



Education Reform Act 1988

1988 CHAPTER 40

PART II

HIGHER AND FURTHER EDUCATION

CHAPTER III

FINANCE AND GOVERNMENT OF LOCALLY FUNDED FURTHER AND HIGHER EDUCATION

Miscellaneous and supplementary

154 New further and higher education institutions

- (1) This section applies to any institution proposed to be established which in the financial year in which it is established will be required to be covered by a scheme.
- (2) The Secretary of State may by regulations make provision—
 - (a) with respect to the government of institutions to which this section applies including in particular provision—
 - (i) requiring the constitution of temporary governing bodies for such institutions pending the constitution of their governing bodies; and
 - (ii) with respect to the size and composition of such temporary governing bodies;
 - (b) applying any of the provisions of this Chapter (including any provision made under section 146) in relation to institutions to which this section applies which have temporary governing bodies constituted in pursuance of any provision made in the regulations by virtue of paragraph (a) above, subject to such modifications as the Secretary of State may think fit.
- (3) Regulations under subsection (2)(b) above may in particular include provision—
 - (a) requiring schemes to cover institutions to which this section applies;

- (b) requiring schemes to provide for the delegation to their respective temporary governing bodies of the management of the budget shares of any such institutions which by virtue of any regulations made under paragraph (a) above are required to be covered by the schemes;
 - (c) authorising the governing bodies of such institutions—
 - (i) to determine what staff (both full-time and part-time) are or will be required for the purposes of such institutions, and to select all such staff for appointment by the local education authority; and
 - (ii) to take such steps with respect to any other matters referred to in section 148 of this Act as may be appropriate in preparation for the conduct of such institutions following their establishment; and
 - (d) prohibiting local education authorities from taking any such steps as are referred to in paragraph (c)(i) or (ii) above which governing bodies are so authorised to take.
- (4) Regulations under this section may provide that any scheme shall have effect with such modifications as appear to the Secretary of State to be appropriate in consequence of any provision made in those regulations by virtue of subsection (2) or (3) above.

155 Interpretation of Chapter III and supplementary provisions

- (1) In this Chapter—
- (a) references to a scheme are references—
 - (i) to a scheme made by a local education authority under section 139 of this Act; and
 - (ii) in a context referring to a particular local education authority, to a scheme so made by that authority;
 - (b) references to an institution's budget share for any financial year—
 - (i) shall be read in accordance with subsection (2)(a) of that section; and
 - (ii) include references to that share as from time to time revised in accordance with the scheme under which it is determined;
 - (c) references to an institution in respect of which financial delegation is required for any financial year shall be read in accordance with subsection (5)(a) of that section;
 - (d) references to an institution which has a delegated budget shall be read in accordance with subsection (5)(b) of that section;
 - (e) any reference to the delegation by a local education authority to the governing body of any institution of the management of the institution's budget share for any financial year shall be read in accordance with subsection (5)(c) of that section, in any case where the institution is an institution assisted by a local education authority; and
 - (f) references to the further and higher education budget of a local education authority for any financial year are references to the amount appropriated by the authority for meeting expenditure in that year for the purposes of the exercise of their further or higher education functions.
- (2) References in this Chapter to the delegation requirement under any scheme shall be read in accordance with section 144(3).

- (3) It shall be for the Secretary of State to determine any question arising under a scheme as to whether an institution required to be covered by the scheme is within the delegation requirement under the scheme.