

LOCAL GOVERNMENT FINANCE ACT 1988

The Collection Fund (General)(England) Directions 2002

1. (1) The Secretary of State, in exercise of his powers under sections 98(4) to (6) of the Local Government Finance Act 1988, hereby makes the following directions.
 - (2) The directions contained below (CT98(4)/30 and CT98(5)/31) have effect for the financial year beginning in 2002 and subsequent years.
 - (3) Directions CT98(4)/29, CT98(5)/27 and CT98(5)/28, made under sections 98(4) and (5) of the Local Government Finance Act 1988 on 30 January 2001) are revoked in relation to the financial year beginning in 2002 and later financial years, but shall continue to have effect both in relation to the financial year commencing in 2001 and in so far as is necessary for calculations under any other direction.
2. (1) In these directions;-

“the 1988 Act” means the Local Government Finance Act 1988,

“the 1992 Act” means the Local Government Finance Act 1992,

“billing authority” means an English billing authority,

“council tax benefit” means council tax benefit under Part VII of the Social Security Contributions and Benefits Act 1992,

“instalment day” means:-

 - (a) a day on which an amount is or will be transferred from the authority’s collection fund under section 97(1) of the 1988 Act in accordance with the Local Authorities (Funds)(England) Regulations 1992 (S.I. 1992/2428),
 - (b) where no such amount is or will be so transferred in the financial year in question, the first working day in May and in each subsequent month up to and including February in that year,

and (in either case) the last working day of the financial year in question.
- (2) Any reference in these directions (however framed) to amounts liable to be paid in respect of council tax is a reference to amounts liable to be paid before any reductions made for council tax benefit.

Direction CT98(4)/30 under section 98(4) of the 1988 Act: adjustment of council tax benefit

3. The Secretary of State directs that the amount, if any, by which

- (a) the total of the amounts calculated by the authority in relation to a financial year under direction CT98(5)/31 below

is greater than

- (b) the amount of council tax benefit in respect of the billing authority's council tax as that tax has effect for the financial year to the extent that the benefit takes the form of a reduction in the amounts liable to be paid to the authority in relation to that financial year,

shall be transferred from a billing authority's collection fund to its general fund, such amount to be transferred on the last instalment day of the financial year.

Direction CT98(5)/31 under section 98(5) of the 1988 Act: council tax benefit

4. The Secretary of State directs that the amount (if it is a positive amount) calculated in accordance with the following formula shall be transferred to a billing authority's collection fund from its general fund on each instalment day in the financial year -

$$\frac{A - B}{C}$$

where

A is the amount, calculated on the instalment day, of council tax benefits in respect of the billing authority's council tax as that tax has effect for the financial year to the extent that the benefits take the form of a reduction in the amounts liable to be paid to the authority in relation to that financial year,

B is the total of the amounts calculated by the authority under this direction, in relation to the financial year, on instalment days preceding that on which the amount is calculated,

C is the number of instalment days remaining (immediately before the day on which the amount is calculated) in the financial year;

such amount, if any, to be transferred on or before the last instalment day in the financial year.

Signed by authority of
the Secretary of State for Transport, Local Government and the Regions

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