



CHAPTER xxvi

An Act to consolidate the provisions of the London County Council (Finance Consolidation) Act 1912 and subsequent enactments with respect to the raising of money for expenditure on capital account and the lending of money by the London County Council to other persons. [22nd November 1955.]

WHEREAS provisions regulating the borrowing and lending of money by the London County Council (hereinafter in this Act referred to as "the Council") and various other financial provisions are at present contained in the London County Council (Finance Consolidation) Act 1912 and in subsequent Acts amending or extending that Act:

And whereas it is expedient that the provisions aforesaid should be consolidated and that the borrowing and lending of money by the Council whether under this Act or otherwise should be regulated by this Act and any Acts which may be passed in the present or any future session of Parliament relating to the borrowing or lending of money by the Council:

And whereas the purposes of this Act cannot be effected without the authority of Parliament:

May it therefore please Your Majesty that it may be enacted and be it enacted by the Queen's most Excellent Majesty by and with the advice and consent of the Lords Spiritual and Temporal and Commons in this present Parliament assembled and by the authority of the same as follows (that is to say):—

PART I

PRELIMINARY

1.—(1) This Act may be cited as the London County Council (Loans) Act 1955. Short title and date of commencement.

(2) This Act shall come into operation on the first day of April nineteen hundred and fifty-six.

PART I
—cont.
Act divided
into Parts.

2. This Act is divided into Parts as follows:—

Part I.—Preliminary.

Part II.—Capital expenditure and loans by Council.

Part III.—Borrowing by Council.

Part IV.—Issue of securities.

Part V.—Loans fund.

Part VI.—Registration transfer and redemption of securities
and payment of dividends.

Part VII.—General.

Interpretation.

3.—(1) In this Act except as otherwise expressly provided or unless the subject or context otherwise requires—

“annual money Act” means any Act (whether passed before or after the commencement of this Act) for regulating the expenditure of the Council on capital account or the lending of money by the Council during a financial period ;

“the bank” means the Bank of England ;

“the Council” means the London County Council ;

“the county” means the administrative county of London ;

“dividends” includes interest ;

“financial period” means a period consisting of a financial year and the following six months and when used in relation to a financial year or the following six months means the financial period comprising the financial year or the following six months in question ;

“financial year” means the period of twelve months ending on the thirty-first day of March in any year ;

“the following six months” means the period of six months next after the ending of a financial year ;

“the Minister” means the Minister of Housing and Local Government ;

“property of the Council” means any lands rents and property belonging to the Council ;

“register” means a register of securities of the Council and security holders required to be kept under this Act and in relation to any particular class of securities means the register of that class so required to be kept ;

“registrar” means—

(a) in the case of securities of the Council the register relating to which is kept at the bank the bank ; and

(b) in the case of any other securities of the Council such officer of the Council as the Council may from time to time designate for the purpose ;

“revenues of the Council” includes the county fund and all rates Exchequer contributions and other revenues (whether arising from land or undertakings or from any other source) receivable by the Council;

PART I
—cont.

“securities of the Council” means any stocks mortgages bonds annuities bills or other securities created or issued by the Council whether under this Act or under any other enactment;

“statutory security” means any security (whether or not a security of the Council) in which trustees are for the time being authorised by law to invest trust money and any mortgage bond debenture debenture stock stock or other security created or issued by a local authority other than an annuity a rentcharge or a security transferable by delivery;

“stock” means stock issued by the Council.

(2) Any reference in this Act to any enactment shall be construed as a reference to that enactment as applied amended or extended by any subsequent enactment.

PART II

CAPITAL EXPENDITURE AND LOANS BY COUNCIL

4.—(1) During any financial period the Council may expend on capital account for such purposes as may be mentioned in the annual money Act relating to that financial period such sums as the Council think fit not exceeding the amounts specified in the said Act in relation to those purposes for the financial year and the following six months respectively. Capital expenditure of Council.

(2) In addition to any other money which the Council are authorised by an annual money Act to expend for any purpose in the following six months comprised in a financial period the Council may also expend for that purpose in the said following six months any money which they are by that Act authorised to expend but have not expended for that purpose in the financial year comprised in that financial period.

(3) Any money expended in the following six months comprised in a financial period shall be treated as expenditure on account of the financial year next after the financial year comprised in that financial period.

5.—(1) Subject to and in accordance with the provisions of this section the Council may during any financial period lend money to—

(a) a metropolitan borough council;

PART II
—cont.

- (b) any other corporation or public body having power to levy or to issue a precept for a rate within the county or to make any charge on a rate leviable within the county or to take or charge within the county any due or imposition in the nature of a rate ;
- (c) the governors or managers of an educational institution including a special or approved school ;
- (d) the committee of a school treatment centre ;
- (e) the governors or committee of a voluntary hostel home or other establishment ;
- (f) any person desirous of borrowing money under and for the purposes of the Small Dwellings Acquisition Acts 1899 to 1923 or the Housing Acts 1936 to 1952 ; and
- (g) any other person specified in the annual money Act relating to the financial period.

(2) Loans made under this section during a financial period shall be of such amounts as the Council think fit but shall not exceed in the financial year and in the following six months respectively the amounts specified in the annual money Act relating to that financial period.

(3) In addition to any other money which the Council are authorised by an annual money Act to lend to any class of persons in the following six months comprised in a financial period the Council may also lend to any persons of that class in the said following six months any money which the Council are by that Act authorised to lend but have not lent to that class of persons in the financial year comprised in that financial period.

(4) A loan made under this section during the following six months comprised in a financial period shall be treated as a loan made on account of the financial year next after the financial year comprised in that financial period.

(5) Subject to the provisions of any enactment relating to the borrowing powers of the person concerned any person shall have power to borrow from the Council any money which the Council are by virtue of the foregoing provisions of this section authorised to lend to that person.

(6) Money lent under this section shall be repaid to the Council with interest within such period as the borrowers (with the consent of the Minister where his consent is necessary to the borrowing) and the Council agree but the period shall not exceed—

- (a) in the case of money lent to persons borrowing under the Small Dwellings Acquisition Acts 1899 to 1923 or the Housing Acts 1936 to 1952 eighty years ;
- (b) in any other case sixty years.

(7) Money lent under this section may be made repayable either in one sum or by instalments or by a series of equal annual or other instalments comprising both principal and interest or otherwise as may be agreed between the Council and the borrowers.

PART II
—cont.

(8) Where the Council lend money to a person whose power to borrow is subject to the consent of the Minister the consent of the Minister to the borrowing of the money shall be conclusive evidence that that person had power to borrow the money at the time when the consent was given.

6.—(1) The Council may lend money for a period not exceeding twelve months to any person on the security of—

Temporary
loans.

(a) any stock bonds bills or other property in which trustees are by law authorised to invest trust money or a certificate to bearer relating to any such stock; or

(b) Treasury bills or London County bills; or

(c) bills or bonds payable or guaranteed by the Treasury or the Metropolitan Water Board or secured upon the revenues of or local rates leviable by any local authority in the United Kingdom authorised to issue bills or bonds and in the securities of which trustees are by law authorised to invest; or

(d) any securities transferable by delivery issued or guaranteed by any colonial government in the securities of which trustees are by law authorised to invest.

(2) The aggregate amount of money lent under this section which is outstanding at any one time shall not exceed two million pounds.

(3) The Council shall determine the percentage by which the value of the securities on which a loan is to be made under this section shall exceed the amount of the loan.

7. Where application for a loan under this Act is made to the Council by any body of persons the Council may as a condition precedent to lending the money and to the payment from time to time of any money as part of the loan require the body by whom the application was made to make and deliver to the Council such returns respecting its financial position as the Council think fit.

Making of
returns by
borrowers.

8.—(1) In and for the purposes of this section “authorised purpose” means the expenditure of money on capital account for any purpose mentioned in the schedule to an annual money Act or the lending of money to persons of any class specified in that schedule.

Surplus or
insufficiency of
sums
authorised to
be expended
or lent.

(2) If the whole of the amount authorised by an annual money Act to be expended or lent for any authorised purpose

PART II
—cont.

either in the financial year or in the following six months comprised in the financial period to which that Act relates is not required to be expended or lent for that purpose the Council may with the approval of the Treasury expend or lend for any other authorised purpose (in addition to the amount specified in that Act in relation to that other authorised purpose) an amount not exceeding the sum by which the amount specified in the said Act in relation to the first-mentioned authorised purpose exceeds the amount required to be spent or lent for that purpose in the said financial year or in the said following six months as the case may be.

