

Notes for guidance: RA (S52) Education, 2026-27

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Subjective analysis

In general, the subjective analysis of expenditure is based on expenditure on a net current basis, that is including any expenditure to be financed by specific and special government grants but excluding that to be financed by income from non-grant sources (for example from fees and charges). These data are to be recorded in column 4 (columns 0.1, 1, 2, 3 and 3.5 are only required for schools services).

In respect of schools services, the data are to be further broken down into spending within the nursery, primary, secondary, special and middle sectors (columns 0.1, 1, 2, 3 and 3.5).

Finally, any specific and special government grant funding relating to the expenditure recorded should be recorded in columns 6.1 to 7.

Columns 0.1 to 7

Columns 0.1 to 7 should be completed on a non-FRS17 basis.

Columns 0.1 to 3.5 Nursery / primary / secondary / special / middle

Expenditure should be recorded **including** that financed by specific and special government grants but **excluding** that financed from non-grant sources.

For Schools related services, columns 0.1 to 3.5 should be used to provide a breakdown of expenditure between the nursery, primary, secondary, special and middle sectors.

Figures should include an estimate for both departmental and central support services recharges. Whenever there is a need to apportion costs over more than one division of service reference should be made to CIPFA current guidance on the principles of cost apportionment contained in Appendix 2 of the Best Value Accounting Code of Practice.

Figures should **exclude** notional capital charges which should not be recorded on the form.

Column 4 Budget estimates

Expenditure should be recorded **including** that financed by specific and special government grants but **excluding** that financed from non-grant sources. This will include employee costs, running expenses (for example premises costs, transport costs, supplies and services), but will be net of, for example, sales, fees and charges.

Figures should include an estimate for both departmental and central support services recharges. Whenever there is a need to apportion costs over more than one division of service reference should be made to CIPFA current guidance on the principles of cost apportionment contained in Appendix 2 of the Service Reporting Code of Practice (SeRCOP).

Figures should **exclude** notional capital charges which should not be recorded on the form.

Columns 6.1 to 7 Grants

Expenditure recorded in column 4 should **include** that financed by specific and special government grants. The grants which fund the expenditure should be recorded as **negative** amounts in columns 6.1 to 7. Figures recorded in columns 6.1 to 7 should **exclude** any local authority match funding in respect of the grants in question.

Specific and special government grants are defined as those paid directly by the Welsh Government or UK government departments, the European Union, by Assembly sponsored / non-departmental public bodies or by the National Lottery to enable the local authority to provide a service. Do **not** treat as grants the income from these bodies which is used to reimburse local authorities for work carried out on their behalf. It is appropriate to assume that such arrangements have a net budget of zero.

Objective analysis

Schools budget

All expenditure financed by grants and the grant anticipated from the Department for Children, Education, Lifelong Learning and Skills in respect of post-16 education in schools and pupil referral units should be included in lines 1 to 7, as appropriate, i.e., as part of the schools budget.

Figures brought forward from the section 52 budget statement

Line 1

For **column 1** (primary), the figures recorded here should be brought forward from part 1 of the section 52 return as the sum of the following for **primary** schools:

- the total for column 9.
- the figure at line 14; and
- the figure at line 15.

Repeat the process for **columns 0.1, 2, 3 and 3.5** in respect of **nursery, secondary, special and middle** schools.

For **column 7** (grants), the figures recorded here should be equal to:

those elements **funded by specific and special grants** within the amounts for **nursery, primary, secondary, special and middle** schools recorded on part 1 of the section 52 return in respect of:

the total for column 9; and the figure at line 15

plus

any specific and special government grants included in the figure used to determine the total for delegation to schools via the authority's relevant school funding formula.

Thus, expenditure recorded in line 1 should include that financed by the following:

- funds delegated to schools by local authorities as required by the Financing of Maintained Schools Regulations 1999 (as amended), i.e., Individual Schools Budgets, including **grants from the Department for Children, Education, Lifelong Learning and Skills to support post-16 education in schools and pupil referral units**
- specific and special government grants allocated to schools, such as **School effectiveness grant**, the latter as defined by the Education (Standards Grants) (Wales) Regulations 2000; including any local authority match funding associated with the allocations to schools (see Annex A to these notes).

