

## SCHEDULES

### SCHEDULE 1

Regulation 3

#### CLASSES OR DESCRIPTIONS OF PLANNED EXPENDITURE PRESCRIBED FOR THE PURPOSES OF THE LEA BUDGET OF A LOCAL EDUCATION AUTHORITY

Expenditure of a class or description referred to in this Schedule includes expenditure on associated administrative costs and overheads.

#### **Special educational provision**

1. Expenditure on services provided by educational psychologists.
2. Expenditure in connection with the authority's functions under sections 321 to 331 of the 1996 Act (which functions relate to the identification and assessment of children with special educational needs and the making, maintaining and reviewing of statements for such children).
3. Expenditure on monitoring the provision for pupils in schools (whether or not maintained by the authority) for the purposes of disseminating good practice in relation to, and improving the quality of educational provision for, children with special educational needs.
4. Expenditure on collaboration with other statutory and voluntary bodies to provide support for children with special educational needs.
5. Expenditure in connection with—
  - (a) the provision of parent partnership services (services provided under section 332A of the 1996 Act to give advice and information to parents of children with special educational needs), or other guidance and information to such parents which, in relation to pupils at a school maintained by the authority, are in addition to the information usually provided by the governing bodies of such schools; or
  - (b) arrangements made by the authority with a view to avoiding or resolving disagreements with the parents of children with special educational needs.
6. Expenditure on carrying out the authority's child protection functions under the Children Act 1989<sup>(1)</sup>, functions under section 175 of the 2002 Act, and other functions relating to child protection.
7. Expenditure incurred in entering into, or subsequently incurred pursuant to, an arrangement under section 31 of the Health Act 1999<sup>(2)</sup>.
8. Expenditure in providing special medical support for individual pupils in so far as such expenditure is not met by a Primary Care Trust<sup>(3)</sup>, National Health Service Trust<sup>(4)</sup>, NHS foundation trust<sup>(5)</sup> or Local Health Board<sup>(6)</sup>.

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(1) 1989 c. 41.

(2) 1999 c. 8.

(3) Primary Care Trusts were established under section 16A of the National Health Service Act 1977 (c. 49). Section 16A was inserted by section 2 of the Health Act 1999.

(4) National Health Service Trusts are created by order made under section 5 of the National Health Service and Community Care Act 1990 (c. 19). Section 5 has been amended by section 2 of, and paragraph 69 of Schedule 1 to, the Health Authorities Act 1995, sections 13 and 65 of, and Schedule 5 to, the Health Act 1999, and section 41 of, and paragraph 65 of Schedule 2 to, the National Health Service (Primary care) Act 1997.

(5) NHS foundation trusts are established under the Health and Social Care (Community Health and Standards) Act 2003 (c. 43).

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## School improvement

9. Expenditure incurred by the authority in respect of action to support the improvement of standards in the authority's schools, including, in particular—

- (a) expenditure incurred in connection with entering into a contract pursuant to a direction under section 63 of the 2002 Act (contracts to obtain services of an advisory nature in respect of schools with serious weaknesses or schools requiring special measures);
- (b) expenditure incurred in connection with the exercise of their functions under sections 14 to 17 of the 1998 Act (powers of intervention, appointment of additional governors and suspension of delegated budget in schools causing concern)(7);
- (c) expenditure on the appointment and remuneration of interim executive members under section 16A of the 1998 Act(8); and
- (d) expenditure on the employment of School Improvement Partners.

## Access to education

10. Expenditure in relation to the following matters—

- (a) management of the authority's capital programme including preparation and review of an asset management plan and negotiation and management of private finance transactions;
- (b) planning and managing the supply of school places, including the authority's functions—
  - (i) in relation to the preparation of any part of the authority's Children and Young People's Plan relating to school organisation(9), and
  - (ii) in relation to the establishment, alteration or discontinuance of schools pursuant to Chapter II of Part II of the 1998 Act, section 70 of the 2002 Act, or section 113A of, and Schedule 7A to, the 2000 Act;
- (c) the authority's functions in relation to the exclusion of pupils from schools, excluding the making of any provision of education to such pupils, but including advice to the parents of an excluded pupil;
- (d) school organisation committees;
- (e) the authority's functions under section 509 and 509AA to 509AC(10) of the 1996 Act (home-to-school and home-to-college transport); and
- (f) the authority's functions under sections 510 and 514 of the 1996 Act (provision and administration of clothing grants and boarding grants), and pursuant to regulations made under section 518(2) of the 1996 Act(11).

