



Education Reform Act 1988

1988 CHAPTER 40

PART I

SCHOOLS

CHAPTER III

FINANCE AND STAFF

Miscellaneous and supplementary

51 Interpretation of Chapter III and supplementary and consequential provisions

(1) In this Chapter—

“expenditure of a capital nature” means, in relation to a local education authority, expenditure treated by that authority as expenditure of a capital nature; and

“governors' report” means, in relation to the governing body of any school to which section 30 of the 1986 Act applies, the report they are required to prepare by virtue of that section.

(2) In this Chapter—

(a) references to a scheme are references—

(i) to a scheme made by a local education authority under section 33 of this Act; and

(ii) in a context referring to a particular local education authority, to a scheme so made by that authority;

(b) references to a school's budget share for any financial year—

(i) shall be read in accordance with subsection (2)(a) of that section; and

(ii) include references to that share as from time to time revised in accordance with the scheme under which it is determined;

Status: This is the original version (as it was originally enacted).

- (c) references to the general schools budget of a local education authority shall be read in accordance with subsection (4)(a) of that section;
 - (d) references to the aggregated budget of a local education authority shall be read in accordance with subsection (4)(b) of that section;
 - (e) references to excepted heads or items of expenditure shall be read in accordance with subsection (4)(b)(i) of that section;
 - (f) references to a school in respect of which financial delegation is required for any financial year shall be read in accordance with subsection (6)(a) of that section;
 - (g) references to a school which has a delegated budget shall be read in accordance with subsection (6)(b) of that section;
 - (h) references, in relation to a scheme, to excluded expenditure under the scheme shall be read in accordance with subsection (6)(c) of that section; and
 - (i) references to the delegation requirement under a scheme shall be read in accordance with section 39(4).
- (3) During any period when a school has a delegated budget under any scheme any provisions of the articles of government of the school which are inconsistent with the operation during that period of any provisions of this Chapter or of the scheme shall be of no effect to the extent of that inconsistency.

This subsection does not apply to any provision of the articles of government such as is referred to in section 44(2)(b) or 45(2)(b) of this Act (in relation to which provision corresponding to that made by subsections (4) and (5) below is made by sections 44(4) and 45(11) respectively).

- (4) Within the period of five years beginning with the date on which the financial year begins in which any school first has a delegated budget under a scheme, it shall be the duty of the local education authority concerned, if the articles of government of the school contain any provision to which subsection (3) above applies, to amend the articles so as to include in relation to that provision or (as the case may be) in relation to each such provision contained in the articles the statement required by subsection (5) below.
- (5) The statement shall specify—
- (a) the provision or provisions of the articles in question;
 - (b) the provision of this Chapter or of the scheme (the “W”) with the operation of which any provision of the articles specified under paragraph (a) above is inconsistent; and
 - (c) the extent of the inconsistency;
- and shall indicate that, during any period when the school has a delegated budget, any provision of the articles so specified is superseded by the overriding provision to the extent that it is inconsistent with it.
- (6) Any amendment of the articles of government of a school required by section 44(4) or 45(11) of this Act or by subsection (4) above shall be made by order under section 1 of the 1986 Act; but section 2 of that Act shall not apply in relation to any order made under section 1 by virtue of this subsection.
- (7) It shall be for the Secretary of State to determine any question arising under a scheme as to whether a primary school required to be covered by the scheme is within the delegation requirement under the scheme.

- (8) Section 29 of the 1986 Act (which requires provisions to be contained in articles of government of schools with respect to financial statements and financial delegation and is superseded by the provisions of this Chapter), and any provision included in the articles of government of any school by virtue of that section, shall cease to have effect.
- (9) In section 30(2)(h) of that Act (financial statement to be included in governors' annual report to parents), for sub-paragraphs (i) and (ii) there shall be substituted the following sub-paragraphs—
- “(i) reproducing or summarising any financial statement of which a copy has been furnished to the governing body by the authority under section 42 or 50 of the Education Reform Act 1988 since the last governors' report was prepared;
 - (ii) indicating, in general terms, how any sum made available to the governing body by the authority in respect of the school's budget share within the meaning of Chapter III of Part I of that Act or under section 49 of that Act in the period covered by the report was used;”.