In summary, all expenditure that is delegated or **allocated** to schools will be recorded in this line. "Allocated expenditure" should be interpreted to mean expenditure where the responsibility for spending the money is passed to the schools, even if the amounts do not pass through school accounts, for example allocations of School effectiveness grant in some authorities. This will cover amongst other items:

- all direct and indirect staff costs, including teachers;
- repairs and maintenance which are not capitalised;
- other non-capitalised premises expenditure;
- costs of books, furniture and other equipment; and
- delegated school catering costs.

Any provision in the revenue account for **capital** expenditure, for example, on repairs and maintenance, will be excluded from line 1 by this definition. Such amounts should be recorded on line 6.1.

Non-delegated school's budget

Lines 4 to 6.1

Include any provision made outside the Individual Schools Budget (ISB), in respect of threshold payments for teachers **employed centrally by the LEA**. This should include threshold related expenditure in respect of centrally funded sixth form teachers financed by grants from the Department for Children, Education, Lifelong Learning and Skills.

Note that any provision within the ISB in respect of threshold payments for teachers **employed by the schools** should be recorded on part 1 of the section 52 budget statement (see the guidance for that return), and hence recorded in line 1 of this form.

Additional Learning Needs

Line 4

Include the costs of provision of specialist SEN support to pupils, including one-to-one support costs and specialist equipment and IT costs (where these are not delegated to schools).

Include fees for pupils placed in independent schools inside and outside Wales.

Include the promoting of improved SEN support, such as monitoring of SEN provision in schools; disseminating good practice between schools; facilitating collaboration between schools; promoting the integration of SEN pupils into primary and secondary schools; and giving information and advice to parents about SEN.

Include costs of the SEN functions under the Children's Act 1989, such as assistance in investigations into possible child abuse cases and education supervision orders related to child protection.

Include the costs of pupil referral units as defined under section 19(2) of the Education Act 1996, including shares of the psychology and welfare service. Also include the costs associated with preparation and review of behaviour support plans, and implementation of these plans.

Include any education department contributions to the costs of youth offending teams.

Include the costs of tuition at home; in hospital units; and other settings outside schools, including the education share of costs of providing education in social services establishments.

Exclude any home to school transport costs; these should be recorded under the LEA budget.

Also **exclude** classes in prisons and detention centres - these should be treated as agency arrangements for central government departments, for which it is appropriate to assume a net budget of zero.

Any services that are not deemed to be SEN should be included in Other Schools budget (Line 6).

Inter authority recoupment

Line 4.1

Include **Inter-authority recoupment: payments to other authorities.**

For each of the nursery, primary, secondary, special and middle sectors, include anticipated payments to other authorities in respect of statutory and voluntary recoupment. Include only those costs anticipated in respect of educating resident pupils outside the LEA.

Include **Inter-authority recoupment: receipts from other authorities.**

For each of the nursery, primary, secondary, special and middle sectors, include anticipated receipts from other authorities in respect of and voluntary recoupment. Include only those receipts anticipated in respect of non-resident pupils educated within the LEA.

Exclude fees for pupils placed in independent schools inside and outside Wales which should be recorded in line 4.

Staff

Line 5

Include expenditure in making payments to, or in providing a temporary replacement for, a woman on maternity leave or to a person on adoption leave.

Expenditure in making payments to, or in providing a temporary replacement for, persons:

- (a) carrying out trade union duties or undergoing training under section 168 and 168A of the Trade Union and Labour Relations (Consolidation) Act 1992.
- (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.
- (d) undertaking jury service.
- (e) who are safety representatives under the Safety Representatives and Safety Committee Regulations 1977.
- (f) who are representatives of employee safety under the Health and Safety (Consultation with Employees) Regulations 1996.
- (g) who are employee representatives for the purposes of Chapter II of Part IV of the Trade Union and Labour Relations (Consolidation) Act 1992 as defined in section 196 of that Act or the Transfer of Undertakings (Protection of Employment) Regulations 2006.
- (h) taking time off for ante-natal care under section 55 of the Employment Rights Act 1996.
- (i) undertaking duties as members of the reserve forces as defined in section 1(2) of the Reserve Forces Act 1996.
- (j) suspended from working at a school.
- (k) who are members of the General Teaching Council for Wales or a committee thereof; or

(l) who are appointed learning representatives of trade unions, in order for them to analyse training requirements or to provide or promote training opportunities, and to carry out consultative or preparatory work in connection with such functions.

