

# Department for Transport

## Introduction

1. This Supplementary Estimate is required for the following purposes:

Amount £

### Changes in resources

#### **RfR 1: Promoting modern, integrated and safe transport and providing customer-focused regulation**

##### **Increases:**

##### Reserve claim

Amount: £350,843,000

350,843,000

Section: E

To increase non cash resource provision for Highways Agency (Section E) by £350,843,000 in respect of depreciation of the road network, writedown of fixed assets and new provisions.

##### Take-up of 'Invest to Save Budget' End Year Flexibility

Amount: £536,000

536,000

Sections: J

To increase resource provision for Mobility and Inclusion Unit (Section J) by £536,000 in respect of an 'Invest to Save' project.

##### Transfers from non-voted spending

- 1 Take-up of Departmental Unallocated Provision

Amount: £600,000 capital grants

600,000

Sections: AE

To increase capital grant provision for Other transport grants (capital) (Section AE) by £600,000 in respect of Promoting Sustainable Travel Initiatives.

- 2 Amount: £92,630,000

92,630,000

Sections: N, P, AD

To increase resource provision for Freight grants (Section N) by £5,200,000 in respect of functions transferred from the Strategic Rail Authority.

To increase resource provision for Vehicle Excise Duty enforcement (Section P) by £19,230,000 to cover a shortfall in VED enforcement receipts.

To increase resource provision for Other transport grants (resource) (Section AD) by £68,200,000 in respect of functions transferred from the Strategic Rail Authority.

##### Transfers from other government departments

Amount: £1,072,000

1,072,000

Sections: G, X

To increase resource provision for Research (Section G) by £707,000 from HM Revenue and Customs in respect of the Design Panel Funding and Central Administration (Section X) by £365,000 from the Cabinet Office in respect of Parliamentary Counsel costs.

## Introduction (*continued*)

### Other increases

#### Transfers from capital provision

Amount: £9,222,000

9,222,000

Sections: V, Y, AE

To increase grant provision for Vehicle and Operator Services Agency trading fund (Section V) by £1,300,000 by transfer from Section Z's capital provision.

To increase resource investment provision for Trans European network payments for transport projects (net) (Section Y) by £7,500,000 by transfer from Section X's capital provision for TENS projects.

To increase capital grant provision for Other transport grants (capital) (Section AE) by £422,000 by transfer from Section H's capital provision.

#### Increase in Annually Managed Expenditure

Amount: £88,001,000

88,001,000

Section: AG, AH

To increase resource provision for Highways Agency (Section AG) by £968,000 for imputed interest and Railways (Section AH) by £87,033,000 for the Channel Tunnel Rail Link.

#### Increase in non-budget expenditure

Amount: £316,104,000

316,104,000

Section: AI, AJ

To increase non-budget provision for Strategic Rail Authority (Section AI) by £304,204,000 and Grant in Aid funding of non-departmental public bodies (Section AJ) by £11,900,000.

### Neutral Changes:

#### **Transfers within RfR**

1 Amount: £109,501,000

Sections: A, C, D, E, F, G, H, J, L, Q, U, V, X, AA, AB, AC, AD, AF

To increase resource provision for Ports and shipping services (Section A) by £409,000 by transfer from Section B, £523,000 from Section C and £2,145,000 from Section L; Aviation services (Section C) by £334,000 from Section L; Transport security and royal travel (Section D) by £31,000 from Section L; Highways Agency (Section E) by £18,000,000 from Section L; Publicity and advice (Section F) by £800,000 from Section I; Research (Section G) by £9,000 from Section L; Statistics, censuses and surveys (Section H) by £12,000 from Section G; Mobility and Inclusion Unit (Section J) by £5,000 from Section L; Railways (Section L) £4,783,000 from Section G, £4,145,000 from Section H and £10,426,000 from Section S; Vehicle Certification Agency enforcement (Section Q) by £90,000 from Section G;

## Introduction (*continued*)

Driving Standards Agency trading fund (Section U) by £166,000 from Section L; Vehicle and Operator Service Agency trading fund (Section V) by £205,000 from Section L; Central Administration (Section X) by £33,100,000 from Section L; Other River Crossings (Section AA) by £11,345,000 from Section L and £500,000 from Section AC; GLA transport grants (resource) (Section AB) by £18,000,000 from Section L and £1,900,000 from Section AD; GLA transport grant (capital) (Section AC) by £503,000 from Section AE; Other transport grants (resource) (Section AD) by £1,000,000 from Section G, £245,000 from Section I and Speed and red light camera enforcement (Section AF) by £825,000 from Section L.

