup>expenses payable by the governing body under paragraph 3(1) or (2) of Schedule 3][<sup>F5</sup>expenditure payable by the governing body under paragraph 3(1) of Schedule 3][<sup>F6</sup>, <sup>F7</sup>... or paragraph 8 of Schedule 8 to the Education Act 2002][<sup>F8</sup>section 75(2)(b) of, or paragraph 4 of Schedule 3 to, the School Standards and Organisation (Wales) Act 2013].
- (7) In this Part—
- (a) references to a school having a delegated budget are references to the governing body of the school being entitled to manage the school's budget share; and
  - (b) where a school has a delegated budget the governing body are accordingly said to have a right to a delegated budget.

#### Textual Amendments

- F1** S. 49(2)(2A) substituted for s. 49(2)(3) (8.2.2007 for E., 15.3.2010 for W. for specified purposes, 2.4.2010 for W. in so far as not already in force) by [Education and Inspections Act 2006 \(c. 40\)](#), s. 188(3), **Sch. 5 para. 4**; S.I. 2006/3400, **art. 4(c)**; S.I. 2010/736, arts. 2(b), **3(c)** (with art. 4)
- F2** Words in Act substituted (5.5.2010) by [The Local Education Authorities and Children's Services Authorities \(Integration of Functions\) Order 2010 \(S.I. 2010/1158\)](#), art. 1, **Sch. 2 para. 10(2)** (with Sch. 2 para. 10(4))
- F3** Words in s. 49(4) substituted (1.10.2002 for E., 4.12.2003 for W.) by [Education Act 2002 \(c. 32\)](#), s. 216(4), **Sch. 21 para. 100(2)** (with ss. 210(8), 214(4)); S.I. 2002/2439, **art. 3** (with art. 4, Sch. para. 2); S.I. 2003/2961, art. 5, **Sch. Pt. II**
- F4** Words in s. 49(4) substituted (5.5.2010) by [The Local Education Authorities and Children's Services Authorities \(Integration of Functions\) Order 2010 \(S.I. 2010/1158\)](#), art. 1, **Sch. 2 para. 10(8)**
- F5** Words in s. 49(6)(b) substituted (E.) (1.4.2002) by [The Regulatory Reform \(Voluntary Aided Schools Liabilities and Funding\) \(England\) Order 2002 \(S.I. 2002/906\)](#), **art. 4**
- F6** Words in s. 49(6)(b) substituted (1.4.2003 for E., 1.8.2004 for W.) by [Education Act 2002 \(c. 32\)](#), s. 216(4), **Sch. 21 para. 100(3)** (with ss. 210(8), 214(4)); S.I. 2003/124, **art. 4**; S.I. 2004/1728, art. 4, **Sch. Pt. 1**
- F7** Words in s. 49(6) omitted (W.) (1.10.2013) by virtue of [School Standards and Organisation \(Wales\) Act 2013 \(anaw 1\)](#), s. 100(4), **Sch. 5 para. 19(7)(a)**; S.I. 2013/1800, art. 3(j)

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- F8** Words in s. 49(6) inserted (W.) (1.10.2013) by School Standards and Organisation (Wales) Act 2013 (anaw 1), s. 100(4), **Sch. 5 para. 19(7)(b)**; S.I. 2013/1800, art. 3(j)

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**Modifications etc. (not altering text)**

- C1** Pt. 2 Ch. 4 applied (with modifications) (W.) (12.4.2010) by The Federation of Maintained Schools and Miscellaneous Amendments (Wales) Regulations 2010 (S.I. 2010/638), regs. 1(1), **74, 75**
- C2** Pt. 2 Ch. 4 applied (E.) (1.9.2012) by The School Governance (Federations) (England) Regulations 2012 (S.I. 2012/1035), regs. 1, **28** (with reg. 2)
- C3** Ss. 49-51: power to modify conferred (1.4.2003 for E., 12.4.2010 for W.) by Education Act 2002 (c. 32), **ss. 25(1)(b)**, 216(4) (with ss. 210(8), 214(4)); S.I. 2003/124, art. 4; S.I. 2010/707, art. 3(d)
- C4** Ss. 49-51 modified (E.) (1.9.2012) by The School Governance (Federations) (England) Regulations 2012 (S.I. 2012/1035), regs. 1, **29, Sch. 8** (with reg. 2)
- C5** Ss. 49-51: power to modify conferred (W.) (28.4.2014) by Education (Wales) Measure 2011 (nawm 7), **ss. 18, 33(2)**; S.I. 2014/1066, art. 2
- C6** S. 49(4) savings for effects of 2002 c. 32, ss. 41(3), 215, Sch. 21 paras. 100(2) (W.) (19.11.2003) by The Education Act 2002 (Transitional Provisions and Consequential Amendments) (No.2) (Wales) Regulations 2003 (S.I. 2003/2959), regs. 1(1), **5**
- C7** S. 49(6)(b) modified (20.11.1998) by S.I. 1998/2670, **reg. 3(5)**
- C8** S. 49(7) applied (W.) (20.2.2014) by School Standards and Organisation (Wales) Act 2013 (anaw 1), s. 100(4), **Sch. 1 para. 12(4)**; S.I. 2014/178, art. 2(e) (with art. 3)

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**Marginal Citations**

- M1** 1996 c. 56.

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**Changes and effects yet to be applied to :**

- s. 49(6)(b) words omitted by [2022 asc 1 Sch. 4 para. 11\(2\)](#)

**Changes and effects yet to be applied to the whole Act associated Parts and Chapters:**

Whole provisions yet to be inserted into this Act (including any effects on those provisions):

- s. 14(3)(aa) inserted by [2011 nawm 7 s. 16\(2\)](#) (Amendment not applied to [legislation.gov.uk](#) - s.16(02) of 2011 nawm007 omitted by 2013 nawm001 s. 100(4), Sch. 5 para. 13(2); S.I. 2014/178, art. 2(f) (with art. 3) prior to commencement)
- s. 18B inserted by [2011 nawm 7 s. 16\(3\)](#) (Amendment not applied to [legislation.gov.uk](#) - s.16(02) of 2011 nawm007 omitted by 2013 nawm001 s. 100(4), Sch. 5 para. 13(2); S.I. 2014/178, art. 2(f) (with art. 3) prior to commencement)
- Sch. 22 para. 5(1B) inserted by [2023 c. 55 s. 235\(4\)](#)