

EDUCATION MARKET INSIGHTS **2026**

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Education Market Insights

SEND | INDEPENDENT SCHOOLS | ALTERNATIVE PROVISION



COURTENEY DONALDSON MRICS

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"Despite ongoing global uncertainty, evolving policy and regulatory changes, and continued cost pressures, the UK education business property markets demonstrated remarkable resilience during the first half of 2026. Investor appetite remained strong, with demand particularly robust across the SEND, alternative provision and early years education markets, where favourable demographic trends, sustained commissioning activity and strong purchaser demand continue to support long-term expansion and investment."



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Mid-year Review and Outlook

Market trends, transactional activity and education sectors market outlook



COURTENEY DONALDSON MRICS

Managing Director – Childcare & Education
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The first half of 2026 reinforced the continued strength, depth and diversity of the UK education business property market. Against a backdrop of global uncertainty and ongoing operational cost pressures, the childcare and education sectors have remained resilient and highly investable, attracting strong interest from trade buyers, new entrants and investors alike. This activity continues to be underpinned by robust demand fundamentals, favourable demographic trends and strong levels of buyer confidence.

Geopolitical tensions, including the war in Ukraine and, more recently, instability across the Middle East, have contributed to volatility across global energy and financial markets, whilst household and business cost pressures continue to influence the wider economic landscape. These factors have the potential to impact inflation and borrowing costs. However, their influence on buyer appetite and transaction activity within specialist education markets has, to date, remained relatively limited.



Market activity during the first six months of the year was particularly strong across SEND education, alternative provision and early years education, where demand for high-quality businesses with proven and sustainable earnings has continued to materially outstrip supply. Whilst the current UK Government's major SEND reform proposals, announced within the Schools White Paper (Every Child Achieving and Thriving) on 23 February 2026, have introduced a degree of uncertainty as stakeholders assess the potential implications, this has not translated into any discernible reduction in buyer appetite to date. Investors and operators continue to actively



pursue scalable, well-run education businesses across the UK, reflecting continued confidence in the sector's long-term fundamentals despite the proposed changes.

Whilst some independent schools have continued to face operational challenges, with the introduction of VAT on school fees adding further pressure to a market already contending with declining pupil numbers in some settings, workforce challenges, rising operating costs and affordability concerns, this has contributed to further school closures across the sector. Against this backdrop, the wider education landscape has continued to evolve strategically, with education groups increasingly diversifying their operating models and expanding into complementary sectors including SEND, alternative provision and early years education.

A defining feature of the market so far in 2026 has been the continued imbalance between buyer demand for SEND providers and the limited number of opportunities coming to market. There remains a shortage of established operators actively considering exit, particularly within high-growth subsectors, creating a highly competitive environment in which quality assets continue to attract strong interest from both strategic and financial buyers. Consequently, well-performing businesses with strong reputations, robust occupancy levels and sustainable earnings are often generating competitive bidding situations and commanding considerable attention from expanding regional groups and national operators.

At Christie & Co, we have experienced a particularly busy first half across the full breadth of our education services, reflecting both the strength of the market and the increasingly sophisticated requirements of operators, investors and lenders.

Alongside transactional activity, our Professional Services, Valuation, Consultancy, Advisory and Capital Markets teams have remained exceptionally active, supporting clients on market entry projects, acquisitions, refinancing, strategic planning, restructuring initiatives, growth strategies and exit preparation. This breadth of activity reflects the growing demand for specialist advice throughout the lifecycle of education businesses, from expansion and investment through to succession and disposal.



2026 OUTLOOK & BEYOND

Looking ahead to the remainder of 2026, the outlook for the education business property market remains positive. Whilst macroeconomic pressures and geopolitical uncertainty will continue to feature, the fundamentals underpinning the SEND, alternative provision and early years education markets remain compelling. Supported by favourable demographic trends, increasing demand for specialist provision and continued investor appetite, we expect market momentum to be maintained throughout the second half of the year and predict such will continue into 2027.

Although the evolving policy landscape, particularly in relation to SEND reform, will continue to be closely monitored by operators and investors alike, the sector's long-term growth drivers remain firmly intact. Demand for high-quality educational provision continues to exceed available capacity in many parts of the UK, creating opportunities for both organic expansion and acquisition-led growth.

For operators, investors and lenders, the remainder of 2026 is expected to offer continued opportunities to deploy capital, expand provision and support the delivery of essential educational services. As the market continues to evolve, those organisations with a clear strategic vision, strong operational foundations and the ability to respond to changing needs are likely to be best positioned for success. ■

THE FIRST SIX MONTHS OF 2026: DATA POINTS & MARKET DRIVERS



44%
increase in childcare and education businesses seeking advice

33%
increase in childcare and education businesses brought to market

17.5%
increase in buyer viewings

21.1%
increase in deals agreed

£100m+ of education and alternative provision assets valued

Supporting education business owners to capitalise on strong buyer demand, from specialist settings to campuses valued in excess of **£25 million**

Creating competitive tension in a supply-constrained market to maximise value for sellers

SEND Reform: What's Next for Providers?

Navigating policy change and its implications for the market



SOFIA BECK

Director – Childcare & Education
Christie & Co

Long-awaited SEND reforms, the announcement of which was postponed from autumn 2025 to early 2026 due to the scale of consultation and the far-reaching implications, represent one of the most significant shifts in special educational needs and disabilities (SEND) policy in over a decade. The Government's SEND reform proposals form part of the Schools White Paper, Every Child Achieving and Thriving, which was published on 23 February 2026.



