

*Changes to legislation: There are currently no known outstanding effects for the Technical and Further Education Act 2017, Paragraph 31. (See end of Document for details)*

## SCHEDULES

### SCHEDULE 3

#### CONDUCT OF EDUCATION ADMINISTRATION: STATUTORY CORPORATIONS

##### *Specific modifications to Schedule B1 to the Insolvency Act 1986*

- 31 Paragraph 99 (charges and liabilities upon vacation of office by administrator) is to have effect as if—
- (a) in sub-paragraph (3), paragraph (b) were omitted, and
  - (b) after sub-paragraph (6) there were inserted—
    - “(7) Where a loan is made under section 27 of the Technical and Further Education Act 2017 before cessation, sub-paragraph (4) does not apply in relation to the loan or interest on it and—
      - (a) if the terms of the loan provide for this paragraph to apply, any sum that must be paid by the further education body in respect of the loan or interest shall be—
        - (i) charged on and payable out of property of which the education administrator had custody or control immediately before cessation, and
        - (ii) payable in priority to any charge arising under sub-paragraph (3);
      - (b) if the terms of the loan provide for this paragraph to apply, any sum that must be paid by the further education body in respect of the loan or interest shall be treated as an unsecured debt that is not a preferential debt;
      - (c) if the terms of the loan provide for this paragraph to apply, any sum that must be paid by the further education body in respect of the loan or interest shall be payable after all other creditors have been paid in full.”

#### **Commencement Information**

**11** Sch. 3 para. 31 in force at 31.1.2019 by S.I. 2018/1161, reg. 3(c)

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