2 Amount: (£109,501,000)

Sections: B, C, G, H, I, L, S, AC, AD, AE

To decrease resource provision for Maritime and Coastguard Agency (Section B) by £409,000 to Section A; Aviation services (Section C) by £523,000 to Section A; Research (Section G) by £12,000 to Section H, £4,783,000 to Section L, £90,000 to Section Q and £1,000,000 to Section AD; Statistics, censuses and surveys (Section H) by £4,145,000 to Section L; Consultancies and other services for road and local transport (Section I) by £800,000 to Section F and £245,000 to Section AD; Railways (Section L) by £2,145,000 to Section A, £334,000 to Section C, £31,000 to Section D, £18,000,000 to Section E, £9,000 to Section G, £5,000 to Section J, £33,100,000 to Section X, £166,000 to Section U, £205,000 to Section V, £11,345,000 to Section AA, £18,000,000 to Section AB, £825,000 to Section AF; Powershift and CleanUp (Section S) by £10,426,000 to Section L; GLA Transport Grant (capital) (Section AC) by £500,000 to Section AA; Other transport grants (resource) (Section AD) by £1,900,000 to Section AB; and Other transport grants (capital) (Section AE) by £503,000 to Section AC.

### Increased spending offset by income

3 Amount: £103,226,000

Sections: B, C, E, L, X, AD, AF

To increase resource provision for Maritime and Coastguard Agency (Section B) by £1,700,000 fully offset by increases in appropriation-in-aid.

To increase resource provision for Aviation services (Section C) by £3,232,000 fully offset by increases in appropriation-in-aid.

To increase resource provision for Highways Agency (Section E) by £7,793,000 fully offset by increases in appropriation-in-aid.

To increase resource provision for Railways (Section L) by £61,474,000 fully offset by increases in appropriation-in-aid.

To increase resource provision for Railways (Section L) by £1,646,000 fully offset by increases in appropriation in aid for Aviation services (Section C).

To increase resource provision for Central Administration (Section X) by £9,855,000 fully offset by increases in appropriation-in-aid.

## Introduction (*continued*)

To increase resource provision for Central Administration (Section X) by £5,000,000 fully offset by increases in appropriation-in-aid for Vehicle Excise Duty enforcement (Section P).

To increase resource provision for Other transport grants (resource) (Section AD) by £10,526,000 fully offset by increases in appropriation-in-aid for Railways (Section L).

To increase resource provision for Speed and red light camera enforcement (Section AF) by £2,000,000 fully offset by increases in appropriation-in-aid .

### **Reduction in income offset by increases in appropriation-in-aid**

Amount: £4,510,000

Section: P

To reduce appropriation-in-aid provision for Vehicle Excise Duty enforcement (Section P) by £4,510,000 fully offset by increases in appropriation-in-aid for Aviation services (Section C) (£3,767,000); Driving Standards Agency trading fund (Section U) (£218,000), Vehicle and Operator Services Agency trading fund (Section V) (£468,000) and Vehicle and Operator Services Agency enforcement (Section W) (£57,000).

#### 4. **Machinery of Government changes**

Amount: £0

Section: AM

To create a new administration provision of £17,153,000 and an appropriation-in-aid provision of £17,153,000 for the Government Car and Despatch Agency (Section AM) transferred from the Cabinet Office.

#### **Decreases:**

##### **Transfer to non-voted spending:**

1	Amount: £585,080,000	-585,080,000
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Sections: E, F, G, L, AD, AE

To decrease resource provision for Highways Agency (Section E) by £31,604,000; Publicity and advice (Section F) by £600,000; Research (Section G) by £117,000; Railways (Section L) by £475,829,000; Other transport grants (resource) (Section AD) by £8,926,000 and Other transport grants (capital) (Section AE) by £68,004,000.

##### **Transfer to other government departments**

2	Amount: £6,588,000	-6,588,000
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Sections: B, L

To decrease resource provision for Maritime and Coastguard Agency (Section B) by £3,808,000 to the Ministry of Defence and Railways (Section L) by £2,280,000 by transfer to the Scottish Executive and £500,000 to the Office of Rail Regulation.

## Introduction (*continued*)

### Other decreases

3	<p><b><u>Decrease in non-budget expenditure</u></b></p> <p>Amount: £10,777,000</p> <p>Section: AK</p>	-10,777,000
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To decrease net non-budget provision for the Driver and Vehicle Licensing Agency trading fund (Section AK) by £10,777,000.

**Total changes in resources for RfR1** 256,563,000

### Changes in capital

#### Increases:

#### **Transfers from other government departments**

Amount: £415,000

Section: X

415,000

To increase capital provision for Central Administration (Section X) by £415,000 from the Office of the Deputy Prime Minister in respect of their share of IT facilities.

