

GREATER LONDON AUTHORITY ACT 1999

EXPLANATORY NOTES

COMMENTARY ON SECTIONS

Part Iv: Transport

Chapter Xv - New Charges and Levies

Section 295: Road user charging

415. *Section 295* enables Transport for London, any London borough council or the Common Council to introduce a road user charging scheme. *Schedule 23*, introduced by section 295(2), sets out in detail how schemes will be implemented and operated.
416. *Paragraphs 2, 3, 5, 8 to 10 and 35 to 38* of Schedule 23 contain provisions for implementing road user charging schemes. TfL will be able to introduce a scheme across all or some parts of Greater London. Any London borough council will be able to bring forward a scheme in its area, subject to the agreement of the Mayor. Decisions about charge levels, the area where charges will apply and the duration of a scheme will rest with charging authorities. In all cases, schemes must support the Mayor's transport strategy. The same road may not be subject to charges imposed by more than one charging authority. Crown roads can be included within any road user charging scheme.
417. *Paragraph 11* deals with exemptions from road user charges. It enables the Secretary of State by regulations to specify exemptions from charges or other concessionary arrangements. Charging authorities will be able to make additional exemptions or concessions to those prescribed by the Secretary of State.
418. *Paragraphs 4, 6, 7, 33 and 34* cover the powers that the Mayor will have over any charging scheme introduced in Greater London by TfL or one or more boroughs. Any charging scheme will be implemented by Order. This will be approved by the Mayor. He or she will be able to modify or revoke the Order. One or more boroughs will be able to work together to develop a joint scheme, again subject to the Mayor's agreement. The Mayor will be able to require one or more boroughs to implement a road user charging scheme. The Mayor will also be able to issue guidance to boroughs on the form which their schemes should take, and may specify certain aspects of schemes which will require prior approval.
419. *Paragraphs 12, 13, 25 to 28, 30 and 31* cover the enforcement of road user charges. Regulations will be able to provide that non-payment of a charge will be a civil issue rather than a criminal offence, and outstanding charges will be recoverable as a civil debt. But deliberate attempts to avoid payment, such as tampering with any in-vehicle or roadside equipment, are more serious matters and are therefore subject to criminal rather than civil law. Regulations will provide for the enforcement of road user charging schemes. This includes arrangements for appeals and adjudication, liability for charges, the examination of motor vehicles and questions of evidence. Charges will not apply to vehicles that are not on the road.

420. *Paragraphs 14 and 29* allow charging authorities to install any equipment necessary for the operation of a charging scheme. The Mayor will have the power to type approve any equipment used within the Greater London area. The Secretary of State will be able to prevent the use of any charging equipment where such equipment is incompatible with any national standard, and where this incompatibility is detrimental to those who live outside London.
421. *Paragraphs 15 and 32* allow charging authorities to incur expenditure to set up and operate a road user charging scheme, and to enter into arrangements with the private sector to install and operate schemes. Charging authorities are required to keep separate income and expenditure accounts for their charging schemes. They will also have to keep separate income and expenditure accounts for any revenues which they receive which are derived from charging schemes for which they are not the charging authority. Accounts will have to be published annually. Any deficits in the early years of a scheme will be made up from the charging authority's general fund, and repaid from future surpluses. Surpluses remaining in an account at the end of a financial year will be able to be carried forward to the next year.
422. *Paragraphs 16 to 18* set out the arrangements for the retention and use of the net proceeds from road user charging schemes. The net revenues from schemes introduced within ten years of the inception of the GLA will be ring-fenced during the scheme's initial period for spending on measures that support the Mayor's transport strategy. The initial period will be 10 years from the implementation of the scheme, or any longer period which the Secretary of State may agree for individual schemes. The Secretary of State will be able to make regulations dealing with the application of charging revenues for schemes once the initial period has expired, and for schemes brought forward after the tenth anniversary of the inception of the GLA. The Secretary of State is required to consult the Mayor and to assess the likely revenues from charges and the potential for spending this revenue on value for money transport measures before making regulations.
423. For any road user charging scheme which is changed during the first 10 years of the GLA, the Secretary of State will be able to make regulations to determine whether a scheme is a new scheme or an amended scheme. The revenues from a new scheme will be ring-fenced in their entirety for transport expenditure for at least a further 10 years. The revenues from an amended scheme will only be ring fenced in their entirety until the end of the initial period agreed when the scheme was originally introduced. The Mayor will be able to require a charging authority to pay a proportion of the net proceeds from any road user charging scheme to the Authority, Transport for London, or one or more borough councils.
424. *Paragraphs 19 to 24* set out provisions for the Secretary of State's general approval of the use of the net revenues from road user charging schemes. Approval will be required for a ten year plan of expenditure before a scheme starts operating. Once a scheme is operating, approval will be required at four-yearly intervals for a programme of expenditure covering the next four years. This approval process covers revenues retained by a charging authority, and monies redistributed by the Mayor to bodies which are not the charging authority. The charging revenues are to be spent only on "value for money" transport measures which support integrated transport objectives and the Mayor's transport strategy. The Secretary of State will be able to issue guidance on an appraisal framework for determining value for money.