
STATUTORY INSTRUMENTS

1987 No. 118

**The Local Government Reorganisation
(Capital Money) (Greater London) Order 1987**

PART I

Citation and commencement

1. This Order may be cited as the Local Government Reorganisation (Capital Money) (Greater London) Order 1987 and shall come into force on 27th February 1987.

Interpretation

2.—(1) In this Order except where the context otherwise requires—

“the abolished council” means the Greater London Council;

“the 1985 Act” means the Local Government Act 1985;

“the 1980 Act” means the Local Government, Planning and Land Act 1980(1);

“direct capital receipts” means monies described in paragraph (2)(a);

“disposal” means disposal by operation of law or otherwise;

“education balances” means those transferred capital receipts which are not attributable to sums received by the abolished council from the disposal of land or other property or by way of repayment of grants and advances of a capital nature which remained unapplied immediately before 1st April 1986;

“housing advances” means sums advanced by the abolished council by way of loan for the purchase, construction, repair or improvement of dwellings;

“housing assets” means relevant land held by the abolished council for the purposes of section 92 of the Housing Act 1957(2);

“housing receipts” means those direct capital receipts which are attributable to the disposal of housing assets or the repayment of housing advances and grants for the purchase, construction, repair or improvement of dwellings;

“other property” means any vehicle, vessel, movable and immovable plant, machinery and apparatus;

“reimbursable capital money” means capital money as defined in paragraph (2) which is payable by the Residuary Body to the Exchequer or to the European Commission by virtue of the relevant land, other property, grant or advance having been financed either in whole or in part by grants from the Exchequer or the Commission;

“relevant land” means any land other than—

(1) 1980 c. 65.

(2) 1957 c. 56; the abolished council was a housing authority for the purposes of section 92 by virtue of section 21(4) of the London Government Act 1963 (c. 33).

- (a) land held as an investment of a superannuation fund maintained under regulations made under section 7 of the Superannuation Act 1972(3); and
- (b) land in respect of which a housing association is the mortgagor and the Residuary Body is the mortgagee;

“the rating authorities” means the rating authorities in Greater London other than The Temples;

“the Residuary Body” means the London Residuary Body;

“transferred capital receipts” means monies described in paragraph (2)(b).

- (2) For the purposes of section 77 of the 1985 Act and this order, except article 9,

“capital money” means—

- (a) money received by the Residuary Body—
 - (i) which is attributable to the disposal of relevant land or other property by that Body;
 - (ii) which is attributable to amounts left outstanding in accordance with section 9 of the Housing Act 1980(4) in connection with the disposal of housing assets by the abolished council; and
 - (iii) by way of repayments of grants and advances of a capital nature; and
- (b) such amount of the monies vested in the Residuary Body on the abolition date by virtue of section 62 of the 1985 Act as equals the aggregate of—
 - (i) the net aggregate of those parts of the amounts shown as cash (whether credit or debit) in the accounts of the abolished council referred to in paragraph (3) for the financial year ended 31st March 1986, made up and balanced in accordance with regulation 6 of the Accounts and Audit Regulations 1983(5), which are attributable to the functions of the abolished council as a local education authority; and
 - (ii) the amount shown as cash in the abolished council’s Supplies Reserve Fund for that financial year.

- (3) The accounts referred to in paragraph (2)(b) are—

- (a) the Direct Labour Operation of the Architect’s Department Account;
- (b) the Inner London Education Authority Building and Equipment Renewal and Repair Fund;
- (c) the Insurance Fund;
- (d) the Insurance Reserve Fund;
- (e) the Mechanical and Electrical Engineering Maintenance Direct Labour Organisation Account; and
- (f) the Special No. 1 Precept Account.

(4) Where the amount vested as mentioned in paragraph (2)(b) is less than the aggregate of the amounts shown as cash in the accounts of the abolished council for the financial year ended 31st March 1986 the Residuary Body shall be deemed for the purposes of this order to have had vested in it under section 62 such additional sum as makes that amount equal to that aggregate.

(3) 1972 c. 11.

(4) 1980 c. 51.

(5) S.I.1983/1761, to which there are amendments not relevant to this order.