

## PART 7

### FINANCIAL PROVISIONS

#### **Accounts and application of sums paid by way of penalty charges**

**36.**—(1) Each approved local authority shall keep an account—

(a) of the sums paid to them by way of penalty charges under these Regulations; and

(b) of the expenditure incurred by them in relation to the enforcement of contraventions.

(2) As soon as reasonably practicable after the end of each financial year, the authority shall forward to the Secretary of State a copy of the account for that year.

(3) At the end of each financial year, any deficit in the account shall be made good out of that authority's general fund.

(4) Subject to paragraph (5), any surplus shall be applied for all or any of the purposes specified in paragraph (6) and, in so far as it is not so applied, shall be appropriated to the carrying out of some specific project falling within those purposes and carried forward until applied to that project.

(5) If the authority so determine, any amount not applied in any financial year, instead of being or remaining so appropriated, may be carried forward in the account kept under paragraph (1) to the next financial year.

(6) The purposes referred to in paragraph (4) are—

(a) the making good to the general fund of any amount charged to that fund under paragraph

(3) in the four years immediately preceding the financial year in question;

(b) meeting costs incurred, whether by the authority or by some other person, in the provision or operation of, or of facilities for, public passenger transport services; and

(c) the purposes of a highway improvement project in the authority's area.

(7) For the purposes of paragraph (6)(c), a highway improvement project means a project connected with the carrying out by the appropriate highway authority (whether the approved local authority or not) of any operation which constitutes the improvement (within the meaning of the Highways Act 1980) of a highway.