



Education Reform Act 1988

1988 CHAPTER 40

PART I

SCHOOLS

CHAPTER III

FINANCE AND STAFF

Financing of schools maintained by local education authorities

39 Schemes: provision for financial delegation

- (1) A scheme shall include provision for requiring, in the case of each secondary school required to be covered by the scheme in any financial year, the delegation by the local education authority concerned to the governing body of the school of the management of the school's budget share for that year.
- (2) A scheme shall include provision for requiring, in the case of each primary school required to be covered by the scheme in any financial year which—
 - (a) satisfies the qualifying condition on a qualifying date in relation to that year which falls before the beginning of that year; or
 - (b) falls in accordance with the scheme to be regarded as qualifying for delegation in respect of that year on the assumption that, if a forecast made in accordance with the scheme of the number of registered pupils it will have on a qualifying date in relation to that year which falls within that year proves to be correct, it will satisfy the qualifying condition on that date;the delegation by the local education authority concerned to the governing body of the school of the management of the school's budget share for that year.
- (3) For the purposes of this section—

Status: This is the original version (as it was originally enacted).

- (a) a primary school is to be treated as satisfying the qualifying condition at any time when it has two hundred or more registered pupils; and
 - (b) “qualifying date” means, in relation to any financial year, any date which is a qualifying date in accordance with any provision made by or under the scheme in question.
- (4) References in this Chapter to the delegation requirement under any scheme are references—
- (a) in relation to a secondary school required to be covered by the scheme in any financial year, to any provision included in the scheme by virtue of subsection (1) above; and
 - (b) in relation to a primary school required to be covered by the scheme in any financial year, to any provision included in the scheme by virtue of subsection (2) above.
- (5) The application of the delegation requirement under a scheme in relation to any school is subject to section 40 of this Act in the case of any school to which that section applies.
- (6) Subject to subsections (7) and (8) below, once the delegation requirement under a scheme applies in relation to a primary school in respect of any financial year it shall continue to apply in respect of each succeeding financial year.
- (7) Subject to subsection (8) below, the delegation requirement under a scheme shall cease to apply in relation to a primary school to which that requirement for the time being applies if the number of registered pupils at the school—
- (a) falls below the number for the time being required under subsection (3)(a) above for such a school to be treated as satisfying the qualifying condition or, in the case of a school to which that requirement applies by virtue of any provision made under subsection (2)(b) above, either fails to reach or falls below that number; and
 - (b) remains below that number for such period as may be specified in the scheme.
- (8) Where subsection (7) above applies in the case of any primary school the delegation requirement under the scheme in question shall cease to apply in relation to the school as from the beginning of the financial year beginning next after the period mentioned in paragraph (b) of that subsection comes to an end in the case of that school.
- (9) The application of subsections (7) and (8) above in relation to any school is without prejudice to the subsequent application of the delegation requirement under the scheme in question in relation to that school in respect of any financial year subsequent to that mentioned in subsection (8).
- (10) A scheme may provide for the delegation by the local education authority concerned to the governing body of any school to which the delegation requirement under the scheme does not apply in any financial year of the management of the school’s budget share for that year.
- (11) Any delegation by a local education authority under a scheme to the governing body of any school of the management of the school’s budget share shall be subject to such conditions as may be imposed by or under the scheme.
- (12) Conditions so imposed may in particular relate to—
- (a) the arrangements to be made for management of the expenditure of any sum made available to the governing body of any school in accordance with

the scheme (and in particular for authorising expenditure, or transactions involving commitments to expenditure, to be met from any such sum);

- (b) the keeping and audit of accounts and records with respect to such expenditure, and the keeping of records with respect to such transactions; and
- (c) the provision to the local education authority concerned by the governing body of—
 - (i) copies of accounts and records required to be kept by virtue of any condition imposed under paragraph (b) above; and
 - (ii) such other documents and information relating to the application of any such sum as the authority may from time to time require.