

---

STATUTORY INSTRUMENTS

---

**2023 No. 59**

**EDUCATION, ENGLAND**

**The School and Early Years Finance  
(England) Regulations 2023**

*Made* - - - - - *19th January 2023*  
*Laid before Parliament* *23rd January 2023*  
*Coming into force* *14th February 2023*

**THE SCHOOL AND EARLY YEARS  
FINANCE (ENGLAND) REGULATIONS 2023**

PART 1

Introduction

1. Citation, commencement, application and interpretation
2. Revocation and saving
3. Amendments

PART 2

Action to be taken by a local authority

CHAPTER 1

Determination of the non-schools education budget, schools  
budget, individual schools budget, and budget shares

4. The non-schools education budget
5. Initial determination of a local authority's schools budget
6. The schools budget
7. Exceptions
8. Determination of the individual schools budget for the funding period and limit on increase in central expenditure
9. Consultation
10. Formulae for determination of budget shares etc. for certain maintained schools and early years providers
11. Determination of allocation of budget shares etc. for the funding period

*Status: This is the original version (as it was originally made).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

## CHAPTER 2

Further deductions and variations to limits authorised by schools forums or the Secretary of State

12. Applications to the schools forum and the Secretary of State

### PART 3

Determination of budget shares etc.

## CHAPTER 1

Requirements, and factors and criteria taken into account

13. Pupil numbers
14. Places
15. Social deprivation for primary and secondary schools
16. Social deprivation for early years
17. Lump sums for primary and secondary schools
18. Low prior attainment factor
19. English as an additional language
20. Mobility factor
21. The London fringe
22. The sparsity factor
23. Special arrangements for pupils in maintained nursery schools and nursery classes and for children receiving relevant early years provision and community early years provision
24. Early years pupil premium
25. Disability access fund
26. Risk protection arrangement
27. Differential funding
28. Additional requirements, factors or criteria
29. Requirements relating to the calculation of the local authority funding formula
30. Minimum per pupil amount
31. Minimum funding guarantee
32. Early years 95 per cent requirement
33. 12 per cent early years discretionary funding cap
34. Sixth form funding
35. New schools, merged schools and closing schools
36. Federated schools

## CHAPTER 2

Adjustments, correction of errors, and alternative arrangements authorised by the Secretary of State

37. Pupils permanently excluded from, or leaving, maintained schools
38. Correction of errors and changes in non-domestic rates
39. Alternative arrangements approved by the Secretary of State

## PART 4

### Schemes

40. Required content of schemes
41. Approval by the schools forum or the Secretary of State of proposals to revise schemes
42. Publication of schemes  
Signature

---

#### SCHEDULE 1 — CLASSES OR DESCRIPTIONS OF PLANNED EXPENDITURE PRESCRIBED FOR THE PURPOSES OF THE NON-SCHOOLS EDUCATION BUDGET OF A LOCAL AUTHORITY

1. Special educational provision
2. Expenditure in connection with the local authority's functions under—
3. Expenditure on monitoring the provision for pupils in schools for...
4. Expenditure on collaboration with other statutory and voluntary bodies to...
5. Expenditure in connection with— (a) the provision of parent partnership...
6. Expenditure on carrying out the authority's child protection functions under...
7. Expenditure incurred in entering into, or subsequently incurred under, an...
8. Access to education
9. Expenditure in relation to the authority's functions under sections 508A...
10. Expenditure on the provision of support for students under regulations...
11. Expenditure on discretionary grants paid under section 1(6) or 2...
12. Expenditure on the payment of 16-19 Bursaries.
13. Additional education and training for children, young persons and adults
14. Expenditure on the provision by the local authority under sections...
15. Other functions
16. Expenditure on making pension payments, other than in respect of...
17. Expenditure on insurance, other than for liability arising in connection...