(6) Local Health Boards are established by order made by the National Assembly for Wales under section 16BA of the National Health Service Act 1977 (c. 49), as inserted by section 6(1) of the National Health Service Reform and Health Care Professions Act 2002 (c. 17).

(7) Section 14 has been amended by sections 56(3), 57(1), 215(1) of, and paragraph 1 of Schedule 5 to, and paragraph 92 of Schedule 21 to, the 2002 Act, and by section 61 of, and paragraphs 14(1)-(3) of Schedule 9 to, the 2005 Act. Section 15 has been amended by section 149 of, and paragraphs 1 and 78 of Schedule 9 to, the 2000 Act, by section 55(1)-(2) of the 2002 Act, and by section 61 of, and paragraphs 15(1)-(4) of Schedule 9 to, the 2005 Act. Section 16 has been amended by sections 56(3), 215(1)-(2) of, paragraphs 2(1)-(8) of Schedule 21 to, and paragraphs 2(1) and (3) of Schedule 22 part 3 to the 2002 Act, and by section 61 of, and paragraphs 16(1), (2)(a) and (b) and (3) of Schedule 9 to, the 2005 Act. Section 16A was inserted by section 57(2) of the 2002 Act, and amended by section 61 of, and paragraphs 17(a) and (b) of Schedule 9 to, the 2005 Act. Section 17 has been amended by section 56(3) of, and paragraphs 3(1)-(3) of Schedule 5 to, the 2002 Act, and paragraphs 18(a) and (b) of Schedule 9, to the 2005 Act.

(8) Section 16A was inserted by section 57 of the 2002 Act.

(9) The Children and Young People's Plan (England) Regulations 2005 (S.I.2005/2149) impose a requirement to prepare and publish plans which will include key actions to be taken. Some of these may relate to school organisation.

(10) Sections 509AA, 509AB and 509AC were inserted by section 199 of, and Schedule 19 to, the 2002 Act.

(11) Section 518 was substituted by section 129 of the 1998 Act.

11. Expenditure on the Education Welfare Service(12) and other expenditure arising from the authority's functions under Chapter II of Part VI of the 1996 Act (school attendance).

12. Expenditure on the provision of support for students under section 1(1) of the Education Act 1962(13) and under section 22 of the Teaching and Higher Education Act 1998(14).

13. Expenditure on discretionary grants under section 1(6) or 2 of the Education Act 1962 (awards for designated and other courses).

14. Expenditure on the payment to persons over compulsory school age of educational maintenance allowances(15).

15. Expenditure on the provision of tuition in music, or on other activities which provide opportunities for pupils to enhance their experience of music.

16. Expenditure incurred in enabling pupils to enhance their experience of the visual, creative and performing arts other than music.

17. Expenditure on outdoor education centres, but not including centres wholly or mainly for the provision of organised games, swimming or athletics.

#### **Further education and training for young persons and adults**

18. Expenditure on the provision of education and training and of organised leisure time occupation, and other provision under sections 15A and 15B of the 1996 Act(16).

19. Expenditure on the provision by the local education authority under sections 15A and 508(17) of the 1996 Act of recreation and social and physical training, and on the authority's provision of services under section 116 of the 2000 Act to encourage and enable the participation by young people in education and training.

