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STATUTORY INSTRUMENTS

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**1994 No. 3104**

**LONDON GOVERNMENT**

**The London Residuary Body (Pits at Stone) Order 1994**

*Made* - - - - - *6th December 1994*  
*Laid before Parliament* *9th December 1994*  
*Coming into force* - - *31st December 1994*

Whereas the London Residuary Body, acting pursuant to section 67(1)(a) of the Local Government Act 1985<sup>(1)</sup>, has submitted proposals to the Secretary of State for the transfer of certain property, functions, rights and liabilities:

And whereas the Secretary of State has decided to give effect to these proposals with modifications:

Now, therefore, the Secretary of State, in exercise of the powers conferred on him by sections 67(3), 100(2) and (4) and 101 of that Act, and of all other powers enabling him in that behalf, hereby makes the following Order:

**Citation, commencement and interpretation**

1.—(1) This Order may be cited as the London Residuary Body (Pits at Stone) Order 1994 and shall come into force on 31st December 1994.

(2) In this Order—

“Bexley” means the council of the London Borough of Bexley;

“the Common Council” means the Common Council of the City of London in their capacity as a local authority;

“local council” means the council of a London borough;

“the Residuary Body” means the London Residuary Body;

“the total sum” has the meaning given by article 3(2); and

“the transfer date” means 3rd January 1995.

(3) In this Order a reference to “relevant expenditure” is a reference to—

(a) expenditure incurred in consequence of the provisions of this Order, including expenditure incurred before the transfer date in preparation for the transfer to Bexley of the rights and liabilities transferred to it by this Order, and

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(1) 1985 c. 51.

(b) a sum representing interest on the relevant amount, calculated on a day to day basis, at the average rate.

(4) For the purposes of paragraph (3) the relevant amount is the excess (if any) on any day of the sum of—

- (a) any relevant expenditure referred to in paragraph (3)(a) incurred on or before that day, and
- (b) any distribution under article 4(3) made on or before that day,

over the sum of—

- (a) the total sum on that day, and
- (b) any sum recovered under article 4(4) on or before that day.

(5) For the purposes of paragraph (3) and articles 3(3) and 4(7) the average rate over any period is the average of the 7 day London Interbank Offer Rates (as published daily in the Financial Times) having effect during that period.

### **Transfer of property**

2. On the transfer date all rights and liabilities of the Residuary Body in respect of Pits 9, 9A and 10, London Road, Stone, Kent, shall vest in Bexley.

### **Transfer of Greater London monies**

3.—(1) On the transfer date the Residuary Body shall transfer to Bexley from balances held on its Greater London revenue account the sum of £500,000 (“the principal”).

(2) The principal and the sum representing interest calculated as described in paragraph (3) (“the total sum”) and any sum recovered under article 4(4) shall be applied by Bexley only to defray relevant expenditure.

(3) The sum representing interest shall be calculated on a day to day basis from the transfer date on an amount equal to the sum of—

- (a) the principal remaining on any day after deduction of—
  - (i) any relevant expenditure incurred before that day, and
  - (ii) any distribution under article 4(3) made before that day;
- (b) any interest compounded under this paragraph before that day;
- (c) any sum recovered under article 4(4) on or before that day;

at the average rate, and compounded on 1st April, 1st July, 1st October and 1st January in each financial year.

### **Apportionment of total sum and of expenditure of Bexley**

4.—(1) In this article—

“the balance” means the total sum on the date of calculation less—

- (a) any relevant expenditure incurred on or before that date, and
- (b) any distribution under paragraph (3) made on or before that date;

“the date of calculation” means the date on which Bexley make the calculation required by paragraph (2);

“the difference” means the difference between the balance and the sum of the estimate and £200,000; and

“the estimate” means Bexley’s estimate of the relevant expenditure likely to be incurred over the five years following the date of calculation.

