



# Education Reform Act 1988

## 1988 CHAPTER 40

### PART II

#### HIGHER AND FURTHER EDUCATION

#### CHAPTER II

##### REORGANISATION OF PROVISION AND FUNDING OF HIGHER EDUCATION

##### *New arrangements for funding higher education*

### 133 Payments<sup>F1</sup>...in respect of persons employed in the provision of higher or further education.

<sup>F2</sup>(1) [<sup>F3</sup>The Office for Students and the Higher Education Funding Council for Wales each] have power to make payments, subject to such terms and conditions as [<sup>F4</sup>they] think fit, to—

- (a) any [<sup>F5</sup>local authority] in their area;
- (b) the London Residuary Body;
- (c) the London Pensions Fund Authority; and
- (d) the governing body of any institution designated under section 129 of this Act, as originally enacted;

in respect of relevant expenditure incurred or to be incurred by that authority or body of any class or description prescribed for the purposes of this section.]

(2) In subsection (1) above “relevant expenditure” means—

- (a) in relation to a [<sup>F5</sup>local authority][<sup>F6</sup>the London Residuary Body or the London Pensions Fund Authority], expenditure in making payments to or in respect of persons employed or formerly employed at an institution which provides or (in the case of an institution which has ceased to exist since the employment in question came to an end) formerly provided higher education or further education (or both); and

---

**Changes to legislation:** *Education Reform Act 1988, Section 133 is up to date with all changes known to be in force on or before 14 March 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*

---

- (b) in relation to the governing body of any institution so designated, expenditure in making payments to or in respect of persons employed or formerly employed at the institution.
- (3) The reference in subsection (2)(a) above to higher education or further education (or both) shall be read, in the case of an institution which ceased to exist before the date on which section 120 of this Act comes into force, as a reference to further education within the meaning of section 41 of the 1944 Act as that section had effect immediately before that date [<sup>F7</sup>and in any other case the reference to further education shall be read as a reference to further education within the meaning of section 41 of the 1944 Act as that section had effect on that date].
- (4) Each of the following, that is to say—
- (a) a [<sup>F5</sup>local authority];
  - <sup>F8</sup>(aa) the London Residuary Body;
  - <sup>F8</sup>(ab) the London Pensions Fund Authority; and]
  - (b) the governing body of any institution so designated;
- shall give the Council such information as the Council may require for the purposes of the exercise of their power under subsection (1) above.

#### Textual Amendments

- F1** Words in s. 133 heading omitted (1.4.2018) by virtue of [Higher Education and Research Act 2017 \(c. 29\)](#), s. 124(5), [Sch. 11 para. 10\(2\)](#); S.I. 2018/241, reg. 2(s)
- F2** S. 133(1) substituted (1. 4. 1993) by [Further and Higher Education Act 1992 \(c. 13\)](#), s. 67(1); S.I. 1992/831, art. 2, [Sch.3](#).
- F3** Words in s. 133(1) substituted (1.4.2018) by [Higher Education and Research Act 2017 \(c. 29\)](#), s. 124(5), [Sch. 11 para. 10\(3\)\(a\)](#); S.I. 2018/241, reg. 2(s)
- F4** Word in s. 133(1) substituted (1.4.2018) by [Higher Education and Research Act 2017 \(c. 29\)](#), s. 124(5), [Sch. 11 para. 10\(3\)\(b\)](#); S.I. 2018/241, reg. 2(s)
- F5** Words in Act substituted (5.5.2010) by [The Local Education Authorities and Children's Services Authorities \(Integration of Functions\) Order 2010 \(S.I. 2010/1158\)](#), [Sch. 2 para. 4\(2\)](#)
- F6** Words in s. 133(2)(a) inserted (6. 5. 1992) by [Further and Higher Education Act 1992 \(c. 13\)](#), s. 67(2); S.I. 1992/831, art. 2, [Sch. 1](#).
- F7** Words in s. 133(3) added (6. 5. 1992) by [Further and Higher Education Act 1992 \(c. 13\)](#), s. 67(3); S.I. 1992/831, art. 2, [Sch. 1](#).
- F8** S. 133(4)(aa)(ab) inserted (6. 5. 1992) by [Further and Higher Education Act 1992 \(c. 13\)](#), s. 67(4); S.I. 1992/831, art. 2, [Sch. 1](#).

#### Modifications etc. (not altering text)

- C1** S. 133 amended (*retrospectively*) (6. 5. 1992) by [Further and Higher Education Act 1992 \(c. 13\)](#), s. 67(5); S.I. 1992/831, art. 2, [Sch. 1](#).  
 S. 133 modified (1.4.1993) by S.I. 1993/563, art. 2(b)(i), [Sch.1](#)

**Changes to legislation:**

Education Reform Act 1988, Section 133 is up to date with all changes known to be in force on or before 14 March 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 :**

- s. 133(1) word substituted by [2022 asc 1 Sch. 4 para. 5\(5\)\(a\)](#)
- s. 133(1) words substituted by [2022 asc 1 Sch. 4 para. 5\(5\)\(b\)](#)
- s. 133(1)(a) word substituted by [2022 asc 1 Sch. 4 para. 5\(5\)\(c\)](#)

**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. 120(4A) inserted by [2022 asc 1 Sch. 4 para. 5\(2\)](#)
- s. 124A(9A)(9B) inserted by [2022 asc 1 s. 137\(3\)](#)
- s. 125(8)(9) inserted by [2022 asc 1 s. 138\(2\)](#)
- s. 128(1)(b)(iib) omitted by [2011 c. 21 Sch. 16 para. 8](#)
- s. 128(1)(b)(iia) omitted by [2015 c. 20 Sch. 14 para. 35](#)
- s. 128(1A)-(1C) inserted by [2022 asc 1 s. 139\(3\)](#)
- s. 128(7)-(10) inserted by [2022 asc 1 s. 139\(6\)](#)
- s. 232(4ZA)-(4ZC) inserted by [2022 asc 1 s. 138\(3\)\(b\)](#)