



Education Reform Act 1988

1988 CHAPTER 40

PART III

EDUCATION IN INNER LONDON

Staff

173 Compensation for loss of employment or loss or diminution of emoluments.

- (1) This section applies to any person who suffers loss of employment or loss or diminution of emoluments which—
 - (a) is attributable to any provision made by or under this Part; and
 - (b) occurs in the circumstances mentioned in subsection (2) below.
- (2) Those circumstances are—
 - (a) in the case of loss of employment, the employment in question is employment with ILEA or the London Residuary Body and the loss is suffered on or after the abolition date; and
 - (b) in the case of loss or diminution of emoluments, the loss or diminution arises from the termination of the employment of the person concerned with ILEA or that Body and is suffered on or after such date as may be specified in regulations made for the purposes of this section under section 24 of the ^{M1}Superannuation Act 1972 (“compensation regulations”).
- (3) Compensation in respect of any such loss or diminution suffered by a person to whom this section applies shall, subject to subsection (4) below, be paid only in accordance with compensation regulations; and accordingly neither ILEA nor the London Residuary Body shall pay any such compensation under any other statutory provision, by virtue of any provision in a contract or otherwise.
- (4) Subsection (3) above shall not preclude the making of any payment to which a person is entitled by virtue of contractual rights acquired by him before 21st November 1987.

Changes to legislation: Education Reform Act 1988, Section 173 is up to date with all changes known to be in force on or before 26 August 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](#)

- (5) Compensation regulations shall not provide compensation for a person to whom this section applies in respect of any such loss or diminution as is mentioned in subsection (1) above so far as attributable to the termination on or before the abolition date of a contract made after 17th February 1988 which provides for the employment of that person for a fixed term extending beyond the abolition date.

^{F1}(6)

- (7) ^{F2}... , nothing in this section shall be construed as affecting any entitlement to ^{F2}... any payment by virtue of any provision of the Act of 1972 mentioned above other than section 24.

Textual Amendments

F1 S. 173(6) repealed (22.8.1996) by [1996 c. 18](#), ss. 242, 243, [Sch. 3 Pt.I](#) (with ss. 191-195, 202).

F2 Words in s. 173(7) repealed (22.8.1996) by [1996 c. 18](#), ss. 242, 243, [Sch. 3 Pt.I](#) (with ss. 191-195, 202).

Marginal Citations

M1 [1972 c. 11](#).

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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. 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\(3\)\(b\)](#)