



# Education Reform Act 1988

## 1988 CHAPTER 40

### PART I

#### SCHOOLS

#### CHAPTER IV

##### GRANT-MAINTAINED SCHOOLS

##### *Winding up and disposal of property*

#### **95 Disposal of school property**

(1) Subject to subsection (7) below, where—

- (a) a grant-maintained school conducted or formerly conducted by a governing body in liquidation was a county school immediately before it became a grant-maintained school; and
- (b) proposals under section 13 of the 1980 Act that any school proposed to be established on the premises of the grant-maintained school should be maintained by a local education authority as a voluntary school have been approved;

an order under section 94 of this Act may vest the school property or any part of it in persons specified in the order to be held on trust for the purposes of the proposed school, subject to the payment by those persons of the appropriate consideration.

(2) Subject to subsection (7) below, where—

- (a) a grant-maintained school conducted or formerly conducted by a governing body in liquidation was a county school immediately before it became a grant-maintained school; and
- (b) any persons propose to establish on the premises of the school a new independent school;

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an order under section 94 of this Act may vest the school property or any part of it in the persons proposing to establish the new school, subject to the payment by those persons of the appropriate consideration.

- (3) In any case within subsection (1) or (2) above, the appropriate consideration is payable to the former maintaining authority, subject to any provision made by virtue of section 97 or 99 of this Act.
- (4) Where in the case of a grant-maintained school conducted or formerly conducted by a governing body in liquidation which was a voluntary school immediately before it became a grant-maintained school proposals by a local education authority for the establishment of a new county school on the premises of the school have been published under section 12 of the 1980 Act and either—
- (a) the proposals have been approved by the Secretary of State under that section; or
  - (b) where the proposals do not require the approval of the Secretary of State, the local education authority have determined to implement them and notified the Secretary of State of their determination in accordance with subsection (8) of that section;

an order under section 94 of this Act may vest any part of the school property which is held by persons on trust for the purposes of the school or, where all the school property is so held, the whole of the school property in the local education authority concerned beneficially, subject to the payment by that authority of the appropriate consideration.

- (5) In any case within subsection (4) above the appropriate consideration is payable to the persons from whom the property is transferred, subject to any provision made by virtue of section 97 or 98 of this Act.
- (6) Subject to subsections (7) and (10) below, any school property held by a governing body in liquidation immediately before the dissolution date shall vest on that date in the former maintaining authority.
- (7) Subsections (1), (2) and (6) above shall not apply to any school property which is held by persons on trust for the purposes of the grant-maintained school concerned; but an order under section 94 of this Act may vest the whole or any part of any property excluded from the application of subsection (1), (2) or (6) above by virtue of this subsection in such local education authority or other person as may be specified in the order.
- (8) Where it appears to the Secretary of State that any school property to be vested in a local education authority by an order made by virtue of subsection (7) above—
- (a) was wholly or mainly provided at the expense of a local education authority or a former authority; or
  - (b) will be held by the authority for the purposes of a county or voluntary school proposed to be established on the premises of the grant-maintained school concerned;
- the order may vest the property in the authority beneficially.
- (9) Subject to subsection (8) above, an order made by virtue of subsection (7) above shall vest the school property in the local education authority or other person concerned on trust for such purposes as may be specified in the order.
- (10) Subsection (6) above shall not apply to any items of property excluded from transfer by the Secretary of State; and the Secretary of State may exclude any item, or any

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class or description of items, of property from transfer if he is satisfied that that item, or items of that class or description, were procured otherwise than at the expense of the authority concerned and that it is appropriate on that account to exclude them from transfer to that authority.

- (11) An order under section 94 of this Act may vest any property excluded from a transfer under subsection (6) above by virtue of subsection (10) above in such persons as may be specified in the order on such terms as may be so specified.
- (12) Any property vested in any person by an order made by virtue of this section shall so vest on such date as may be specified in the order as the transfer date.
- (13) In this section “the appropriate consideration” means, in relation to any school property—
  - (a) so far as it consists of premises (including any interest in a dwelling-house such as is mentioned in section 94(7)(b)(ii) of this Act), such an amount as the Secretary of State determines to be the market value of the premises as at the transfer date or as at a date no earlier than six months before that date; and
  - (b) so far as it consists of other property, such an amount as the Secretary of State determines to be a fair consideration for the transfer of that property.
- (14) Nothing in any provision included in an order under section 94 of this Act by virtue of this section shall affect any interest or right of any person in, to or over any school property which is held by that person otherwise than for the purposes of the school.