



Local Government Act 1985

1985 CHAPTER 51

PART VII

RESIDUARY BODIES

57 Establishment of residuary bodies.

- F1(1)
- F1(2)
- F1(3)
- F1(4)
- F1(5)
- F1(6)

(7) Schedule 13 to this Act shall have effect with respect to each residuary body.

Textual Amendments

F1 S. 57(1)-(6) repealed (22.7.2004) by [Statute Law \(Repeals\) Act 2004 \(c. 14\)](#), [Sch. 1 Pt. 10](#) Group 3

58 Repayment of loans.

- (1) Except so far as otherwise provided by any provision made under this Act, all the rights and liabilities of the Greater London Council or a metropolitan county council on the abolition date in respect of money borrowed by that council shall on that date become rights and liabilities of the appropriate residuary body and those liabilities (both as respects principal and interest) shall be charged on the revenues of that body.
- (2) For the purpose of providing a residuary body with money to discharge those liabilities each relevant authority shall on the abolition date be deemed to have borrowed from

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the appropriate residuary body such sum as may be specified by or determined in accordance with an order made by the Secretary of State; and that sum shall be deemed to have been borrowed on such terms as to repayment and the payment of interest as may be so specified.

- (3) Without prejudice to its borrowing powers by virtue of Part VIII below, a residuary body may borrow money for the purpose of discharging any liabilities to which it is subject under subsection (1) above and a relevant authority may, during the period within which it is required to discharge its liabilities in respect of principal under subsection (2) above, borrow money for the purpose of discharging its liabilities under that subsection.
- (4) In this section “relevant authority” means—
 - (a) as respects Greater London, each rating authority in Greater London and the authorities established by sections 18 and 27 above;
 - (b) as respects a metropolitan county, each rating authority in the county and any joint authority in relation to which such an authority is a constituent council.
- (5) In subsection (1) above the reference to money borrowed by a council includes a reference to any money borrowed by any other authority whose rights and liabilities in respect of that money have been transferred to that council.

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Modifications etc. (not altering text)

C1 S. 58(1) excluded by [S.I. 1986/553](#), [art. 3\(1\)](#), and 1986/563, art. 3(1)

F259 Redundancy and compensation payments.

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Textual Amendments

F2 S. 59 repealed (22.7.2004) by [Statute Law \(Repeals\) Act 2004 \(c. 14\)](#), [Sch. 1 Pt. 10](#) Group 3

60 Payment of pensions.

- (1) Except so far as otherwise provided by regulations made before the abolition date under section 7 of the ^{M1}Superannuation Act 1972 (local government superannuation) all the functions of the Greater London Council or a metropolitan county council as administering authority under the regulations then in force under that section shall on that date become functions of the appropriate residuary body and the superannuation fund maintained by that council, together with all rights and liabilities in respect of it, shall on that date vest in that body.
- (2) Subject to subsection (3) below, all liabilities of the Greater London Council or a metropolitan county council in respect of pensions payable by it otherwise than under such regulations as aforesaid shall on the abolition date become liabilities of the appropriate residuary body.
- (3) Subsection (2) above does not apply to liabilities which by virtue of any provisions made under this Act become liabilities of a police or [^{F3}fire and rescue authority] established by Part IV of this Act.

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- (4) Any pension granted on or after the abolition date under [^{F4}paragraph 2 of Schedule 1 to the Coroners Act 1988] by a metropolitan district council shall be paid by the appropriate residuary body but the sums required for paying the pension shall be reimbursed to that body—
- (a) if that council is not designated under section 13(3)(b) above, by that council; and
 - (b) if that council is so designated, by that and the other councils in the coroner’s district in question in such proportions as they may agree or, in default of agreement, as may be determined by the Secretary of State.
- (5) In subsection (2) above references to pensions include references to allowances, grants or other benefits in respect of past service, death, injury or disease (whether of the pensioner or another person) and any such compensation as is mentioned in section 8(1)(b) of the ^{M2}Pensions (Increase) Act 1971.
- (6) As from the abolition date section 58(2)(c) of the Justices of the ^{M3}Peace Act 1979 shall be amended by substituting for the words “the Greater London Council” the words “the London Residuary Body”.

