

SCHEDULES

SCHEDULE 2

TRANSFER OF MANAGEMENT OF INSTITUTIONS OF FURTHER EDUCATION

Attribution of surpluses and deficits

16.—(1) Not later than such date as the Department may direct, the relevant board and the new governing body shall, in respect of each institution of further education, arrive at a written agreement as to—

- (a) the amount of any surplus or deficit in the accounts of the institution as at the day immediately before the transfer date;
- (b) if there is a surplus, the arrangements for the payment of a sum equal to the amount of that surplus by the relevant board to the new governing body;
- (c) if there is a deficit, the arrangements for the payment of a sum equal to the amount of that deficit by the new governing body to the relevant board.

(2) Where a board and a new governing body have failed to arrive at an agreement as mentioned in sub-paragraph (1), the matter shall be referred to the Department which shall—

- (a) after consulting the board and the new governing body, determine the matter; and
- (b) issue a determination to the board and the new governing body.

(3) A determination under sub-paragraph (2) shall have effect for all purposes as if it were an agreement under sub-paragraph (1).

(4) The board and the new governing body shall provide the Department with all such information as the Department may require for the exercise of its functions under this paragraph.