
STATUTORY INSTRUMENTS

1992 No. 331

**EDUCATION, ENGLAND AND WALES
LONDON GOVERNMENT**

**The Education (London Residuary Body)
(Transfer of Compensation Functions) Order 1992**

<i>Made</i>	- - - -	<i>21st February 1992</i>
<i>Laid before Parliament</i>		<i>10th March 1992</i>
<i>Coming into force</i>	- -	<i>1st April 1992</i>

Whereas the London Residuary Body, acting pursuant to section 187(2) of the Education Reform Act 1988⁽¹⁾, has submitted proposals to the Secretary of State for effecting transfers of certain of its functions under Part III of that Act for the discharge of which provision will be required after 31st March 1993 and of certain property, rights and liabilities transferred to it, or held, acquired or incurred by it by virtue of, or in the exercise of any of its functions under, Part III of that Act;

And whereas the London Residuary Body, acting pursuant to section 67(1)(b) of the Local Government Act 1985⁽²⁾, 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;

And whereas the Secretary of State has decided to give effect to those proposals and to give further effect to that scheme in both cases with modifications;

Now, therefore, the Secretary of State, in exercise of the powers conferred on him by sections 185(8) and (10), 187(5) and (6), 231(2) and (3) and 232(5) of the Education Reform Act 1988 and sections 67(3), 77, 100(2) and 101 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 Education (London Residuary Body) (Transfer of Compensation Functions) Order 1992 and shall come into force on 1st April 1992.

(2) In this Order—

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

(1) 1988 c. 40.

(2) 1985 c. 51; section 67(1)(b) was amended by the Education Reform Act 1988, section 164(2).

- “the 1988 Act” means the Education Reform Act 1988;
 “ILEA” means the former Inner London Education Authority;
 “inner London council” has the same meaning as in section 163(2) of the 1988 Act;
 “the LPFA” means the London Pensions Fund Authority⁽³⁾; and
 “the LRB” means the London Residuary Body.

(3) Unless the context otherwise requires, any reference in this Order to a numbered article is a reference to the article of this Order so numbered.

Transfer of compensation functions etc.

2.—(1) Subject to paragraph (4) and article 3 below, on 1st April 1992 all functions, rights and liabilities of the LRB in relation to the following where they arise in relation to any contract of employment with the LRB, with the Greater London Council or with ILEA which terminated on or before 31st December 1991 shall transfer to the LPFA—

- (a) compensation under regulations made under section 24 of the Superannuation Act 1972⁽⁴⁾;
- (b) such compensation as is mentioned in section 8(1)(b) of the Pensions (Increase) Act 1971⁽⁵⁾;
- (c) gratuities or benefits payable by the LRB under Part K or L of the Local Government Superannuation Regulations 1986⁽⁶⁾;
- (d) compensation payable under the London Government Reorganisation (Staff Compensation) Order 1988⁽⁷⁾;
- (e) liabilities which are vested in or fall to be discharged by the LRB under or by virtue of section 179 of the 1988 Act;
- (f) compensation payable under section 181 of the 1988 Act;
- (g) any redundancy payment payable under Part VI of the Employment Protection (Consolidation) Act 1978⁽⁸⁾;
- (h) increases payable under the Pensions (Increase) Act 1971 where the payment of the relevant pension falls within sub-paragraphs (a) to (g) above; and
- (i) the LRB’s responsibilities, as former employing authority, under regulation 3 of the Local Government Superannuation (Miscellaneous Provisions) Regulations 1986⁽⁹⁾.

(2) On 1st April 1992 all functions, rights and liabilities of the LRB under paragraph 3(2) of Schedule 13 to the 1985 Act in respect of any pensions, allowances and gratuities payable to any member of the LRB shall vest in the LPFA.

(3) On 1st April 1992 all records, monies and other personal property held by the LRB exclusively for or in connection with any of the matters specified in paragraphs (1) and (2) above shall vest in the LPFA.

⁽³⁾ Established under S.I.1989/1815.

⁽⁴⁾ 1972 c. 11.

⁽⁵⁾ 1971 c. 56.

⁽⁶⁾ 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, 2480, 1991/1203, 2471 and 2522.

⁽⁷⁾ S.I. 1988/1542.

⁽⁸⁾ 1978 c. 44.

⁽⁹⁾ S.I. 1986/380.

(4) This article shall not apply in relation to any functions, rights and liabilities which were transferred to the LPFA by virtue of the London Residuary Body (Transfer of Compensation Functions) Order 1991⁽¹⁰⁾.

Functions retained by the LRB

3. Except for any matters transferred by virtue of article 2(2), the functions, rights and liabilities of the LRB in relation to the LRB's members arising under paragraph 3 of Schedule 13 to the 1985 Act shall not transfer to the LPFA.

Transfer of employer liability functions etc.

4.—(1) Subject to paragraph (2) below, all the functions, rights and liabilities of the LRB which relate to, or arise from, any contract of employment with the Greater London Council, ILEA or the LRB which terminated on or before 31st December 1991 shall on 1st April 1992 transfer to, or vest in, the LPFA.

(2) Paragraph (1) above shall not apply to any rights and liabilities of the LRB in relation to any cause of action or proceeding brought by a third party against the Greater London Council, ILEA or the LRB, or against any employee of the Greater London Council, ILEA or the LRB, or against both such an employee and his employer.

(3) On 1st April 1992 all records, monies and other personal property held or used by the LRB exclusively for or in connection with any of the matters specified in paragraph (1) above shall vest in the LPFA.