Textual Amendments

- F3** Words in s. 60(3) substituted (1.10.2004 except in relation to W., 10.11.2004 for W.) by [Fire and Rescue Services Act 2004 \(c. 21\)](#), s. 61, [Sch. 1 para. 60](#); [S.I. 2004/2304](#), art. 2; [S.I. 2004/2917](#), art. 2
- F4** Words substituted by [Coroners Act 1988 \(c.13, SIF 33\)](#), ss. 33, 36(1), [Sch. 3 para. 18](#)

Modifications etc. (not altering text)

- C2** S. 60 modified by [S.I. 1986/96](#), [art. 2\(1\)\(2\)](#)

Marginal Citations

- M1** 1972 c. 11.
M2 1971 c. 56.
M3 1979 c. 55.

61 Payment of pensions increases.

- (1) As from the abolition date paragraphs 48 and 49 of Schedule 2 to the Pensions (Increase) Act 1971 shall be amended by substituting for the words “the Greater London Council” the words “the London Residuary Body”.
- (2) At the end of Part II of that Schedule (pensions payable out of local funds) there shall be inserted—

“64A A pension payable by a residuary body established by the Local Government Act 1985 in respect of service ending with service with that body.

64B A pension payable by such a residuary body, being a pension which would fall within any of the foregoing paragraphs of this Part of this Schedule if references to a local authority had continued to include references to the authorities abolished by that Act.”

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- (3) In paragraph 1(5) of Schedule 3 to that Act (cases where increase of pension is to be reimbursed by the last employing authority) for the words “and 63” there shall be substituted the words “, 63, 64A and, so far as relating to any pension falling within any of the foregoing paragraphs, 64B.”
- (4) The appropriate residuary body shall pay—
- (a) any increase which by virtue of regulations under section 5(2) of the said Act of 1971 would have been payable on or after the abolition date by the Greater London Council or a metropolitan county council; and
 - (b) any payment which is analogous to a pensions increase and would have been payable as aforesaid by virtue of regulations under section 13(3) of that Act.
- (5) Notwithstanding subsection (3) above or anything in any such regulations as are mentioned in subsection (4)(a) above no liability to reimburse a residuary body in respect of any payment made by virtue of this section shall attach to the Secretary of State, the Arts Council of Great Britain or the Historic Buildings and Monuments Commission for England.

Modifications etc. (not altering text)

- C3** S. 61 modified by [S.I. 1986/96, art. 2\(1\)\(2\)](#)
C4 S. 61(5) modified by [S.I. 1989/1815, art. 7\(8\)](#)

62 Custody of residuary property etc.

- (1) On the abolition date there shall vest in the appropriate residuary body all residuary property, rights and liabilities of the Greater London Council or a metropolitan county council.
- (2) In subsection (1) above “residuary property, rights and liabilities” means any property for the vesting of which provision is not otherwise made by or under this Act or any other enactment and, subject to subsection (3) below, any rights and liabilities which are not transferred, extinguished or otherwise dealt with by any provision made as aforesaid.
- (3) This section shall not be construed—
- (a) as continuing in force any contract of employment made by the Greater London Council or a metropolitan county council; or
 - (b) as imposing any liability on a residuary body in respect of the termination of any such contract by the abolition of that council;
- but the rights and liabilities to which this section applies shall include any rights and liabilities attributable to anything done or omitted under or in respect of such a contract before the abolition date except any liability to make a payment prohibited by section 53(2) above.
- (4) The Secretary of State may by order confer on a residuary body any statutory functions which before the abolition date were exercisable by the Greater London Council or a metropolitan county council, being functions exercisable by that council in relation to any property, rights or liabilities which are vested in that body by this section or by any other provision made by or under this Act or any other enactment.

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- (5) An order under subsection (4) above may contain such supplementary and transitional provisions as the Secretary of State thinks necessary or expedient, including provisions amending any enactment or any instrument made under any enactment.