(3) (a) If by reason of unforeseen circumstances the amount authorised by an annual money Act to be expended or lent for any authorised purpose either in the financial year or in the following six months comprised in the financial period to which that Act relates is found to be insufficient the Treasury may on the application of the Council authorise the Council to expend or lend for that purpose such further sums as are shown to the satisfaction of the Treasury to be necessary or desirable so to expend or lend:

Provided that the aggregate of the sums so authorised in the financial year or in the following six months (as the case may be) shall not exceed such amount as may be specified in that behalf in the said annual money Act.

(b) The Treasury in giving any authorisation under this subsection in respect of any expenditure shall fix the periods within which provision is to be made for the repayment of sums expended under the authorisation.

(4) In ascertaining for the purposes of subsection (2) of section 4 (Capital expenditure of Council) or of subsection (3) of section 5 (Loans by Council) of this Act the amount which may be expended or lent for any authorised purpose in the following six months comprised in a financial period there shall be taken into account the extent (if any) to which the sum authorised to be expended or lent for that purpose in the financial year comprised in that financial period has been expended or lent for any other authorised purpose under subsection (2) of this section.

(5) The provisions of subsections (6) to (8) of section 5 (Loans by Council) of this Act shall apply to loans made under this section.

Emergency
expenditure or
lending.

9.—(1) Notwithstanding anything in this or any other enactment and in addition to the amounts specified in any annual money Act the Council may—

(a) expend on capital account for any purpose arising out of war damage or in connection with measures rendered

necessary or expedient by the existence of a state of war ;

(b) lend to a metropolitan borough council for expenditure for any such purpose ;

such sums as the Treasury may approve as being necessary or desirable in connection with any statutory power or duty conferred or imposed on the Council or such metropolitan borough council.

(2) In this section—

“ enactment ” includes any regulation order rule or byelaw having the force of an enactment ;

“ war damage ” means damage caused by or in repelling enemy action or by measures taken to avoid the spreading of the consequences of damage caused by or in repelling enemy action.

10. The Council shall cause every Bill for an annual money Act to be accompanied by tables—

Annual money Bills to be accompanied by tables.

(i) giving such information as the Treasury may require—

(a) for the purpose of enabling a comparison to be made between the amount produced by a rate of one penny in the pound in the county and the liabilities of the Council ; and

(b) as to the amount of the balance of the loans fund not employed under the provisions of section 14 (Use of money in loans fund) of this Act ;

(ii) containing particulars of any authorisation given in the financial year preceding the financial period to which the Bill relates by the Treasury under section 8 (Surplus or insufficiency of sums authorised to be expended or lent) of this Act and of the extent to which the Council have availed themselves of that authorisation.

PART III

BORROWING BY COUNCIL

11. The Council may borrow money in accordance with the provisions of this Act and of any annual money Act for the purpose of any expenditure on capital account or lending authorised or regulated by this Act or any annual money Act and for any other purpose for which the Council are authorised to borrow.

Power of Council to borrow money.

12.—(1) Subject to the provisions of this Act any money which the Council are authorised to borrow may be raised by means of—

Methods of borrowing.

(a) stock ; or

(b) mortgages ; or

PART III
—cont.

- (c) terminable annuities (to be called “London County annuities” and in this Act so referred to); or
- (d) bills (to be called “London County bills” and in this Act so referred to).

(2) The foregoing provisions of this section shall not derogate from any powers of the Council to borrow in accordance with the provisions of the Public Authorities and Bodies (Loans) Act 1916 or section 122 of the Housing Act 1936.

Temporary borrowing.

13. The Council may borrow temporarily in any manner they think fit any sums which they may require—

- (i) for the purpose of defraying expenses pending the receipt of revenues receivable by the Council in respect of the financial year in which those expenses are chargeable and taken into account in the estimates made by the Council for that year;
- (ii) for the purpose of defraying pending the raising of a loan which the Council are authorised to raise expenses intended to be defrayed by means of such loan.

Use of money in loans fund.

14. Where the Council have power to borrow they may instead of raising the money or any part thereof by the creation and issue of any new security of the Council use any money for the time being standing to the capital account of the loans fund and for that purpose may realise any securities in which any such money is for the time being invested.

Use of certain funds for borrowing.

15.—(1) Notwithstanding anything contained in any other enactment where the Council have power to borrow they may (subject to the conditions hereinafter mentioned) instead of raising the money or any part thereof by any other of the modes authorised by this Act use for the purpose any money forming part of but not for the time being required for the purposes of—

- (a) any superannuation fund or insurance fund established by the Council; or
- (b) any fund for the time being accumulated by the Council as a reserve or for depreciation; or
- (c) any other similar fund;

and for that purpose may realise any securities in which money forming part of such a fund is for the time being invested.

(2) Any fund the money forming part of which may be used as aforesaid is in this section referred to as “the lending fund”.

(3) Subject to the provisions of this Act the conditions hereinbefore in this section referred to are the following:—

- (a) Money used under this section or the balance thereof for the time being outstanding (as the case may be)

shall be repaid out of the loans fund to the lending fund as and when required for the purposes of the lending fund and may if the Council so resolve be repaid at any earlier time but nothing in this paragraph shall affect any provision relating to the period within which the Council are required by this Act to make provision for the repayment of money borrowed for the purpose of expenditure on capital account ;

PART III
—cont.

(b) Interest shall be paid out of the loans fund to the lending fund on any money so used and for the time being not repaid to the lending fund at such rate per centum per annum as may be determined by the Council ;

(c) The Council shall in each financial year provide out of the revenues of the Council and carry to the loans fund the sum required for the payment of such interest as aforesaid to the lending fund in that financial year.

16.—(1) All securities of the Council and the dividends thereon and the sums required for the redemption or extinction thereof shall be charged indifferently on the whole of the revenues and property of the Council and (subject and without prejudice to any such prior charge as is referred to in section 46 (Charges upon property of Council) of this Act) shall be a first charge on such revenues and property.

Security for borrowing and priority of securities.

(2) All securities of the Council shall rank equally without any priority or preference by reason of the prior creation of the security or otherwise.

17. Provision shall be made for the repayment of any money borrowed by the Council for the purpose of any expenditure on capital account within such period as the Council with the approval of the Treasury may determine but the period shall not exceed—

Period for repayment of moneys borrowed.

(a) in the case of expenditure for the purposes of allotments or smallholdings or for the purposes of the Housing Acts 1936 to 1952 eighty years ; and

(b) in any other case sixty years.

PART IV

ISSUE OF SECURITIES

Stock

18.—(1) Stock shall be of such denomination and shall be issued in such manner on such terms as to price and otherwise with such dividends and subject to such conditions as the Council at the time of the creation thereof determine.

Creation of stock.

PART IV
—cont.

(2) The dividends on stock shall be paid on such dates as may be fixed by the Council.

Classes of
stock.

19.—(1) Stock shall be either—

- (a) stock which the Council are bound to redeem at par at such date and on such conditions as the Council fix at the time of the creation of the stock ; or
- (b) stock which before the issue thereof the Council determine that they shall not be bound to redeem at any fixed date.

(2) Stock which the Council are bound to redeem at a fixed date may at the option of the Council be redeemed before that date if the Council at the time of the creation of the stock so determine.

(3) Stock which the Council are not bound to redeem at any fixed date shall be redeemable by and at the option of the Council at par and in such sums and proportions and in such order and manner (whether by drawings or otherwise) as the Council from time to time determine subject however to any terms and conditions expressed in any resolution for the creation or issue of the stock.

(4) Any prospectus issued by the Council inviting tenders or subscriptions for stock which the Council are not bound to redeem at any fixed date shall state—

- (a) the period at after or within which and the conditions upon which the option of the Council to redeem the stock may be exercised ; and
- (b) the financial provision required by this Act or any other enactment to be made for a sinking fund in respect of the stock.

Redemption
and conversion
of stock.

