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## EXPLANATORY NOTE

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

This Order amends the Income-related Benefits (Subsidy to Authorities) Order 1998 (“the principal Order”) which provides for subsidy to be payable to authorities administering housing benefit and council tax benefit. Sections 140C(4) and 140F(2) of the Social Security Administration Act 1992 authorise the making, revocation or varying of an Order before, during or after the year to which it relates. The amendments made by this Order have effect from 1st April 2006.

Article 2 amends Part III of the principal Order, which is concerned with calculation of subsidy. Article 2(3) amends article 18 (additions to subsidy). It removes exceptions in relation to how subsidy for overpaid benefit is calculated.

Article 2(4) omits article 21 which relates to additions to subsidy in the case of fraud and error made under a system that no longer exists. Article 2(2) amends article 13 to remove a reference to the omitted article 21.

Article 3 amends the Schedule to the principal Order. Article 3(1) substitutes the figures to be used in the calculation of subsidy which are outlined in the Schedule to this Order for those in Schedule 1 of the principal Order.

A full impact assessment has not been produced for this instrument as it has no impact on the private or voluntary sectors.