

---

STATUTORY INSTRUMENTS

---

**1996 No. 2177**

**LOCAL GOVERNMENT, ENGLAND AND WALES**

**The Local Government Changes for England (Collection Fund Surpluses and Deficits) (Amendment) Regulations 1996**

<i>Made</i>	- - - -	<i>20th August 1996</i>
<i>Laid before Parliament</i>		<i>27th August 1996</i>
<i>Coming into force</i>	- -	<i>17th September 1996</i>

The Secretary of State, in exercise of the powers conferred on him by sections 19(1) and (2) and 26(3) to (5) of the Local Government Act 1992<sup>(1)</sup>, and of all other powers enabling him in that behalf, hereby makes the following Regulations:

**Citation, commencement and interpretation**

1.—(1) These Regulations may be cited as the Local Government Changes for England (Collection Fund Surpluses and Deficits) (Amendment) Regulations 1996 and shall come into force on 17th September 1996.

(2) In these Regulations “the principal Regulations” means the Local Government Changes for England (Collection Fund Surpluses and Deficits) Regulations 1995<sup>(2)</sup>.

**Funds Regulations**

2. For paragraph (2) of regulation 3 of the principal Regulations there shall be substituted the following—

“(2) For the purpose of the estimate under regulation 10 of the Funds Regulations—

- (a) where the estimate is for the initial year, no account shall be taken by a billing authority of an estimated amount or audit adjustment calculated under regulations 4, 5, 6 or 7 in relation to that authority and to a surplus or deficit on that authority’s collection fund, and
- (b) where the estimate is for the initial or any subsequent year, no account shall be taken of any payments to or by a billing authority or any transfers between an authority’s collection fund and general fund required to be made under these Regulations.”.

---

(1) 1992 c. 19.  
(2) S.I. 1995/2889.

### **Audit adjustment**

3. For paragraph 5(1)(b) of the principal Regulations there shall be substituted the following—  
    “(b) “final surplus or deficit” means the surplus or deficit in the collection fund of the relevant billing authority for the immediately preceding year calculated by applying the formula in paragraph 2 of Part I of Schedule 2 to the Funds Regulations to the figures shown in the final audited accounts of that authority for that year.”.

Signed by authority of the Secretary of State

Department of the Environment  
20th August 1996

*David Curry*  
Minister of State,

---

## EXPLANATORY NOTE

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

The Local Government Changes for England (Collection Fund Surpluses and Deficits) Regulations 1995 (“the principal Regulations”) make consequential and transitional provisions in relation to the surplus or deficit in the collection fund of a billing authority where that authority, or a major precepting authority in relation to that authority, is subject to a reorganisation order made under section 17 of the Local Government Act 1992.

Regulation 2 substitutes a new paragraph (2) in regulation 3 of the principal Regulations (which modifies the Local Authorities (Funds) (England) Regulations 1992 (S.I. [1992/2428](#))) to provide that what is to be excluded from the calculation of the estimate of the surplus or deficit in the collection fund for the first year of reorganisation and subsequent years is a billing authority’s share in its own collection fund, as calculated under regulations 4, 5, 6 or 7 of the principal Regulations.

Regulation 3 substitutes a new definition of “final surplus or deficit” which appears in regulation 5(1) (b) of the principal Regulations and is also used in regulation 7 of those Regulations, in order to provide that the final surplus or deficit is calculated in the same way as the estimated surplus or deficit.