



Local Government Finance Act 1988

1988 CHAPTER 41

PART VI

FUNDS

Calculations

95 Calculations to be made by authorities

- (1) In relation to each chargeable financial year a charging authority shall make the calculations required by this section.
- (2) The authority must calculate the aggregate of —
 - (a) the expenditure it estimates it will incur in the year in performing its functions in the year (including an allowance for contingencies),
 - (b) the payments it estimates it will make in the year in defraying outstanding expenditure already incurred,
 - (c) the expenditure it estimates it will incur and will have to meet in the next financial year before amounts to be transferred as regards that year from its collection fund to its general fund or to the City fund (as the case may be) become sufficiently available, and
 - (d) the amount it estimates it will pay in the year into a fund or funds it has established under paragraph 16 of Schedule 13 to the Local Government Act 1972.
- (3) The authority must calculate the aggregate of the sums it estimates will be paid in the year into its general fund or into the City fund (as the case may be).
- (4) If the aggregate calculated under subsection (2) above exceeds that calculated under subsection (3) above the authority must calculate the amount equal to the difference.
- (5) In making the calculation under subsection (2) above the authority must ignore payments which must be met from its collection fund under section 90(2) or (4) above or from a trust fund.

Status: This is the original version (as it was originally enacted).

- (6) In estimating under subsection (2)(a) above the authority shall take into account the amount of any levy or special levy issued to it for the year but (except as provided by regulations under section 74 or 75 above) shall not anticipate a levy or special levy not issued.
- (7) In making the calculation under subsection (3) above the authority must ignore sums which have been or are to be transferred from its collection fund to its general fund or to the City fund (as the case may be).
- (8) The Secretary of State may by regulations do one or both of the following—
 - (a) alter the constituents of any calculation to be made under subsection (2) or (3) above (whether by adding, deleting or amending items);
 - (b) alter the rules governing the making of any calculation under subsection (2) or (3) above (whether by deleting or amending subsections (5) to (7) above, or any of them, or by adding other provisions, or by a combination of those methods).
- (9) Calculations to be made in relation to a particular financial year under this section must be made before 11 March in the preceding financial year, but they are not invalid merely because they are made on or after that date.

96 Substitute calculations

- (1) An authority which has made calculations in accordance with section 95 above in relation to a financial year (originally or by way of substitute) may make calculations in substitution in relation to the year in accordance with that section, ignoring section 95(9) for this purpose.
- (2) None of the substitute calculations shall have any effect if the amount calculated under section 95(4) would exceed that so calculated in the previous calculations.
- (3) But subsection (2) above shall not apply if the previous calculation under section 95(4) has been quashed because of a failure to comply with section 95 in making the calculation.