Expenditure in 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 education authority or the governing body of a school.

Expenditure in 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.

Expenditure, not falling within Schedule 1, in relation to the recruitment, training, continuing professional development, performance management and personnel management of staff who are funded by expenditure not met from schools' budget shares.

Other schools budget

Line 6

Include expenditure on:

- the provision of tuition in musical instruments or choral instruction (either to individuals or groups);
- supporting travelling theatres so far as such expenditure is not covered by specific and special grants;
- the provision of Welsh language teaching by teachers who are employed to work otherwise than at a single school so far as such expenditure is not covered by specific and special grants;
- the provision to schools of premises and facilities for sporting activities and outdoor activities (including premises provided on the site of a school for the benefit of the community at large);
- the provision of milk or meals and other refreshment;
- the repair and maintenance of a school kitchen where expenditure on meals in relation to the school concerned is deducted from the authority's schools budget;
- determining the eligibility of a pupil for free school meals;
- 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 education authority;
- expenditure in connection with the provision of nursery education except where such provision is made at a maintained school or a maintained nursery school which has a budget share under section 45(1A) of the 1998 Act;

- insurance in respect of liability arising in connection with schools and school premises except to the extent that governing bodies receive funding for insurance as part of their schools' budget shares;
- licence fees or subscriptions paid on behalf of schools provided that the expenditure does not amount in total to more than 0.2 per cent of the authority's schools budget;
- expenditure incurred in responding to a report of an inspection under section 10 of the School Inspections Act 1996;
- library services and museum services for schools;
- expenditure without which the education of pupils at a school would be seriously prejudiced and which because of either - its size and unexpectedness; or its size and unavoidability, it would not be reasonable to expect the governing body to meet from the school's budget share;
- increases to a school's budget share to which the school is entitled by virtue of the authority's formula or the re-determination of budget shares under the authority of the Welsh Government or expenditure on the correction of errors;
- purposes not falling within any other paragraph of this Schedule provided that the expenditure does not amount in total to more than 0.1 per cent. of the authority's schools budget;
- expenditure incurred pursuant to paragraph 7 of Schedule 11 to the 1998 Act or section 22 of the Education Act 2002 in the training of governors to enable the effective discharge of their functions in so far as this is not provided by specific and special grants;
- expenditure incurred in relation to the training of clerks to the governing bodies to enable the effective discharge of their functions.

Capital expenditure charged to revenue account

Line 6.1

CERA incurred for purposes falling within schools budget.

LEA budget

Additional Learning Needs

Line 8

Include expenditure on:

- services provided by educational psychologists.

- expenditure in connection with the authority's functions relating to the identification and assessment of children with special educational needs.
- monitoring the provision for pupils in schools (whether or not maintained by the authority) for the purposes of disseminating good practice in relation to, and improving the quality of educational provision for, children with special educational needs.
- collaboration with other statutory and voluntary bodies to provide support for children with special educational needs.

Expenditure in connection with:

- the provision of parent partnership services or other guidance and information to the parents of pupils with special educational needs which, in relation to pupils at a school maintained by the authority, is in addition to the information usually provided by the governing bodies of such schools or
- arrangements made by the authority with a view to avoiding or resolving disagreements with the parents of children with special educational needs.

Expenditure incurred in relation to the preparation of any part of the authority's Children and Young People's Plan relating to the education of children with behavioural difficulties.

Expenditure on carrying out the authority's child protection functions under the Children Act 1989 and under section 175 of the 2002 Act and other functions relating to child protection.

Expenditure incurred in entering into, or subsequently incurred pursuant to, an arrangement under section 31 of the Health Act 1999 or regulations made under section 33 of the National Health Service (Wales) Act 2006.

Expenditure in providing special medical support for individual pupils in so far as such expenditure is not met by a National Health Service Trust or Local Health Board or the Welsh Government.

School improvement

Line 9

Include provision for the costs of:

- preparation, review, implementation and monitoring of the education development plan.
- central costs of monitoring of school development plans, including challenging schools.
- support to schools causing concern.
- support to turn around any schools failing to provide pupils with an acceptable standard of education.