20.—(1) The Council—

- (a) may purchase stock and may borrow money for that purpose or for the purpose of redeeming stock ; or
- (b) may with the consent of the holder of any stock convert it into stock of another denomination by issuing stock of that other denomination in substitution for the stock formerly held by such holder.

(2) The Council shall forthwith cancel any stock so purchased redeemed or converted.

(3) (a) The Council may in connection with and for the purpose of effecting the conversion of any stock make such reasonable payment either in money or in stock or partly in money and partly in stock as they think fit to the holder of the stock.

(b) A payment in money under this subsection may be made either out of money raised by the creation and issue of securities of the Council or (subject to the provisions of this Act) out of the loans fund.

(4) (a) Where the holder of any stock is a person empowered by the Lands Clauses Consolidation Act 1845 to sell land under that Act he may consent to any conversion under this section as if he were the absolute owner of the stock in question and may accept money for such consent.

(b) Any such person as aforesaid shall be indemnified in respect of the giving of any such consent and his receipt shall be a good discharge for any money paid to him in respect of the consent.

(5) Where any stock is converted under this section the new stock and the dividends thereon and any money paid under subsection (3) of this section shall be subject to the same trusts charges notices and rights as the stock converted and the dividends thereon and any Act deed or other instrument or document (including a testamentary disposition) shall be construed as though references to the new stock and any money so paid were substituted for references to the stock so converted.

(6) Where any stock is redeemed under this section references in any testamentary disposition to the stock so redeemed shall be construed as references to a pecuniary legacy of a sum of money equal to the redemption money of the stock so redeemed.

(7) The powers conferred on the Council by this section of borrowing money for the purpose of purchasing or redeeming stock shall include a power to borrow money in like manner for the replacement in the loans fund of money used therefrom under the provisions of section 14 (Use of money in loans fund) or for the repayment to any fund of money forming part of such fund and used under the powers conferred by section 15 (Use of certain funds for borrowing) of this Act:

Provided that the exercise of the powers conferred on the Council by this subsection shall not affect the provisions of section 17 (Period for repayment of moneys borrowed) of this Act relating to the period within which the Council are required to make provision for the repayment of money borrowed for the purpose of expenditure on capital account.

21.—(1) Subject to the provisions of this Act such of the Certificates to provisions of the National Debt Act 1870 as relate to the issue to holders of stock in the public funds of certificates to bearer transferable by delivery and to any such certificates when issued

PART IV
—cont.

shall apply in the case of stock as though those provisions were herein re-enacted with the following modifications:—

- (a) for references to stock as defined by that Act there shall be substituted references to stock as defined in this Act;
- (b) for references to the Bank of England or Ireland there shall be substituted references to the bank or if the register is kept at the office of the Council to the Council;
- (c) for references to the books of the Bank of England or Ireland there shall be substituted references to the register;
- (d) the provision respecting a stock certificate in respect of which no coupons have been presented for payment for a period of ten years shall not apply;
- (e) the Council may charge such fees for the issue of certificates to bearer as they think fit and may in any case in which they think proper so to do remit the payment of any such fees;
- (f) sums received in respect of any such fees as aforesaid shall be paid to the Council.

(2) The Council may deal with—

- (a) any stock mentioned in certificates to bearer transferable by delivery in respect of which no coupon is presented for payment for ten years or upwards in like manner as nearly as may be as stock on which no dividend is claimed for ten years;
- (b) any sums due and unclaimed on coupons in like manner as nearly as may be as unclaimed dividends in respect of stock.

Mortgages

Mortgages.

22.—(1) The provisions of the First Schedule to this Act shall have effect in relation to the form registration and transfer of and title to mortgages created by the Council under this Act.

(2) The repayment of any part of the principal amount secured by a mortgage created by the Council which has not been repaid or for the repayment of which provision has not been made shall be a purpose for which the Council are authorised to borrow.

London County annuities

London
County
annuities.

23. London County annuities shall be granted at such rate of interest on such terms subject to such conditions and for such number of years as the Council at the time of their creation determine and this Act shall (unless the context otherwise requires) be construed and have effect as though references to

stock included references to such annuities subject to the following modifications (that is to say) :—

PART IV
—cont.

- (1) for references to dividends there shall be substituted references to the portions of an annuity which represent interest ;
- (2) for references to the nominal amount of any stock there shall be substituted references to the capital value of an annuity at the time when the nominal amount is required to be ascertained and the capital value shall be calculated on the principles on which the calculation made at the time of the creation of the annuity was made ;
- (3) for references to redemption of stock there shall be substituted references to the payment of the portion of instalments of an annuity which represents capital.

London County bills

24.—The following provisions of this section shall have effect London with respect to London County bills (in this section referred County bills. to collectively as “ bills ” and separately as “ a bill ”) :—

- (1) A bill shall be in the form prescribed by regulations made under this section and shall be for the payment of the sum named therein in the manner and at the date therein mentioned being a date not less than three months nor more than twelve months from the date of the bill :
- (2) A bill shall entitle the holder thereof to payment at maturity out of the county fund of the sum expressed in the bill to be payable :
- (3) Bills may after public advertisement be offered for purchase by tender in such manner and on such conditions as the Council may determine :
- (4) Bills shall be issued under the authority of a warrant sealed by the Council :
- (5) A bill shall be for such an amount as the Council direct and shall bear an engraved copy of the seal of the Council and of the signature of the clerk of the Council :
- (6) The Council may make regulations providing for—
 - (a) the preparation and form and the mode of issue payment and cancellation of bills ;
 - (b) the issue of a new bill in lieu of one defaced lost or destroyed ;

PART IV
—cont.

(c) the prevention by the use of counterfoils or of a special description of paper or otherwise of fraud in relation to bills ; and

(d) the giving of a proper discharge on the payment of a bill :

- (7) The amount of money received in respect of a bill shall be deemed to be principal money raised by means of the bill and the difference between the amount payable in respect of a bill and the amount received in respect thereof shall be deemed to be interest on the principal money so raised and shall be paid out of the loans fund :
- (8) The aggregate amount payable on bills current at any one time shall not (except by the amount payable on bills issued shortly before any other bills fall due in order to pay off the last-mentioned bills) exceed the sum of two million pounds :
- (9) Subject to the provisions of the last preceding paragraph the Council may renew a bill at maturity :
- (10) If any bills are outstanding at the expiration of a financial year the principal money raised by those bills shall be regarded as part of the capital debt of the Council and the Council shall provide out of their revenues and pay into the loans fund the same sums for repayment of the said principal money as they would have done if stock of the same amount had been issued :
- (11) The Council may borrow for the purpose of repaying the principal money raised by bills but except as aforesaid any power of the Council to borrow shall be suspended to the extent of the amount which has been raised by the issue of bills.

General

Payment of dividends from fixed date.

25. Where a security of the Council is issued subject to a condition that the money to be raised thereby shall be paid up by instalments the Council may pay dividends on the total nominal amount of such security from any date fixed at the time of issue thereof although the instalments or any of them may not be payable until after that date.

Application of money.

26. All money raised by the creation or issue of securities of the Council shall be applied by the Council to the purposes to which it is by law applicable.

PART V

LOANS FUND

27.—(1) The consolidated loans fund of the Council in existence at the commencement of this Act shall be continued by the Council in conformity with the provisions of this Act and of any regulations made under this section and is in this Act referred to as “the loans fund.” Loans fund.

(2) The Council with the approval of the Treasury may make regulations for carrying into effect the provisions of this Act with respect to the loans fund and such regulations shall (among other things) provide for separate accounts being kept of the sums carried to and paid out of the loans fund in respect of income and capital respectively.

(3) The Council shall carry to the loans fund the following sums:—

(a) all moneys (whether in the nature of capital or otherwise) received by the Council from the sale of any property of the Council and all capital moneys received by the Council from any demise lease or letting of any such property except—

(i) where under the provisions of any enactment separate accounts of the receipts and expenses of the Council for the purposes authorised by that enactment are required to be kept; or

(ii) where the keeping of such separate accounts appears to the Council to be desirable and is approved by the Treasury;

(b) all moneys received by the Council in respect of interest on or the principal of any money lent by the Council whether under this Act or under any annual money Act;

(c) any other sum required by this Act or by any other enactment or by the regulations made under this section to be carried to the loans fund;

(d) such further sum in each financial year out of the revenues of the Council as the Council consider necessary (after taking into account all receipts into and payments required to be made out of the loans fund in respect of that year) to enable the Council to repay within the period within which provision is required to be made for such repayment pursuant to section 17 (Period for repayment of moneys borrowed) of this Act any money borrowed by the Council for expenditure on capital account:

Provided that where stock is issued at a discount the sums so carried in each financial year shall include

PART V
—cont.

such sum as will provide in the loans fund within such period as the Council may determine an amount equal to the aggregate amount allowed by way of discount.

