



## **REVERTER POLICY**

The Board is the owner of a significant number of freehold properties. Much hard work over the last few years has resulted in most, if not all, of the Board's titles being registered at the Land Registry.

Many of these properties are owned by the Board for its own benefit, whereas some are held by the Board as Trustee for individual Parishes. However, some properties which, in the main, are Church Schools, are subject to what is known, legally, as a reverter. This means that on a sale of the property the proceeds of sale may not be paid to the Board, but to the descendants of those who originally gave the land to the Board, even though that event may have occurred over 100 years ago.

In the middle of the 19th century, there was a considerable push by the Church of England to provide elementary education for the children of the poorer classes. As an incentive to gift land to the Church so that a school and schoolhouse could be built on that land, the School Sites Act 1841 was enacted by Parliament. Any landowner gifting land to the Church for this purpose knew that if the school were ever to close and the land were to be sold the proceeds of sale would be paid to that landowner's descendants. This Act created the concept of a Reverter. Little thought was evidently given to the prospect of school closures. When Church Schools close across the Diocese, the Diocese has to embark on an exercise involving nothing less than "hunting heirs".

The Act proved difficult to interpret and even more difficult to apply in practice. In an attempt to simplify the law, Parliament enacted the Reverter of Sites Act 1987. The law, as a result of that Act, is that the property is now held by the Board as Trustee for the benefit of the original land owner's descendants. If, on a sale, they cannot be identified, there is a procedure enabling the Board to apply to the Welsh Government for what is termed an Educational Order. Such an Order will terminate the original trusts and allow the Board to retain the proceeds of sale and to share the same with the Parish where the school is located. However, the money can only be used for religious educational purposes within the Diocese and the Parish.

There is little doubt that the procedure is complex and time consuming. Anyone, whether a member of the clergy or the laity, encountering a reverter situation must immediately report the matter to the Diocesan Secretary who will then want to take advice from the Board's Solicitors.

For further information about Reverters reference may be made to the decision of the House of Lords in the case of *Fraser v Canterbury Diocesan Board of Finance* [2001] 2 WLR.

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