#### **Machinery of Government changes**

Amount: £1,110,000

Section: AM

1,110,000

To create a new capital provision of £1,260,000 and non-operating appropriation-in-aid provision of £150,000 for the Government Car and Despatch Agency (Section AM) transferred from the Cabinet Office.

#### **Neutral changes:**

1	<p>Transfers within RfR</p> <p>Amount: £13,500,000</p> <p>Sections: U, V</p> <p>To increase capital provision for Driving Standards Agency trading fund (Section U) by £6,000,000 from Section Z and Vehicle and Operator Service Agency trading fund (Section V) by £7,500,000 from Section Z.</p>	
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Amount: (£13,500,000)

Sections: Z

To decrease capital provision for Driver, Vehicle and Operator Group Central (including loan pool) (Section Z) by £6,000,000 to Section U and £7,500,000 to Section V.

#### **Increased spending offset by income**

Amount: £7,965,000

Sections: A, C, E, W

To increase capital provision for Ports and shipping services (Section A) by £100,000 fully offset by increases in non-operating appropriation-in-aid for Aviation services (Section C)

To increase capital provision for Aviation services (Section C) by £400,000 fully offset by increases in non-operating appropriation-in-aid.

## Introduction (*continued*)

To increase capital provision for Highways Agency (Section E) by £5,465,000 fully offset by increases in non-operating appropriation-in-aid.

To increase capital provision for Vehicle and Operator Services Agency enforcement (Section W) by £2,000,000 fully offset by increases in non-operating appropriation-in-aid for Aviation services (Section C).

### Decreases

#### Transfers to non-voted spending

1 Amount: £18,046,000 -18,046,000

Sections: A, C, E, H, U, V, X, Z

To decrease capital provision for Ports and shipping services (Section A) by £4,000,000; Aviation services (Section C) by £2,638,000; Highways Agency (Section E) by £1,293,000; Statistics, censuses and surveys (Section H) by £1,109,000; Driving Standards Agency trading fund (Section U) by £309,000; Vehicle and Operator Services Agency trading fund (Section V) by £880,000; Central Administration (Section X) by £5,500,000 and Driver, Vehicle and Operator Group Central (including loan pool) (Section Z) by £2,317,000

#### Transfer to resource investment provision

Amount: £8,800,000 -8,800,000

Section: X, Z

To decrease capital provision for Central Administration (Section X) by £7,500,000 by transfer to Section Y.

To decrease capital provision for Driver, Vehicle and Operator Group Central (including loan pool) (Section Z) by £1,300,000 by transfer to Section V.

#### Transfer to capital grant provision

Amount: £422,000 -422,000

Section: H

To decrease capital provision for Statistics, censuses and surveys (Section H) by £422,000 by transfer to Section AE.

#### Change to non-budget

Amount: £1,879,000 -1,879,000

Section: AK

To increase non-operating appropriation-in-aid provision for the Driver and Vehicle Licensing Agency trading fund (Section AK) by £1,879,000 to cover the repayment of a vesting loan.

## Introduction (*continued*)

### Reduced resource spending offset by reduction in non-operating appropriation-in-aid

Amount: £390,000 390,000  
Section: E

To reduce resource provision for Highways Agency (Section E) by £390,000 fully offset by reduction in non-operating appropriation-in-aid.

**Total changes in capital for Estimate** -27,232,000

### **Changes to CFER's**

To increase provision for Humber Bridge Board by £262,000, Speed and red light camera enforcement by £22,000,000 and Driver and Vehicle Licensing Agency by £2,577,000 .

To increase provision for Highways Agency by £11,193,000 fully offset by increases in the non-voted Departmental Unallocated Provision.

2. As a result of the above and associated non-cash changes, there is no change in the net cash requirement of £ 10,814,085,000.
3. Symbols are explained in the Introduction to this booklet.

**Part I**

£

<b>RfR 1: Promoting modern, integrated and safe transport and providing customer-focused regulation</b>	†	<b>256,563,000</b>
Total additional net resource requirement		256,563,000
<b>Additional net cash requirement</b>	†	<b>-</b>

SUPPLEMENTARY amounts required in the year ending 31 March 2006 for expenditure by the Department of Transport on:

