

## SCHEDULE 2

Regulation 16(3)

### RELEVANT EXPENDITURE

1. Subject to paragraph 2, the following heads or items of expenditure are to be included for the purposes of determining in accordance with regulation 16(2) the amount of relevant expenditure incurred by the local education authority in the preceding financial year:

- (a) salaries of, and other costs attributable to, staff employed to work wholly or partly at the school other than staff employed in the provision of school meals;
- (b) expenditure on books, stationery and other educational equipment for use at the school;
- (c) expenditure on telephones and postage for the purposes of the school;
- (d) examination fees incurred in relation to registered pupils at the school;
- (e) expenditure relating to the school premises, including in particular—
  - (i) heating and lighting;
  - (ii) caretaking and cleaning; and
  - (iii) rent, non-domestic rates, water rates and charges for the supply of water or the provision of sewerage services; and
- (f) any other expenditure treated by the authority as forming part of the direct costs of the school

2. The heads or items of expenditure referred to in paragraph 1 are not to be included for the purposes of determining the amount of relevant expenditure to the extent that they fall within any of the following descriptions of expenditure, namely—

- (a) expenditure treated by the local education authority as expenditure of a capital nature;
- (b) expenditure in respect of the repayment of the principal of, the payment of interest on and the discharge of any financial obligation in connection with, any loan raised to meet expenditure of a capital nature;
- (c) expenditure which is offset by income received as central government grant in support of specific expenditure;
- (d) expenditure required to meet the liabilities of the local education authority in respect of compensation for premature retirement of—
  - (i) persons formerly employed by them to work at a school maintained by them; or
  - (ii) persons formerly employed by the governing body of a school maintained by them, where the decision to credit a person with a period of service for the purposes of payment of compensation for premature retirement was made before 1st April in the preceding financial year;
- (e) expenditure on the following items and on any necessary administrative costs associated therewith—
  - (i) transport for pupils between home and school;
  - (ii) the provision of clothing and board and lodging for pupils;
  - (iii) the granting of scholarships, exhibitions, bursaries or other allowances to pupils over compulsory school age, to enable them to take advantage of educational facilities without hardship to themselves or their parents;
  - (iv) education welfare officers, education social workers and educational psychologists where the expenditure is incurred in connection with the performance of a duty or the exercise of a power by the local education authority which is to be performed or

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

exercised by them both in relation to pupils at schools maintained by them and in relation to pupils at grant-maintained schools; and

- (v) making assessments of, and making, maintaining and reviewing statements for, children with special educational needs and making the special educational provision for pupils with statements of special educational needs specified in their statements;
- (f) expenditure in respect of the provision of education in special schools;
- (g) expenditure in respect of the provision of education under section 298 of the 1993 Act;
- (h) expenditure offset by income received from Her Majesty's Chief Inspector of Schools in England; and
- (i) expenditure of the kind referred to in section 11 of the Local Government Act 1966 in respect of posts approved by the Secretary of State for the purpose of making grants in respect of such expenditure, not being expenditure expected to be offset by income received as central government grant or grant from any of the European Communities.