



Education Act 1996

1996 CHAPTER 56

PART VIII

GRANTS AND OTHER FINANCIAL MATTERS

Grants

484 [F¹Education standards grants.]

- (1) The Secretary of State may pay grants, known as [F²education standards grants,] to local education authorities in respect of eligible expenditure incurred or to be incurred by them.
- (2) In this section “eligible expenditure” means expenditure of any class or description for the time being specified in regulations, being expenditure for or in connection with educational purposes which it appears to the Secretary of State that local education authorities should be encouraged to incur in the interests of education in England and Wales.
- (3) The regulations shall provide that [F³any education standards grant] payable in pursuance of the regulations—
 - (a) shall only be payable in respect of eligible expenditure incurred or to be incurred by a local education authority in a financial year to the extent to which that expenditure is approved for that year by the Secretary of State for the purposes of the regulations, and
 - (b) shall be payable at such rate as may be specified in the regulations.
- (4) The regulations may provide for the time and manner of payment of [F³any education standards grant].
- (5) The regulations may provide for expenditure incurred or to be incurred by any local education authority in making payments, whether by way of maintenance, assistance or otherwise, to any body or persons who incur expenditure for or in connection with educational purposes (including another local education authority) to be treated, in such circumstances as may be specified in the regulations, as eligible expenditure.

Status: Point in time view as at 01/02/1999.

Changes to legislation: Education Act 1996, Part VIII is up to date with all changes known to be in force on or before 20 June 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

- (6) The Secretary of State may exercise his power under subsection (1) separately and differently in relation to local education authorities in England and local education authorities in Wales, and “education in England and Wales” in subsection (2) shall be construed accordingly.
- (7) Nothing in section 29(1) or 507 applies in relation to any function of the Secretary of State under this section or under section 489 so far as it relates to regulations under this section; and nothing in sections 495 to 497 applies in relation to any function arising by virtue of section 489 so far as it relates to such regulations.

Textual Amendments

- F1** S. 484 sidenote substituted (1.2.1999) by 1998 c. 31, s. 140(1), **Sch. 30 para. 125(c)** (with ss. 138(9), 144(6)); S.I. 1999/120, art. 2, **Sch. 1**
- F2** Words in s. 484(1) substituted (1.2.1999) by 1998 c. 31, s. 140(1), **Sch. 30 para. 125(a)** (with ss. 138(9), 144(6)); S.I. 1999/120, art. 2, **Sch. 1**
- F3** Words in s. 484(3)(4) substituted (1.2.1999) by 1998 c. 31, s. 140(1), **Sch. 30 para. 125(b)** (with ss. 138(9), 144(6)); S.I. 1999/120, art. 2, **Sch. 1**

Modifications etc. (not altering text)

- C1** S. 484 extended (E.) (1.9.2001) by S.I. 2001/2897, **reg. 23**
- C2** S. 484: power to extend conferred (1.10.1998) by 1998 c. 30, **s. 19(8)** (with s. 42(8)); S.I. 1998/2215, **art. 2**
- C3** S. 484 amended (1.10.1998) by 1998 c. 31, **s. 7(10)** (with ss. 138(9), 144(6)); S.I. 1998/2212, art. 2(1), **Sch. 1 Pt. 1**

485 Grants in aid of educational services or research.

Regulations shall make provision for the payment by the Secretary of State to persons other than local education authorities of grants in respect of expenditure incurred or to be incurred by them—

- (a) for the purposes of, or in connection with, the provision (or proposed provision) of educational services, or
- (b) for the purposes of educational research.

486 Grants to bodies whose objects are promotion of learning or research.

Regulations may provide for the payment of grants to bodies other than local education authorities whose object or main object is, in the opinion of the Secretary of State, the promotion of learning or research.

487 Grants for education in Welsh.

Regulations shall make provision for the payment by the Secretary of State to local education authorities and other persons of grants in respect of expenditure incurred or to be incurred in, or in connection with, the teaching of the Welsh language or the teaching in that language of other subjects.

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488 Grants for education of travellers and displaced persons.

- (1) Regulations may make provision for the payment to local education authorities of grants in respect of expenditure incurred or to be incurred by them in making provision the purpose (or main purpose) of which is to promote and facilitate the education of persons to whom this section applies.
- (2) This section applies to a person if—
 - (a) by reason of his way of life (or, in the case of a child, his parent’s way of life) he either has no fixed abode or leaves his main abode to live elsewhere for significant periods in each year;
 - (b) he fell within paragraph (a) within a prescribed period immediately preceding the making of the provision in question; or
 - (c) he is for the time being resident in a camp or other accommodation or establishment provided for refugees or for displaced or similar persons.
- (3) The regulations may—
 - (a) prescribe classes or descriptions of expenditure in respect of which grants are payable under the regulations, and
 - (b) provide for the determination of the amount of any grant so payable.