(4) The loans fund shall be applied in accordance with the regulations made under this section—

- (a) in the payment of dividends on securities of the Council ;
- (b) in the payment of interest on or other such charges in respect of any money temporarily borrowed by the Council ;
- (c) in the payment of—
 - (i) stamp duty on London County bills and on mortgages ;
 - (ii) stamp duty on transfers of stock and the annual composition for stamp duty on such transfers ; and
 - (iii) fees charged on advances by the Public Works Loan Commissioners ;
- (d) in the payment of remuneration to the bank for the management of any securities of the Council ;
- (e) in the redemption or discharge of any security of the Council ;
- (f) in the purchase of any security of the Council at such price as the Council think fit ;
- (g) in payment of the amount of the principal due in respect of any loan for which the Council are liable and for the repayment of which provision is not otherwise made ;
- (h) in payment (so far as not otherwise provided for) of any expenses of or incidental to the collection management or recovery of money payable into the loans fund or in connection with the sale lease or disposition of any property of the Council the proceeds of which are payable into the loans fund ;
- (i) in payment of any expenses or other sums authorised or required by this Act or any other enactment or by the regulations made under this section to be paid out of the loans fund.

(5) Where a security of the Council is created under this Act for any purpose the cost of which is chargeable as a special county purpose or for any purpose for which a separate account is kept all money required to be carried to the loans fund in respect of that purpose shall be charged to the special county account or separate account (as the case may be) to which the expenditure for that purpose is chargeable.

28. Subject to the provisions of this Act and to regulations made by the Council and approved by the Treasury the Council may invest in statutory securities (other than securities of the Council) any money for the time being forming part of the loans fund and may vary and transpose any such investments.

PART V
—cont.

Investment of
money of
loans fund.

PART VI

REGISTRATION TRANSFER AND REDEMPTION OF SECURITIES AND PAYMENT OF DIVIDENDS

29.—(1) The provisions of the Second Schedule to this Act shall have effect for the purposes of and in connection with the issue of certificates for and the registration and transfer of stock and the payment of dividends and redemption moneys in respect thereof.

Transfer
registration etc.
of stock etc.

(2) The registrar shall register in accordance with the provisions of this Act the names and addresses of such of the persons from time to time entitled to any bearer bonds or other securities to bearer issued by the Council in pursuance of the Public Authorities and Bodies (Loans) Act 1916 as may desire registration in respect of those bonds or other securities and this section shall apply to any such bonds or other securities when registered as if they were stock and the expression “stock” where used in the said Second Schedule shall mean stock and such other bonds or other securities.

(3) Nothing in this section shall affect any stock in respect of which a stock certificate issued under Part V of the National Debt Act 1870 as applied by section 21 (Certificates to bearer) of this Act is for the time being outstanding or (except as is expressly provided in the last preceding subsection) any other bearer security.

30.—(1) All securities of the Council on which no dividend is claimed for a period of at least ten years shall (except where payment of dividend has been restrained by a court of law) be transferred to the Council to an account to be entitled “the London County Council Unclaimed Securities Account”.

Unclaimed
securities.

(2) During the six months immediately preceding any such transfer the bank shall give notice in writing of the impending transfer to the holder of the security at his registered address.

(3) Immediately after every such transfer the name in which the security stood immediately before the transfer the residence and description of the parties the amount transferred and the date of transfer shall be entered in a list to be kept for the purpose by the bank.

PART VI
—cont.

(4) Every such transfer shall be made and signed by the accountant-general of the bank and shall be as effectual as if made and signed by the holder of the security.

(5) Where a security is transferred under this section all dividends accruing thereon after the transfer shall be paid to the Council and carried to the loans fund and may be applied by the Council to any of the purposes to which capital moneys forming part of the loans fund are applicable but the loans fund shall thereafter be charged with the payment of the claim of any person entitled to any of the moneys so carried to the loans fund.

Retransfer of
securities.

31.—(1) Subject to the provisions of this section the governor of the bank may direct the accountant-general of the bank to retransfer any unclaimed security of the Council which has been transferred to the Council in pursuance of the last preceding section to any person who establishes to the satisfaction of the governor his right thereto and to pay the dividends due thereon as if the security had not been so transferred and all moneys paid to the Council on account of those dividends shall forthwith after notice has been given to the Council of the directions to retransfer the security as aforesaid be repaid by the Council to the bank.

(2) If the governor is not satisfied as to the right of any person claiming to be entitled to any such security or dividends as aforesaid that person may apply in a summary manner by petition to the High Court for an order under the following subsection.

(3) A copy of the petition shall be served on the Council and the High Court shall make such order on the application (whether for retransfer of the security to which the application relates and payment of the dividends accrued thereon or otherwise) and as to the costs of the application as it thinks just.

(4) All costs and expenses incurred by or on behalf of the Council in resisting or appearing on any such application shall (if not ordered by the High Court to be paid out of the security and dividends claimed) be paid out of the loans fund.

(5) Where any retransfer or payment is made to any such claimant (whether with or without an order of the High Court) the bank shall give notice thereof to the Council within three days of the making of the retransfer or payment.

(6) (a) Any security of the Council of which the nominal value exceeds twenty pounds shall not be retransferred under this section nor shall dividends exceeding twenty pounds in all be paid under this section to any claimant until three months after the application has been made nor until the claimant has

given such public notice of the application by advertisement in one or more newspapers circulating in the county and elsewhere as the bank may require.

PART VI
—cont.

(b) Every notice given under this subsection shall state the name residence and description of the person in whose name the security stood at the time of the transfer thereof to the Council the amount of the security the name of the claimant and the time at which the retransfer thereof and payment of dividends will be made if no other person previously establishes his title to the security and the dividends and where the retransfer or repayment has been ordered by the High Court the notice shall also state the purport of the order.

(7) At any time before a security is retransferred or the payment of any dividend is made under this section to any person any other person may apply to the High Court to rescind or vary an order relating to such retransfer or payment.

(8) Where at any time after a security has been retransferred or any dividend has been paid under this section to any person a claim is made by any other person to the security or to the dividends the bank and their officers shall not be responsible to that other person but he may have recourse against the person to whom the retransfer or payment was made.

(9) If after any security has been retransferred or any dividend has been paid to any person under this section another person establishes his title thereto and is unable to obtain transfer or payment thereof from the person to whom the retransfer or payment was made the High Court shall on application by that other person verified as the court requires order the Council to make to him out of the loans fund or other moneys at the disposal of the Council such payments in respect of the security and for dividends as the court thinks just.

32.—(1) Where any dividend accrued due on any security of the Council is not claimed for at least ten years the dividend so unclaimed and all dividends subsequently accruing due in respect of that security and unclaimed shall be paid to the Council. Unclaimed dividends.

(2) All dividends paid to the Council under this section shall be held and dealt with in like manner as nearly as may be as the dividends on unclaimed securities accruing due after those securities have been transferred to the Council in accordance with section 30 (Unclaimed securities) of this Act and the provisions of that section with respect to the dividends so accruing on unclaimed securities so transferred shall apply and have effect accordingly.

PART VI
—cont.
Unclaimed
redemption
money or
principal.

33.—(1) Any principal sums payable to the holder of any security of the Council redeemed by the Council which are not claimed for a period of ten years after the day on which the sums became due to the holder or for a period of ten years after the latest date on which any dividend due on the security was last claimed (except where payment of the principal sum or of any dividend due thereon was restrained by a court of law) shall together with all dividends due thereon be paid to the Council and the receipt of the comptroller of the Council or of any officer of the Council duly authorised by him in that behalf shall be as effectual as that of the person in whose name the security redeemed then stands.

(2) On any such payment being made to the Council the security so redeemed shall be cancelled and all dividends thereon shall be extinguished and all such sums when received by the Council shall be carried to the loans fund and may be applied by the Council to any of the purposes to which capital moneys forming part of that fund are applicable.

