

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.

Section 296: Workplace parking levy

425. *Section 296* enables Transport for London, any London borough council or the Common Council to levy a charge on workplace parking. *Schedule 24*, introduced by section 296(2), sets out in detail how schemes will be implemented and operated.
426. *Paragraphs 3 to 5* of Schedule 24 set out how the workplace parking levy will work. The provisions allow the levy to cover different types of individuals who are at

their place of work or on work-related business. The Secretary of State will be able to make regulations to amend the definition of workplace parking. The levy will take the form of a licence fee. The occupier of a building (the person responsible for paying non-domestic rates) will be responsible for obtaining the workplace parking licence. The licence will state the maximum number of business vehicles which may be parked on the premises at any one time.

427. *Paragraphs 2, 6, 8, 11 to 16 and 36 to 39* contain provisions for implementing workplace parking levy schemes. TfL will be able to introduce a scheme across all or some parts of Greater London. Individual boroughs will be able to bring forward a scheme in their areas, subject to the agreement of the Mayor. Decisions about the magnitude of the levy, the area where the levy will apply and the duration of a licensing scheme will rest with licensing authorities. In all cases, schemes must support the Mayor's transport strategy. Crown properties and the Palace of Westminster will be included within the scope of any levy. It will not be possible for any premises to be subject to more than once licensing scheme at the same time.
428. *Paragraph 17* deals with exemptions from workplace parking charges. It enables the Secretary of State by regulations to specify exemptions from charges (both by premises and vehicle type) or other concessionary arrangements. Licensing authorities will be able to make additional exemptions or concessions to those prescribed by the Secretary of State.
429. *Paragraphs 7, 9, 10, 34 and 35* cover the powers that the Mayor will have over any workplace parking charging scheme introduced in Greater London by TfL or one or more boroughs. Any licensing scheme will be implemented by Order. This will be approved by the Mayor, who 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 workplace parking levy 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.
430. *Paragraphs 18 to 20, 31 and 32* cover the enforcement of workplace parking levies. Regulations will be able to provide that breaching the terms of a workplace parking licence or failing to obtain a licence will be a civil issue rather than a criminal offence. Enforcement agents of TfL and the boroughs will have unannounced and immediate rights of entry to premises to ensure that the conditions of a licence are being complied with, and to issue penalty charge notices. It will be a criminal offence to obstruct authorised enforcement agents from carrying out their duties. Regulations will provide for the fair and effective enforcement of workplace parking charging schemes. This includes arrangements for appeals and adjudication and matters of evidence, and liability for charges.
431. *Paragraphs 21 and 33* allow licensing authorities to incur expenditure to set up and operate a workplace parking charging scheme, or to enter into arrangements with the private sector to set up and operate schemes. The licensing authorities will be required to keep separate income and expenditure accounts for their licensing schemes. They will also have to keep separate income and expenditure accounts for any revenues which they receive which are derived from licensing schemes for which they are not the licensing authority. Accounts will have to be published annually. Any deficits in the early years of a scheme will be made up from the licensing 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.
432. *Paragraphs 22 to 24* set out the arrangements for the retention and use of the net proceeds from workplace parking levy 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 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 levies and the potential for spending this revenue on value for money transport measures before making regulations.

433. For any workplace parking levy 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 licensing scheme to pay a proportion of the net proceeds from any workplace parking levy scheme to the Authority, Transport for London, or one or more borough councils.
434. *Paragraphs 25 to 30* set out provisions for the Secretary of State's general approval of the use of the net revenues from workplace parking 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 licensing authority, and monies redistributed by the Mayor to bodies which are not the licensing authority. Revenues from workplace parking levies 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.