
STATUTORY INSTRUMENTS

1997 No. 873

GOVERNMENT TRADING FUNDS

The Driving Standards Agency Trading Fund Order 1997

Made - - - - 13th March 1997

Coming into force in accordance with article 1

Whereas:

- (1) it appears to the Secretary of State for Transport (“the Secretary of State”) that:—
- (a) those operations of the Department of Transport which are referred to in article 3 of the following Order are suitable to be financed by means of a fund established under the Government Trading Funds Act 1973⁽¹⁾ (“the 1973 Act”) and, in particular, to be so managed that the revenue of the fund would consist principally of receipts in respect of goods or services provided in the course of the operations in question; and
 - (b) the financing of the operations in question by means of a trading fund would be in the interests of the improved efficiency and effectiveness of the management of those operations;

(2) in accordance with sections 1(3) and 6(4) of the 1973 Act, the Secretary of State has taken such steps as appear to him to be appropriate to give an opportunity to such persons as appear to him to be appropriate to make representations to him and has laid before Parliament a report about the representations received and his conclusions;

(3) in accordance with section 2 of the 1973 Act, the Secretary of State has determined with Treasury concurrence that the assets and liabilities set out in Schedule 2 to the following Order are properly attributable to the operations for which a fund is to be established and are suitable to be appropriated to that fund;

(4) in accordance with section 6(2) of the 1973 Act, a draft of this Order has been laid before the House of Commons and has been approved by a resolution of that House;

Now, therefore, the Secretary of State, in exercise of the powers conferred by sections 1, 2(1) and (7), 2A(1) and 2C(1) of the 1973 Act, and of all other powers enabling him in that behalf, with the concurrence of the Treasury, hereby makes the following Order:—

⁽¹⁾ 1973 c. 63; as amended by the Government Trading Act 1990 (c. 30). The 1973 Act, as so amended, is set out in Schedule 1 to the 1990 Act. The 1973 Act was further amended by section 119 of the Finance Act 1991 (c. 31) and Schedule 22 to the Finance Act 1993 (c. 34).

Citation and commencement

1. This Order may be cited as the Driving Standards Agency Trading Fund Order 1997 and shall come into force at 8.00 am on 1st April 1997.

Interpretation

2. In this Order—

“the 1973 Act” means the Government Trading Funds Act 1973;

“the Driving Standards Agency” means the executive agency of the Department of Transport known as the Driving Standards Agency; and

“the fund” means the trading fund established by this Order.

Establishment of the fund

3. As from the time this Order comes into force, for all the operations of the Driving Standards Agency, more particularly described in Schedule 1 to this Order, there shall be established a trading fund to be known as the Driving Standards Agency Trading Fund.

Source of loans

4. The Secretary of State for Transport is hereby designated as the source of issues to the fund by way of loan.

Assets, liabilities and public dividend capital

5.—(1) The Crown assets and liabilities set out in Schedule 2 to this Order shall be appropriated as assets and liabilities of the fund.

(2) 48% of the amount by which the values of the said assets exceed the amounts of the said liabilities shall be treated as public dividend capital.

Maximum borrowing etc

6. The aggregate of—

(a) the total outstanding at any given time in respect of amounts issued to the fund under section 2B of the 1973 Act (other than as originating debt); and

(b) the total at that time constituting public dividend capital issued to the fund under section 2A(2A) of the 1973 Act,

shall not exceed £30,000,000.

11th March 1997

George Young
Secretary of State for Transport

We concur

13th March 1997

Roger Knapman
Patrick McLoughlin
Two of the Lords Commissioners of Her
Majesty's Treasury

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SCHEDULE 1

Article 3

THE FUNDED OPERATIONS

1. The conduct of tests of competence to drive a motor vehicle.
2. The supervision of the provision of tests of competence to drive a motor vehicle in so far as such tests are not conducted by the Driving Standards Agency.
3. The supervision of the provision of compulsory basic training for motorcyclists.
4. The administration of the register of approved driving instructors.
5. The revision of the Highway Code.
6. The promotion of safe driving standards in so far as this does not fall within paragraphs (1) to (5) above.
7. Operations incidental, conducive or otherwise ancillary to the foregoing.

SCHEDULE 2

Article 5

ASSETS AND LIABILITIES APPROPRIATED TO THE FUND

Assets

Land and buildings, as at the time this Order comes into force, used or allocated for use in the funded operations.

Equipment, vehicles, fixtures, furniture, fittings and computer hardware and software, as at that time, used or allocated for use in the funded operations.

Intangible assets, including intellectual property, arising from the funded operations as carried on up to that time.

Current assets as at that time used or allocated for use in, or arising from, the funded operations.

Liabilities

Creditors and accruals, as at the time this Order comes into force, in relation to the funded operations.

EXPLANATORY NOTE

(This note is not part of the Order)

This Order provides for the setting up as from 8.00 am on 1st April 1997 of a fund with public money under the Government Trading Funds Act 1973 (“the 1973 Act”) for the operations of the executive agency of the Department of Transport known as the Driving Standards Agency.

The Order designates the Secretary of State for Transport as the authorised lender to the fund. The Order specifies the assets (estimated at £23,320,000) and liabilities (estimated at £17,254,000) which

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are to be appropriated to the fund, and provides for 48% of the difference in value between the assets and liabilities to be treated as public dividend capital of the fund.

The Order also provides that the aggregate of the total amount paid to the fund by way of loan (other than as originating debt), and the total amount issued to the fund as public dividend capital under section 2A(2A) of the 1973 Act, is not to exceed £30 million.