



# Education Reform Act 1988

## 1988 CHAPTER 40

### PART III

#### EDUCATION IN INNER LONDON

##### *Control of ILEA's contracts and disposals*

#### **191 Penalties for contravention of section 188 or 189**

- (1) If, on an application under this section, it appears to the High Court that ILEA has entered into a contract in contravention of section 188 of this Act or has made a disposal in contravention of section 189 of this Act, the court may order any person responsible for authorising the contract or disposal who is, or was at the time of the conduct in question, a member of ILEA—
  - (a) to be disqualified for being a member of ILEA; and
  - (b) to be disqualified for a specified period for being a member of any local authority.
- (2) Where the court has power to make an order under subsection (1) above in respect of any person, it may also order him to pay to ILEA or, in the case of an order made on or after the abolition date, to the London Residuary Body a sum not exceeding—
  - (a) in the case of a contract in contravention of section 188, an amount equal to the amount or value of the consideration under the contract;
  - (b) in the case of a disposal in contravention of section 189, an amount equal to the amount or value of the consideration for the disposal or, if there is no consideration or it is less than the market value of what was disposed of, an amount equal to that market value.
- (3) No order shall be made under this section in respect of any person—
  - (a) if the court is satisfied that he acted in the belief that the contract or disposal had the consent of the Secretary of State and that any conditions attached to the consent had been complied with; or

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*Status: This is the original version (as it was originally enacted).*

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- (b) where the contract was entered into, or the disposal was made, on or before 17th February 1988.
- (4) An application under this section may be made by any of the following—
- (a) an inner London council;
  - (b) a local government elector for the area of such a council;
  - (c) the London Residuary Body; and
  - (d) any local authority other than an inner London council to which property, rights or liabilities of ILEA will be or have been transferred by order under section 168 of this Act.
- (5) In sections 80(1)(e), 86(b) and 87(1)(d) of the Local Government Act 1972 references to Part III of the Local Government Finance Act 1982 shall include references to this section.