489 Conditions as to payment of grants under sections 484 to 488.

- (1) Regulations made under any of sections 484 to 488 may provide—
 - (a) for the payment of grant under the regulations to be dependent on the fulfilment of such conditions as may be determined by or in accordance with the regulations, and
 - (b) for requiring persons to whom payments have been made under the regulations to comply with such requirements as may be so determined.
- (2) Conditions and requirements determined under subsection (1)(a) and (b) by or in accordance with regulations made under section 484 may include conditions and requirements obliging the local education authority in question to delegate decisions about the spending of—
 - (a) [^{F4}education standards grant,] and
 - (b) amounts allocated by the authority to meet eligible expenditure (within the meaning of that section) which is approved by the Secretary of State,to such persons as may be determined by or in accordance with the regulations.
- (3) The Secretary of State may by order make such modifications of any trust deed or other instrument relating to or regulating any institution that—
 - (a) provides or is concerned in the provision of educational services, or
 - (b) is concerned in educational research,as, after consultation with the persons responsible for the management of the institution, appear to him to be requisite to enable them to fulfil any condition or meet any requirement imposed by regulations under section 485.
- (4) Any modification made by an order under subsection (3) may be made to have permanent effect or to have effect for such period as may be specified in the order.

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Textual Amendments

- F4** Words in s. 489(2)(a) substituted (1.2.1999) by 1998 c. 31, s. 140(1), **Sch. 30 para.126** (with ss. 138(9), 144(6)); S.I. 1999/120, art. 2, **Sch. 1**.

490 Grants in respect of special provision for ethnic minorities.

- (1) Where subsection (2) applies, the power conferred by section 11 of the ^{M1}Local Government Act 1966 (grants in respect of ethnic minority population) shall apply in relation to the payment of grants by the Secretary of State to—
- (a) the governing body of a grant-maintained school, or
 - (b) a person who in pursuance of undertakings under an agreement under section 482 maintains and carries on, or provides for the carrying on of, a city technology college or a city college for the technology of the arts,
- as it applies in relation to the payment of grants to a local authority who in his opinion are required to make special provision in exercise of any of their functions in consequence of the presence within their area of such persons as are referred to in section 11 of that Act.
- (2) This subsection applies if, in the Secretary of State's opinion, special provision is made by the governing body or person in question in consequence of the presence within the locality of the school or college of such persons as are referred to in section 11 of that Act.

Marginal Citations

- M1** 1966 c. 42.

Payment of fees etc.

491 Payment of school fees and expenses.

- (1) Regulations shall make provision for the payment by the Secretary of State, for the purpose of enabling pupils to take advantage without hardship to themselves or their parents of any educational facilities available to them, of the whole or any part of the fees and expenses payable in respect of children attending schools at which fees are payable.
- (2) Regulations under this section may provide—
- (a) for the making of payments under the regulations to be dependent on the fulfilment of such conditions as may be determined by or in accordance with the regulations, and
 - (b) for requiring persons to whom payments have been made under the regulations to comply with such requirements as may be so determined.

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Recoupment

492 Recoupment: adjustment between local education authorities.

- (1) Regulations may provide, in relation to cases where any provision for education to which this section applies is made by a local education authority in respect of a person who belongs to the area of another local education authority, for requiring or authorising the other authority to pay to the providing authority—
 - (a) such amount as the authorities may agree, or
 - (b) failing agreement, such amount as may be determined by or under the regulations.
- (2) This section applies to primary education, secondary education and further education and to part-time education for those who have not attained [^{F5}compulsory school age].
- (3) The regulations may provide for the amounts payable by one authority to another—
 - (a) to reflect the whole or any part of the average costs incurred by local education authorities in the provision of education (whether in England and Wales as a whole or in any particular area or areas); and
 - (b) to be based on figures for average costs determined by such body or bodies representing local education authorities, or on such other figures relating to costs so incurred, as the Secretary of State considers appropriate.
- (4) The regulations may provide for the amounts so payable, in such cases as may be specified in or determined in accordance with the regulations, to be such amounts as may be determined by the Secretary of State.
- (5) Any dispute between local education authorities as to whether one of them is entitled to be paid any amount by another under the regulations shall be determined by the Secretary of State.
- (6) In this section—
 - (a) references to provision for education include provision of any benefits or services for which provision is made by or under this Act or any other enactment relating to education; and
 - (b) “further education” does not include further education of a kind such that expenditure on its provision would fall within paragraph 6 of Schedule 10 to the ^{M2}Local Government, Planning and Land Act 1980.