KEY POINTS

- **Aims to shift the emphasis of SEND support towards greater inclusion in mainstream settings**
- **Introduction of Individual Support Plans (ISPs), by 2035, Education, Health and Care Plans (EHCPs) will be reserved for only the most complex special educational needs**
- **Introduction of a tiered model of support depending on needs**
- **Children will be reassessed for EHCPs as they move up to their next stage from 2029. However, there will be no changes to EHCPs before 2030**
- **Under the changes, the Government projects that the proportion of children with SEND on the current highest level of support in school will start falling each year from the end of the decade**
- **As part of the plans, the Government says it will spend over £7 billion across the SEND system: £4 billion investment into improving SEND support in mainstream schools, £3.7 billion already allocated to create 60,000 new specialist places, over £200 million additional funding into Best Start Family Hubs, each with a dedicated SEND professional**
- **Potential changes to the law on independent special schools to ensure that local authorities pay a reasonable price for placements**

	What it means	Support provided	Where it comes into play
Tier 1: Universal offer	Baseline support for all pupils across all schools reasonable adjustments, calm environments	Inclusive teaching, early identification tools, in mainstream	Forms the 'new baseline' for meeting needs
Tier 2: Targeted support	For pupils whose needs exceed the universal offer	Small-group work, speech & language strategies, structured intervention, recorded in an ISP	Schools must demonstrate they have used Targeted support before moving into higher tiers
Tier 3: Targeted plus	For pupils needing more specialist input but still not needing an EHCP	Access to 'experts at hand' – Eps, SALTs, health professionals; inclusion bases; still uses an ISP	Adds a specialist-light layer, giving schools additional tools without statutory processes
Tier 4: Specialist provision (EHCP)	Reserved only for pupils with the most complex needs	EHCP, national specialist intervention packages, specialist school placement (state or independent)	Access only after demonstrating Tiers 1 to 3 have been exhausted



KEY OBSERVATIONS

A central theme of the reforms is increased inclusion within mainstream settings, with the Government seeking to create 'one inclusive education system' where more children can have their needs met without requiring specialist placements. This could alter demand patterns across the SEND sector, although the extent of any impact on independent specialist provision remains uncertain.

No child will lose effective support already in place. Children with a SEND school place in 2029 will keep it if they want it until they finish education, and children with EHCPs in mainstream schools will not be moved to ISPs until at least 2030 (and will only happen moving between school stages).

Whilst many SEND providers have welcomed the increased focus and investment proposed by the reforms, concerns remain regarding the practical delivery of a more mainstream-focused model. Some providers have highlighted potential risks relating to parental choice, the capacity of mainstream schools to meet increasingly complex needs, and the long-term role of independent specialist provision.

The proposals include consideration of legislative changes intended to ensure local authorities pay a reasonable price for placements. This could ultimately lead to greater scrutiny of fee structures, the introduction of national funding frameworks and a reduction in pricing variation between providers, although the detail remains subject to consultation and further policy development.



CHRISTIE & CO'S VIEW:

Whilst the SEND reforms represent the most significant policy development in the sector for many years, current market activity suggests investors and operators remain focused on the underlying fundamentals: increasing demand, constrained capacity and the continued need for high-quality specialist provision. As a result, we have yet to see any material reduction in appetite for SEND school acquisitions or development opportunities.

WHAT DOES THIS MEAN FOR THE SEND EDUCATION BUSINESS PROPERTY MARKET?

To date, the SEND reform proposals have shown little evidence of dampening buyer appetite within the SEND education property market. Following public consultation over the summer, policy refinement and impact modelling are expected to commence in late 2026. Whilst the reforms may influence the type of opportunities sought by investors and operators over time, any such shift has yet to materialise. Buyer demand for both established SEND businesses and new school development opportunities remains exceptionally strong.

SEND MARKET INSIGHTS

- **Specialist placements frequently exceed £60,000 per annum, reflecting the complexity and expertise required to support children and young people with additional needs.**
- **Despite ongoing policy reform, buyer appetite for high-quality SEND provision remains robust, underpinned by capacity constraints, growing demand and a continued shortage of specialist places.**
- **Navigating a changing policy landscape requires clear positioning. We help SEND providers demonstrate quality, evidence demand and showcase long-term relevance to prospective purchasers.**

While there is a high concentration of independent SEND schools located in the south-east, midlands and north-west, aligned with the densely populated conurbations of London, Birmingham, and Manchester, many areas remain undersupplied. This leaves pupils having to travel significant distances to be able to access services that have the capability to meet their individual needs – hence, when suitable properties with prevailing educational planning use come to the market, there has been no shortage of interest from buyers.

The independent SEND sector has experienced significant growth over the past decade, driven by rising demand, increasing complexity of need and sustained pressure on state-funded provision. Whilst the long-term impact of the proposed reforms remains uncertain, local authorities continue to rely on independent operators to meet demand in many regions. In the short to medium term, we expect this dynamic to continue underpinning investment, expansion and acquisition activity across the sector. ■

Alternative Provision in England

Rising demand, market dynamics and opportunities for expansion



MOLLY JAMES

Business Agent – Childcare & Education
Christie & Co

Alternative provision (AP) has become an increasingly important component of England's education system, supporting children and young people whose needs cannot be met through mainstream education alone. As demand continues to grow and pressures across SEND and mainstream education intensify, the sector is attracting increasing interest from operators, investors and education groups seeking opportunities for expansion, diversification and long-term growth.

WHAT IS ALTERNATIVE PROVISION?

Alternative provision (AP) plays an increasingly vital role within England's education landscape, providing tailored educational support for children and young people who are unable to access or thrive within mainstream schooling. This may be due to SEND, health needs, behavioural challenges, school exclusion, attendance difficulties or other complex circumstances. As pressures on the wider education system increase, demand for high-quality AP continues to grow, creating significant opportunities for operators, investors and education groups seeking to expand within a rapidly evolving market.