(3) The loans fund shall be charged with the payment of the claims of the persons entitled to any of the sums carried to that fund under this section.

Investigations.

34.—(1) The Council may empower the bank to investigate the circumstances in connection with any security of the Council or dividends remaining unclaimed with a view to ascertaining the persons entitled thereto.

(2) The Council may make to the bank a reasonable allowance for all expenses incurred by the bank in respect of notices and advertisements and other services required or authorised by the provisions of this Act relating to unclaimed securities.

(3) Any allowances made under this section may be deducted rateably from the securities retransferred and the dividends paid in connection with which the expenses were incurred and the services performed by the bank or may be paid out of unclaimed securities or dividends transferred to or received by the Council.

Indemnity
to bank.

35. The bank and the governor thereof shall by virtue of this Act be indemnified in respect of every transfer or retransfer of a security of the Council or payment of dividends or other money under the provisions of this Act or of any Act repealed by this Act relating to unclaimed securities and shall not be in any manner responsible to any person having or claiming any interest therein.

Provisions in
case registers
kept by
Council.

36. If the Council causes any register to be kept at their office the provisions of this Act with respect to unclaimed securities and dividends shall apply with the necessary modifications with respect to the securities to which such register relates

and the dividends thereon as though for references to the bank there were substituted references to the Council and as though for references to the governor or accountant-general of the bank there were substituted references to an officer of the Council duly authorised by the Council for the purpose.

PART VI
—cont.

37.—(1) If at any time any dividend on a security of the Council remains unpaid for a period of at least two months after it has accrued due and after a written demand therefor has been made to the Council by the holder of the security or the person entitled to the dividend the said holder or person may apply to the High Court (in such manner as may be prescribed by rules of court) for the appointment of a receiver and the High Court may on any such application appoint a receiver on such terms and conditions and with such powers as it thinks fit.

Appointment
of a receiver.

(2) The receiver so appointed shall have the same powers as the Council or any officer thereof of collecting receiving and applying any money required to be carried to the loans fund and of making assessing and levying the county rate for the purpose of obtaining the money so required and shall after payment of expenses apply the balance of the money under the direction of the High Court for the purposes of and in accordance with the provisions of this Act and any regulations made thereunder.

(3) The High Court may at any time discharge the receiver and shall have full jurisdiction over him and over the applicant and all persons interested in the acts of the receiver in the same manner and to the same extent as if proceedings had been brought for the administration of the affairs of the Council and a receiver had been appointed in those proceedings.

38. A person holding any security of the Council or advancing money to the Council on any such security shall not be bound to inquire whether the creation or issue of the security or the borrowing of the money is or was legal or regular or whether the money raised was properly applied and shall not be prejudiced by any illegality or irregularity in the matters aforesaid or by the misapplication or non-application of any such money.

Security
holders
exempt from
inquiries.

PART VII

GENERAL

39.—(1) The Council may make such arrangements with the bank as they think fit for carrying into effect the provisions of this Act with respect to the issue transfer and management of securities of the Council (including the making of payments in respect thereof) and the keeping of registers.

Arrangements
with bank.

PART VII
—cont.

(2) Any such arrangement may provide for the proper remuneration of the bank.

(3) Notwithstanding anything in this Act or any other enactment the Council may direct the bank to hold to the order of the Council for such time as the Council may determine any money received by the bank on behalf of and as agent for the Council in respect of any issue by the Council of any security and the bank may hold such money accordingly.

(4) In this Act unless the context otherwise requires references to the governor of the bank shall be construed as including a reference to the deputy governor of the bank and references to the accountant-general of the bank shall be construed as including a reference to the deputy accountant-general of the bank.

**Arrangements
with other
banks.**

40. Subject to any obligation binding on the Council for the time being under any arrangement with the bank the Council may make any such arrangements as are referred to in the last preceding section with any other bank instead of the bank and if any such arrangements are made this Act shall have effect subject to the necessary modifications and in particular as if for references to the bank there were substituted references to that other bank and for references to the governor and deputy governor of the bank there were substituted references to the manager and assistant manager of that other bank and for references to the accountant-general and deputy accountant-general of the bank there were substituted references to the secretary and assistant secretary of that other bank.

**Expenses of
creation of
securities.**

41. The Council may expend such amounts as are required to meet any expenses incidental to the raising of money by the creation and issue of any securities of the Council and in order to raise the amounts so required may create and issue any other securities.

Accounts.

42. The Council shall cause proper accounts to be kept showing the appropriation of the moneys raised by the Council for the purposes of expenditure on capital account under this Act or any annual money Act.

**Investment and
advance by
National Debt
Commis-
sioners.**

43. The National Debt Commissioners with the approval of the Treasury may out of money coming into their hands under any Act relating to savings banks (including the Post Office Savings Bank) make advances to the Council on the security of stock or London County annuities and may invest any such money in such securities.

44. If with intent to defraud any person employed by the Council or the bank makes out or delivers any certificate dividend warrant or document for the payment of money in connection with any securities of the Council for a greater or less amount than that to which the person on whose behalf the certificate warrant or document is made out is entitled he shall be guilty of felony and liable on conviction on indictment to imprisonment for a term not exceeding seven years.

PART VII
—cont.
False certificates dividend warrants etc.

45.—(1) For the purposes of this Act the approval of the Treasury may be signified by the signature of any officer appointed by the Treasury in that behalf.

Approval of Treasury.

(2) Where any such approval is required it shall be deemed to have been given unless the contrary is proved and a holder of any security of the Council shall not be prejudiced by reason of the absence of any such approval.

46.—(1) Nothing in this Act shall—

Charges upon property of Council.

(a) affect the priority of any charge on any property of the Council which was subsisting at the time when the property became vested in the Council or at the date of the first creation of any security of the Council ; or

(b) affect any power or duty of the Council to sell lease or otherwise dispose of any property of the Council or to apply the proceeds thereof in discharge of any charge thereon other than the charge in respect of any security of the Council.

(2) Where the Council sell lease or otherwise dispose of any property of the Council charged as security under this Act the property shall in the hands of the transferee or lessee be absolutely freed from any charge for that purpose and the transferee or lessee shall not be bound to inquire into the application of the money arising from the sale lease or disposition or be in any way responsible for the misapplication or non-application of any such money.

47. Nothing in this Act shall be construed as limiting or affecting any powers of the Council to expend money out of rates or revenues for any purpose to which the rates or revenues are properly applicable.

Saving powers of expenditure out of revenue.

48. Nothing in this Act shall prejudice or affect any power exercisable by the Treasury under the Public Authorities and Bodies (Loans) Act 1916 or of the Treasury or the Minister under the Housing Act 1936 of making or approving regulations with respect to the issue (including terms of issue) redemption of bonds or other securities and the security therefor or prejudice or affect the operation of any such regulations.

Saving for powers of Treasury and Minister in respect of bonds and other securities.

PART VII
—cont.
Repeals.

49.—(1) The Acts mentioned in the Third Schedule to this Act are hereby repealed:

Provided that—

- (a) any money raised or lent by the Council and any security issued or created by the Council under any enactment repealed by this Act and not repaid and which is outstanding at the commencement of this Act shall be deemed to have been raised lent issued or created under this Act;
- (b) the repeal of any enactment shall not affect the period within which any money raised or lent by the Council is to be repaid by or to the Council or within which provision is required to be made for the redemption or extinction of any security of the Council;
- (c) any register kept under any enactment repealed by this Act shall be deemed to be a register kept under this Act;
- (d) nothing in this section shall affect any regulations made under any enactment repealed by this Act and all such regulations shall continue in force as if made under this Act and may be amended repealed revoked or enforced accordingly;
- (e) nothing in this section shall affect any resolution made direction or notice given proceedings taken certificate issued arrangements made or other thing done under any enactment repealed by this Act and every such resolution direction notice proceedings certificate arrangements or other thing shall have effect as if made given taken issued or done under the corresponding provision of this Act;
- (f) any document referring to any Act or any enactment repealed by this Act shall be construed as referring to this Act or the corresponding enactment in this Act.

(2) The mention of particular matters in this section shall not be held to prejudice or affect the general application of section 38 of the Interpretation Act 1889 with regard to the effect of repeals.

