

2006 No. 2684

CHILD TRUST FUNDS

The Child Trust Funds (Amendment No. 2) Regulations 2006

Made - - - - *9th October 2006*

Laid before Parliament *10th October 2006*

Coming into force - - *31st October 2006*

The Treasury, in exercise of the powers conferred upon them by sections 3(5) and (10), 16 and 28(1) to (4) of the Child Trust Funds Act 2004(a), make the following Regulations:

Citation and commencement

1. These Regulations may be cited as the Child Trust Funds (Amendment No. 2) Regulations 2006 and shall come into force on 31st October 2006.

Amendment of the Child Trust Funds Regulations 2004

2. The Child Trust Funds Regulations 2004(b) are amended as follows.

3. In regulation 33(3) after sub-paragraph (e) insert—

“(ea) the full name and address of the child’s mother, if known (or failing that, the same information for the child’s father, if known), unless the local authority considers the child’s situation to be particularly sensitive;”.

4. In regulation 33(4) for “five” substitute “ten”.

5. In regulation 33A(2)(c) at the end add—

“Condition 6

In England and Wales, an adoption agency or local authority has been authorised to place the child for adoption under section 19, or by a placement order under section 21, of the Adoption and Children Act 2002(d), or

in Northern Ireland, an Order has been made under Article 17 or 18 of the Adoption (Northern Ireland) Order 1987(e) to free the child for adoption.”

6. In the Schedule, in paragraph 2(2)(ba)(f), at the end add “, except where cash is held temporarily on deposit in the course of dealing in investments under the account”.

(a) 2004 c. 6.

(b) S.I. 2004/1450; relevantly amended by S.I. 2004/2676 and 3382.

(c) Regulation 33A was inserted by regulation 5 of S.I. 2004/3382.

(d) 2002 c. 38.

(e) S.I. 1987/2203 (N.I. 22).

(f) Paragraph 2(2)(ba) was inserted by regulation 15 of S.I. 2004/2676.

9th October 2006

Dave Watts
Kevin Brennan
Two of the Lords Commissioners of Her Majesty's Treasury

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations amend the Child Trust Funds Regulations 2004 (S.I. 2004/1450). The principal effects of the amendments are to (a) revise the requirements for local authorities to notify H.M. Revenue and Customs of children who come to be looked after by the authority (b) to provide for an additional situation where the Official Solicitor will administer the CTF accounts of certain children and (c) to remove the requirement for providers to pay daily interest on cash deposits for a stakeholder account where the cash is held temporarily pending reinvestment (where the interest can be minimal in amount and an administrative burden).

Regulation 1 provides for citation and commencement, and regulation 2 for amendment of the Child Trust Funds Regulations 2004.

Regulation 3 adds an additional requirement to the details which local authorities are required to provide in their monthly returns, with respect to “looked after children;” which is details of the child’s mother (or failing that, father) to assist with identification of the child. There is an exception if the local authority considers the child’s situation to be particularly sensitive (for example, where the child’s identity or whereabouts is restricted information).

Regulation 4 extends the period (from the end of each “return period”) within which the local authority has to make its monthly returns, from five to ten days.

Regulation 5 sets out the additional circumstance in which the Official Solicitor will administer the CTF account of a child, which is where the child has been placed for adoption in England and Wales (or freed for adoption in Northern Ireland).

Regulation 6 removes the requirement for providers to pay daily interest on cash deposits for a stakeholder account where the cash is held temporarily on deposit while dealing in investments.

A Regulatory Impact Assessment has not been prepared for this instrument as it has no impact (exceeding the de minimis limit) on business, charities or voluntary bodies.

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The Child Trust Funds (Amendment No. 2) Regulations 2006

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