

**EXPLANATORY MEMORANDUM TO  
THE CAPITAL EXPENDITURE IN RESPECT OF VOLUNTARY AIDED  
SCHOOLS (ENGLAND) REGULATIONS 2007**

**2007 No. 1322**

1. This explanatory memorandum has been prepared by The Department for Education and Skills and is laid before Parliament by Command of Her Majesty.
- 1.1 This memorandum contains information for the Joint Committee on Statutory Instruments.
2. **Description**
- 2.1 These regulations carry forward a provision in paragraph 3 of Schedule 3 to the School Standards and Framework Act 1998, as amended by the Regulatory Reform (Voluntary Aided Schools Liabilities and Funding) (England) Order 2002. They specify a value below which expenditure by governing bodies or promoters of voluntary aided schools cannot be regarded as capital expenditure.
3. **Matters of special interest to the Joint Committee on Statutory Instruments**
- 3.1 None.
4. **Legislative Background**
- 4.1 The regulations are made under paragraph 9A(3) of the School Standards and Framework Act 1998 as inserted by section 35 of the Education and Inspections Act 2006.
5. **Extent**
- 5.1 These Regulations apply to England only.
6. **European Convention on Human Rights**
- 6.1 As the instrument is subject to negative resolution procedure and does not amend primary legislation, no statement is required.
7. **Policy background**

7.1 The definition in Paragraph 9A of Schedule 3 to the School Standards and Framework Act 1998 of capital expenditure is revised so that it is in line with modern accounting practices. The threshold below which expenditure cannot be regarded as capital, specified in previous legislation, has been retained but is now contained in these Regulations.

7.2 There has been no formal consultation on the draft Regulations because there is no change to current policy. There have been no requests to vary the threshold.

8. **Impact**

8.1 A Regulatory Impact Assessment has not been prepared for this instrument as it has no new impact on business, charities or voluntary bodies.

9. **Contact**

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