#### SCHEDULE 2 — 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 — Historic commitments

1. CERA incurred for purposes not falling within any other paragraph...
2. Expenditure in respect of— (a) prudential borrowing;
3. Any deductions under any of paragraphs 1 and 2(a), 2(b),...

##### PART 2 — Central schools expenditure

4. Expenditure due to a significant growth in pupil numbers as...
5. Expenditure to be incurred due to a decline in pupil...
6. Expenditure to be incurred before the opening of new schools...
7. Expenditure to make provision for extra classes in order to...
8. Expenditure on licences which are negotiated centrally by the Secretary...
9. Expenditure on the operation of the system of admissions of...
10. Expenditure under section 18 of the 1996 Act in making...
11. Remission of boarding fees payable in connection with the attendance...

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

12. Expenditure in connection with the authority's functions under section 47A...
13. Expenditure on pay arrears due to staff employed at maintained...  
PART 3 — Other central education expenditure
14. Asset management
15. Strategic management
16. Other functions
17. Expenditure in connection with the authority's functions in relation to...
18. Expenditure in connection with powers and duties performed under Part...
19. Expenditure in relation to consultation and functions preparatory to consultation...
20. Expenditure on the authority's functions in relation to the exclusion...
21. Expenditure in relation to provision of information to or at...
22. Expenditure on education functions related to revenue budget preparation, preparation...
23. Expenditure in connection with the authority's duty under regulation 9A...
24. Expenditure in relation to 30.5% of the total employer contribution...  
PART 4 — Central early years expenditure
25. Expenditure on early years provision, excluding expenditure—
26. Expenditure on determining— (a) the eligibility for free school meals...
27. Expenditure on an early years contingency fund, for subsequent distribution...  
PART 5 — Children and young people with high needs
28. Expenditure in respect of pupils with special educational needs in...
29. Expenditure in respect of pupils— (a) with special educational needs...
30. Expenditure in respect of persons provided with further education who...
31. Expenditure on support services for children who have attained compulsory...
32. Expenditure on services for children who have not attained compulsory...
33. Expenditure for the purposes of encouraging— (a) collaboration between special...
34. Expenditure incurred in relation to education otherwise than at school...
35. Expenditure on the payment of fees in respect of children...
36. Expenditure on hospital education services, aside from expenditure on hospital...
37. Expenditure on special schools and pupil referral units in financial...
38. Expenditure on costs in connection with private finance initiatives and...
39. Expenditure on the provision of special medical support for individual...  
PART 6 — Items that may be removed from maintained schools' budget shares  
– primary and secondary schools
40. Expenditure (other than expenditure referred to in Schedule 1 or...
41. Expenditure on determining the eligibility of a pupil for free...
42. Expenditure on making payments to, or in providing a temporary...
43. Expenditure on making payments to, or in providing a temporary...
44. Expenditure on making payments to, or in providing a temporary...
45. Expenditure on making payments to, or in providing a temporary...
46. Expenditure on insurance in respect of liability arising in connection...
47. Expenditure on a risk protection arrangement.
48. Expenditure on services to schools provided by museums and galleries...
49. Expenditure on library services.
50. Expenditure on licence fees or subscriptions paid on behalf of...
51. Expenditure on the schools' specific contingency.
52. Expenditure for the purposes of— (a) improving the performance of...

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

PART 7 — Items that may be removed from maintained schools' budget shares  
– primary, secondary and special schools, and pupil referral units