Textual Amendments

F5 Words in s. 492(2) substituted (1.8.1998) by 1997 c. 44, s. 57(1), **Sch. 7 para.36**; S.I. 1998/386, art. 2(3), **Sch. 1 Pt.III**.

Modifications etc. (not altering text)

C4 Ss. 492-495: power to exercise functions modified (1.7.1999) by S.I. 1999/672, art. 5, **Sch. 2**

Marginal Citations

M2 1980 c. 65.

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493 Recoupment: cross-border provisions.

- (1) Regulations may make provision requiring or authorising payments of amounts determined by or under the regulations to be made by one authority to another where—
 - (a) the authority receiving the payment makes, in such cases or circumstances as may be specified in the regulations, provision for education in respect of a person having such connection with the area of the paying authority as may be so specified, and
 - (b) one of the authorities is a local education authority and the other an education authority in Scotland.
- (2) Subsections (3) and (4) of section 492 shall apply for the purposes of this section as they apply for the purposes of that section.
- (3) Any question concerning the connection of any person with the area of a particular local education authority or education authority shall be decided in accordance with the regulations.
- (4) In subsection (1) “provision for education” includes provision of any benefits or services for which provision is made by or under this Act or any other enactment relating to education.

Modifications etc. (not altering text)

C5 Ss. 492-495: power to exercise functions modified (1.7.1999) by [S.I. 1999/120, art. 5, Sch. 2](#)

494 Recoupment: excluded pupils.

- (1) Subsection (2) applies where a pupil is permanently excluded from any school maintained by a local education authority or any grant-maintained school and, in the financial year in which the exclusion first takes effect—
 - (a) he is subsequently provided with—
 - (i) education at a school maintained by a local education authority,
 - (ii) education provided by such an authority otherwise than at school, or
 - (iii) education at a grant-maintained school, and
 - (b) the person accountable for that education (“the new provider”) is not the same as the person accountable for the education provided for him immediately before his exclusion (“the former provider”).
- (2) The former provider shall pay to the new provider an amount determined in accordance with regulations as the appropriate amount of funding to be transferred to the new provider in respect of that pupil for that financial year.
- (3) Every local education authority shall, where any scheme made (or treated as made) by them as mentioned in section 101(1) does not make the provision required by subsection (4) below, exercise their powers to revise the scheme so that it makes such provision.
- (4) The provision required by this subsection, in relation to a local education authority, is—
 - (a) provision requiring the authority, where a pupil is permanently excluded from a school and the exclusion first takes effect in a financial year in which the school is required to be covered by the scheme, to reduce the school’s budget

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- share for that year by an amount determined in accordance with regulations as the appropriate amount of funding in respect of that pupil for that year to be subtracted from the school's budget share; and
- (b) provision requiring the authority, where a pupil admitted to a school in a financial year in which the school is required to be covered by the scheme has been permanently excluded—
- (i) from a school maintained by them or any other local education authority, or
- (ii) from any grant-maintained school,
- and the exclusion (as well as the admission) first took effect in that year, to allocate for the purposes of the school in that year an amount determined in accordance with regulations as the appropriate amount of funding in respect of that pupil for that year to be allocated for those purposes.
- (5) Expressions used in subsection (4) and in Chapter V of Part II have the same meaning as in that Chapter.
- (6) Subject to subsection (7), for the purposes of this section—
- (a) the local education authority are accountable for education provided at any school maintained by them or education provided by them otherwise than at school; and
- (b) the governing body are accountable for education provided at a grant-maintained school.
- (7) Where a pupil is permanently excluded from any school maintained by a local education authority or from any grant-maintained school and, in the financial year in which the exclusion first takes effect, the following events subsequently occur—
- (a) he is first provided with education for which a different local education authority or, in the case of exclusion from a grant-maintained school, any local education authority are accountable (“the first new provider”) and which is provided in a pupil referral unit or otherwise than at school, and
- (b) at any time afterwards he is provided with education at a grant-maintained school or with education for which a local education authority other than the first new provider are accountable,
- then, in relation to the education mentioned in paragraph (b), the first new provider is to be treated as accountable for the education provided for the pupil immediately before the exclusion first took effect.
- (8) Any dispute as to whether any local education authority or governing body of a grant-maintained school are entitled to be paid any amount under this section by any other such authority or body shall be determined by the Secretary of State.
- (9) For the purposes of this section the permanent exclusion of a pupil does not take effect until—
- (a) any review under the articles of government of the decision to exclude him has been completed, and
- (b) either any time for appealing under section 159 or those articles has expired without such an appeal being made or such an appeal has been finally concluded.
- (10) In this section “grant-maintained school” includes a grant-maintained special school.

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Modifications etc. (not altering text)

C6 S. 494 modified (20.11.1998) by [S.I. 1998/2670](#), **art.8**.

Status:

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Changes to legislation:

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