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STATUTORY INSTRUMENTS

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**2003 No. 110**

**ROAD TRAFFIC**

ENGLAND

**The Road User Charging and Workplace Parking Levy (Net Proceeds) (England) Regulations 2003**

*Made* - - - - *24th January 2003*  
*Laid before Parliament* *24th January 2003*  
*Coming into force* - - *17th February 2003*

The Secretary of State for Transport, in exercise of the powers conferred by section 420(1) of, and paragraph 1(2) of Schedule 23 and paragraph 1(2) of Schedule 24 to, the Greater London Authority Act 1999<sup>(1)</sup>, and by section 197(1) of, and paragraph 2(2) of Schedule 12 to, the Transport Act 2000<sup>(2)</sup>, and of all other powers enabling him in that behalf, hereby makes the following Regulations:

**Citation, commencement, extent and interpretation**

**1.**—(1) These Regulations may be cited as the Road User Charging and Workplace Parking Levy (Net Proceeds) (England) Regulations 2003 and shall come into force on 17th February 2003.

(2) These Regulations only apply to England.

(3) In these Regulations—

“proper practices” means those accounting practices—

- (a) which the charging authority or licensing authority are required to follow by virtue of any enactment; or
- (b) which, whether by reference to any generally recognised published code or otherwise, are regarded as proper accounting practices to be followed in the keeping of the accounts of charging authorities or licensing authorities, either generally or of the description concerned;

but, in the event of any conflict in any respect between the practices falling within paragraph (a) above and those falling within paragraph (b) above, only those falling within paragraph (a) above are to be regarded as proper practices; and

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(1) 1999 c. 29.

(2) 2000 c. 38. The Secretary of State is “the appropriate national authority” as respects England: *see* section 198(1).

“relevant scheme” means—

- (a) a relevant scheme as defined in paragraph 1(1) of Schedule 12 to the Transport Act 2000; or
- (b) a charging scheme as defined in paragraph 1(1) of Schedule 23 or a licensing scheme as defined in paragraph 1(1) of Schedule 24 to the Greater London Authority Act 1999.

**Determination of net proceeds**

2.—(1) Subject to the provisions of this regulation, for the purposes of Schedules 23 and 24 to the Greater London Authority Act 1999 and paragraph 2 of Schedule 12 to the Transport Act 2000—

- (a) the amounts received under or in connection with a relevant scheme;
- (b) the expenses incurred for or in connection with a relevant scheme; and
- (c) the extent to which such amounts or expenses are attributable to any financial year,

shall be determined on an accruals basis including appropriate allowance for—

- (i) the depreciation and impairment of fixed assets;
- (ii) the charging of deferred charges to revenue account; and
- (iii) capital financing charges.

(2) Such amounts received and expenses incurred shall include amounts of interest calculated respectively on the credit balances and the debit balances.

(3) Such balances shall be calculated by deducting from the amounts received attributable to a financial year up to the end of the day in question the sum of—

- (a) the expenses referred to in paragraph (1)(b); and
- (b) the net proceeds applied under paragraph 8 of Schedule 12 to the Transport Act 2000, or paragraph 16 of Schedule 23 or paragraph 22 of Schedule 24 to the Greater London Authority Act 1999 (as the case may be),

in either case attributable to the same period.

(4) Subject as aforesaid, the calculations shall be made in accordance with proper practices.

Signed by authority of the Secretary of State

24th January 2003

*John Spellar*  
Minister of State,  
Department for Transport

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## EXPLANATORY NOTE

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

These Regulations only apply to England. They make provision about the requirements for charging and licensing authorities to determine the net proceeds of road user charging and workplace parking levy schemes for the purposes of paragraph 1(2) of Schedules 23 and 24 to the Greater London Authority Act 1999 and paragraph 2 of Schedule 12 to the Transport Act 2000.

Regulation 2(1) provides for amounts received and expenses incurred in respect of a relevant scheme and the extent to which they are attributable to any financial year to be determined on an accruals basis including appropriate allowance for depreciation and impairment of fixed assets, charging of deferred charges to revenue account and capital financing charges (which are commonly known as cost of capital charges).

Regulation 2(2) provides for interest to be earned on the credit balances and payable on the debit balances.

Regulation 2(3) provides that such balances shall be calculated by deducting from the amounts received attributable to the financial year up to the end of the day in question the expenses relating to the relevant scheme and the net proceeds applied under the relevant statutory provisions attributable to the same period.

Regulation 2(4) provides that, subject to the above-mentioned matters, the calculations are to be made in accordance with “proper practices”. The term “proper practices” is defined in regulation 1(3), the definition being based on that in section 66(4) of the Local Government and Housing Act 1989.