

## SCHEDULES

### SCHEDULE 3

Regulation 7

#### MAXIMUM INCREASE IN CENTRAL EXPENDITURE

##### CHAPTER 1

##### FUNDING PERIOD 1

1. Subject to paragraphs 2 and 3, the central expenditure for funding period 1 must not exceed  $A \times (B/C)$  where—

(a) A is the lower of either—

- (i) the total amount initially deducted from the authority's schools budget for the financial year beginning on the 1st April 2005, or
- (ii) the total amount that could have been deducted from the authority's schools budget under the Budget Regulations as if those regulations had not been amended<sup>(1)</sup>,

excepting any amount deducted in accordance with paragraphs 1 to 4 (Expenditure to support grants, Excellence in Cities, Performance Reward and Threshold and Performance Pay Grants), 32 (Expenditure without which the education of pupils would be seriously prejudiced) and 34 (Expenditure authorised by the Secretary of State and for correction of errors) of Schedule 3 to the Budget Regulations;

(b) B is the total amount of the individual schools budget for funding period 1 as initially determined in accordance with regulation 7 of these Regulations;

(c) C is—

- (i) the total amount of the individual schools budget for the financial year beginning on 1st April 2005 allocated in accordance with regulation 4 of the 2004 Regulations, except for any amount retained under regulation 5(2) for the purpose of redeterminations or correction of errors, plus
- (ii) where the authority have not deducted expenditure under paragraph 3 of Schedule 2 to these Regulations in respect of funding period 1, any expenditure deducted under paragraph 4 of Schedule 3 to the 2004 Regulations, to the extent that this was devolved to schools;

save that any grant paid by the LSC to the authority under section 7 of the 2000 Act must be excluded from all the calculations.

2. Where any maintained school in the authority's area is due to be discontinued and re-open as an Academy in funding period 1, an amount equal to  $D \times (E/12)$  must be deducted from C, where—

- (a) D is the number of months during funding period 1 in which the school is not to be maintained by the authority; and
- (b) E is the total budget share of that school for the financial year beginning on 1st April 2005.

3. In calculating the limit on central expenditure imposed by paragraph 1, expenditure deducted in accordance with the following paragraphs of Schedule 2 to these Regulations—

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(1) The Budget Regulations were amended by the LEA Budget, Schools Budget and Individual Schools Budget (Amendment) (England) Regulations 2005 (S.I.2005/526).

**Status:** This is the original version (as it was originally made). This item of legislation is currently only available in its original format.

- (a) paragraphs 1 and 2 (expenditure to support grants and Performance Reward Grant);
  - (b) paragraph 25 (nursery education) to the extent that this exceeds expenditure deducted in accordance with paragraph 26 (nursery education) of Schedule 3 to the Budget Regulations; and
  - (c) paragraph 35(d) (expenditure on the schools' specific contingency)
- must be disregarded.

## CHAPTER 2

### FUNDING PERIOD 2

**4.** Subject to paragraphs 5 and 6, the central expenditure for funding period 2 must not exceed  $F \times (G/H)$  where—

- (a) F is the lower of either—
  - (i) the total amount deducted from the authority's schools budget for funding period 1, or
  - (ii) the total amount that could have been deducted from the authority's schools budget under these regulations before variation of any limit was authorised by the Schools Forum or Secretary of State under regulation 13 of these Regulations, excepting any amount deducted in accordance with paragraph 1 (Expenditure to support grants), and paragraph 2 (Performance Reward Grant) of Schedule 2 to these Regulations;
- (b) G is the total amount of the individual schools budget for funding period 2 as initially determined in accordance with regulation 7 of these Regulations,
- (c) H is—
  - (i) the total amount of the individual schools budget for funding period 1 as initially determined in accordance with regulation 7 of these Regulations, plus
  - (ii) where the authority have not deducted expenditure under paragraph 3 of Schedule 2 to these Regulations in respect of funding period 2, any expenditure deducted under that paragraph in respect of funding period 1, to the extent that this expenditure has been devolved to schools;

save that any grant paid by the LSC to the authority under section 7 of the 2000 Act must be excluded from all of these calculations.

**5.** Where any maintained school in the authority's area is due to be discontinued and re-open as an Academy in funding period 2 an amount equal to  $J \times (K/12)$  must be deducted from H, where—

- (a) J is the number of months during funding period 2 in which the school is not to be maintained by the authority; and
- (b) K is the total budget share of that school for funding period 1.

**6.** In calculating the limit on central expenditure imposed by paragraph 4, expenditure deducted in accordance with the following paragraphs of Schedule 2 to these Regulations—

- (a) paragraphs 1 and 2 (expenditure to support grants and Performance Reward Grant); and
- (b) paragraph 25 (nursery education) in respect of funding period 2, to the extent that this exceeds expenditure deducted in accordance with that paragraph in respect of funding period 1

must be disregarded.