The House of Commons Library defines it as: "AP supports pupils who would otherwise miss out on suitable education due to SEND needs, exclusion, illness, behavioural issues, or other factors."



AP is delivered in three principal forms:

1. **School-arranged AP –** where mainstream schools commission targeted, short-term or part-time alternative provision as part of early intervention or medical support
2. **Local authority-funded placements in nonstate AP** – including charities and private providers delivering therapeutic, vocational, or specialist programmes
3. **State-funded AP provision within schools –** including Pupil Referral Units (PRUs), AP academies and free schools

Provision varies widely, from structured PRU environments to small-group mentoring programmes, outdoor learning, vocational pathways, SEND-specialist therapeutic settings, and reengagement programmes designed to help pupils transition back to mainstream education.



WHY IS DEMAND FOR ALTERNATIVE PROVISION INCREASING?

1 Rising complexity of needs

Across the education system, pressures linked to SEND have increased significantly. The Institute for Fiscal Studies (IFS) notes that high-needs spending has almost doubled over the past decade, driven by rising numbers of children with Education, Health & Care Plans (EHCPs) and significant shortages of specialist school places.

Long waiting lists for assessments, shortages of specialist staff, and capacity constraints mean many pupils struggle to sustain mainstream placements – leading schools and local authorities to rely increasingly on AP to meet urgent needs.

2 Growth in exclusions and persistent absence

Whilst exclusion rates fluctuate over time, schools and local authorities are increasingly using AP as part of an early intervention strategy to support pupils facing behavioural, attendance or engagement challenges before issues escalate. The trend towards earlier intervention sees more short-term placements commissioned directly by schools.

3 Health-related and social factors

Medical needs (e.g., anxiety, chronic illness), mental health concerns, and complex social circumstances – including looked-after children or those at risk of exploitation – are contributing to greater demand for flexible, nurturing AP environments.

4 Systemic workforce pressures

Shortages of specialist staff, limited local capacity, and stretched services make it increasingly difficult for schools to consistently meet the needs of vulnerable learners. These pressures have contributed to the growth of innovative private, charitable and independent providers delivering personalised educational, therapeutic and vocational programmes.

MARKET OPPORTUNITIES

Against this backdrop, interest in alternative provision businesses continues to strengthen. Established operators with strong local authority and school relationships, experienced leadership teams and demonstrable outcomes are attracting significant buyer interest.

In particular, investors and education groups are seeking opportunities that offer:

- **Exposure to growing demand within SEND and AP markets**
- **Diversification into therapeutic, vocational and specialist education provision**
- **Established community-based services with strong reputations and referral networks**
- **Opportunities for regional expansion and operational scaling**

Whilst the sector remains fragmented, growing demand and ongoing capacity pressures suggest that alternative provision is likely to remain an area of strategic focus for operators and investors alike. ■



ALTERNATIVE PROVISION MARKET INSIGHTS

- **Rising demand for flexible education pathways is driving increased interest in alternative provision.**
- **Capacity constraints within mainstream and specialist settings continue to create opportunities for AP operators.**
- **Investors are increasingly attracted to businesses offering therapeutic, vocational and SEND-focused provision.**
- **Strong local authority and school relationships remain key drivers of value and sustainability.**
- **From reconfigured buildings to scalable platforms, we help owners unlock value and translate growth stories into successful outcomes.**
- **As demand for alternative provision continues to rise, we help vendors convert market momentum into results through clear positioning, robust financial information and a targeted route to market.**

Are Britain's Schools Really Unsellable?

Separating headlines from market reality



RICHARD GREEN MRICS

Lead Valuer – Childcare & Education
Christie & Co

This is a question we've been asked repeatedly over recent months. Whether from independent school proprietors, charity trustees, lenders or investors with exposure to the sector, the question is the same: "Are Britain's private schools now unsellable?"

The short answer is no. However, like most property and business transactions, value and marketability depend on a range of factors.

So why is the question being asked? Well, it primarily stems from an article published in the Daily Telegraph on 11 March, which ran with the headline 'How Labour made Britain's private schools "unsellable"'.

The article reported that Labour's policy of applying VAT to private school fees has accelerated the closure of independent schools and created a growing property disposal problem, with reportedly dozens of former school sites proving difficult to sell or repurpose.

As highlighted in our Business Outlook report published in January 2026, between August 2024 and September 2025, 43 independent schools closed





or announced their intention to close, removing 9,245 pupil places from the sector. Many closures were attributed to falling enrolments and mounting financial pressures, with the introduction of VAT on school fees adding further pressure for some operators. Unfortunately, we have continued to see additional closures during the 2025/26 academic year.

The Daily Telegraph article reported that school buildings are hard to sell, citing that former private schools often sit on large, historic campuses, are frequently listed buildings, and are usually restricted by planning classifications (F1 or C2). These constraints severely limit alternative uses and shrink the potential buyer pool. Properties are "big, unwieldy and institutional," putting off most developers and owner-occupiers.



One of the most important considerations when assessing the value and marketability of a former school site is the prospect of securing planning consent for an alternative use. The likelihood of obtaining consent, the timescales involved and the capital investment required can all have a material impact on purchaser interest and the price buyers are willing to pay. Ultimately, risk, reward and deliverability are intrinsically linked.

From an alternative-use perspective, local planning authorities will generally expect applicants to demonstrate that a former school site is no longer required for educational purposes before supporting redevelopment



proposals. In many cases, this may involve marketing the property for continued educational use and evidencing a lack of viable demand from education occupiers before alternative uses are considered.

Where a vacant school is being sold, offers that are not conditional upon securing alternative planning consent should be given careful consideration.

