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#### SCHEDULE 2

## TRANSITIONAL PROVISIONS

# PART II

# PROVISIONS COMING INTO FORCE ON 1ST APRIL 1999

### Suspension of delegated budgets

**6.**—(1) Under paragraph 1 of Schedule 15 when the local education authority are considering whether the governing body of a school which has a delegated budget–

- (a) have been guilty of a substantial or persistent failure to comply with any delegation requirement or restriction, or
- (b) are not managing in a satisfactory manner the expenditure or appropriation of the sum referred to in section 50(1),

they may have regard to the governing body's conduct before 1st April 1999 as the governing body of a county, voluntary or maintained special school within the meaning of the 1996 Act.

- (2) For the purposes of sub-paragraph (1) above in relation to the period before 1st April 1999–
  - (a) the reference in paragraph 1(1)(a) of Schedule 15 to "any delegation requirement or restriction" shall include any requirements applicable under the local education authority's scheme as then in force; and
  - (b) the reference in paragraph 1(1)(b) of that Schedule to the "expenditure or appropriation of the sum referred to in section 50(1)" shall include the expenditure or appropriation of the sum put at the disposal of the governing body pursuant to section 116(2) of the 1996 Act.

7.—(1) The repeal of section 117 of the 1996 Act shall not affect the validity or effect of a notice given under that section and where the local education authority have already given notice under subsection (1) of that section suspending the governing body's right to a delegated budget by giving them not less than one month's notice of the suspension, they may suspend that governing body's right to a delegated budget before the expiry of that period of notice if it appears to them to be necessary to do so in accordance with subsections (4) and (5) of that section.

(2) Where a governing body's right to a delegated budget has been suspended under section 117 of the 1996 Act it shall be treated on and after 1st April 1999 as if suspended under paragraph 1 of Schedule 15 to the 1998 Act.

(3) Where a local education authority have refused to revoke a suspension under section 117 of the 1996 Act on a review under section 118 of that Act it shall be treated on and after 1st April 1999 as a refusal to revoke a suspension on a review under paragraph 2(1)(a) of Schedule 15 to the 1998 Act.

(4) An appeal made under section 119 of the 1996 Act shall be treated on and after 1st April 1999 as an appeal made under paragraph 3 of Schedule 15 to the 1998 Act.

(5) Paragraph 3(2) and (3) of Schedule 15 to the 1998 Act shall not apply in relation to an appeal under that paragraph which is, by virtue of the preceding provisions of this paragraph, an appeal in relation to-

- (a) the imposition of any suspension under section 117 of the 1996 Act; or
- (b) any refusal of a local education authority to revoke any such suspension on a review under section 118 of that Act.

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## **Financing of maintained schools**

**8.** The repeal of Chapter V of Part II of the Education Act 1996 shall not affect the operation of section 109 (conditions as to delegation), section 122 (financial statements) and section 123 (certification of statements by Audit Commission) in relation to financial years beginning on or before 1st April 1998.