- the costs of personnel who carry out a quality assurance role.
- central expenditure in respect of responding to school inspection reports.

Access to Education (excluding transport) - Schools

Line 10.1

Include:

- provisions for asset management costs, such as preparation of the asset management plan; management of the capital programme, development and management of private finance schemes, preparation of property condition surveys, security patrols and non-delegated grounds maintenance costs. **Exclude** any **financing** costs associated with private finance schemes – these should be recorded on line 139.
- admissions and planning of school provision including preparation of the school organisation plan; schools admissions administration; handling admissions appeals; services to school organisation committees; and services to admissions forums.
- school closure costs, and costs of providing and moving mobile classrooms.
- any planning permissions costs associated with building new schools or extending existing schools.
- the costs associated with monitoring and dealing with school attendance issues.
- the costs of the education welfare service.
- the costs of school exclusions' administration and advice to parents of excluded pupils.
- the costs of pupil support, that is assistance to enable people to take advantage of educational opportunities; clothing grants; lodging grants; education maintenance allowances; scholarships; and bursaries.
- **Exclude** fees to independent schools, which should be recorded in line 4.
- elements of schools expenditure on the payment to persons over compulsory school age of allowances.

Access to Education (excluding transport): Non-School

Line 10.2

Include Mandatory student awards

Include provision for the costs of mandatory awards to students and the associated administration costs. Grants received from the Department for Children, Education, Lifelong Learning and Skills to offset expenditure should be recorded in column 7.

Include Discretionary student awards

Include provision for the costs of discretionary awards made to students by virtue of section 518 of the Education Act 1996, together with the associated administration costs.

Include elements of non-schools expenditure on the payment to persons over compulsory school age of allowances.

Home to school transport

Line 11

Include all expenditure associated with the use of in-house or contracted-out bus services, taxis and other modes for transporting **pupils** between home and school.

In respect of transport between home and **other education settings** paid for from within the schools budget (for example to and from pupil referral units), record the expenditure within line 4.

Include any related administration costs.

Exclude costs of transporting 16 to 18 year-olds between home and college, which should be recorded on line 12.

Home to college transport

Line 12

Record costs of transporting 16 to 18 year olds between home and **college**, including LEA and public transport costs; and contract hire costs.

Costs of transporting 16 to 18 year olds between home and **secondary or special school** should be recorded on line 11.

Further education and training for young persons and adults (excluding youth service)

Line 13.1

Include expenditure on the provision of education and training and of organised leisure time occupation and other provision under section 15A and 15B of the 1996 Act.

Include expenditure on the provision by the local education authority under sections 15A and 508 of the 1996 Act of recreation and social and physical training, and on the authority's provision of

services under section 123 of the 2000 Act to encourage and enable the participation by young people in education and training.

Youth service

Line 13.2

Include running expenses of residential and non-residential youth centres, including the costs of all staff based within them. Also include the costs of development work not based at youth centres, including outreach youth development work; and development workers and advisers / youth leaders not based in youth centres.

Include LEA expenditure financed by Children and Youth Partnerships grants. Record the grants themselves in column 7.

Strategic management

Line 14.1 and 14.2

Lines 14.1 and 14.2 are an attempt to estimate a split of strategic management into schools and non-schools functions (FE and adult education). Where it is not possible to split costs in this way, a best estimate of the split should be provided.

Include a share of the cost of the Chief Education Officer and his or her personal staff relating to schools. Include planning for the whole schools service and central financial management, for example: administering grants, dealing with superannuation, and budget monitoring in respect of non-delegated funds; and internal audit costs.

Include human resource management of staff not funded from delegated schools budgets, including appointment, grading, conditions of service and dismissal; consultation with and provision of information to governing bodies, school governors, school employees and representatives; appointment of governors and expenses of governors not met by schools.

Include health and safety at work issues.

Include costs of dealing with complaints; and legal services related to statutory functions of the authority.

Include provision for the costs of collaboration and joint planning with other authorities, voluntary bodies or the public in respect of schools services.

Include the costs of the Standing Advisory Council on Religious Education.

Include information technology costs related to linking or facilitating links between the LEA and its schools, between schools, and links to other institutions.

Include provision for costs which are not delegated to schools in respect of teachers' salaries, national insurance contributions and superannuation costs.

