
STATUTORY INSTRUMENTS

2004 No. 2676

The Child Trust Funds (Amendment) Regulations 2004

Amendments to the Child Trust Funds Regulations 2004

12. After regulation 18 insert—

“Permitted withdrawals from an account where the child is terminally ill

18A.—(1) A person with parental responsibility (or, in Scotland, parental responsibilities) for the named child (including a local authority, but excluding a person under 16), or the named child if 16 or over, may make a claim to the Board, for withdrawals from an account to be permitted in accordance with this regulation.

(2) The claim shall be—

- (a) made in a manner prescribed by the Board, which shall include the giving of any consent necessary for the verification or consideration of the claim, and
- (b) accepted in either of the following cases:

Case 1

The child has been, or is, accepted by the Department for Work and Pensions as falling within section 72(5) of the Social Security Contributions and Benefits Act 1992(1) (special rules for terminally ill person’s entitlement to care component of disability living allowance).

Case 2

Evidence that the named child is terminally ill has been supplied to the satisfaction of the Board.

(3) The Board shall issue a letter to the claimant authorising withdrawals from the account under this regulation, and shall also notify the account provider.

(4) Once a claim has been accepted, withdrawals may be made by the registered contact (on behalf of the named child, where he is not the child) at any time—

- (a) provided that, immediately following any withdrawal, a balance sufficient to keep the account open is maintained in the account, and
- (b) excepting any transfer of a policy of life insurance (as opposed to the proceeds from such a policy).

(5) Where account investments are withdrawn in a form other than sterling currency, regulation 36(1)(b) shall apply (with any necessary modifications) to any such investment immediately before it is withdrawn.

(6) In this regulation, “terminally ill” has the meaning in section 66(2)(a) of the Social Security Contributions and Benefits Act 1992.”