STATUTORY INSTRUMENTS

2015 No. 41

GOVERNMENT TRADING FUNDS

The Driver and Vehicle Standards Agency Trading Fund Order 2015

Made - - - -	*12th January 2015*
Coming into force - -	*1st April 2015*

The Vehicle Inspectorate Trading Fund Order 1991(**1**) established a trading fund known as the Vehicle Inspectorate Trading Fund under the Government Trading Funds Act 1973(**2**) ("the 1973 Act") which was extended and renamed as the Vehicle and Operator Services Agency Trading Fund (**3**) under the 1973 Act.

The Driving Standards Agency Trading Fund Order 1997(**4**) established a trading fund known as the Driving Standards Agency Trading Fund under the 1973 Act.

On 1st April 2014 the Vehicle and Operator Services Agency ("VOSA") and the Driving Standards Agency ("DSA")(**5**) merged to form a single agency known as the Driver and Vehicle Standards Agency ("DVSA").

Following this merger, it now appears to the Secretary of State for Transport that—

(a) those operations of the DVSA which are referred to in article 3 of this Order, previously operations of VOSA and DSA, are suitable to be financed by means of a trading fund established under the 1973 Act and, in particular, to be so managed that the revenue of the fund would consist principally of receipt in respect of goods or services provided in the course of the operations in question, and

(b) the financing of those operations by means of a trading fund would be in the interest of the improved efficiency and effectiveness of the management of those operations.

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

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 resolution of that House.

(**1**) S.I. 1991/773 as amended by S.I.1992/471, S.I. 1997/668 and S.I. 2007/468.
(**2**) 1973 c.63, as amended by the Government Trading Act 1990 (c.30). Other relevant amendments were made by sections 119 and 123 of and Schedule 19 to the Finance Act 1991 (c.31), section 210 of and Schedule 22 to the Finance Act 1993 (c.34) and section 108 of the Finance Act 2001 (c.9).
(**3**) The Vehicle and Operator Services Agency Trading Fund Order 2003 (S.I. 2003/942).
(**4**) S.I.1997/873 as amended by S.I. 2009/469.
(**5**) The Vehicle and Operator Services Agency and the Driving Standards Agency, were both executive agencies of the Department for Transport. They merged to form the Driver and Vehicle Standards Agency, also an executive agency of the Department for Transport, on 1st April 2014.

The Secretary of State for Transport in exercise of the powers conferred by sections 1, 2(1), 2(3) and (7), 2AA, 2A, 2C and 6(1) of the 1973 Act and with the concurrence of the Treasury makes the following Order:

Citation and Commencement

1. This Order may be cited as the Driver and Vehicle Standards Agency Trading Fund Order 2015 and comes into force on 1st April 2015.

Interpretation

2. In this Order—

"the 1973 Act" means the Government Trading Funds Act 1973;

"the DVSA" means the executive agency of the Department for Transport known as the Driver and Vehicle Standards Agency;

"the fund" means the trading fund established by this Order.

Establishment of the fund

3. As from the date on which this Order comes into force, there is to be a trading fund for such operations of the DVSA as are described in Schedule 1 to this Order.

Name of the fund

4. The fund is to be known as the Driver and Vehicle Standards Agency trading fund.

Source of loans

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

Assets, liabilities, reserves and public dividend capital

6.—(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) The sum of £46,910,000, being part of the amount by which the values of those assets exceed the amounts of those liabilities, shall be treated as revaluation reserves in the accounts of the fund and the reserves so shall be maintained as reserves.

(3) The sum of £32,458,000, being part of the amount by which the values of those assets exceed the amounts of those liabilities, shall be treated as public dividend capital.

Maximum borrowing etc.

7. 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 £180,000,000.

Appointed day for adding to originating debt to the fund

8. For the purposes of section 2(3) of the Act the appointed day is 1st April 2015.

Revocation of Orders

9. The Orders set out in Schedule 3 are revoked.

Signed by authority of the Secretary of State for Transport

Claire Perry
Parliamentary Under Secretary of State
Department for Transport

12th January 2015

We concur

David Evennett
Harriet Baldwin
Two of the Lords Commissioners of Her Majesty's Treasury

12th January 2015