Modifications etc. (not altering text)

C5 S. 62 extended by [S.I. 1986/399](#), [arts. 1, 8](#)

^{F5}63 Preparation of final accounts.

Textual Amendments

F5 [Ss. 63-65](#) repealed (22.7.2004) by [Statute Law \(Repeals\) Act 2004 \(c. 14\)](#), [Sch. 1 Pt. 10](#) Group 3

^{F5}64 Commutation of smallholdings and housing payments.

Textual Amendments

F5 [Ss. 63-65](#) repealed (22.7.2004) by [Statute Law \(Repeals\) Act 2004 \(c. 14\)](#), [Sch. 1 Pt. 10](#) Group 3

^{F5}65 Directions.

Textual Amendments

F5 [Ss. 63-65](#) repealed (22.7.2004) by [Statute Law \(Repeals\) Act 2004 \(c. 14\)](#), [Sch. 1 Pt. 10](#) Group 3

66 Discharge of certain residuary functions by designated councils.

- (1) The Secretary of State may by an order made on the application of the councils of the districts in a metropolitan county make provision whereby any rights, liabilities, property or functions which by virtue of section 58, 60 or 61 above would otherwise be vested in or fall to be discharged by the residuary body established for that county are vested in or discharged by one of those councils (a “designated council”) instead of that body.
- (2) An order under subsection (1) above may modify or supplement any of the provisions of the sections mentioned in that subsection; and any such order may in particular—
- (a) require the designated council to keep such accounts and establish such funds as may be specified in the order;
 - (b) provide for any deficit or surplus in any such account or fund to be recovered from or distributed among the councils on whose application the order is made; and

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- (c) in the case of an order relating to section 58, impose on the designated council liabilities corresponding to those to which it would have been subject under subsection (2) of that section.
- (3) References in this section to the functions falling to be discharged by virtue of section 61 do not include those exercisable by virtue of the paragraph 64A inserted by subsection (2) of that section.

67 Winding up of residuary bodies.

- (1) Except as respects any of its functions for the discharge of which provision will be or is likely to be required after the end of the period of five years beginning with the abolition date, it shall be the duty of each residuary body to use its best endeavours to secure that its work is completed as soon as practicable and in any event by the end of that period; and each residuary body shall—
- (a) as respects any such functions, any property held by that body for the purposes of any such functions and any rights or liabilities of that body which will or are likely to subsist for longer than that period, make such arrangements as are practicable for their transfer to another body or bodies or submit proposals to the Secretary of State for effecting such transfers by orders made by him in that behalf.
 - (b) not later than the end of the period of four years beginning with the abolition date, submit to the Secretary of State a scheme for the winding up of the residuary body and the disposal of its remaining functions, property, rights and liabilities so far as not dealt with in pursuance of paragraph (a) above.
- (2) A residuary body may at any time before the end of the period mentioned in subsection (1)(b) above submit proposals to the Secretary of State for the transfer of any property of that body to a local authority or to a new authority.
- (3) The Secretary of State may by order provide for any such transfer or disposal as is mentioned in subsection (1) or (2) above, whether as proposed by the residuary body or otherwise, and for giving effect (with or without modifications) to any scheme submitted to him under subsection (1) above; and, without prejudice to the generality of that power, any such order may contain such supplementary and transitional provisions as the Secretary of State thinks necessary or expedient, including provisions amending any enactment or any instrument made under any enactment or establishing new bodies corporate to receive any functions, property, rights or liabilities transferred by the order.

Modifications etc. (not altering text)

- C6** S. 67 restricted by [Education Reform Act 1988 \(c.40, SIF 41:1\)](#), **ss. 164(1)**, 231(7), 235(6)
- C7** S. 67 modified by [Education Reform Act 1988 \(c.40, SIF 41:1\)](#), **ss. 164(1)(2)**, 231(7), 235(6)
- C8** S. 67(2) amended by [S.I. 1985/1884](#), **art. 6**

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