



Universities and College Estates Act 1925

1925 CHAPTER 24 15 and 16 Geo 5

Investment or other application of Capital Money

26 Modes of investment or application of capital money.

(1) Capital money paid, whether before or after the commencement of this Act, to the Minister under this Act, or under any enactment hereby repealed, [^{F1}or paid to a university or college under this Act] and the proceeds of sale of securities representing any such money [^{F2}may, with the consent of the Minister,] be applied by a university or college to any of the following purposes:—

[^{F3}(i) In investments in which trustees may invest under the general power of investment in section 3 of the Trustee Act 2000 (as restricted by sections 4 and 5 of that Act);]

(ii) In discharge, purchase, or redemption of incumbrances affecting the inheritance of land belonging to the university or college, or of . . . ^{F4}rentcharge in lieu of tithe, Crown rent, chief rent, or quit rent, charged on or payable out of the land, or of any charge in respect of an improvement created on an holding under the [^{F5}Agricultural Holdings Act 1986] or any similar previous enactment;

(iii) In payment as for an improvement authorised by this Act on any money expended and costs incurred by a landlord under or in pursuance of the [^{F5}Agricultural Holdings Act 1986] or any similar previous enactment, or under custom or agreement or otherwise, in or about the execution of any improvement comprised in [^{F6}Schedule 7] to the said Agricultural Holdings Act;

(iv) In payment for equality of exchange of land belonging to the university or college:

(v) ^{F7}

(vii) In redemption of any compensation rentcharge created in respect of the extinguishment of manorial incidents, and affecting land belonging to the university or college;

(viii) In commuting any additional rent made payable on the conversion of a perpetually renewable leasehold interest into a long term, and in satisfying

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any claim for compensation on such conversion by any officer, solicitor, or other agent of the lessor in respect of fees or remuneration which would have been payable by the lessee or under-lessee on any renewal;

(ix) In purchase of the freehold reversion in fee of any land expectant on the determination of any interest in the land belonging to the university or college;

(x) In purchase of land in fee simple, or of leasehold land held for sixty years or more unexpired at the time of purchase, subject or not to any exception or reservation of or in respect of mines or minerals therein, or of or in respect of rights or powers relative to the working of mines or minerals therein, or in other land;

(xi) In purchase either in fee simple, or for a term of sixty years or more, of mines and minerals convenient to be held or worked with land belonging to the university or college, or of any easement, right, or privilege convenient to be held with that land for mining or other purposes;

(xii) In purchase of the interest of a lessee under a lease from the university or college;

(xiii) In payment of the costs and expenses of all plans, surveys, and schemes, including schemes under the ^{M1}[^{F8}Town Planning Act 1971] or any similar previous Act, made with a view to, or in connexion with, the improvement or development of any land belonging to the university or college, or any part thereof, or the exercise of any statutory powers, and of all negotiations entered into by the university or college with a view to the exercise of any of the said powers, notwithstanding that such negotiations may prove abortive, and in payment of the costs and expenses of opposing any such proposed scheme as aforesaid affecting land belonging to the university or college, whether or not the scheme is made;

^{F9}(xiv)

(xv) In payment to a local or other authority of such sum as may be agreed in consideration of such authority taking over and becoming liable to repair a private road on land belonging to the university or college or a road for the maintenance whereof the university or college is liable *ratione tenuræ*;

(xvi) In or towards the restoration or rebuilding of the chancel of any church which the university or college is by law liable to restore or rebuild;

(xvii) In payment of costs, charges, and expenses of or incidental to the exercise of any of the powers, or the execution of any of the provisions of this Act or any enactment hereby repealed, including the costs and expenses incidental to any of the matters referred to in this section.

(2) Any such capital money or proceeds may be applied [^{F2}with the consent of the Minister] in repayment of any money borrowed under this Act or any Act repealed by this Act or to any of the purposes to which money so borrowed is applicable under this Act:

Provided that—

(a) where any capital money is applied in repayment of a loan, it shall be replaced within or at the expiration of the period limited for the repayment of the loan [^{F2}and on the terms mentioned in the order consenting to the loan], and that where capital money is applied to any purpose to which money borrowed is applicable under this Act, the like provision shall be made by the university or college for replacing the same as is by this Act required to be made for the repayment of money borrowed under this Act; and

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- (b) where capital money is applied in payment for an improvement mentioned in Part II. of the First Schedule to this Act it shall be replaced by not more than fifty half-yearly instalments, the first instalment being payable at the expiration of six months from the date when the work or operation in payment for which the capital money was applied was completed.
- (3) The income of any securities on which capital money is invested under this section shall, except where it is by or under this Act required to be accumulated, be paid or applied as the income of the land represented by the securities would have been payable or applicable.
- (4) Land purchased under this section shall be conveyed to the university or college to be held upon trusts corresponding to the purposes for which the capital money or proceeds of sale of securities applied in the purchase were held.
- (5) Where the purpose to which money may be applied under this section is of such a nature that, in the opinion of the [^{F10}Minister], [^{F10}university or college concerned] provision ought to be made for replacing the money within a limited time, [^{F11}the Minister shall, in giving his consent to the application, require provision to be so made.][^{F11}the university or college shall make such provision accordingly.]

