

SL(6)795 – The School Funding, Budget Statements and Outturn Statements (Wales) Regulations 2026

Background and Purpose

These Regulations revoke and replace the School Funding (Wales) Regulations 2010, the Education (Budget Statements) (Wales) Regulations 2002 and the Education (Outturn Statements) (Wales) Regulations 2003. The majority of the provisions come into force on 1 February 2027 and apply in relation to financial years that commence on or after 1 April 2027. The Regulations make provision for the funding of maintained schools in Wales for those financial years.

The Regulations also make consequential amendments relating to the Tertiary Education and Research (Wales) Act 2022 which come into force on 1 April 2026.

The Regulations make provision for the funding of maintained schools in Wales and establish the financial framework for local authorities and schools. They also specify information about local authority expenditure on education which must be contained in the budget statement of planned expenditure and outturn statement of actual expenditure.

The Explanatory Memorandum to the Regulations notes:

“The legislation will impose no significant additional burdens on local authorities.

The purpose of the changes made by the 2026 Regulations to the way local authorities allocate budgets is to provide greater transparency, comparability and consistency in the school funding system. This will allow informed budget discussions at all levels. They also ensure they reflect current policy and legislation and update terminology accordingly.”

Procedure

Senedd annulment procedure.

These Regulations were made by the Welsh Ministers before they were laid before the Senedd. The Senedd can annul the Regulations within 40 days (excluding any days when the Senedd is: (i) dissolved, or (ii) in recess for more than four days) of the date they were laid before the Senedd.

Technical Scrutiny

The following three points are identified for reporting under Standing Order 21.2 in respect of this instrument.



1. Standing Order 21.2(v) – that for any particular reason its form or meaning needs further explanation

Sections 24(3) and (4) and section 210(7) of the Education Act 2002 are cited as enabling powers for these Regulations, which permit regulations to be made regarding federated schools. They are also referred to in the Explanatory Memorandum to the Regulations. However, these provisions appear to apply to England only, and it appears that for Wales the provisions to be cited should be sections 13, 14 and 32(2) of the Education (Wales) Measure 2011.

2. Standing Order 21.2(v) – that for any particular reason its form or meaning needs further explanation

Regulations 21(6)(b) (in both texts) and (7)(a) (in the English text only) refer to pupil in the singular in relation to determining the incidence of social deprivation in a maintained school. It is not clear whether these references should be to “pupils”, or, if the singular drafting is correct, how this is intended to apply in practice.

3. Standing Order 21.2(vii) – that there appear to be inconsistencies between the meaning of its English and Welsh texts

In the English text, paragraph 31 of Schedule 2 refers to a facility provided partly for the use of “schools”. In the Welsh text, paragraph 31 of Schedule 2 refers to a facility provided partly for the use of “maintained schools”. It is unclear which version is correct, and what the difference could mean in practice.

Merits Scrutiny

No points are identified for reporting under Standing Order 21.3 in respect of this instrument.

Welsh Government response

A Welsh Government response is required.

Government Response:

Technical Scrutiny point 1:

The Welsh Government agrees with the reporting point. The provisions in the Education Act 2002 (“the 2002 Act”) were amended by section 19 of the Education (Wales) Measure 2011 (“the 2011 Measure”). The effect of the amendment was to repeal the federation of maintained schools provisions in section 24 of the 2002 Act for Wales. Those provisions continue to apply for England. The 2011 Measure then made new and equivalent provision for the federation of maintained schools in Wales.

The Welsh Government will consider this for amendment when an appropriate opportunity arises prior to 1 February 2027.



The Welsh Government notes that, aside from a consequential provision which is unrelated to the federation provisions, the 2026 Regulations do not come into force until 1 February 2027.

Technical Scrutiny point 2:

The Welsh Government agrees with the reporting point. The references in regulation 21(6)(b) and (7)(a) should be to “pupils”. The Welsh Government will consider this for amendment when an appropriate opportunity arises and prior to 1 February 2027.

Technical Scrutiny point 3:

The Welsh Government agrees with the reporting point. The English text is correct. The terms “schools” and “maintained school” are defined in regulation 3(1) of the 2026 Regulations. The Welsh text will be considered for correction when an appropriate opportunity arises and prior to the 1 February 2027.

Committee Consideration

The Committee considered the instrument and Government response at its meeting on 23 March 2026 and reports to the Senedd in line with the reporting points above.