#### **Strategic management**

20. Expenditure in their capacity as a local education authority in relation to—
- (a) functions of the Chief Education Officer or director of children's services and his personal staff;
  - (b) planning for the education service as a whole;
  - (c) functions of the authority under Part I of the Local Government Act 1999(18) (Best Value) and the provision of advice to assist governing bodies in procuring goods and services with a view to securing continuous improvement in the way the functions of those governing bodies are exercised, having regard to a combination of economy, efficiency and effectiveness;
  - (d) revenue budget preparation; the preparation of information on income and expenditure relating to education, for incorporation into the authority's annual statement of accounts; and the external audit of grant claims and returns relating to education;

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(12) The functions of the Education Welfare Service and their role in reducing the levels of unauthorised absences from school are set out in DFEE Circular 11/99.

(13) 1962 c. 12.

(14) 1998 c. 30.

(15) Education Maintenance Allowances are funded under section 14 of the 2002 Act. They are paid pursuant to a scheme administered by the LSC on behalf of the Secretary of State.

(16) Section 15A was inserted by section 140(1) of, and paragraph 63 of Schedule 30 to, the 1998 Act, and section 15B by section 149 of, and paragraphs 1 and 55 of Schedule 9 to, the 2000 Act.

(17) Section 508 has been amended by section 137(1)-(4) of the 2000 Act.

(18) 1999 c. 27.

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- (e) administration of grants to the authority (including preparation of applications), functions imposed by or under Chapter IV of Part II of the 1998 Act and, where it is the authority's duty to do so, ensuring payments are made in respect of taxation, national insurance and superannuation contributions;
- (f) authorisation and monitoring of—
  - (i) expenditure which is not met from schools' budget shares; and
  - (ii) expenditure in respect of schools which do not have delegated budgets, and all financial administration relating thereto;
- (g) the authority's monitoring of compliance with the requirements of their financial scheme prepared under section 48 of the 1998 Act<sup>(19)</sup>, and any other requirements in relation to the provision of community facilities by governing bodies under section 27 of the 2002 Act;
- (h) internal audit and other tasks necessary for the discharge of the authority's chief finance officer's responsibilities under section 151 of the Local Government Act 1972<sup>(20)</sup>;
- (i) the authority's functions under regulations made under section 44 of the 2002 Act<sup>(21)</sup>;
- (j) recruitment, training, continuing professional development, performance management and personnel management of staff who are funded by expenditure not met from schools' budget shares and who are paid for services carried out in relation to those of the authority's functions and services which are referred to in other paragraphs of this Schedule;
- (k) investigations which the authority carry out of employees, or potential employees, of the authority, or of governing bodies of schools, or of persons otherwise engaged, or to be engaged, with or without remuneration to work at or for schools;
- (l) functions of the authority in relation to local government superannuation which it is not reasonably practicable for another person to carry out, and functions of the authority in relation to the administration of teachers' pensions;
- (m) retrospective membership of pension schemes and retrospective elections made in respect of pensions where it would not be appropriate to expect the governing body of a school to meet the cost from the school's budget share;
- (n) advice, in accordance with the authority's statutory functions, to governing bodies in relation to staff paid, or to be paid, to work at a school, and advice in relation to the management of all such staff collectively at any individual school ("the school workforce"), including in particular advice with reference to alterations in remuneration, conditions of service and the collective composition and organisation of such school workforce;
- (o) determination of conditions of service for non-teaching staff, and advice to schools on the grading of such staff;
- (p) the authority's functions regarding the appointment or dismissal of employees;
- (q) consultation and functions preparatory to consultation with or by governing bodies, pupils and persons employed at schools or their representatives, or with other interested bodies;
- (r) compliance with the authority's duties under the Health and Safety at Work etc. Act 1974<sup>(22)</sup> and the relevant statutory provisions as defined in section 53(1) of that Act, in so far as compliance cannot reasonably be achieved through tasks delegated to the governing bodies of schools; but including expenditure incurred by the authority in monitoring the

<sup>(19)</sup> Section 48 has been amended by section 40 of, and paragraph 2 of Schedule 3 to, the 2002 Act, and section 117 of, and paragraph 7 of Schedule 18 to, the 2005 Act.

<sup>(20)</sup> 1972 c. 70.

