

## SCHEDULE 2

Regulations 6 and 8

### CLASSES OR DESCRIPTIONS OF PLANNED EXPENDITURE PRESCRIBED FOR THE PURPOSES OF THE SCHOOLS BUDGET OF A LOCAL AUTHORITY WHICH MAY BE DEDUCTED FROM IT TO DETERMINE THE INDIVIDUAL SCHOOLS BUDGET

#### PART 1

##### Central Services

1. Expenditure on the operation of the system of admissions of pupils to schools (including expenditure incurred in carrying out consultations under section 88C(2) of the 1998 Act<sup>(1)</sup>) and in relation to appeals.
2. Expenditure in connection with the authority's functions under section 47A of the 1998 Act (establishment and maintenance of, and consultation with, schools forums).
3. CERA incurred for purposes not falling within any other paragraph of this Schedule or Schedule 1.
4. Expenditure in respect of—
  - (a) prudential borrowing;
  - (b) termination of employment costs, where the schools forum have approved the charging of these costs to the schools budget for the funding period in which they were incurred and the revenue savings achieved by the termination of employment to which they relate are equal to or greater than the costs incurred;
  - (c) services (often known as combined budgets) funded partly from central expenditure and partly from other budgets of the local authority or contributions from other bodies, where the expenditure relates to classes or descriptions of expenditure falling outside those set out in this Schedule;
  - (d) special educational needs transport costs; and
  - (e) purposes not falling within any other paragraph of this Schedule, provided that the expenditure does not amount in total to more than 0.1% of the authority's schools budget; which has been approved by the schools forum or the Secretary of State before 1st April 2013.
5. Any deductions under any of paragraphs 1, 2, 3, 4(a), 4(b), 4(c), 4(d) and 4(e) must not exceed the amount deducted under each of the corresponding paragraphs of Part 1 of Schedule 2 to the 2012 Regulations for the previous funding period.

#### PART 2

##### Central Schools Expenditure

6. Expenditure on pay arrears due to staff employed at maintained schools and other staff whose salaries are met from the schools budget, and expenditure on the costs of financing payment of such arrears, where the expenditure is not chargeable to a maintained school's budget share under the terms of the local authority's scheme.

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(1) Section 88C(2) was amended by section 51 of, and Schedule 4 to, the 2002 Act and sections 45 and 56 of the 2006 Act.

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

7. Expenditure pursuant to section 18 of the 1996 Act<sup>(2)</sup> in making any grant or other payment in respect of fees or expenses (of whatever nature) which are payable in connection with the attendance of pupils at a school which is not maintained by any local authority.

8. Expenditure due to a significant growth in pupil numbers as a result of the local authority's duty under section 13(1) of the 1996 Act to secure that efficient primary education and secondary education are available to meet the needs of the population of their area.

9. Expenditure to be incurred due to a decline in pupil numbers in—

- (a) schools which were awarded either the highest or the second highest grade in their last inspection under section 5 of the 2005 Act, including those inspected during the funding period; and
- (b) Academy schools that have not previously been inspected under section 5 of the 2005 Act and have a predecessor school or schools which was awarded the highest or second highest grade in its last inspection under section 5 of the 2005 Act, including those inspected during the funding period,

where funding is likely to be necessary due to subsequent growth in pupil numbers at such schools before the end of the next three financial years after the funding period.

10. Expenditure to be incurred prior to the opening of new schools to fund the appointment of staff and to enable the purchase of any goods and services necessary in order to admit pupils.

11. Expenditure in order to make provision for extra classes in order to comply with the School Admissions (Infant Class Sizes) (England) Regulations 2012<sup>(3)</sup>.

12. Expenditure on licences which are negotiated centrally by the Secretary of State for all publicly funded schools.

13. Remission of boarding fees payable in connection with the attendance of pupils at maintained schools and Academies.

## PART 3

### Central Early Years Expenditure

14. Expenditure on early years provision, excluding expenditure—

- (a) on such provision in a maintained school;
- (b) on relevant early years provision;
- (c) on exempt early years provision; and
- (d) on community early years provision.

15. Expenditure on determining—

- (a) the eligibility for free school meals of a pupil who is being provided with early years provision; or
- (b) the eligibility of a child for prescribed early years provision.

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(2) Section 18 was amended by article 5(1) of, and paragraph 7 of Schedule 2 to, [S.I. 2010/1158](#).

(3) [S.I. 2012/10](#).

## PART 4

### Children And Young People With High Needs

**16.** Expenditure in respect of pupils with special educational needs in primary and secondary schools, and children with special educational needs in relevant early years providers, exempt early years providers and those being provided with community early years provision, excluding expenditure—

- (a) in respect of pupils in places which the authority have reserved for children with special educational needs; or
- (b) where it would be reasonable to expect such expenditure to be met from a school's budget share, the amount allocated to a relevant early years provider or the general annual grant paid to an Academy by the Secretary of State.

**17.** Expenditure in respect of pupils—

- (a) with special educational needs at special schools and special Academies; or
- (b) in places at primary or secondary schools which the authority have reserved for children with special educational needs,

where the expenditure cannot be met from the sum referred to in regulation 14(1) or 14(2).

**18.** Expenditure in respect of persons provided with further education who are—

- (a) aged under 19 and have learning difficulties; or
- (b) aged 19 or over but under 25 and are subject to learning difficulty assessment.