Whilst planning-led development proposals can sometimes unlock additional value, they often involve lengthy determination periods, increased costs and a greater degree of execution risk. Whilst vacant school sites can present challenges where alternative uses are being explored, our experience suggests that reports of private schools becoming "unsellable" are greatly exaggerated. Every former school site we have sold has ultimately attracted buyer interest and successfully transacted, most commonly to SEND operators, specialist education providers or purchasers seeking to continue educational use.

Where a school has the characteristics required for SEND provision, including suitable accommodation, outdoor space and favourable demographics, buyer demand can be particularly strong. In these circumstances, competitive bidding processes are not uncommon and, as asset transactions, sales can often progress efficiently where title and property matters are straightforward. ■

- **Every former school we have marketed has been successfully sold to a purchaser intending to continue educational use.**
- **When a school sale is complex, we act for the vendor with a clear strategy on planning, risk and value, so the seller remains in control of outcomes.**
- **Not unsellable, just specialist. We protect vendor value by targeting the right education buyers and evidencing viable future use.**
- **For heritage estates and campus style sites, we help sellers navigate complexity, reduce uncertainty and secure best value.**
- **The strongest outcomes are typically achieved where continued educational use or a viable future use can be clearly demonstrated.**

What Drives Value in Education Businesses?

Understanding EBITDA: A key metric in education business valuation and transactions



JASSI SUNNER

Director – Childcare & Education
Christie & Co

Understanding financial jargon can sometimes feel like learning a new language. One term you're likely to come across – especially if you're considering selling your school or acquiring another education business – is EBITDA/R, which stands for: **E**arnings **B**efore **I**nterest, **T**axes, **D**epreciation, **A**mortisation and **R**ent (the "R" is generally included where a proprietor-owned property is occupied by the business and the freehold interest is being sold alongside the trading operation).

Put simply, EBITDA/R is a measure of the underlying profitability of a business before taking account of financing arrangements, tax positions and certain accounting adjustments. It helps people understand a company's financial earnings performance without being influenced by things like:

- **How much debt it has (interest)**
- **The particular tax arrangements in place for the business (taxes)**
- **How old its equipment is (depreciation)**
- **The value of long-term assets (amortisation)**



By stripping these out, EBITDA offers a clearer picture of a company's core trading performance and the true underlying profitability of a business.

HOW IS EBITDA/R CALCULATED?

The basic formulas are:

EBITDA = Net Profit + Interest + Taxes + Depreciation + Amortisation

Or, if you already know operating profit (EBIT):

EBITDA = Operating Profit (EBIT) + Depreciation + Amortisation

EBITDA/R is typically calculated from the profit and loss account contained within a business's annual accounts before normalisation adjustments are applied.



EBITDA & BUSINESS VALUE

- **EBITDA/R remains one of the key metrics used by buyers, lenders and investors when assessing education businesses.**
- **Valuation is rarely driven by earnings alone. Property quality, occupancy, reputation, regulatory compliance and market demand also influence value.**
- **From single-site operators to multi-campus education groups, presenting financial stability, sustainability and performance clearly is critical to operational success, desirability and value.**

A valuer, agent or potential buyer will assess and adjust the accounts to remove one-off or exceptional items, providing a clearer picture of the business's ongoing profitability.

HOW IS EBITDA/R USED IN THE EDUCATION SECTOR?

Independent schools are typically valued for secured lending, strategic planning, transaction and marketing purposes using the profits method, often considered alongside comparable market evidence. In simple terms, a multiple is applied to maintainable EBITDA/R to determine an indication of value.

Where a school operates on a charitable or not-for-profit basis, analysis will often extend beyond reported EBITDA/R to include an assessment of the earnings potential that could be achieved under an alternative operating model.

The YP multiple is carefully selected by having regard to comparable sales evidence, which will take into account a variety of factors such as:

- **Whether it's a leasehold or freehold school**
- **The nature of the property, its location, size, operational capacity and occupancy**
- **Quality of provision, including the physical property, regulatory and operational factors**
- **The desirability of the school to potential buyers**
- **National and local market conditions**
- **Sales evidence associated with recent sales of comparable schools**

Multiples differ for a variety of reasons, and so it is always best to speak with your specialist education business agent to get an understanding of those applicable to your specific business.

EBITDA/R remains one of the most widely used measures of financial performance within education business valuation. It allows buyers, lenders, investors and owners to compare businesses on a consistent basis, assess operational strength and understand the earnings capacity underpinning value. As such, it sits at the heart of many valuation, acquisition and disposal discussions. ■

Independent Schools Under Pressure

Understanding distress, restructuring and recovery in a changing market



STEPHEN JACOBS

Director – Bank Support and Business Recovery
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The UK independent schools sector is under greater strain than at any point in recent memory. A rising number of closures, mergers and restructurings since late 2024 highlights the scale of the challenges now facing parts of the sector.

While a significant cohort of schools continues to perform strongly, the overall picture is increasingly polarised, with resilience at one end and acute financial distress at the other.

This cycle is not defined by a single shock but, instead, it reflects the convergence of long-running structural pressures with more recent fiscal and policy changes, most notably the introduction of VAT on school fees and the removal of business rates relief. These measures have accelerated outcomes that were already developing, rather than creating entirely new problems.

Independent schools educate around 6% of UK pupils, a proportion that has remained broadly stable over time. Recent declines in pupil numbers are concentrated at key entry points, suggesting softer new demand rather than wholesale withdrawals. Interest in independent education persists, but affordability constraints and rising barriers to entry are reshaping demand, particularly among middle-income families.



HOW DISTRESS IS FIRST RECOGNISED

In many cases, early warning signs are visible before financial covenants are breached.

From a parent's perspective, distress often manifests through shrinking year groups or merged classes, reduced subject choice or extracurricular provision, withdrawal of wraparound care or enrichment activities, and increasing staff turnover or redundancy programmes.

