



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.
- [^{F1}(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 [^{F2}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.]
- [^{F1}(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 ^{M1}Education Act 1996 (education standards grants), and
 - (d) any provisions of the scheme,
- a [^{F2}local authority] may not delegate to the governing body of any maintained school the power to spend any part of the authority's [^{F3}[^{F4}non-schools education budget] or schools budget].
- (5) Any amount made available by a [^{F2}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 [^{F5}expenses payable by the governing body under paragraph 3(1) or (2) of Schedule 3][^{F5}expenditure payable by the governing body under paragraph 3(1) of Schedule 3][^{F6}, paragraph 14(2) of Schedule 6, paragraph 3(3) of Schedule 7A to the Learning and Skills Act 2000 or paragraph 8 of Schedule 8 to the Education Act 2002].
- (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](#)

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](#)

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- C2** 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)
- C3** 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**
- C4** S. 49(6)(b) modified (20.11.1998) by S.I. 1998/2670, **reg. 3(5)**

Marginal Citations

- M1** 1996 c. 56.

50 Effect of financial delegation.

- (1) Where a maintained school has a delegated budget in respect of the whole or part of a [F⁷ funding period] the [F² local authority] shall secure that in respect of [F⁸ that period] there is available to be spent by the governing body—
- (a) where the school has a delegated budget in respect of the whole of that [F⁹ period], a sum equal to the school's budget share for the [F⁹ period], or
 - (b) where the school has a delegated budget in respect of only part of that [F¹⁰ period], a sum equal to that portion of the school's budget share for the [F¹⁰ period] which has not been spent.
- (2) The times at which, and the manner in which, any amounts are made available by the authority to the governing body in respect of any such sum shall be such as may be provided by or under the scheme.
- (3) Subject to any provision made by or under the scheme, the governing body may spend any such amounts as they think fit—
- (a) for any purposes of the school; or
 - (b) (subject also to any prescribed conditions) for such purposes as may be prescribed.

[F¹¹(3A) In the case of a school in England—

- (a) subject to regulations under paragraph (b) below, subsection (3)(a) has effect as if amounts spent on providing facilities or services under section 27 of the Education Act 2002 (power of governing body to provide community facilities etc) were spent for purposes of the school;
 - (b) regulations may impose restrictions as to the matters on which amounts may be spent under subsection (3)(a).]
- (4) [F¹²In the case of a school in Wales, “purposes of the school” in subsection (3)] does not include purposes wholly referable to the provision of—
- [F¹³(za) facilities and services under section 27 of the Education Act 2002 (power of governing body to provide community facilities etc.),]
 - (a) part-time education suitable to the requirements of persons of any age over compulsory school age, or
 - (b) full-time education suitable to the requirements of persons who have attained the age of 19;

but any such purposes may be prescribed by regulations under paragraph (b) of that subsection.

- (5) Nothing in subsection (3) shall be read as authorising the payment of allowances to governors otherwise than in accordance with regulations [F¹⁴ under section 19 of

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the Education Act 2002 (or, in the case of temporary governors of a new school, regulations under section 34(5) of that Act).]

- (6) The governing body may delegate to the head teacher, to such extent as may be permitted by or under the scheme, their powers under subsection (3) in relation to any amount such as is mentioned in that subsection.
- (7) The governors of a school shall not incur any personal liability in respect of anything done in good faith in the exercise or purported exercise of their powers under subsection (3) or (6).

Textual Amendments

- 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))
- F7** Words in s. 50(1) substituted (1.11.2005 for E., 1.4.2010 for W.) by Education Act 2005 (c. 18), s. 125(4), **Sch. 18 para. 8(a)** (with s. 119); S.I. 2005/2034, art. 8; S.I. 2010/735, art. 2(e)
- F8** Words in s. 50(1) substituted (1.11.2005 for E., 1.4.2010 for W.) by Education Act 2005 (c. 18), s. 125(4), **Sch. 18 para. 8(b)** (with s. 119); S.I. 2005/2034, art. 8; S.I. 2010/735, art. 2(e)
- F9** Word in s. 50(1)(a) substituted (1.11.2005 for E., 1.4.2010 for W.) by Education Act 2005 (c. 18), s. 125(4), **Sch. 18 para. 8(c)** (with s. 119); S.I. 2005/2034, art. 8; S.I. 2010/735, art. 2(e)
- F10** Word in s. 50(1)(b) substituted (1.11.2005 for E., 1.4.2010 for W.) by Education Act 2005 (c. 18), s. 125(4), **Sch. 18 para. 8(c)** (with s. 119); S.I. 2005/2034, art. 8; S.I. 2010/735, art. 2(e)
- F11** S. 50(3A) inserted (1.4.2011) by Children, Schools and Families Act 2010 (c. 26), **ss. 4(2), 29(5)** (with s. 27); S.I. 2010/1817, art. 4
- F12** Words in s. 50(4) substituted (1.4.2011) by Children, Schools and Families Act 2010 (c. 26), **ss. 4(3), 29(5)** (with s. 27); S.I. 2010/1817, art. 4
- F13** S. 50(4)(za) inserted (2.9.2002 for E., 1.9.2003 for W.) by Education Act 2002 (c. 32), s. 216(4), **Sch. 3 para. 3** (with ss. 210(8), 214(4)); S.I. 2002/2002, art. 4; S.I. 2003/1718, art. 5, Sch. Pt. II
- F14** Words in s. 50(5) substituted (1.9.2003 for E., 31.10.2005 for W.) by Education Act 2002 (c. 32), s. 216(4), **Sch. 21 para. 101** (with ss. 210(8), 214(4)); S.I. 2003/1667, art. 4; S.I. 2005/2910, art. 4, Sch.

Modifications etc. (not altering text)

- C2** 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)

Commencement Information

- I1** S. 50 wholly in force; s. 50 not in force at Royal Assent see s. 145(3); s. 50(3) and (4) in force at 1.10.1998 by S.I. 1998/2212, art. 2, Sch. 1 Pt. I, **Sch. 2 Pt. I para. 1** and s. 50 in force at 1.4.1999 (so far as it is not already in force) by Sch. 1 Pt. IV of the same S.I.

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