



Local Government Act 2003

2003 CHAPTER 26

PART 2

FINANCIAL ADMINISTRATION

28 Budget monitoring: general

- (1) Where in relation to a financial year an authority to which section 32 or 43 of the Local Government Finance Act 1992 (billing or major precepting authority) applies has made the calculations required by that section, it must review them from time to time during the year.
- (2) In carrying out a review under subsection (1), an authority must use the same figures for financial reserves as those used in the calculations under review, except in the case of financial reserves to meet a revenue account deficit from an earlier financial year.
- (3) If as a result of carrying out a review under subsection (1) it appears to the authority that carried out the review that there has been a deterioration in its financial position, it must take such action, if any, as it considers necessary to deal with the situation.
- (4) For the purposes of subsection (3), there is a deterioration in an authority's financial position if on the review an amount falls to be calculated under section 32(4) or 43(4) of the Local Government Finance Act 1992 (c. 14) (budget requirement) and—
 - (a) none fell to be calculated under that provision at the time of the calculations under review, or
 - (b) an amount did then fall to be calculated under that provision and the amount then calculated is less than the amount calculated on the review.
- (5) Where substitute calculations have effect, it is those calculations to which the duty under subsection (1) applies.