Costs of Act.

50. The costs charges and expenses preliminary to and of and incidental to the preparing applying for obtaining and passing of this Act and of any annual money Act shall be defrayed by the Council as payments for general county purposes within the meaning of the London Government Act 1939.

SCHEDULES

FIRST SCHEDULE

PROVISIONS RELATING TO THE FORM REGISTRATION AND TRANSFER OF AND THE TITLE TO MORTGAGES

1. A mortgage created by the Council shall be made by deed in the prescribed form or in a form to the like effect:

Provided that in the case of a loan made by the Public Works Loan Commissioners the mortgage shall be in such form as may be prescribed under the Public Works Loans Acts 1875 to 1882.

2. The person entitled to a mortgage created by the Council may transfer it by deed made in the prescribed form or in a form to the like effect.

3. The Council shall keep at their office a register of mortgages created by the Council.

4. Within fourteen days after the date of a mortgage the registrar shall cause an entry to be made in the register of the number and date of the mortgage of the names and descriptions of the parties thereto and of the amount borrowed as stated in the deed of mortgage.

5. On production to the registrar of the deed of mortgage and—

(a) in the case of a transfer of the mortgage of a duly executed deed of transfer;

(b) in the case of a transmission of the mortgage by the death of a person solely entitled thereto or of the survivor of persons jointly entitled thereto of probate of the will or letters of administration of the estate of the deceased;

(c) in the case of a transmission of the mortgage otherwise than as aforesaid of satisfactory evidence of the transmission;

and on payment of such sum (if any) not exceeding five shillings as the Council may determine the registrar shall cause an entry to be made in the register of the date of the transfer or transmission and of the name and description of the person who under the transfer or transmission becomes entitled to the mortgage.

6. Any change of name or address on the part of a person entitled to a mortgage shall forthwith be notified to the registrar who on being satisfied thereof shall cause the necessary alterations to be made in the register.

7. Where entries have been duly made in the register in respect of any mortgage the Council shall be entitled to treat as exclusively entitled to the mortgage the person appearing by the latest of those entries to be entitled thereto.

8 (a) If the name of any person is without sufficient cause entered in or omitted from the register or default is made or unnecessary delay

1st SCH.
—cont.

takes place in making any entry required to be made in the register the High Court or where the sum involved does not exceed five hundred pounds the county court may on application by the person aggrieved or by the Council make an order for the rectification of the register.

(b) On any proceedings under this paragraph the court may decide any question relating to the title of any party thereto to have his name entered in or omitted from the register and generally any question which it may be necessary or expedient to decide for the purpose of the rectification of the register.

9. The register shall be open at all reasonable hours to public inspection without payment.

10. If any person—

(a) having the custody of the register refuses inspection of the register to any person ; or

(b) being required under this schedule to make an entry in the register refuses or wilfully neglects so to do ;

he shall be liable on summary conviction in respect of each offence to a fine not exceeding in the case of an offence under sub-paragraph (a) of this paragraph five pounds and in the case of an offence under sub-paragraph (b) thereof twenty pounds.

11. In this schedule the expression “prescribed form” means a form prescribed by regulations made by the Minister.

SECOND SCHEDULE

PROVISIONS RELATING TO THE ISSUE OF CERTIFICATES FOR AND THE REGISTRATION AND TRANSFER OF STOCK AND THE PAYMENT OF DIVIDENDS AND REDEMPTION MONEYS

REGISTRATION

Registers of stock and stockholders

1.—(1) The Council shall cause to be kept at their office or (subject to the provisions of this Act) at the office of the chief accountant of the bank in respect of stock of each description registers wherein shall be entered the names and addresses of all persons who are for the time being holders of stock of that description and the amounts of stock of that description of which they are respectively for the time being holders.

(2) In the event of the redemption of stock of any description the register relating to that stock may be permanently closed for transfers of amounts of that stock on any day not more than one month immediately preceding the date on which the redemption is to take effect.

(3) Any such register as aforesaid shall be prima facie evidence of any matters directed or authorised by any enactment for the time being in force to be entered therein and of the title of the persons whose names are entered therein as holders of amounts of stock.

STOCK CERTIFICATES

2ND SCH.
—cont.*Issue of stock certificates*

2.—(1) The following persons (that is to say):—

- (a) a person whose name (on the compilation on the occasion of the issue of stock of any description of the register relating to that stock) is entered in that register as the holder of an amount of stock of that description ;
- (b) a person to whom an amount of stock of any description is transferred ;
- (c) a person in whose name there stood immediately before the commencement of this Act in the register required to be kept under any enactment repealed by this Act an amount of stock of any description issued before the first day of September nineteen hundred and forty-three as respects which a certificate has not already been issued ; and
- (d) a person whose name is by virtue of section 33 of the National Debt Act 1870 as applied by section 21 (Certificates to bearer) of this Act or by virtue of section 29 (Transfer registration etc. of stock etc.) of this Act entered in the register relating to stock of any description as the holder of an amount of stock of that description ;

shall be entitled (without payment) to a certificate representing that amount of stock of that description.

(2) If a certificate is defaced lost or destroyed the registrar may issue a duplicate thereof on payment of a fee of two shillings and sixpence and on such terms as to evidence and indemnity as he thinks fit and (in a case in which the certificate is defaced) on condition of the surrender thereof.

(3) Where an amount of stock of any description is transferred and the conditions specified in sub-paragraph (a) (b) or (c) of paragraph 7 of this schedule have been satisfied in respect of an amount of stock of that description exceeding the amount specified in the instrument of transfer the person by whom the amount was transferred shall be entitled to a certificate representing the amount of the excess but (in a case in which the conditions satisfied were those specified in the said sub-paragraph (b) or the said sub-paragraph (c)) only on payment of a fee of two shillings and sixpence.

(4) Where in the case of a person in whose name there stood in the books required to be kept under the London County Council (Finance Consolidation) Act 1912 immediately before the first day of September nineteen hundred and forty-three an amount of stock of any description—

- (a) there is transferred by that person an amount of stock of that description which is less than the amount first mentioned in this sub-paragraph ; and
- (b) there has not been issued a certificate in respect of such first-mentioned amount before the delivery to the registrar of the instrument of transfer ;

2ND SCH.
—cont.

sub-paragraph (1) of this paragraph shall on and from the date on which effect is given to such transfer cease to have effect in relation to that person but he shall be entitled (without payment) to a certificate representing the difference between the said first-mentioned amount of stock and the amount of stock transferred.

(5) Where the names of two or more persons are entered in the register relating to stock of any description as joint holders of an amount of stock of that description nothing contained in the foregoing provisions of this paragraph shall be construed as requiring the registrar to issue more than one certificate in respect of that amount of stock and delivery of a certificate to one of several joint holders shall be sufficient delivery to all of them.

Form and effect of stock certificate

3.—(1) A certificate shall specify the amount of the description of stock of which the person specified therein is the holder and shall bear a facsimile of the signature of—

- (a) in the case of stock of any description the register relating to which is kept by the Council the registrar ;
- (b) in the case of stock of any description the register relating to which is kept by the bank the chief accountant of the bank.

(2) A certificate shall be prima facie evidence of the title of the person specified therein to the amount of stock of the description so specified.

TRANSFER OF STOCK

Mode of transfer

4. Stock shall be transferable only by instrument in writing in any usual or common form executed by all parties to the transfer and delivered to the registrar and the registrar may retain any such instrument delivered to him.

Attestation of execution of instrument of transfer

5. The registrar may decline to recognise an instrument of transfer relating to an amount of stock of any description unless the following requirements are complied with :—

- (a) the execution of the instrument by each party to the transfer must be attested by a credible witness not being a party thereto ;
- (b) the witness must append to his signature a statement of his occupation or description and his usual place of abode or place of business.

*Evidence that person executing instrument by mark etc.
understood effect thereof*

6. Where the execution by a party of an instrument of transfer relating to an amount of stock of any description is otherwise than by signature the registrar may decline to recognise the instrument

unless there is furnished to him such evidence as he may reasonably require (whether by way of a statement written on the instrument and signed by the person witnessing the execution of the instrument by that party or otherwise) that the effect of the instrument was understood by that party.

