
STATUTORY INSTRUMENTS

1987 No. 118

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

PART IV

Administrative arrangements—notifications

7.—(1) Subject to paragraph (2), on or before 30th June and on or before 31st December in each financial year beginning with the financial year commencing 1st April 1986 the Residuary Body shall notify each rating authority of its estimate and revised estimate, respectively, of—

- (a) the amounts of capital money to be received in the current and next succeeding financial years;
- (b) the amounts to be paid to that authority in those years in accordance with this order;
- (c) the amounts which, in accordance with article 4(1), are to be treated as included in the authority's net capital receipts for those years; and
- (d) the classes of disposals and repayments to which the amounts referred to in subparagraph (c) relate.

(2) Paragraph (1) shall apply to the financial year ending 31st March 1987 with the omission of any reference to 30th June and revised estimates and with the substitution of 28th February for 31st December.

(3) On or before 28th February 1987 the Residuary Body shall notify each rating authority and the Inner London Education Authority of its estimate of the amount which, in accordance with article 4(2) and (3), respectively, is to be treated as included in the authority's net capital receipts and of the classes of disposals and repayments to which that amount relates.

(4) On or before 30th June in each financial year commencing with the financial year beginning 1st April 1987, the Residuary Body shall notify each rating authority of the amount determined for the preceding financial year in accordance with article 4(1) for that authority and on or before 30th June 1987 that Body shall notify each rating authority and the Inner London Education Authority of the amount determined in its case for the preceding financial year in accordance with article 4(2) and (3), respectively, together with an indication of the classes of disposals and repayments to which that amount relates.

(5) At the same time as it notifies an authority of any of the matters referred to in paragraphs (1), (3) and (4) the Residuary Body shall send a copy of such notification to the Secretary of State.

(6) For the purposes of paragraphs (1), (3) and (4), disposals and repayments shall be classified in accordance with Schedule 1 to the Local Government (Prescribed Expenditure) Regulations 1983(1),

Administrative arrangements—distribution of capital money

8.—(1) The payment required by article 6(2) shall be made no later than 28 days after the date upon which the accounts of the abolished council for the financial year ended 31st March 1986 are made up and balanced in accordance with regulation 6 of the Accounts and Audit Regulations 1983 or 14 days after this order comes into force, whichever is the later.

(2) The Residuary Body shall notify the Inner London Education Authority of the amount of the parts of that payment which are referable to the education balances and to the amount referred to in article 6(2)(b) and shall send a copy of such notification to the Secretary of State.

(3) Within seven days of making any payment in accordance with article 6(2), the Residuary Body shall notify the Secretary of State of the amount paid.

(4) The Residuary Body shall use its best endeavours to secure that payments required by article 6(1) are made on or before the last day of the financial year in question. Any part of a payment not so made (“the residual amount”) shall be paid no later than 30th June in the next financial year.

(5) Residual amounts shall be deemed to vest in the rating authority entitled to them on the last day of the financial year in question and shall thereafter be regarded as interest-free loans to the Residuary Body by the relevant rating authorities.

(6) On or before 1st July in each financial year commencing with the financial year beginning 1st April 1987 the Residuary Body shall notify the Secretary of State of the amounts paid in respect of the preceding financial year by virtue of article 6(1).

Application of capital money

9.—(1) Subject to paragraph (2), money received by an authority by virtue of this order shall be applied for any purpose for which capital money received by a local authority on the disposal of land under Part VII of the Local Government Act 1972(2) may properly be applied.

(2) The education balances and the amount referred to in article 6(2)(b) shall be carried to the general fund kept by the Inner London Education Authority in accordance with section 72(1) of the 1985 Act.