Include provision for the costs of supplying schools-specific information to the Welsh Government and UK government departments.

Exclude education committee costs and external audit fees, which are part of corporate and democratic core costs, to be recorded on lines 115 and 116 of the main RA form.

By virtue of section 139 of the Education Act 1996 and section 157 of the Schools Standards and Framework Act 1998, premature retirement compensation costs relating to school-based staff must be met from the budget share of the individual school, unless the LEA has agreed to meet them centrally. Where such an agreement has applied, record provision for such expenditure in this line. Also record provisions for expenditure which is associated with other redundancy and dismissal costs - these must be met centrally unless the LEA has good reasons for deducting them from the budget share. Include costs that are new in respect of the budget year, or in respect of earlier years, but paid for in the budget year.

Include any costs borne by the LEA in respect of insurance other than for liability arising in connection with schools or school premises;

Other LEA budget

Line 15.1 and 15.2

Include any LEA budget not reported elsewhere. This line is to be used only where it is not possible to allocate expenditure to individual service lines.

Specific and special government grants for education

Specific and special government grants should be interpreted as including all revenue grants paid directly by the European Union, the Welsh Government, UK government departments, or by Welsh Government sponsored / non-departmental public bodies (for example the Arts Council), as support for the provision of a local authority service.

There are a number of specific and special government grants paid to local education authorities (LEAs) in Wales in respect of education funding. The following gives guidance on how to handle the various grants and grant types for education.

All education expenditure, including that either whole or part funded by specific and special government grants should be recorded somewhere within the relevant columns on the RA form. The grants themselves should be recorded somewhere in column 7.

There are six distinct types of grant covered in these notes, as follows.

1. Grants paid to LEAs for payment direct to schools, that is, where the LEA acts purely as a filter for the money.
2. Grants paid to LEAs, which are wholly or partly delegated to schools, including those which form part of the total used in determining Individual School Budgets.
3. Grants paid to LEAs, which are **not** generally delegated to schools.
4. School effectiveness grant where control of a significant proportion is allocated to schools, **although the money itself may be held and spent by the LEA on behalf of the school.**
5. Grants from the Department for Children, Education, Lifelong Learning and Skills in respect of post-16 education in schools and pupil referral units.

Cases 1 and 2

Note the exclusion detailed in case 5.

The expenditure covered by the grants should be included in line 1, as expenditure delegated to schools. The supporting grant in this example would feature in column 7 of line 1.

In case 2, it is recognised that it may be necessary to estimate a split of the expenditure relating to grants between nursery, primary, secondary, special and middle schools.

Case 3

Note the exclusion detailed in case 5.

The expenditure covered by the grants, together with the supporting grant itself should be included on the relevant line. The relevant line will vary dependent on the grant itself; with the following guidance given for the most common grants. Grants for Bilingual Education and associated expenditure should appear in line 10, ('access to education').

In general, New Opportunities Fund (NOF) grants received by the LEA and any associated expenditure should appear in line 9, ('school improvement'). In the case of NOF grants being used to fund out-of-hours schools' clubs, record the grants and associated expenditure in line 10, ('access to education'). If any of these grants are delegated to schools, then the expenditure should be covered by the guidance for cases 1 and 2.

Case 4

Note the exclusion detailed in case 5.

It is important that all the expenditure supported by School effectiveness grant is included on the form, including that covered by LEA match funding. **It is also important that money allocated to schools, including the relevant LEA match funding is recorded in line 1 (i.e. as expenditure**

delegated to schools), even if these resources are managed by the LEA on behalf of the schools.

LEAs will need to make estimates of the amounts of School effectiveness grant, including match funding that they intend to allocate or delegate to schools during the financial year. These amounts should be with the school effectiveness grant related elements within the amounts recorded in column 9 of part 1 of the section 52 return (school-level analysis). The grant element of the allocated or delegated expenditure should be recorded in column 7.

School effectiveness grant used to support non-school expenditure along with the associated expenditure, will appear on the relevant line within the LEA area of the form (lines 8 to 15).

Case 5

All **expenditure** financed by grants anticipated from the Department for Children, Education, Lifelong Learning and Skills in respect of post-16 education in schools and pupil referral units should be included in lines 1 to 6, as appropriate, i.e. as part of the schools' budget (SB).