Conditions to be fulfilled before completion of transfer

7. The registrar may decline to give effect to a transfer of an amount of stock of any description unless—

- (a) the instrument of transfer is accompanied by a certificate representing or certificates representing in the aggregate an amount of stock of the description specified in the instrument of transfer not falling short of the amount so specified (being a certificate or certificates wherein the transferor is specified as the holder of the stock); or
- (b) there is furnished to the registrar such evidence as he may reasonably require that a certificate representing or certificates representing in the aggregate an amount of stock of the description specified in the instrument of transfer not falling short of the amount so specified (being a certificate or certificates wherein the transferor is specified as the holder of the stock) has or have been lost or destroyed; or
- (c) the instrument of transfer is accompanied by a certificate representing or certificates representing in the aggregate an amount of stock of the description specified in the instrument of transfer equal to a part of the amount so specified (being a certificate or certificates wherein the transferor is specified as the holder of the stock) and as to the residue thereof there is furnished to the registrar such evidence as he may reasonably require that a certificate representing or certificates representing in the aggregate an amount of stock of that description not falling short of the residue (being a certificate or certificates wherein the transferor is specified as the holder of the stock) has or have been lost or destroyed; and
- (d) where sub-paragraph (b) or (c) of this paragraph has effect there is given to the registrar such indemnity against all claims in respect of lost or destroyed certificates as he may reasonably require.

The foregoing provisions of this paragraph shall not have effect in relation to the transfer of an amount of stock of any description issued before the first day of September nineteen hundred and forty-three as respects which there has not been issued a certificate before the delivery to the registrar of the instrument of transfer.

Evidence of right to make transfer

8.—(1) The registrar may decline to give effect to a transfer of an amount of stock of any description issued before the first day of September nineteen hundred and forty-three (being an amount as respects which there has not been issued a certificate before the

2ND SCH.
—cont.

delivery to the registrar of the instrument of transfer) unless there is furnished to him such evidence as he may reasonably require of the right of the transferor to make the transfer.

(2) The registrar may decline to give effect to a transfer of an amount of stock of any description other than as aforesaid unless there is furnished to him (in addition to the evidence furnished by virtue of the production of a certificate or under paragraph 7 of this schedule) such evidence as he may reasonably require of the right of the transferor to make the transfer.

Time for completion of transfer

9. The registrar shall not be required to give effect to a transfer of an amount of stock of any description until the expiration of whichever of the periods hereinafter mentioned last expires (that is to say)—

- (a) the period of ten days beginning with the day next following that on which the instrument of transfer is delivered to him ; or
- (b) (if before the expiration of the said period the registrar sends to the person specified in the instrument of transfer as being the transferor (or where two or more persons are specified in the said instrument as being the transferors to one of those persons) a written notice informing him of the proposed transfer) the period of three days beginning with the day next following that on which a reply from that person would be delivered to the registrar in the ordinary course of post if the said notice were delivered in the ordinary course of post and the reply were posted immediately after the receipt of the notice.

Completion of transfer

10. The registrar shall give effect to a transfer of an amount of stock of any description by entering in the register relating to that stock such particulars as are requisite to show the effect of the transfer.

Transferor to remain holder until completion of transfer

11. The transferor of an amount of stock of any description shall be deemed to remain the holder thereof until the registrar has given effect to the transfer.

DIVIDENDS AND REDEMPTION MONEYS

Date for striking balance for dividends

12. The registrar may strike the balance for a dividend on stock of any description on any day not being more than thirty-seven days before the day on which the dividend on that stock is payable and any person who is on the day on which the balance is so struck entered in the register relating to that stock as the holder of an amount of that stock shall as between himself and any transferee of that stock be entitled to the then current half-year's or quarter's dividend thereon.

Payment of dividends and redemption moneys

2ND SCH.
—cont.

13.—(1) Dividends on stock of any description and any money becoming payable to the holder of stock of any description by reason of the redemption thereof shall be paid by the Council through the registrar by means of warrants sent through the post to the registered address of the person registered as the holder of the stock in respect of which the dividend or other money is payable (or in the case of joint holders of stock to the registered address of that one of them whose name stands first on the register relating to that stock) or to such other person and to such other address as the holder (or in the case of joint holders all the holders) may direct in writing addressed to the registrar:

Provided that in the case of the redemption of stock of any description the registrar may (if he thinks fit) require the holder or the joint holders (as the case may require) of the stock to make application in writing specifying the person to whom payment of the money payable on the redemption of the stock is to be made and the address to which the warrant is to be sent and upon receipt of such application the registrar shall make the payment in accordance therewith.

(2) The posting of any such warrant as aforesaid in a pre-paid letter directed to such address as aforesaid shall be a good discharge to the registrar for such dividend or other money.

(3) Every warrant as aforesaid so sent by post shall be deemed to be a cheque and the registrar in relation thereto shall be deemed to be a banker within the Bills of Exchange Act 1882.

(4) For the purposes of this paragraph the personal representative or personal representatives of a deceased person shall be deemed to be the holder or joint holders (as the case may require) of the amount of stock of any description held by that person immediately before the date of his death.

Evidence of title to dividend or redemption moneys

14. Before paying any dividend on stock of any description or any money becoming payable to the holder of stock of any description by reason of the redemption thereof the registrar may (if the circumstances of the case appear to him to make it expedient) require evidence of the title of any person claiming the right to receive payment thereof either by means of a statutory declaration of competent persons or otherwise as the registrar may think fit.

Investment of dividends on stock held by infants

15. In the following cases (that is to say):—

- (a) where an infant is registered as the sole or sole surviving holder of stock of any description; or
- (b) where an infant is registered as the holder of stock of any description jointly with a person under legal disability;

the registrar may at the request in writing of the parent guardian or next friend of the infant retain the dividends on such stock and

2ND SCH.
—cont.

apply them to the purchase of stock of the same description which shall be added to the original investment.

MISCELLANEOUS PROVISIONS

Transfer by personal representatives

16.—(1) An amount of stock of any description entered in a register in the name of a deceased person shall be transferable by his personal representative but in a case in which there are two or more personal representatives of the deceased person the registrar may decline to give effect to the transfer unless the instrument of transfer is executed by all the representatives.

(2) The production to the registrar of any document which is by law sufficient evidence of probate of the will or letters of administration of the estate or confirmation as executor of a deceased person having been granted to some person shall be accepted by the registrar as sufficient evidence of the grant.

Powers of attorney

17.—(1) An authority to execute an instrument of transfer relating to an amount of stock of any description must be in writing and the execution of the instrument containing any such authority must be attested by a credible witness.

(2) A power of attorney in force immediately before the commencement of this Act authorising any person in relation to stock of any description to effect transfers of amounts of stock of that description shall remain in force and shall be construed as authorising that person in relation to stock of that description to effect transfers of amounts thereof in accordance with the provisions of this schedule.

Execution of instrument of transfer by body corporate

18. Nothing in this schedule shall be construed as authorising a body corporate to execute an instrument of transfer otherwise than in accordance with the rules of law and the provisions of any instrument (including an Act of Parliament) regulating the constitution of that body with respect to the execution of instruments by that body.

Protection of registrar in relation to trusts

19. No notice of any trust (express implied or constructive) shall be entered in any register or in a certificate or be receivable by the registrar.

Loss or destruction of certificate to bearer or scrip certificate

20.—(1) In the event of the loss or destruction of a certificate to bearer or a scrip certificate the registrar (before issuing a duplicate thereof) may require—

- (a) evidence to his satisfaction of the loss or destruction and ownership of the certificate; and

- (b) a delay of not more than one year from the date on which the loss or destruction was notified to him ; and
- (c) an advertisement of the loss or destruction to be inserted in at least two daily newspapers published in London ; and
- (d) the execution of a bond of indemnity by the owner of the lost or destroyed certificate and at least one other responsible person or alternatively (in the case of stock of any description the register relating to which is kept by the bank) the transfer (by way of security) into the joint names of the governor and deputy governor of the bank of a security of a description approved by the said governor or deputy governor having a market value equivalent in the aggregate to the market value on the day of transfer of the stock represented by the lost or destroyed certificate and at least six-and-a-half years' dividends on the nominal amount of such stock.