<sup>(21)</sup> The regulations currently in force under this provision are The Consistent Financial Reporting (England) (Amendment) Regulations 2004 (S.I. 2004/393).

<sup>(22)</sup> 1974 c. 37.

performance of such tasks by governing bodies, and where necessary the giving of advice to them;

- (s) the investigation and resolution of complaints;
- (t) legal services relating to the statutory functions of the authority;
- (u) the preparation and review of plans involving collaboration with other local authority services or with public or voluntary bodies;
- (v) the preparation, publication, consultation upon and review of a children and young people's plan under the Children and Young People's Plan (England) Regulations 2005 and the provision of (but not the expenditure authorised by), an early years development and childcare partnership under section 119 of the 1998 Act<sup>(23)</sup>;
- (w) provision of information to or at the request of the Crown and the provision of other information which the authority are under a duty to make available;
- (x) the authority's duties under article 4(2) and (5) of the Race Relations Act 1976 (Statutory Duties) Order 2001<sup>(24)</sup>;
- (y) the remittance of fees payable to the General Teaching Council for England by virtue of section 4(4) of the Teaching and Higher Education Act 1998 and the provision of information required by the Council pursuant to regulations<sup>(25)</sup> made under section 12 of that Act;
- (z) the authority's functions pursuant to regulations made under section 12 of the 2002 Act (supervising authorities of companies formed by governing bodies); and
- (aa) the authority's functions under the Disability Discrimination Act 1995<sup>(26)</sup> in so far as compliance cannot reasonably be achieved through tasks delegated to the governing bodies of schools; but including expenditure incurred by the authority in monitoring the performance of such tasks by governing bodies and, where necessary, the giving of advice to them.

**21.** Expenditure in pursuance of a binding agreement, where the other party is a local authority, or the other parties include one or more local authorities, in relation to the operation of a facility provided partly but not solely for the use of schools.

**22.** Expenditure on establishing and maintaining those electronic computer systems, including data storage, which are intended primarily to maintain linkage between the authority and its schools.

**23.** Expenditure on monitoring National Curriculum assessment arrangements required by orders made under section 87 of the 2002 Act.

**24.** Expenditure in connection with the authority's functions in relation to the standing advisory council on religious education constituted by the authority under section 390 of the 1996 Act or in the reconsideration and preparation of an agreed syllabus of religious education in accordance with Schedule 31 to the 1996 Act.

**25.** Expenditure in respect of the dismissal or premature retirement of, or for the purpose of securing the resignation of, or in respect of acts of discrimination against, any person except to the extent that these costs are chargeable to schools' budget shares or fall within paragraph 35(b) of Schedule 2.

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(23) Section 119 was amended by section 150 of the 2002 Act and section 64 of and Schedule 5 to the Children Act 2004 (2004 c. 31).

(24) S.I. 2001/3458.

(25) The regulations currently in force under this provision are the General Teaching Council for England (Deduction of Fees) Regulations 2001 (S.I. 2001/3993), as amended by S.I. 2003/985.

(26) 1995 c. 50.

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**26.** Expenditure in respect of a teacher's emoluments under section 19(9) of the Teaching and Higher Education Act 1998.

**27.** Expenditure in respect of the functions of an appropriate body under regulations pursuant to section 19(2)(g) of the Teaching and Higher Education Act 1998**(27)**.

**28.** Expenditure on the appointment of governors, the making of instruments of government, the payment of expenses to which governors are entitled and which are not payable from a school's budget share and the provision of information to governors.

**29.** Expenditure on making pension payments, other than in respect of staff employed in schools.

**30.** Any expenditure on insurance, other than for liability arising in connection with schools or school premises.

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**(27)** The regulations currently in force under this provision are the Education (Induction Arrangements for School Teachers) (Consolidation) (England) Regulations 2001 (S.I. [2001/2897](#)), as amended by S.I. [2001/3938](#), S.I. [2002/2063](#), S.I. [2003/106](#) and S.I. [2003/2148](#) and S.I. [2005/1740](#).