Transfer of employee's claims for personal injury and damage to property

5.—(1) On 1st April 1992 there shall vest in the LPFA the functions, rights and liabilities of the LRB in relation to any proceedings or cause of action in respect of a claim for personal injury or for damage to property—

- (a) which arose before 1st April 1986 by a person who at the relevant time was an employee of the Greater London Council;
- (b) which arose before 1st April 1990 by a person who at the relevant time was an employee of ILEA; or
- (c) by a person who at the relevant time was an employee of the LRB and whose contract of employment terminated on or before 31st December 1991, employment and such functions, rights and liabilities do not transfer to the LPFA pursuant to article 4 and were not transferred to the LPFA pursuant to the London Residuary Body (Transfer of Compensation Functions) Order 1991.

(2) On 1st April 1992 the functions of the LRB to which this paragraph applies shall transfer to the LPFA.

(3) Paragraph (2) above applies to—

- (a) the duty⁽¹¹⁾ of the LRB to deal with all claims—
 - (i) made by a person who at the relevant time was an employee of ILEA,
 - (ii) which arose before 1st April 1990, and
 - (iii) are in respect of personal injury against his employer arising out of or in the course of his employment; and

⁽¹⁰⁾ S.I. 1991/490.

⁽¹¹⁾ Conferred by section 176 of the Education Reform Act 1988 and the Secretary of State's direction under that section dated 30th March 1990.

(b) the power⁽¹²⁾ of the LRB to make payments in respect thereof in so far as such payments would otherwise fall to be made by any other body.

(4) Where any liability is determined or accepted by the LPFA, in any specified sum in respect of any such claim as is mentioned in paragraph (3) above, the LPFA is by virtue of this order so empowered and shall make the relevant payment and pay related legal costs and other expenses and not recover such payments or any part thereof from the inner London council which would otherwise be responsible for any such payment or any part thereof but may use its power of raising a levy on inner London councils to meet in whole or in part the cost of any such payments⁽¹³⁾.

(5) On 1st April 1992 all records, monies and other personal property held by the LRB exclusively for or in connection with any of the matters specified in paragraphs (1) and (3) above shall vest in the LPFA.

Transfer of money

6.—(1) On 1st April 1992 the LRB shall pay £14.7 million to the LPFA.

(2) The sum paid in accordance with paragraph (1) above 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, 4 or 5.

(3) The sum paid in accordance with paragraph (1) above shall be met by the LRB as follows—

(a) the sum of £0.7 million shall be met from revenue balances on the LRB’s Greater London account; and

(b) the sum of £14 million shall be met from any or all of the following—

(i) direct capital receipts as defined in article 2(1) of the Education (London Residuary Body) (Capital Money) Order 1991⁽¹⁴⁾ ;

(ii) the sum of £45 million referred to in article 5(1) of the Local Government Reorganisation (Capital Money) (Greater London) Order 1991⁽¹⁵⁾ ; and

(iii) revenue balances on the LRB’s Inner London account.

(4) Paragraph 1 of Schedule 2 (general distribution of capital money) to the Education (London Residuary Body) (Capital Money) Order 1991 shall be amended by the insertion, after the word “means” in the definition of “compensation payments”, of the words “any payment out of direct capital receipts pursuant to article 6(3)(b)(i) of the Education (London Residuary Body) (Transfer of Compensation Functions) Order 1992 or,”.

(5) Article 5(2) (definition of “compensation payments”) of the Local Government Reorganisation (Capital Money) (Greater London) Order 1991 shall be amended by the insertion, after the word “means”, of the words “any payment pursuant to article 6(3)(b)(ii) of the Education (London Residuary Body) (Transfer of Compensation Functions) Order 1992 or,”.

Continuity of exercise of functions

7.—(1) Anything done by or in relation to (or having effect as if done by or in relation to) the LRB in connection with any functions, rights or liabilities vested in the LPFA by virtue of article 2, 4 or 5 shall, so far as is required for continuing its effect on or after 1st April 1992, 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.

⁽¹²⁾ Conferred by article 6(6) of S.I. 1990/124 as amended by article 8 of S.I. 1990/772.

⁽¹³⁾ Conferred by article 3 of S.I. 1990/70 applying article 4 of S.I. 1989/1815.

⁽¹⁴⁾ S.I. 1991/184.

⁽¹⁵⁾ S.I. 1991/439.

21st February 1992

Kenneth Clarke
The Secretary of State for Education and Science

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

EXPLANATORY NOTE

(This note is not part of the Order)

Article 2 of this Order transfers to the London Pensions Fund Authority (“the LPFA”) the functions, rights and liabilities of the London Residuary Body (“the LRB”) in relation to certain compensation payments to persons whose contracts of employment with the London Residuary Body, the Greater London Council or the Inner London Education Authority terminated on or before 31st December 1991.

Article 4 transfers to the LPFA the functions, rights and liabilities of the LRB which relate to, or arise from, any such contract of employment.

Article 5 vests in the LPFA the functions, rights and liabilities of the LRB in relation to certain proceedings or cause of action in respect of claims for personal injury or for damage to property.

Paragraphs (2) to (4) of that article enable the LPFA to continue the LRB’s function of dealing with all claims for personal injury made against the Inner London Education Authority by persons who, at the relevant time, were its employees and which arose before 1st April 1990 out of or in the course of employment. The Secretary of State’s direction referred to in footnote (a) to article 5(3) may be inspected at the offices of the London Residuary Body, Globe House, 4 Temple Place, London WC2R 3HP.

Article 6 provides that the LRB is to pay to the LPFA £14.7 million to defray expenditure incurred under article 2, 4 or 5.