



Local Government Finance Act 1988

1988 CHAPTER 41

PART VI

FUNDS

Funds

89 Collection funds.

- (1) Every [^{F1}billing authority] shall establish, and then maintain, a fund (to be called its collection fund) in accordance with this Part.
- (2) [^{F2}Subject to [^{F3}subsections (2A) to (2C)] below,]An authority's collection fund must be established on 1 April 1990.

^{F4}[(2A) In the case of a district council which is established for an area by an order under section 17 of the Local Government Act 1992 ^{F5}..., the collection fund must be established on the date on which by virtue of the order the structural or boundary change affecting the area comes into force.

^{F4}(2B) In the case of—

- (a) a county council which is established by such an order and to which are transferred by or in consequence of the order the functions of district councils in relation to the county council's area, or
- (b) an existing county council to which are transferred by or in consequence of such an order the functions of district councils in relation to the county council's area,

the collection fund must be established on the date on which by virtue of the order the structural change concerned comes into force.]

[^{F6}(2C) In the case of—

- (a) a district council or London borough council established by an order under Part 1 of the Local Government and Public Involvement in Health Act 2007, or

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- (b) a county council to which the functions of district councils in relation to the county council's area are transferred by or in consequence of such an order, the collection fund must be established on a date specified in the order or in regulations made under section 14 of that Act.]
- (3) Section 101(1)(b) of the ^{M1}Local Government Act 1972 (delegation) shall not apply as regards the functions of an authority in relation to its collection fund.
- (4) Any sum paid into an authority's collection fund shall be used in [^{F7}the making] of payments which are to be met from that fund or of transfers which are to be made from it.
- (5) If not immediately required for the purpose of [^{F8}making] those payments or transfers, the sum shall be held, invested or otherwise used in such manner as may be prescribed by regulations made by the Secretary of State.

Textual Amendments

- F1** Words in s. 89(1) substituted (6.3.1992) by 1992 c. 14, s. 104, **Sch. 10 Pt. II para. 19** (with s. 118(1)(2)(4))
- F2** Words in s. 89(2) inserted (28.11.1994) by S.I. 1994/2825, **reg. 6(1)**
- F3** Words in s. 89(2) substituted (1.11.2007 for E.) by Local Government and Public Involvement in Health Act 2007 (c. 28), s. 245(5), **Sch. 1 para. 16(3)(a)**; S.I. 2007/3136, art. 2(b)
- F4** S. 89(2A)(2B) inserted (28.11.1994) by S.I. 1994/2825, **reg. 6(1)(2)**
- F5** Words in s. 89(2A) repealed (1.4.2010) by Local Democracy, Economic Development and Construction Act 2009 (c. 20), ss. 146(3), 148(5), **Sch. 7 Pt. 4**; S.I. 2009/3318, art. 4(ii)
- F6** S. 89(2C) inserted (1.11.2007 for E.) by Local Government and Public Involvement in Health Act 2007 (c. 28), s. 245(5), **Sch. 1 para. 16(3)(b)**; S.I. 2007/3136, art. 2(b)
- F7** Words substituted by Local Government and Housing Act 1989 (c. 42, SIF 81:1), s. 139, **Sch. 5 para. 62**
- F8** Word substituted by Local Government and Housing Act 1989 (c. 42, SIF 81:1), s. 139, **Sch. 5 para. 62**

Modifications etc. (not altering text)

- C1** S. 89 applied (28.11.1994) by S.I. 1994/2825, **reg. 16(2)**
- C2** S. 89(2) applied with modifications (28.11.1998) by S.I. 1994/2825, **reg. 16(2)**
- C3** S. 89(2A)(2B) amended (28.11.1994) by S.I. 1994/2825, **reg. 46**

Marginal Citations

- M1** 1972 c. 70.

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Changes and effects yet to be applied to the whole Act associated Parts and Chapters:

- Act applied (with modifications) by S.I. 2024/414 art. 5Sch. 1 para. 7

Whole provisions yet to be inserted into this Act (including any effects on those provisions):

- s. 44A(2A) inserted by 2023 c. 53 Sch. para. 2(b)
- s. 44A(5)(e) inserted by 2023 c. 53 Sch. para. 2(c)
- s. 52A inserted by 2023 c. 53 s. 8
- s. 54(7A) inserted by 2023 c. 53 Sch. para. 34
- s. 57A(7A) inserted by 2023 c. 53 Sch. para. 4(d)
- s. 63A(1A) inserted by 2023 c. 53 s. 12(1)
- s. 63E inserted by 2023 c. 53 s. 12(2)
- s. 67(1A) inserted by 2023 c. 53 Sch. para. 7(a)
- s. 67(8A)(8B) inserted by 2023 c. 53 Sch. para. 37(a)
- s. 143(7A)-(7F) inserted by 2023 c. 53 Sch. para. 8(c)
- s. 143(9AZB) inserted by 2023 c. 53 Sch. para. 39(a)
- Sch. 4ZA inserted by 2023 c. 53 s. 1(3)
- Sch. 4ZB inserted by 2023 c. 53 s. 2(4)
- Sch. 5A para. 8 inserted by 2023 c. 53 Sch. para. 38
- Sch. 5A inserted by 2023 c. 53 s. 3(3)
- Sch. 9 para. 4B-4H and cross-heading inserted by 2023 c. 53 s. 13(2)
- Sch. 9 para. 4I-4M and cross-heading inserted by 2023 c. 53 s. 13(3)
- Sch. 9 para. 5BA-5BC and cross-heading inserted by 2023 c. 53 s. 13(6)
- Sch. 9 para. 5BD-5BF and cross-heading inserted by 2023 c. 53 s. 13(7)
- Sch. 9 para. 5CA and cross-heading inserted by 2023 c. 53 Sch. para. 46
- Sch. 9 para. 5CB inserted by 2023 c. 53 Sch. para. 47
- Sch. 9 para. 5F(1A)(1B) inserted by 2023 c. 53 Sch. para. 49(c)
- Sch. 9 para. 5F(A1) inserted by 2023 c. 53 Sch. para. 49(a)
- Sch. 9 para. 5FA inserted by 2023 c. 53 Sch. para. 50
- Sch. 9 para. 5FB inserted by 2023 c. 53 Sch. para. 51
- Sch. 9 para. 5ZA5ZB and cross-heading inserted by 2023 c. 53 s. 13(4)
- Sch. 9 para. 5ZC-5ZF and cross-heading inserted by 2023 c. 53 s. 13(5)
- Sch. 9 para. 7B inserted by 2023 c. 53 s. 10