**19.** Expenditure on support services for children who have a statement of special educational needs and for children with special educational needs who do not have such a statement.

**20.** Expenditure for the purposes of encouraging—

- (a) collaboration between special schools and primary and secondary schools to enable children with special educational needs to engage in activities at primary and secondary schools;
- (b) the education of children with special educational needs at primary and secondary schools; and
- (c) the engagement of children with special educational needs at primary and secondary schools in activities at the school with children who do not have special educational needs,

in cases where the local authority consider it would be unreasonable for such expenditure to be met from a school's budget share or the general annual grant paid to an Academy by the Secretary of State.

**21.** Expenditure incurred in relation to education otherwise than at school under section 19 of the 1996 Act or in relation to a pupil referral unit, where the expenditure cannot be met from the sum referred to in regulation 14(3).

**22.** Expenditure on the payment of fees in respect of children with special educational needs—

- (a) at independent schools or at special schools which are not maintained by a local authority under section 348 of the 1996 Act; or
- (b) at an institution outside England and Wales under section 320 of the 1996 Act.

**23.** Expenditure on hospital education services, aside from expenditure on hospital education places referred to in regulation 14.

**24.** Expenditure on special schools and pupil referral units in financial difficulty.

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**25.** Expenditure on costs in connection with private finance initiatives and the programme known as “Building Schools for the Future” at special schools, special Academies, pupil referral units and alternative provision Academies<sup>(4)</sup>.

**26.** Expenditure on the purchase of CRC Energy Efficiency Scheme allowances operated by the Environment Agency for pupil referral units.

## PART 5

### Items That May Be Removed From Maintained Schools’ Budget Shares

**27.** Expenditure (other than expenditure referred to in Schedule 1 or any other paragraph of this Schedule) incurred on services relating to the education of children with behavioural difficulties, and on other activities for the purpose of avoiding the exclusion of pupils from schools.

**28.** Expenditure on determining the eligibility of a pupil for free school meals.

**29.** Expenditure on making payments to, or in providing a temporary replacement for, a woman on maternity leave or a person on adoption leave.

**30.** Expenditure on making payments to, or in providing a temporary replacement for, any person—

- (a) carrying out trade union duties or undergoing training under sections 168 and 168A of the Trade Union and Labour Relations (Consolidation) Act 1992<sup>(5)</sup>;
- (b) taking part in trade union activities under section 170 of the Trade Union and Labour Relations (Consolidation) Act 1992;
- (c) performing public duties under section 50 of the Employment Rights Act 1996<sup>(6)</sup>;
- (d) undertaking jury service;
- (e) who is a safety representative under the Safety Representatives and Safety Committees Regulations 1977<sup>(7)</sup>;
- (f) who is a representative of employee safety under the Health and Safety (Consultation with Employees) Regulations 1996<sup>(8)</sup>;
- (g) who is an employee representative for the purposes of Chapter 2 of Part 4 of the Trade Union and Labour Relations (Consolidation) Act 1992, as defined in section 196 of that Act or regulation 13(3) of the Transfer of Undertakings (Protection of Employment) Regulations 2006<sup>(9)</sup>;
- (h) taking time off for ante-natal care under section 55 of the Employment Rights Act 1996;
- (i) undertaking duties as a member of the reserve forces as defined in section 1(2) of the Reserve Forces Act 1996<sup>(10)</sup>;
- (j) suspended from working at a school; or
- (k) who is appointed a learning representative of a trade union, in order for that person to analyse training requirements or to provide or promote training opportunities, and to carry out consultative or preparatory work in connection with such functions.

<sup>(4)</sup> “Alternative provision Academy” is defined in section 1C of the Academies Act 2010 (c.32).

<sup>(5)</sup> 1992 c.52. Section 168A was inserted by section 43 of the Employment Act 2002 (c.22).

<sup>(6)</sup> 1996 c.18.

<sup>(7)</sup> S.I. 1977/500, amended by section 1 of the Employment Rights (Dispute Resolution) Act 1998 (c.8) and S.I. 1996/1513, 1999/860, 1999/2024, 1999/3242, 2005/1541, 2006/594 and 2008/960.

<sup>(8)</sup> S.I. 1996/1513, amended by section 1 of the Employment Rights (Dispute Resolution) Act 1998 (c.8) and S.I. 1999/3242 and 2005/1541.

<sup>(9)</sup> S.I. 2006/246, amended by S.I. 2010/93.

<sup>(10)</sup> 1996 c.14.

**31.** Expenditure on making payments to, or in providing a temporary replacement for, a person who is seconded on a full-time basis for a period of three months or more other than to a local authority or the governing body of a school.

**32.** Expenditure on making payments to, or in providing a temporary replacement for, persons who have been continuously absent from work because of illness for 21 days or more.

**33.** Expenditure on insurance in respect of liability arising in connection with schools and school premises.

**34.** Expenditure on services to schools provided by museums and galleries.

**35.** Expenditure on library services.

**36.** Expenditure on licence fees or subscriptions paid on behalf of schools.

**37.** Expenditure on the schools' specific contingency.

**38.** Expenditure for the purposes of—

- (a) improving the performance of under-performing pupils from minority ethnic groups; or
- (b) meeting the specific needs of bilingual pupils.