Textual Amendments

- F1** Words inserted in relation to universities and their colleges by [Universities and College Estates Act 1964 \(c. 51\), s. 3\(1\), Sch. 1 Pt. II para. 11](#)
- F2** Words omitted in relation to universities and their colleges by [Universities and College Estates Act 1964 \(c. 51\), s. 2, Sch. 1 Pt. I para. 5](#)
- F3** S. 26(1)(i) substituted (1.2.2001) by [2000 c. 29, s. 40\(1\), Sch. 2 Pt. II para. 29](#) (with s. 35); S.I. [2001/49, art. 2](#)
- F4** Words repealed by [Finance Act 1963 \(c. 25\), s. 73, Sch. 14 Pt. VI](#)
- F5** Words substituted by virtue of [Agricultural Holdings Act 1986 \(c. 5, SIF 2:3\), s. 100, Sch. 14 para. 13\(a\)](#)
- F6** Words substituted by virtue of [Agricultural Holdings Act 1986 \(c. 5, SIF 2:3\), s. 100, Sch. 14 para. 13\(b\)](#)
- F7** s. 26(1) paras. (v), (vi) repealed by [Statute Law \(Repeals\) Act 1969 \(c. 52\), Sch. Pt. III](#)
- F8** Words substituted by virtue of [Interpretation Act 1889 \(c. 63\), s. 38\(1\)](#)
- F9** S. 26(1)(xiv) repealed (19.11.1998) by [1998 c. 43, s. 1\(1\), Sch. 1, Pt. II, Group 2](#)
- F10** Words “university or college concerned” substituted for the word “Minister” in relation to universities and their colleges by [Universities and College Estates Act 1964 \(c. 51\), s. 3\(1\), Sch. 1 Pt. II para. 11](#)
- F11** Words “the university to accordingly” substituted for the words “the Minister shall” to the end in relation to universities and their colleges by [Universities and College Estates Act 1964 \(c. 51\), s. 3\(1\), Sch. 1 Pt. II para. 11](#)

Modifications etc. (not altering text)

- C1** S. 26 extended by [Housing Act 1985 \(c. 68, SIF 61\), s. 507\(3\)](#)
- C2** S. 26 extended by [Town and Country Planning Act 1990 \(c. 8, SIF 123:1\), s. 328\(1\)\(b\)](#)
- C3** S. 26 amended (E.W.) by [Local Government and Housing Act 1989 \(c. 42, SIF 61\), s. 125\(5\)\(c\)](#)
- C4** S. 26 amended by [Landlord and Tenant Act 1927 \(c. 36\), s. 13\(1\)](#), [War Damage Act 1943 \(c. 21\), s. 66\(2\)](#), [Coast Protection Act 1949 \(c. 74\), s. 11\(2\)\(a\)](#), [Landlord and Tenant Act 1954 \(c. 56\), s. 8\(5\)](#), [Sch. 2 para. 6](#), [Coal Mining \(Subsidence\) Act 1957 \(c. 59\), s. 11\(7\)](#), [Universities and College Estates Act 1964 \(c. 51\), s. 3\(5\), Sch. 2 para. 4](#), [Land Commission Act 1967 \(c. 1\), s. 92](#), [Leasehold Reform Act 1967 \(c. 88\), ss. 17, 18, Sch. 2 para. 9\(2\)](#), [Mines and Quarries \(Tips\) Act 1969 \(c. 10\), s. 32\(2\)](#)

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- (a), Town and Country Planning Act 1971 (c. 78), s. 275(1), Housing Act 1974 (c. 44), s. 77(3) and Development Land Tax Act 1976 (c. 24), s. 43(1)
- C5** S. 26 extended (E.W.) (1.1.1993) by 1993 c. 28, ss. 9, 40, **Sch. 2 para. 7(2)(b)(i)** (with ss. 94(2), 95); S.I. 1993/2134, **art. 5(a)**.
S. 26 extended (E.W.) (1.9.1995) by 1995 c. 8, **ss. 33(1)**, 37
S. 26 extended (17.12.1996) by 1996 c. 53, **ss. 55(4)(c)** and 73(3)(c); S.I. 1996/2842, **art. 3**
- C6** S. 26(1): s. 26(viii) expressed to be amended (E.W.) (1. 1. 1992) by S.I. 1991/2684, arts. 2, 4, 5, **Sch. 1**
- C7** S. 26(2) extended by Local Government and Housing Act 1989 (c. 42, SIF 61), **Pt. VIII**, s. 125(5)(c)

Marginal Citations

- M1** 1971 c. 78.

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Changes and effects yet to be applied to :

- s. 2-38 omitted by [2022 c. 6 s. 24\(3\)](#)

Changes and effects yet to be applied to the whole Act associated Parts and Chapters:

Whole provisions yet to be inserted into this Act (including any effects on those provisions):

- s. 1A and cross-heading inserted by [2022 c. 6 s. 24\(2\)](#)