**RfR 1: Promoting modern, integrated and safe transport and providing customer-focused regulation**  
ports and shipping services; trust ports; the National Ports Council Pension and Compensation Schemes; freight grants; the Maritime and Coastguard agency; civil and international aviation services including costs relating to the World Health Organisation study into airline travel and Deep Vein Thrombosis and type approval testing of electronic screening devices for use in enforcing aviation provisions of the Railways and Transport Safety Bill; support for and loans to National Air Traffic Services; the Highways Agency; payments to private consortia for design, build, finance and operate schemes; grants to local authorities, including the Greater London Authority and Merseyrail; payments to local authorities for the maintenance of de-trunked roads and promotion, publicity and publications in support of the Highways Agency operations; the operation of the Dartford River Crossing; compensation to private tolled undertakings for the imposition of VAT on tolls; loans and other expenditure relating to Other River Crossings; Bus Service Operator grant; Multi-Modal Studies; promoting efficiencies in sustainable distribution; support to nationalised transport industries; Powershift and CleanUp programmes: Transport Direct; royal travel; transport security; security; the Commission for Integrated Transport; trans-European network funds; costs relating to the PHARE programme; support for other minor transport services; compensation and pension costs relating to pre-DVLC local authority driver and vehicle licensing staff; grants and loans and other expenditure relating to the Driver and Vehicle Licensing Agency (trading fund), Driver and Vehicle Licensing Agency excise duty collection and enforcement related activities, development and operation of systems associated with licensing; Vehicle and Operator Services Agency (trading fund); Driving Standards Agency (trading fund); Vehicle Certification Agency; Vehicle Certification Agency enforcement; speed and red light camera enforcement; grants to Railtrack, British Rail and London Underground; payments and loans under section 63 of the Railways Act 1993 to Railtrack plc (in administration); PPP Arbiter; grants to the Strategic Rail Authority; the Channel Tunnel Rail Link; Cross London Rail Links Limited, National Freight Company travel concessions; railway industry and National Freight Company pension funds; the British Transport Police; payments and financial assistance in respect of railways and railway services; accident investigation; research, development, statistics, censuses and surveys, safety and mobility, publicity, promotion and advice and publications, monitoring, consultancies; selling into wider markets, including export opportunities; subscriptions and contributions to international organisations; compensation; the administration and operation of the department; payments to the Office of the Deputy Prime Minister in respect of certain central services; the purchase, acquisition, hire, lease and rent of land, buildings, plant machinery, vehicles and capital assets; special payments; the central management of, and delivery of services to, the Civil Service and wider public sector; and associated non-cash items.

The Department of Transport will account for this Estimate.

† The Government Car and Despatch Agency was transferred from the Cabinet Office on 14 February 2006. Within the overall changes sought in this Estimate, the specific changes relating to this Machinery of Government transfer are: (i) the Net Resource Requirement is unchanged but the gross expenditure and operating Appropriations in Aid are increased by £17,153,000; and (ii) the Net Cash Requirement is unchanged.

## Part II: Changes proposed

Resources	£'000					
	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision	
<b>RfR 1: Promoting modern, integrated and safe transport and providing customer-focused regulation</b>						
<b>Spending in Departmental Expenditure Limits (DEL)</b>						
<i>Central Government spending</i>						
RfR 1 - A	Ports and shipping services	10,524	3,077	-	3,077	13,601
RfR 1 - B	Maritime and Coastguard Agency	122,812	-2,517	1,700	-4,217	118,595
RfR 1 - C	Aviation services	20,883	3,043	8,645	-5,602	15,281
RfR 1 - D	Transport security and royal travel	17,832	31	-	31	17,863
RfR 1 - E	Highways Agency	1,748,358	345,032	7,793	337,239	2,085,597
RfR 1 - F	Publicity and advice	21,478	3,400	-	3,400	24,878
RfR 1 - G	Research	32,397	-8,486	-	-8,486	23,911
RfR 1 - H	Statistics, censuses and surveys	15,130	-4,133	-	-4,133	10,997
RfR 1 - I	Consultancies and other services for roads and local transport	6,090	-1,045	-	-1,045	5,045
RfR 1 - J	Mobility and Inclusion Unit	4,353	541	-	541	4,894
RfR 1 - L	Railways	2,035,453	-471,452	81,000	-552,452	1,483,001
RfR 1 - N	Freight grants	31,808	5,200	-	5,200	37,008
RfR 1 - P	Vehicle Excise Duty enforcement	-58,940	-	-18,740	18,740	-40,200
RfR 1 - Q	Vehicle Certification Agency enforcement	1,200	90	-	90	1,290
RfR 1 - S	Power Shift and CleanUp	22,250	-10,426	-	-10,426	11,824
RfR 1 - U	Driving Standards Agency trading fund	-237	166	218	-52	-289
RfR 1 - V	Vehicle and Operator Services Agency trading fund	-1,294	1,505	468	1,037	-257
RfR 1 - W	Vehicle and Operator Services Agency enforcement	13,959	-57	-	-57	13,902
RfR 1 - X	Central administration	176,656	48,320	9,855	38,465	215,121
RfR 1 - Y	Trans European network payments for transport projects (net)	1	7,500	-	7,500	7,501
RfR 1 - AA	Other River Crossings	-	11,997	-	11,997	11,997
<i>Support for Local Authorities</i>						
RfR 1 - AB	GLA Transport grant (resource)	1,428,985	19,900	-	19,900	1,448,885
RfR 1 - AC	GLA Transport Grant (capital)	731,455	3	-	3	731,458
RfR 1 - AD	Other transport grants (resource)	353,237	69,145	-	69,145	422,382
RfR 1 - AE	Other transport grants (capital)	264,511	-67,485	-	-67,485	197,026

