

## **Education Act 2002**

#### **2002 CHAPTER 32**

#### PART 1

PROVISION FOR NEW LEGAL FRAMEWORKS

#### **CHAPTER 3**

#### POWERS TO FORM COMPANIES ETC

# Powers of governing bodies to form or invest in companies to provide services etc.

- (1) The governing body of a maintained school may form, or participate in forming, companies—
  - (a) to provide services or facilities for any schools,
  - (b) to exercise relevant [F1]local authority] functions, or
  - (c) to make, or facilitate the making of, arrangements under which facilities or services are provided for any schools by other persons.
- (2) The governing body of a maintained school may, with a view to securing or facilitating—
  - (a) the provision by a company of services or facilities for any schools,
  - (b) the exercise by a company of relevant [F1] local authority] functions, or
  - (c) the making by any person of arrangements of the kind referred to in subsection (1)(c),

invest in the company which is to provide the services or facilities or exercise the functions or by which the arrangements are to be made or facilitated.

(3) The governing body of a maintained school may form, or participate in forming, companies to purchase services or facilities for that school and other participating schools.

Changes to legislation: Education Act 2002, Section 11 is up to date with all changes known to be in force on or before 24 April 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details) View outstanding changes

- (4) The governing body of a maintained school may, with a view to securing or facilitating the purchase by a company of services or facilities for that school and other participating schools, become a member of the company.
- (5) The governing body of a maintained school may provide staff to any company in relation to which they have exercised a power conferred by any of subsections (1) to (4).
- (6) Subsections (1) to (4) have effect subject to section 12.
- (7) In exercising the power conferred by subsection (5) the governing body of a maintained school shall have regard to any guidance given from time to time (in relation to England) by the Secretary of State or (in relation to Wales) by the National Assembly for Wales.
- (8) This section is without prejudice to any powers of the governing body of a maintained school exercisable otherwise than by virtue of this section.
- (9) In this section and section 12—

"company" means a company registered under [F2the Companies Act 2006] as a company limited by shares or a company limited by guarantee;

"relevant [FI] local authority] functions", in relation to a company, means [F3] the education functions] of any [FI] local authority][F4] that are or may become] exercisable by the company in accordance with an authorisation given or direction made by virtue of any enactment;

"facilities" includes the provision of (or of the use of) premises, goods, materials, vehicles, plant or apparatus;

"maintained school" means a community, foundation or voluntary school, a community or foundation special school or a maintained nursery school;

"participating school", in relation to a company, means a school whose governing body is, or is to be, a member of the company.

(10) References in this section and section 12 to investing in a company include references to becoming a member of the company and to investing in it by the acquisition of any assets, securities or rights or otherwise.

## **Textual Amendments**

- F1 Words in Act substituted (5.5.2010) by The Local Education Authorities and Children's Services Authorities (Integration of Functions) Order 2010 (S.I. 2010/1158), art. 1, Sch. 2 para. 11(2)
- F2 Words in s. 11(9) substituted (1.10.2009) by The Companies Act 2006 (Consequential Amendments, Transitional Provisions and Savings) Order 2009 (S.I. 2009/1941), art. 1(2), Sch. 1 para. 198(2) (with art. 10)
- Words in s. 11(9) substituted (5.5.2010) by The Local Education Authorities and Children's Services Authorities (Integration of Functions) Order 2010 (S.I. 2010/1158), art. 1, Sch. 2 para. 11(4)(a)
- F4 Words in s. 11(9) substituted (5.5.2010) by The Local Education Authorities and Children's Services Authorities (Integration of Functions) Order 2010 (S.I. 2010/1158), art. 1, Sch. 2 para. 11(4)(b)

#### **Commencement Information**

- I1 S. 11 partly in force; s. 11 not in force at Royal Assent, see s. 216; s. 11 in force for E. at 20.1.2003 by S.I. 2002/2952, art. 2 (with savings and transitional provisions in Sch.)
- I2 S. 11 in force at 20.1.2003 except in relation to W. by S.I. 2002/2952, art. 2

#### **Changes to legislation:**

Education Act 2002, Section 11 is up to date with all changes known to be in force on or before 24 April 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. View outstanding changes

## Changes and effects yet to be applied to:

- specified provision(s) amendment to earlier commencing SI 2003/1667 Sch. para. 1 by S.I. 2004/571 Sch.
- specified provision(s) amendment to earlier commencing SI 2003/1667 Sch. para.
  1A and 2 by S.I. 2005/2570 art. 2

### 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. 27(1A) inserted by 2010 c. 26 s. 4(1)
- s. 29(2A)-(2D) inserted by 2009 c. 22 s. 260(4) (This amendment not applied to legislation.gov.uk. S. 250 omitted (1.9.2012) by virtue of 2011 c. 21, s. 29(9)(d); S.I. 2012/1087, art. 3)
- s. 29B inserted by 2008 c. 25 s. 157
- s. 8585A substituted for s. 85 by 2006 c. 40 s. 74(1)
- s. 85A amendment to earlier affecting provision 2006 c. 40 s. 74(1) by 2011 c. 21 s. 31(2)
- s. 85A(5) words substituted by 2009 c. 22 Sch. 12 para. 34
- s. 86(1) s. 86 renumbered as s. 86(1) by 2006 c. 40 s. 74(2)(c)
- s. 86(2) inserted by 2006 c. 40 s. 74(2)(c)
- s. 88(2)-(7) inserted by 2006 c. 40 s. 74(3)
- s. 88(7) repealed by S.I. 2010/1080 Sch. 1 para. 45Sch. 2 Pt. 1 (This amendment not applied to legislation.gov.uk. The insertion of s. 88(2)-(7) by 2006 c. 40, s 74(3) was repealed without ever being brought into force.)
- s. 142(9)(b) words substituted by S.I. 2010/1158 Sch. 2 para. 11(10)(b)
- s. 210A inserted by 2008 c. 25 Sch. 1 para. 79