53. Expenditure incurred for the purposes of supporting the improvement of...
54. Expenditure in relation to the authority's functions under section 510...
55. Expenditure on the provision of tuition in music, or on...
56. Expenditure incurred in enabling pupils to enhance their experience of...
57. Expenditure on outdoor education centres, but not including centres wholly...
58. Expenditure in relation to functions of the authority under Part...
59. Expenditure in relation to authorisation and monitoring of expenditure in...
60. Expenditure in relation to the authority's monitoring of compliance with...
61. Expenditure in relation to internal audit and other tasks necessary...
62. Expenditure in relation to the authority's functions under regulations made...
63. Expenditure in relation to investigations which the authority carries out...
64. Expenditure in relation to functions of the authority in relation...
65. Expenditure in relation to advice, in accordance with the authority's...
66. Expenditure in relation to determination of conditions of service for...
67. Expenditure in relation to the authority's functions regarding the appointment...
68. Expenditure in relation to consultation and functions preparatory to consultation...
69. Expenditure in relation to compliance with the authority's duties under...
70. Expenditure in relation to provision of information to or at...
71. Expenditure in relation to the authority's functions pursuant to regulations...
72. Expenditure in relation to the authority's functions under the discrimination...
73. Expenditure on establishing and maintaining those electronic computer systems, including...
74. Expenditure on the appointment of governors, the making of instruments...
75. Expenditure on education functions related to revenue budget preparation, preparation...
76. Expenditure on monitoring national curriculum assessment arrangements required by orders...
77. Expenditure on retrospective membership of pension schemes and retrospective elections...
78. Expenditure on landlord responsibilities in relation to maintained schools, and...
79. Expenditure in respect of the dismissal or premature retirement of,...
80. Expenditure on inspecting attendance registers under the Education (Pupil Registration)...
81. Expenditure in relation to any deficit in respect of the...  
PART 8 — Deficit from previous funding period

SCHEDULE 3 — ADDITIONAL REQUIREMENTS, OR FACTORS OR CRITERIA WHICH MAY BE TAKEN INTO ACCOUNT, IN A LOCAL AUTHORITY'S FORMULA UNDER REGULATION 28

PART 1 — Applicable only to budget shares for maintained schools (other than special schools, pupil referral units and nursery schools)

1. Funding for schools with split sites, where the funding must...
2. Non-domestic rates payable in respect of the premises of each...
3. Payments in relation to a private finance initiative (including actual...

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

PART 2 — Applicable only to budget shares for, and amounts to be allocated to, providers of funded early years provision

4. The rurality or sparsity of the population of the area...
5. Pupils and children whose first language is not English.
6. The qualifications of staff.
7. The estimated cost of sharing expertise with other early years...
8. The degree to which providers offer flexible provision to parents....

SCHEDULE 4 — MINIMUM FUNDING GUARANTEE

1. (1) In this Schedule— (a) references to the number of...
2. Where ( A / B ) is less than (...)
3. Where a new school opens during the funding period and...
4. In calculating the guaranteed level of funding under paragraph 3...
5. In calculating the redetermined adjusted budget share for the previous...
6. In calculating the redetermined adjusted budget share for the previous...

SCHEDULE 5 — CONTENTS OF SCHEMES

1. The carrying forward from one funding period to another of...
2. Amounts which may be charged against schools' budget shares.
3. Amounts received by schools which may be retained by their...
4. The imposition, by or under the scheme, of conditions which...
5. Terms on which the authority provides services and facilities for...
6. The payment of interest by or to the authority.
7. The times at which amounts equal in total to the...
8. The virement between budget heads within the delegated budget.
9. Circumstances in which a local authority may delegate to the...
10. The use of delegated budgets and of sums made available...
11. Borrowing by governing bodies.
12. The banking arrangements that may be made by governing bodies....
13. A statement as to the personal liability of governors in...
14. A statement as to the allowances payable to governors of...
15. The keeping of a register of any business interests of...
16. The provision of information by and to the governing body....
17. The maintenance of inventories of assets.
18. Plans of a governing body's expenditure.
19. A statement as to the taxation of sums paid or...
20. Insurance.
21. The use of delegated budgets by governing bodies to satisfy...
22. The provision of legal advice to a governing body.
23. Funding for child protection issues.
24. How complaints by persons working at a school or by...
25. Expenditure incurred by a governing body in the exercise of...

Explanatory Note