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STATUTORY INSTRUMENTS

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**1991 No. 490**

**LONDON GOVERNMENT**

**The London Residuary Body (Transfer  
of Compensation Functions) Order 1991**

<i>Made</i>	- - - -	<i>5th March 1991</i>
<i>Laid before Parliament</i>		<i>12th March 1991</i>
<i>Coming into force</i>	- -	<i>2nd April 1991</i>

Whereas the London Residuary Body, acting pursuant to section 67(1)(b) of the Local Government Act 1985(1), has submitted a scheme to the Secretary of State for the disposal of its remaining functions, property, rights and liabilities other than those connected with its functions under the Education Reform Act 1988(2):

And whereas the Secretary of State has decided to give further effect to that scheme:

Now, therefore, the Secretary of State, in exercise of the powers conferred on him by section 67(3) of the Local Government Act 1985, and of all other powers enabling him in that behalf, hereby makes the following Order:—

**Citation, commencement and interpretation**

1.—(1) This Order may be cited as the London Residuary Body (Transfer of Compensation Functions) Order 1991 and shall come into force on 2nd April 1991.

(2) In this Order—

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

“the 1988 Act” means the Education Reform Act 1988;

“the LPFA” means the London Pensions Fund Authority; and

“the Residuary Body” means the London Residuary Body.

**Transfer of compensation functions etc**

2.—(1) Subject to article 3, there shall on 2nd April 1991 vest in the LPFA all functions, rights and liabilities of the Residuary Body in connection with any of the matters specified in paragraph (2)

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(1) 1985 c. 51 section 67 was amended by the Education Reform Act 1988 (c. 40), section 164.

(2) 1988 c. 40.

so far as they relate to any contract of employment with the Residuary Body or with the former Greater London Council which terminated on or before 31st March 1990.

(2) The matters specified in this paragraph are—

- (a) compensation under regulations made under section 24 of the Superannuation Act 1972<sup>(3)</sup>;
- (b) such compensation as is mentioned in section 8(1)(b) of the Pensions (Increase) Act 1971<sup>(4)</sup>;
- (c) gratuities or benefits payable by the Residuary Body under Parts K or L of the Local Government Superannuation Regulations 1986<sup>(5)</sup> arising in relation to an employment with the Residuary Body;
- (d) the making of payments under a scheme made pursuant to section 59(3) of the 1985 Act;
- (e) any redundancy payment payable under Part VI of the Employment Protection (Consolidation) Act 1978<sup>(6)</sup>;
- (f) increases payable under the Pensions (Increase) Act 1971 where the payment of the relevant pension falls within sub-paragraphs (a) to (d); and
- (g) any proceedings or cause of action in respect of a claim for compensation for personal injury or damage to property by an employee or former employee.

(3) On 2nd April 1991 all records, monies and other personal property held or used by the Residuary Body exclusively for or in connection with any of the matters specified in paragraph (2) shall vest in the LPFA.

### **Compensation functions retained by the Residuary Body**

**3.** The functions, rights and liabilities of the Residuary Body in relation to the following shall not transfer under article 2—

- (a) compensation payable under the London Government Reorganisation (Staff Compensation) Order 1988<sup>(7)</sup>;
- (b) compensation payable under section 173 of the 1988 Act or under regulations made for the purposes of that section under section 24 of the Superannuation Act 1972;
- (c) pensions which became liabilities of the Residuary Body by virtue of section 179 of the 1988 Act;
- (d) compensation payable under section 181 of the 1988 Act; and
- (e) any obligation relating to the Residuary Body's members arising under paragraph 3 of Schedule 13 to the 1985 Act.

### **Transfer of money**

**4.—(1)** On 2nd April 1991 the Residuary Body shall pay £5 million to the LPFA.

(2) The sum paid in accordance with paragraph (1) shall be applied only for defraying expenditure incurred on, or in connection with, those functions, rights and liabilities vested in the LPFA by article 2 of this Order.

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(3) 1972 c. 11.

(4) 1971 c. 56.

(5) S.I. 1986/24, amended by S.I. 1986/380, 1987/293, 1579, 2110, 1988/466, 1989/371, 372, 1462, 1624, 1815, 1990/503, 1709 and 2480.

(6) 1978 c. 44.

(7) S.I. 1988/1542.

**Continuity of the exercise of functions**

5.—(1) Anything done by or in relation to (or having effect as if done by or in relation to) the Residuary Body in connection with any functions, rights or liabilities vested in the LPFA by virtue of article 2 of this Order shall, so far as is required for continuing its effect on or after 2nd April 1991, have effect as if done by or in relation to the LPFA.

(2) Any pending action or proceeding may be amended in such manner as may be necessary or appropriate in consequence of this Order.

5th March 1991

*Michael Heseltine*  
Secretary of State for the Environment

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

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## EXPLANATORY NOTE

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

This Order gives further effect to a scheme submitted by the London Residuary Body (“the LRB”) for the disposal of its remaining functions, property, rights and liabilities other than those connected with the abolition of the former Inner London Education Authority (“the ILEA”). Most of the LRB’s scheme was given effect by S.I. [1990/419](#).

Article 2 transfers to the London Pensions Fund Authority (“the LPFA”) certain compensation functions arising in relation to former employees of the LRB and of the former Greater London Council.

Article 3 provides for the retention by the LRB of some compensation functions, principally in relation to the ILEA. Article 4 makes provision for the transfer of £5 million to the LPFA to enable it to meet expenditure incurred in consequence of the provisions of the Order. Article 5 provides for continuity in the exercise of functions.