(2) Within five years of the transfer date and at intervals of not more than five years thereafter, reckoning from the first date of calculation, Bexley shall calculate whether and by how much the balance exceeds the estimate.

(3) If at the date of calculation the balance exceeds the estimate by at least £200,000 Bexley shall distribute the difference in the appropriate proportions among the local councils and the Common Council.

(4) If in any financial year the balance is insufficient to meet any relevant expenditure of Bexley for that year that expenditure shall, to the extent that it is not met from that sum, be shared in appropriate proportions among the local councils and the Common Council; and the share attributable to each of the other local councils and the Common Council shall be recoverable by Bexley.

(5) Recovery of the appropriate proportion referred to in paragraph (4) may be effected at any time whether or not that proportion has been included in any estimate given under paragraph (6).

(6) Bexley shall—

- (a) by 31st January 1995 give to each local council and the Common Council its best estimate of the sum, if any, to be recovered by it from them under paragraph (4) in the financial year beginning on 1st April 1994, and
- (b) by 15th February in each financial year, commencing with the year beginning on 1st April 1994, give to each local council and the Common Council its best estimate of the sum, if any, to be so recovered in the next financial year.

(7) Where expenditure is to be recovered by Bexley under paragraph (4) a demand setting out the amount payable by that Council shall be served on each local council and the Common Council, and if that sum has not been paid within 28 days, or such longer period as may be specified by Bexley, of service of the demand, interest shall be payable thereon calculated at the average rate on a day to day basis from that date to the date of payment and compounded with 3 monthly rests.

(8) As soon as reasonably practicable after the end of each financial year Bexley shall send to each of the other local councils and the Common Council a statement showing—

- (a) the total relevant expenditure incurred by it under this Order in that financial year;
- (b) how that expenditure was financed; and
- (c) the total of the amounts recovered from each local council and the Common Council and any amounts yet to be recovered from any of those bodies.

(9) For the purposes of this article the appropriate proportion in relation to any council in any financial year is the proportion which the council tax base of that council for that financial year bears to the council tax base of all the local councils and the Common Council for that financial year.

(10) For the purposes of this article the council tax base of any council for a financial year is the amount calculated by that council as its council tax base for the year in accordance with the rules for the time being effective (as regards that year) under regulations made under section 33(5) of the Local Government Finance Act 1992(2).

(11) Subject to paragraph (12), a local council and the Common Council shall—

- (a) by 15th January 1995 inform Bexley of its council tax base, determined in accordance with paragraph (10), for its area for the financial year beginning on 1st April 1994, and

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*Status: This is the original version (as it was originally made). This item of legislation is currently only available in its original format.*

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(b) by 31st January in each financial year, commencing with the financial year beginning on 1st April 1994, inform Bexley of its council tax base, determined in accordance with paragraph (10), for its area for the next financial year.

(12) In any financial year neither a local council nor the Common Council need inform Bexley of its council tax base if the local councils and the Common Council have been informed by Bexley (by 8th January 1995 in the financial year beginning on 1st April 1994 and by 31st December in any other financial year) that Bexley does not consider it will need to recover any expenditure from, or make any distribution of the difference to, the local councils and the Common Council in the following financial year.

Signed by authority of the Secretary of State

Department of the Environment  
6th December 1994

*David Curry*  
Minister of Local Government, Housing and  
Urban Regeneration,

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## EXPLANATORY NOTE

*(This note is not part of the Order)*

This Order gives effect, with modifications, to a scheme submitted by the London Residuary Body for the transfer of certain rights and liabilities.

Article 2 provides for the transfer of rights and liabilities in respect of Pits 9, 9A and 10, London Road, Stone, Kent, to the council of the London Borough of Bexley (“Bexley”).

Article 3 makes provision for the sum of £500,000 to be transferred to Bexley to enable it to meet any expenditure incurred in consequence of the provisions of the Order.

Article 4 makes provision for the apportionment by Bexley of surplus monies and of expenditure which cannot be met from the monies.