Parents selecting independent education are typically well informed and highly sensitive to these signals, as, in an environment where fees are under greater scrutiny and household finances are under pressure, confidence can erode



quickly. Once doubts over sustainability emerge, enrolment decisions can change quickly.

From a governance and funding perspective, distress is usually identified first by trustees and banks. Around half of independent schools in England operate as charities, often with limited reserves and limited flexibility to generate and retain significant surpluses. While charitable status brings advantages, it also imposes fiduciary and governance constraints that can slow decision-making, particularly where boards are weighted toward parents or alumni rather than external professionals.

STRUCTURAL PRESSURES BENEATH THE SURFACE

While VAT on fees has intensified financial pressures for many schools, it is rarely the sole cause of difficulty.

The underlying challenges are structural:

1. **Rising and inflexible cost bases**
   Staffing costs dominate expenditure, and increases linked to teacher pensions, national insurance, wage inflation and compliance have steadily eroded margins. Many schools also occupy large, historic or listed estates where maintenance and regulatory costs are unavoidable. The removal of business rates relief has materially increased fixed liabilities.

2. **Limited financial headroom**
   A significant proportion of schools operate with minimal liquidity buffers. As a result, relatively modest operational setbacks – softer enrolment, failed international recruitment, or deferred capital projects – can translate rapidly into cash flow stress.

3. **Demographic and demand shifts**
   In some regions, improved state-funded provision, selective academies, and grammar schools have weakened the independent sector's value proposition. Parents who once stretched finances to fund fees are increasingly opting out, particularly post-pandemic and amid sustained cost-of-living pressures.

4. **The complexities of all-through schools**
   All-through schools face distinctive challenges, with pupil lifecycles spanning 15 to 16 years, gaps at any stage cascade forward. Infill is difficult, forecasting becomes unreliable, and uneven cohorts can destabilise the model for years. Once rolls begin to decline materially, recovery becomes exceptionally difficult.

RESPONSES TO VAT AND WHY OUTCOMES DIFFER

Schools entered the VAT change from very different positions. Those that prepared early - modelling scenarios, engaging transparently with parents, and building contingency buffers - have generally proven more resilient. Others, expecting delay or reversal, found themselves exposed. Responses have varied, with some passing on most of the additional cost, others absorbing VAT through fee freezes or reductions, and many expanding bursaries and scholarships in an effort to protect enrolment.

For schools already operating on thin margins, absorbing additional cost without reducing provision has often worsened rather than mitigated distress, with income flatlining or falling while expenses continued to rise.

WHY TURNAROUND IS CHALLENGING

A decade ago, early intervention and operational turnaround were realistic options for many schools. Today, for a significant cohort, those windows have narrowed or closed altogether.

Cost structures are largely fixed. Meaningful savings typically require staff restructuring (highly sensitive and visible), reductions in educational offer (which directly undermine demand), or asset disposals. Additionally, once redundancy programmes, curtailed provision, or leadership churn become visible, confidence can unravel quickly, especially within close-knit school communities.

WHAT OPTIONS REMAIN?

For stressed but trading schools, responses increasingly centre on structural solutions rather than operational turnaround alone, such as:

- **The sale of additional assets, for example, surplus boarding houses or peripheral land, to generate liquidity**
- **Rationalisation, including withdrawal from all-through models to focus on core stages**
- **Mergers, where geography, ethos and governance align**
- **Alternative use, where educational trading is no longer viable**





This has sharpened focus on exit values, as large, historic school estates can be difficult to sell for non-educational use due to listing, restrictive planning classifications (typically F1 or C2), surplus to requirements tests, and lengthy planning processes. Buyers' appetite for complex, capital-intensive sites has softened, and exit values are often lower than trustees expect.

However, this does not mean schools are inherently unsellable. In practice, sites with potential for continued educational use - particularly SEND provision - often remain attractive and can achieve competitive outcomes when sold as going concerns.

Transactions are typically far more straightforward where continued educational use is possible and major legal or property constraints are absent.

A POLARISED SECTOR, NOT A FAILING ONE

It is important to be clear that this is not a universal crisis. A cohort of independent schools continues to perform strongly, supported by clear and differentiated propositions, strong reputations, academic outcomes, stable demographics and sustained demand. These schools remain attractive, even as valuations and buyer pools adjust. However, the challenge lies in recognising which category a school genuinely sits in and acting decisively before options narrow further.

School closures are never just balance sheet events; they affect pupils, staff, parents, trustees, lenders and communities, often closing institutions with centuries of history. Current distress reflects not only recent policy and economic pressures, but long-running structural realities. For those involved in governance, finance or recovery, the task now is less about optimism and more about clarity, realism, and timely decision-making. ■

Supporting Trustees of Schools with Charitable Status

Key considerations for governance, compliance and strategic planning



RICHARD GREEN MRICS

Lead Valuer – Childcare & Education
Christie & Co

Around half of all independent schools in England operate with charitable status, bringing with it additional governance responsibilities and regulatory obligations. In these schools, ultimate responsibility does not sit with the headteacher or senior leadership team, but with the charity's trustees, often referred to as governors, trustees or members of council, depending on the school's constitution. Regardless of title, these individuals are legally responsible for ensuring that the school is managed in accordance with charity law and continues to fulfil its charitable purpose: the advancement of education.

At a governance level, trustees are collectively responsible for the strategic direction, financial sustainability, and stewardship of the school's assets, including land and buildings. While day-to-day management is delegated to the headteacher or principal, trustees retain responsibility for key decisions such as budgets, borrowing, structural change, and, critically, the sale or disposal of property.

Where a school has charitable status, trustees must be able to demonstrate that any major decision is in the best interests of the charity, that assets are protected, and that the best value is achieved. This often requires independent advice and, in some cases, consent from the Charity Commission.



