
STATUTORY RULES OF NORTHERN IRELAND

2003 No. 531

ROADS
STREET WORKS

**Street Works (Recovery of Costs)
Regulations (Northern Ireland) 2003**

Made - - - - 12th December 2003

Coming into operation 1st April 2004

The Department for Regional Development⁽¹⁾, in exercise of the powers conferred by Article 53(1) of the Street Works (Northern Ireland) Order 1995⁽²⁾ and now exercisable by it⁽³⁾ and of every other power enabling it in that behalf hereby makes the following regulations:

Citation and commencement

1. These Regulations may be cited as the Street Works (Recovery of Costs) Regulations (Northern Ireland) 2003 and shall come into operation on 1st April 2004.

Interpretation

2. In these Regulations –

“the Order” means the Street Works (Northern Ireland) Order 1995;

“the 1998 Regulations” means the Street Works (Sharing of Costs of Works) Regulations (Northern Ireland) 1998⁽⁴⁾;

“chargeable job” means an item of work, the costs of which are recoverable under the provisions of the Order;

“claimant” means an authority, body or person who is entitled to recover costs under the Order;

“costs” means costs or expenses referred to in Article 53(1) of the Order as being recoverable by an authority, body or person under the provisions of the Order;

“cost centre” means a unit of financial accountability identifiable within a claimant’s management accounts and responsible for specific activities within a claimant’s organisation;

(1) S.I. 1999/283 (N.I. 1) Article 3(1)

(2) S.I. 1995/3210 (N.I. 19); see Article 2(2) for the definition of “prescribed”

(3) S.R. 1999 No. 481 Article 6(d) and Schedule 4 Part IV

(4) S.R. 1998 No. 156 as amended by S.R. 2001 No. 338

“cost of capital” means the cost of capital calculated by reference to the rate of return which is prescribed either by statute or by the relevant regulator in respect of the claimant’s regulated activities (whether or not the chargeable job is such an activity) or, if no rate is prescribed, by reference to a rate which is two per cent above the Public Sector Discount Rate as set by the Treasury from time to time;

“direct costs” means those costs described in regulation 5;

“overheads” means those costs described in regulation 6;

“support services” means services provided from within an organisation in support of activities which incur direct costs.

Recovery of Costs

3. The basis on which the amounts of costs are to be calculated is that set out in the following provisions of these Regulations.

Basis of Recovery

4.—(1) The costs shall comprise direct costs and overheads to the extent that such costs are relevant to a particular chargeable job and are calculated in accordance with the financial policies adopted by the claimant to state the financial results of the cost centre or centres responsible for the chargeable job or for providing support services to such a centre or centres.

(2) Where costs are recoverable in pursuance of the 1998 Regulations these Regulations shall apply to the extent that the costs are “allowable costs” as defined in regulation 1(2) of the 1998 Regulations.

(3) The costs shall be recoverable either as direct costs under regulation 5 or as overheads under regulation 6, but not both.

(4) The costs shall be net of any discount or rebate allowed to the claimant.

Direct Costs

5. Direct costs are any of those costs specified below –

- (a) the cost of staff (whether salaried or non-salaried) employed directly by the claimant calculated in accordance with regulation 7;
- (b) the costs payable to a contractor engaged by the claimant;
- (c) the cost of materials;
- (d) the cost of hiring equipment, plant and vehicles or, where the equipment, plant and vehicles are leased to the claimant, the equivalent cost based on relevant market rates; and
- (e) other costs which are relevant and specifically attributable to a chargeable job.

Overheads

6.—(1) Overheads shall comprise an appropriate percentage of the direct costs referred to in regulation 5, calculated and applied separately for each category of those costs.

(2) An appropriate percentage for the purpose of this regulation means the percentage calculated by the application of the formula:–