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STATUTORY INSTRUMENTS

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**1991 No. 439**

**EDUCATION, ENGLAND AND WALES  
LOCAL GOVERNMENT, ENGLAND AND WALES  
LONDON GOVERNMENT**

**The Local Government Reorganisation  
(Capital Money) (Greater London) Order 1991**

<i>Made</i>	- - - -	<i>5th March 1991</i>
<i>Laid before Parliament</i>		<i>7th March 1991</i>
<i>Coming into force—</i>		
<i>For the purposes of article 5</i>		<i>28th March 1991</i>
<i>For all other purposes</i>		<i>1st April 1991</i>

The Secretary of State for the Environment, in exercise of the powers conferred on him by sections 77 and 101 of the Local Government Act 1985(1) and section 185(10) of the Education Reform Act 1988(2), and of all other powers enabling him in that behalf, hereby makes the following Order:

**Citation and commencement**

1. This Order may be cited as the Local Government Reorganisation (Capital Money) (Greater London) Order 1991 and shall come into force for the purposes of article 5 on 28th March 1991 and for all other purposes on 1st April 1991.

**Interpretation**

2. In this Order, except where the context otherwise requires
- “the 1985 Act” means the Local Government Act 1985;
  - “the 1988 Act” means the Education Reform Act 1988;
  - “the 1989 Act” means the Local Government and Housing Act 1989;

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(1) 1985 c. 51; section 77 was amended by the Local Government and Housing Act 1989 (c. 42), section 194 and Schedule 12; the Local Government Finance (Capital Money) (Consequential Amendments) Order 1990 (S.I.1990/268); and the Local Government Finance (Repeals, Savings and Consequential Amendments) Order 1990 (S.I. 1990/776).

(2) 1988 c. 40.

“the 1990 Order” means the Local Government Reorganisation (Capital Money) (Greater London) Order 1990(3) ;

“capital money” means money specified in article 3 below;

“charging authority” means a charging authority in Greater London;

“County Hall” means the land and buildings previously owned by the Greater London Council and known as the Main Building, the North Block, the South Block and the Island Block, the site of the former Addington Street Annexe, all ancillary service areas and car parks and the bridge which links the Island and South Blocks;

“distributable capital money” means the money described in article 3(1)(a) below;

“the Residuary Body” means the London Residuary Body.

### **Capital money**

3.—(1) Subject to paragraph (2), money received by the Residuary Body of the following descriptions is hereby specified as capital money for the purposes of section 77 of the 1985 Act—

(a) money received by the Residuary Body on or after 1st April 1990 which, if the Residuary Body were a county council, would be capital receipts of that council for the purposes of Part IV of the 1989 Act (revenue accounts and capital finance of local authorities) other than—

(i) money received by the Residuary Body as trustee of a fund which may be applied only for charitable purposes;

(ii) money attributable to the disposal of property, other than land, which immediately before its disposal was held by the Residuary Body for the purposes of the Greater London Supplies Division of its Operational Services Department;

(iii) money described in sub-paragraph (b) below;

(b) money attributable to the disposal of the whole or any part of County Hall;

(c) money which was specified as capital money for the purposes of section 77 of the 1985 Act by an order made under that section before the coming into force of this article and was not payable to a charging authority pursuant to any such order.

(2) Paragraph (1) does not apply in respect of any money the receipt of which is solely attributable to the exercise of the Residuary Body’s functions under the 1988 Act.

### **Distribution of capital money**

4.—(1) On or before 31st March in each financial year commencing with the year beginning 1st April 1991 the Residuary Body shall pay to each charging authority the appropriate percentage of distributable capital money received by the Residuary Body during that year.

(2) For the purposes of this article, “the appropriate percentage” means the appropriate percentage specified in column 2 of the Schedule to this Order opposite the authority specified in column 1.

### **Application of capital money for 1988 Act purposes**

5.—(1) The Residuary Body may apply up to £45 million of capital money which is not distributable capital money in making compensation payments arising in connection with the abolition of the Inner London Education Authority.

(2) In this article “compensation payments” means any payment made under Part VI of the Employment Protection (Consolidation) Act 1978<sup>(4)</sup> or section 178 of the 1988 Act, under section 1 of the Pensions (Increase) Act 1971<sup>(5)</sup> or any order under section 2 of that Act or section 59 of the Social Security Pensions Act 1975<sup>(6)</sup>, under the Education (Reorganisation in Inner London) (Compensation) Regulations 1989<sup>(7)</sup> or made in satisfaction of contractual rights saved by section 173 of the 1988 Act, but excluding any part of any such payment which is recoverable from any person other than the recipient; and includes such administrative expenses of the Residuary Body as are properly attributable to such payments.

(3) In respect of the financial year ending on 31st March 1991, in this article—

- (a) “capital money” has the same meaning as in the 1990 Order; and
- (b) “distributable capital money” means money which is payable to the charging authorities under article 5 of that Order.

### **Revocations**

- 6. The 1990 Order is hereby revoked.

5th March 1991

*Michael Heseltine*  
Secretary of State for the Environment

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(4) 1978 c. 44.

(5) 1971 c. 56; section 2 was repealed by section 65(3) of the Social Security Pensions Act 1975 but without prejudice to any existing order made under that section.

(6) 1975 c. 60.

(7) S.I. 1989/1139, amended by S.I. 1990/1433.

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

## SCHEDULE

Article 4

## DISTRIBUTION OF CAPITAL MONEY

(1) Charging authority (London borough council unless otherwise stated)	(2) Appropriate percentage
Barking	2.16
Barnet	4.38
Bexley	3.27
Brent	3.77
Bromley	4.49
Camden	2.59
Croydon	4.74
Ealing	4.08
Enfield	3.96
Greenwich	3.08
Hackney	2.58
Hammersmith and Fulham	2.35
Haringey	2.96
Harrow	2.98
Havering	3.48
Hillingdon	3.46
Hounslow	3.00
Islington	2.51
Kensington and Chelsea	2.08
Kingston-upon-Thames	1.97
Lambeth	3.38
Lewisham	3.28
Merton	2.59
Newham	3.12
Redbridge	3.40
Richmond-upon-Thames	2.46
Southwark	3.25
Sutton	2.50
The Common Council of the City of London	0.07
Tower Hamlets	2.36

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(1) Charging authority (London borough council unless otherwise stated)	(2) Appropriate percentage
Waltham Forest	3.15
Wandsworth	3.88
Westminster City Council	2.67

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### EXPLANATORY NOTE

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

This Order re-enacts, with amendments, the Local Government Reorganisation (Capital Money) (Greater London) Order 1990.

The Order is primarily concerned with the distribution of capital receipts by the London Residuary Body consequent upon the abolition of the Greater London Council to charging authorities in Greater London (the Common Council of the City of London and the London borough councils).

Article 3 specifies money which is capital money for the purposes of section 77 of the Local Government Act 1985.

Article 4 provides for the distribution of distributable capital money (defined in article 2) to the charging authorities in accordance with the percentages specified in the Schedule.

Article 5 permits the Residuary Body to apply up to £45 million of other capital money in making staff compensation payments arising from the abolition of the Inner London Education Authority.

Article 6 revokes the 1990 Order.