This governance framework becomes particularly significant where schools face financial pressure, restructuring or closure. Trustees are expected to act early, manage risk appropriately, and, if education is no longer viable, oversee any closure or disposal process responsibly and lawfully. As a result, the charitable status held by a large proportion of independent schools can directly affect the speed, complexity and outcomes of strategic decisions, particularly those relating to property, mergers, or exits from the sector.

Whilst trustees are frequently involved in strategic decisions throughout the life of a school, their responsibilities become particularly important during periods of significant change. Expansion projects, borrowing, mergers, acquisitions, school closures, restructuring exercises and property disposals all require



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TRUSTEE & GOVERNANCE INSIGHTS

- **Around half of independent schools in England operate as charities.**
- **Trustees have legal responsibilities that extend beyond educational outcomes to include financial stewardship and asset protection.**
- **Property transactions involving charitable schools often require independent valuation advice and specialist reporting.**
- **Trustees must be able to demonstrate that disposals achieve the best terms reasonably available for the charity.**
- **Early professional advice can help reduce risk, support governance and improve decision-making.**
- **Governance obligations become increasingly important during restructuring, mergers, refinancing and school closure situations.**

trustees to demonstrate that decisions are properly evidenced, carefully considered and aligned with the charity's objectives. In practice, one of the most common situations in which trustees seek professional advice is when considering the disposal of school property. Our team of RICS Registered Valuers is regularly instructed to prepare valuation reports for Charity Commission purposes where trustees are proposing to sell land or buildings and need to demonstrate compliance with charity law.

Under the Charities Act, trustees have a legal duty to protect charitable assets and obtain the best terms reasonably available when disposing of property. An independent valuation by a suitably qualified RICS Registered Chartered Surveyor provides objective evidence that the agreed sale price reflects market value and that trustees are acting in the best interests of the charity, rather than disposing of assets at an undervalue.

This requirement most commonly arises before or at the point of sale, particularly where a school is closing, restructuring, or changing use. Trustees may need a formal valuation report to support a statutory certificate, to satisfy internal governance requirements, or to obtain explicit Charity Commission consent. Early engagement with professional advisers can help trustees navigate these responsibilities with confidence, ensuring that decisions are appropriately evidenced, regulatory obligations are satisfied and charitable assets are protected for the benefit of current and future beneficiaries. ■

What Value Does a Specialist Commercial Propetry Agent Bring?

How expert advice can support growth, acquisitions and disposals



NICK BROWN

Head of Brokerage – Childcare & Education
Christie & Co

The sale, acquisition or valuation of an education business is often one of the most significant financial and strategic decisions an owner, trustee or investor will make. Whether planning an exit, seeking growth through acquisition or obtaining a professional valuation, the quality of advice received can have a material impact on both the process and the outcome.

In today's market, education transactions are becoming increasingly complex. Buyers are more sophisticated, regulatory requirements are more stringent, funding structures are more varied and due diligence expectations continue to increase. As a result, choosing an adviser with sector-specific expertise has never been more important.

When I started selling businesses around 25 years ago, the level of regulation and compliance was much lower. Today, sellers need to be able to show proof of ownership and pass anti-money laundering checks, as well as comply with legal obligations to protect consumers.

As a result, there has been a rise in the number of people who offer services to business owners, helping them find a suitable buyer.

It is generally accepted in life that you get what you pay for, and while there is plenty of choice out there when it comes to picking an adviser, using a specialist business property expert like Christie & Co can offer the services listed below.

Equally important is the quality of the relationship you build with your adviser. Education transactions can take many months to complete and frequently involve solicitors, accountants, lenders, trustees, landlords and other stakeholders.

WHAT SHOULD YOU LOOK FOR WHEN THINKING ABOUT APPOINTING AN ADVISER?

- **A thorough understanding of the childcare and education sectors**
- **Knowledge of regulatory, operational and property considerations**
- **Access to a broad pool of qualified buyers, investors and operators**
- **Expertise in valuation, consultancy, finance and transactional support**
- **Experience managing complex negotiations and due diligence processes**



WHY SPECIALIST ADVICE MATTERS

- **Education business transactions are becoming increasingly complex.**
- **Sector expertise helps buyers and sellers navigate regulatory, operational and property considerations.**
- **Access to qualified buyers can increase competition and support stronger outcomes.**
- **Effective preparation and positioning are often key drivers of value.**
- **We use market insight, buyer reach and transaction expertise to maximise value for education business owners.**
- **From valuation and pricing through to negotiation and completion, we help sellers reduce risk and achieve successful outcomes.**

Having an experienced adviser to coordinate the process and provide clear guidance can significantly reduce complexity and help maintain momentum.

We are proud to have an exceptionally knowledgeable, dedicated and experienced national team, with individuals who take great pride in supporting you from their first visit and appraisal, through the marketing and negotiation process, right to final completion – and remain available if you need further support in the future.

Employing an expert that you can trust to handle the process and liaise with buyers, solicitors, accountants, and potentially landlords on your behalf can take the stress away and leave you to focus on running your business.

Specialist advice can also deliver measurable financial benefits. Accurate pricing, robust buyer identification, effective negotiation and a well-managed process can all contribute to stronger outcomes. Equally importantly, sector expertise helps ensure that buyers understand the nuances of education businesses, increasing the likelihood of successful transactions and positive long-term outcomes for both sellers and future custodians.

Through deep knowledge of the market, the right adviser can maximise sale proceeds and get you the best outcome by identifying enhancement opportunities, managing the sale process professionally, and connecting you with the right buyers as future custodians for your business. ■

Recent Transactions, Valuations and Projects

2026 year-to-date activity illustrating the breadth of our work across the education sector

Much of the work undertaken by Christie & Co's Childcare & Education team is carried out on a highly confidential basis. Whether we are advising on the sale of a school, supporting a refinancing exercise, identifying acquisition opportunities, undertaking strategic valuations or assisting with succession planning, confidentiality is often paramount.