(2) After the expiration of six years from the date of the execution of the bond of indemnity or the transfer of the security pursuant to paragraph (d) of the preceding sub-paragraph the owner of the lost or destroyed certificate may (after again inserting an advertisement of the loss or destruction in at least two daily newspapers published in London if the registrar so requires) request the registrar to cancel the indemnity or to retransfer the security to the owner as the case may be and on such request being complied with any other claimant to the lost or destroyed certificate or the stock represented thereby shall not have any claim against the registrar but shall have recourse against the person who obtained the duplicate certificate.

THIRD SCHEDULE
ENACTMENTS REPEALED

Session and chapter	Short title
2 & 3 Geo. 5 c. cv ...	The London County Council (Finance Consolidation) Act 1912.
3 & 4 Geo. 5 c. lxxix ...	The London County Council (Money) Act 1913.
4 & 5 Geo. 5 c. clxxii ...	The London County Council (Money) Act 1914.
5 & 6 Geo. 5 c. lxxv ...	The London County Council (Money) Act 1915.
6 & 7 Geo. 5 c. xxi ...	The London County Council (Money) Act 1916.
7 & 8 Geo. 5 c. xxxix ...	The London County Council (Money) Act 1917.
8 & 9 Geo. 5 c. xvii ...	The London County Council (Money) Act 1918.
9 & 10 Geo. 5 c. xlv ...	The London County Council (Money) Act 1919.
10 & 11 Geo. 5 c. cxlvii ...	The London County Council (Money) Act 1920.
11 & 12 Geo. 5 c. lxxvii ...	The London County Council (Money) Act 1921.
12 & 13 Geo. 5 c. lxi ...	The London County Council (Money) Act 1922.
13 & 14 Geo. 5 c. lxvi ...	The London County Council (Money) Act 1923.
14 & 15 Geo. 5 c. lx ...	The London County Council (Money) Act 1924.
15 & 16 Geo. 5 c. lxiv ...	The London County Council (Money) Act 1925.
16 & 17 Geo. 5 c. lxxix ...	The London County Council (Money) Act 1926.
17 & 18 Geo. 5 c. lxxviii ...	The London County Council (Money) Act 1927.
18 & 19 Geo. 5 c. xcvi ...	The London County Council (Money) Act 1928.
19 & 20 Geo. 5 c. liii ...	The London County Council (Money) Act 1929.
20 & 21 Geo. 5 c. cxiii ...	The London County Council (Money) Act 1930.
21 & 22 Geo. 5 c. lii ...	The London County Council (Money) Act 1931.
22 & 23 Geo. 5 c. lxii ...	The London County Council (Money) Act 1932.
23 & 24 Geo. 5 c. xlviii ...	The London County Council (Money) Act 1933.
24 & 25 Geo. 5 c. lviii ...	The London County Council (Money) Act 1934.
25 & 26 Geo. 5 c. c ...	The London County Council (Money) Act 1935.
26 Geo. 5 & 1 Edw. 8 c. ciii ...	The London County Council (Money) Act 1936.
1 Edw. 8 & 1 Geo. 6 c. xlviii ...	The London County Council (Money) Act 1937.
1 & 2 Geo. 6 c. xxxv ...	The London County Council (Money) Act 1938.
2 & 3 Geo. 6 c. lvi ...	The London County Council (Money) Act 1939.
3 & 4 Geo. 6 c. xxii ...	The London County Council (Money) Act 1940.
4 & 5 Geo. 6 c. xi ...	The London County Council (Money) Act 1941.
5 & 6 Geo. 6 c. vi ...	The London County Council (Money) Act 1942.
6 & 7 Geo. 6 c. xiv ...	The London County Council (Money) Act 1943.
7 & 8 Geo. 6 c. xi ...	The London County Council (Money) Act 1944.
8 & 9 Geo. 6 c. xiii ...	The London County Council (Money) Act 1945.
9 & 10 Geo. 6 c. xxx ...	The London County Council (Money) Act 1946.
10 & 11 Geo. 6 c. xvi ...	The London County Council (Money) Act 1947.
11 & 12 Geo. 6 c. xxxvi ...	The London County Council (Money) Act 1948.
12 & 13 Geo. 6 c. xxxi ...	The London County Council (Money) Act 1949.
14 Geo. 6 c. xv ...	The London County Council (Money) Act 1950.
14 & 15 Geo. 6 c. xix ...	The London County Council (Money) Act 1951.
15 & 16 Geo. 6 & 1 Eliz. 2 c. xi.	The London County Council (Money) Act 1952.
1 & 2 Eliz. 2 c. xxv ...	The London County Council (Money) Act 1953.
2 & 3 Eliz. 2 c. xxviii ...	The London County Council (Money) Act 1954.

Table of Statutes referred to in this Act

Short title	Session and chapter
Lands Clauses Consolidation Act 1845 ...	8 & 9 Vict. c. 18.
National Debt Act 1870	33 & 34 Vict. c. 71.
Bills of Exchange Act 1882	45 & 46 Vict. c. 61.
Interpretation Act 1889	52 & 53 Vict. c. 63.
London County Council (Finance Consolidation) Act 1912.	2 & 3 Geo. 5 c. cv.
Public Authorities and Bodies (Loans) Act 1916.	6 & 7 Geo. 5 c. 69.
Housing Act 1936	26 Geo. 5 & 1 Edw. 8 c. 51.
London Government Act 1939	2 & 3 Geo. 6 c. 40.

PRINTED BY JOHN ROUGHTON SIMPSON, C.B.

Controller of Her Majesty's Stationery Office and Queen's Printer of Acts of Parliament

LONDON : PUBLISHED BY HER MAJESTY'S STATIONERY OFFICE

Price 2s. 0d. net

PRINTED IN GREAT BRITAIN

(38894)

London County Council (Loans) Act, 1955

4 ELIZ. 2 Ch. xxvi

ARRANGEMENT OF SECTIONS

PART I

PRELIMINARY

Section

1. Short title and date of commencement.
2. Act divided into Parts.
3. Interpretation.

PART II

CAPITAL EXPENDITURE AND LOANS BY COUNCIL

4. Capital expenditure of Council.
5. Loans by Council.
6. Temporary loans.
7. Making of returns by borrowers.
8. Surplus or insufficiency of sums authorised to be expended or lent.
9. Emergency expenditure or lending.
10. Annual money Bills to be accompanied by tables.

PART III

BORROWING BY COUNCIL

11. Power of Council to borrow money.
12. Methods of borrowing.
13. Temporary borrowing.
14. Use of money in loans fund.
15. Use of certain funds for borrowing.
16. Security for borrowing and priority of securities.
17. Period for repayment of moneys borrowed.

PART IV

ISSUE OF SECURITIES

Stock

18. Creation of stock.
19. Classes of stock.
20. Redemption and conversion of stock.
21. Certificates to bearer.

Mortgages

Section

22. Mortgages.

London County annuities

23. London County annuities.

London County bills

24. London County bills.

General

25. Payment of dividends from fixed date.

26. Application of money.

PART V

LOANS FUND

27. Loans fund.

28. Investment of money of loans fund.

PART VI

**REGISTRATION TRANSFER AND REDEMPTION OF SECURITIES
AND PAYMENT OF DIVIDENDS**

29. Transfer registration etc. of stock etc.

30. Unclaimed securities.

31. Retransfer of securities.

32. Unclaimed dividends.

33. Unclaimed redemption money or principal.

34. Investigations.

35. Indemnity to bank.

36. Provisions in case registers kept by Council.

37. Appointment of a receiver.

38. Security holders exempt from inquiries.

PART VII

GENERAL

39. Arrangements with bank.

40. Arrangements with other banks.

41. Expenses of creation of securities.

42. Accounts.

43. Investment and advance by National Debt Com-
missioners.

44. False certificates dividend warrants etc.

45. Approval of Treasury.

46. Charges upon property of Council.

Section

47. Saving powers of expenditure out of revenue.
48. Saving for powers of Treasury and Minister in respect of bonds and other securities.
49. Repeals.
50. Costs of Act.

SCHEDULES :

First Schedule—Provisions relating to the form registration and transfer of and the title to mortgages.

Second Schedule—Provisions relating to the issue of certificates for and the registration and transfer of stock and the payment of dividends and redemption moneys.

Third Schedule—Enactments repealed.

