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STATUTORY INSTRUMENTS

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**2007 No. 3475**

**The School Organisation (Removal of Foundation, Reduction in Number of Foundation Governors and Ability of Foundation to Pay Debts) (England) Regulations 2007**

**Part 1**

**Removal of Foundation and Reduction in Number of Foundation Governors**

**Compensation where capital expenditure incurred**

**18.**—(1) Where the trustees have incurred capital expenditure in relation to—

- (a) land transferred under regulation 17(1) or (3) (“the transferred land”), or
- (b) other land, the proceeds of the disposal of which were used to acquire or enhance the value of the transferred land,

the governing body must pay to the trustees such sum representing the value of the transferred land as may be agreed between them or determined by the adjudicator under regulation 6.

(2) Where the governing body or the local education authority have incurred capital expenditure in relation to—

- (a) any land held by the trustees for the purposes of the school which is not transferred land (“the excluded land”), or
- (b) other land, the proceeds of the disposal of which were used to acquire or enhance the value of the excluded land,

the trustees must pay to the governing body or the local education authority (as the case may be) such sum representing the value of the excluded land as may be agreed between the trustees and the governing body or the local education authority (as the case may be) or determined by the adjudicator under regulation 6.