Unlike many sectors, educational transactions frequently involve sensitive stakeholder considerations, including pupils, parents, staff, commissioners, trustees, lenders and regulators. As a result, many transactions and advisory projects are never publicly announced, and details are often protected by confidentiality agreements or non-disclosure arrangements.

The case studies shown here provide a snapshot of the diverse range of projects our team has recently advised upon. Whilst certain details have been anonymised, they illustrate the breadth of our expertise across business sales, valuations, refinancing, strategic property advice and acquisition activity throughout the childcare and education sectors.

SALE OF INDEPENDENT SPECIALIST SCHOOL



Christie & Co was instructed to advise on the confidential sale of an established independent specialist school where the proprietor was seeking to retire after many years of successful ownership.

Operating from freehold premises, the school had built an excellent reputation with local commissioners and benefited from stable revenues, sustainable earnings and a proven track record of delivering positive outcomes. Through a carefully managed and confidential process, Christie & Co provided transactional advice, including a confidential marketing strategy, negotiation support and transaction management, facilitating a successful transfer of ownership whilst ensuring continuity of educational provision.

THE OUTDOORS GROUP ACQUIRES FORMER CHILDREN'S ACTIVITY CENTRE FOR SPECIALIST EDUCATION USE



Christie & Co advised on the sale of the former Bear Town children's activity centre in Devon, a substantial countryside property benefiting from a modern, high-specification building and extensive outdoor space.

Recognising the property's potential for SEND and AP use, the site was acquired by The Outdoors Group, a leading outdoor learning specialist operating multiple forest school, alternative education and training sites across the South West. The acquisition forms part of the group's continued expansion strategy and supports plans to establish an independent special school for children and young people with Social, Emotional and Mental Health (SEMH) needs,



SEND SCHOOL PORTFOLIO VALUATION FOR REFINANCING PURPOSES



Christie & Co was instructed by a major high street bank to undertake valuations of a portfolio of specialist SEND schools as part of a refinancing exercise.

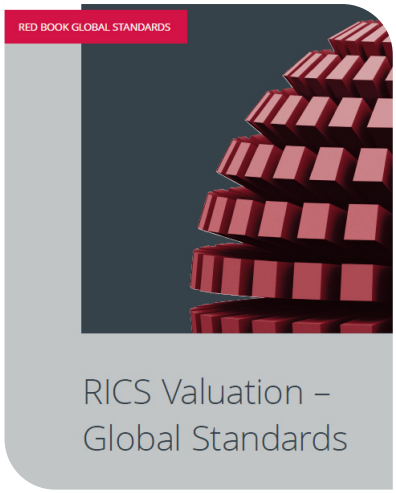
The instruction included operational therapeutic schools and a proposed new development, all focused on supporting children and young people with Education, Health and Care Plans (EHCPs). Our specialist education valuation team assessed the portfolio, which had a combined value approaching £20 million, assisting the lender with refinancing decisions and strategic planning.

EDUCATIONAL ESTATE VALUATION ON BEHALF OF A GOVERNMENT DEPARTMENT



Christie & Co was recently appointed undertake the valuation of a substantial educational estate for strategic asset management purposes. The instruction involved a multi-building educational campus extending to almost seven acres and comprising teaching accommodation, student residential facilities, administrative offices, sports and recreational facilities and extensive grounds. The project required detailed analysis of a diverse property portfolio and demonstrated our expertise in the valuation of complex educational assets held within the public sector.

INDEPENDENT SEND PROPERTY PORTFOLIO VALUATION



Christie & Co was instructed to undertake the valuation of a substantial independent school portfolio on behalf of a long-established educational institution.

The portfolio included teaching accommodation, boarding facilities, administrative buildings, staff housing and extensive sports facilities. Drawing upon comparable market evidence and specialist sector knowledge, our valuation team provided advice on assets with a combined value approaching £30 million. ■

The SEND Property Market in Focus

A Q&A with Alex Ringer, the Harkalm Group

Molly James (Business Agent – Childcare & Education, Christie & Co) recently spoke with Alex Ringer (Head of SEND, The Harkalm Group) about his views on the SEND market and expectations for the sector going forward.



CHRISTIE & CO



The Harkalm Group

MOLLY JAMES

Business Agent – Childcare & Education
Christie & Co

ALEX RINGER

Head of SEND,
The Harkalm Group

Q ***WHAT ARE YOUR VIEWS ON THE RECENT GOVERNMENT WHITE PAPER ON SEND REFORMS?***

A "The direction of travel is clear: more learners with SEND absorbed into mainstream settings, with independent special schools focused on higher acuity and more complex needs. Whether mainstream schools are genuinely equipped to deliver that is another matter entirely. My concern is a generation of SEND children falling into the middle, not complex enough to secure an independent placement, yet not well-served by a mainstream system that is still getting up to speed.

"A 165% rise in pupils placed in independent special schools since 2014 does not reverse overnight, and the property market reflects that; high-quality, purpose-fit assets will continue to transact well. Operators are already repositioning around fees and acuity of care, which I expect to accelerate.

"But the real test of these reforms is simple: do learners have stability, and do families have trust in the system, and most importantly, will it improve outcomes for children? I have yet to see the evidence that it will deliver any of these."

Q ***WHERE DO YOU SEE THE SEND MARKET IN FIVE YEARS?***

A "In five years, I see the independent special school market remaining fundamentally buoyant. Demand is structural, not cyclical. No amount of policy reform changes the reality that there will always be children whose needs require specialist provision that mainstream simply cannot replicate.

"The market will sharpen around operators who can demonstrate genuine specialism, excellent outcomes, and transparent cost structures. Those who can will thrive; those who cannot will struggle to secure placements as local authorities become more discerning commissioners.

"The fundamentals remain strong, and the need for outstanding operators delivering life-changing outcomes for young people with complex needs is not going away."



Q WHERE DOES THE HARKALM GROUP SEE ITSELF ADDING VALUE IN THIS SECTOR?

A "At Harkalm, we specialise in sourcing the best off-market opportunities for our operator partners. We will continue doing exactly that. But we also know that as the sector evolves, so will the property brief. Whether that means different spatial requirements, closer proximity to communities, or buildings better suited to higher acuity care, we will adapt to meet those needs as they emerge. Staying ahead of the curve is what we do.

"With over 80 educational transactions completed over the last five years and set allocated funds in 2026 to grow the portfolio, we have the firepower and the network to move decisively when the right opportunity presents itself. Our SEND operator partners benefit from that speed and certainty. In a sector where trust and deliverability matter above all else, having a landlord and property partner who delivers on their commitments is not a nice-to-have; it is fundamental."

Q WHAT WOULD YOU LIKE TO SEE HAPPEN IN THE SECTOR?

A "Above everything else, I want to see better outcomes for learners with SEND. That has to be the measure against which every policy decision, every reform, and every commissioning choice is judged; not cost savings, not placement numbers, but whether children are actually thriving, not just doing well enough.

"That requires genuine commitment from the Government. The sector has seen enough reviews and consultations. What it needs now is clarity, follow-through, and a willingness to invest in the long term rather than manage short-term pressures. Families and operators alike need to trust that the system is working for the children at its centre, not around them.

"More broadly, I want us to aim educationally higher as a country. Every child deserves school years that are fulfilling, nurturing and full of possibility, and that ambition should apply equally to children with complex needs. The independent special school sector, at its best, demonstrates what is possible when the right environment, the right people and the right resources come together. That standard should be the aspiration for the whole system." ■

2026 DIARY DATES: See You There?

Key education sector events for the remainder of 2026

From SEND reform and specialist provision to early years leadership and independent schools, the second half of 2026 features a busy programme of conferences, exhibitions and networking opportunities. Here are some of the key events still to come – our teams will be attending, so if you're going please do find us to say hello!

SEPTEMBER 2026

15 September 2026

NMT OWNERS CLUB
The Belfry, Solihull

23 September 2026

EDUCATION SUMMIT
Business Design Centre, London

24 September 2026

NURSERY WORLD EXCHANGE
The Old Swan Hotel, Harrogate

26 September 2026

NURSERY WORLD AWARDS
The Brewery, London

OCTOBER 2026

2 October 2026

CHRISTIE & CO VIP BREAKFAST SUMMIT
Coventry Building Society Arena, Coventry

2-3 October 2026

SEND IN EARLY YEARS CONFERENCE & CHILDCARE & EDUCATION EXPO
Coventry Building Society Arena, Coventry

6 October 2026

NATIONAL SPECIAL EDUCATIONAL NEEDS AND DISABILITIES (SEND) CONFERENCE 2026
15Hatfields, London

9 October 2026

SEND LEADERSHIP SUMMIT
Business Design Centre, London

10 October 2026

TES SEND SHOW
Business Design Centre, London

16 October 2026

NASEN CONFERENCE & AWARDS 2026
Vox Conference Centre, Resorts World Birmingham

NOVEMBER 2026

7 November 2026

NMT NATIONAL NURSERY AWARDS
Park Plaza Westminster Bridge, London

10 November 2026

NMT OWNERS CLUB
Norton Park, Winchester

11-12 November 2026

NASS ANNUAL CONFERENCE & AWARDS
Chesford Grange, Warwick

18-19 November 2026

SEND CONFERENCE AT THE SCHOOLS & ACADEMIES SHOW
NEC Birmingham

21 November 2026

NMT SCOTTISH AWARDS
Marriott Hotel, Glasgow

CHRISTIE & CO






schools and nurseries
We're Childcare & Education specialists providing transactional, valuation and consultancy services across business property markets.
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Christie & Co:
About our Childcare & Education Team

Dedicated specialists helping education businesses grow, adapt and thrive

Our award-winning Childcare & Education team is widely recognised as the UK's leading advisers, providing a range of services from brokerage (landlord and tenant) to valuation and consultancy across the day nursery, specialist childcare, children's social care, and education sectors.

Whether you're looking to buy or sell your business, our specialist brokerage team is equipped with in-depth knowledge and expertise to provide professional, accurate advice and help you achieve your business goals.

Our childcare valuations and consultancy specialists are known across the industry for providing bespoke, innovative, and high-quality advice to our clients.









Christie & Co:
Our Services

Trusted advice throughout the lifecycle of your education business

Christie & Co is widely recognised as the UK's leading Childcare & Education business property expert. We offer a full range of professional services to clients selling, buying, valuing, or raising finance in the sector, including:



BROKERAGE

- Sales and acquisitions
- Capital markets/investments
- Sale and leaseback



LANDLORD & TENANT

- Lease renewals
- Rent Reviews
- Expert Witness



CONSULTANCY & ADVISORY

- Lease and advisory services
- Commercial due diligence
- Feasibility and performance benchmarking
- Holistic planning needs assessment
- Research



CHRISTIE FINANCE

- Finance raising for acquisition, refinance, unsecured, and asset finance
- Corporate debt advisory



VALUATION SERVICES

- RICS-accredited valuations for loan security
- Expert witness



CHRISTIE INSURANCE

- Business & life insurance and employee benefits

Contact Us

Nationwide reach, local knowledge and support when you need it most.

BROKERAGE



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