**Part II: Changes proposed (*continued*)**

Resources	£'000				
	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
RfR 1 - AF Speed and red light camera enforcement	1	2,825	2,000	825	826
<b>Spending in Annually Managed Expenditure (AME)</b>					
<i>Central Government spending</i>					
RfR 1 - AG Highways Agency	2,620,983	968	-	968	2,621,951
RfR 1 - AH Railways	20,122	87,033	-	87,033	107,155
<b>Non-budget</b>					
RfR 1 - AI Strategic Rail Authority	1,739,800	304,204	-	304,204	2,044,004
RfR 1 - AJ Grant in aid funding of NDPBs	16,300	11,900	-	11,900	28,200
RfR 1 - AK Driver and Vehicle Licensing Agency trading fund	218,463	-9,988	789	-10,777	207,686
<b>Spending in Departmental Expenditure Limits (DEL)</b>					
<i>Central Government spending</i>					
RfR1 - AM Government Car and Despatch Agency	-	17,153	17,153	-	-
<b>Total RfR 1</b>		<b>367,444</b>	<b>110,881</b>	<b>256,563</b>	
<b>Total Changes to RfRs</b>		<b>367,444</b>	<b>110,881</b>	<b>256,563</b>	

Capital and Cash	£000		
	Present Provision	Change in Provision	New Provision
Total Capital Expenditure	856,773	-13,801	842,972
Non-Operating A in A	10,126	13,431	23,557
<b>Net cash requirement</b>	<b>10,814,085</b>	<b>-</b>	<b>10,814,085</b>

## Part II: Revised subhead detail including additional provision

Resources						Capital	£'000
1	2	3	4	5	6	7	8
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A
<b>RfR 1: Promoting modern, integrated and safe transport and providing customer-focused regulation</b>							
<b>300,994</b>	<b>6,370,655</b>	<b>5,985,638</b>	<b>12,657,287</b>	<b>470,680</b>	<b>12,186,607</b>	<b>842,972</b>	<b>23,557</b>
<b>Spending in Departmental Expenditure Limits (DEL)</b>							
<i>Central Government spending</i>							
A	Ports and shipping services						
-	14,652	409	15,061	1,460	13,601	593	-
B	Maritime and Coastguard Agency						
-	127,815	80	127,895	9,300	118,595	9,400	-
C	Aviation services						
-	22,460	46,811	69,271	53,990	15,281	2,107	5,138
D	Transport security and royal travel						
-	11,163	6,700	17,863	-	17,863	680	-
E	Highways Agency						
98,683	2,031,029	-	2,129,712	44,115	2,085,597	767,735	12,325
F	Publicity and advice						
-	18,770	6,108	24,878	-	24,878	-	-
G	Research						
-	23,911	-	23,911	-	23,911	6,793	-
H	Statistics, censuses and surveys						
-	10,997	-	10,997	-	10,997	119	-
I	Consultancies and other services for roads and local transport						
-	4,730	405	5,135	90	5,045	-	-
J	Mobility and Inclusion Unit						
-	791	4,123	4,914	20	4,894	150	-
K	Strategic Transport Studies						
-	1,600	-	1,600	100	1,500	-	-
L	Railways						
-	983,704	586,255	1,569,959	86,958	1,483,001	-	-
M	Commission for Integrated Transport						
-	1,506	-	1,506	-	1,506	-	-
N	Freight grants						
-	-	37,008	37,008	-	37,008	-	-
O	Bus Services Operators Grant						
-	380,300	-	380,300	-	380,300	-	-
P	Vehicle Excise Duty enforcement						
-	-	-	-	40,200	-40,200	-	-
Q	Vehicle Certification Agency enforcement						
-	1,290	-	1,290	-	1,290	-	-
R	Vehicle Certification Agency						
-	8,595	-	8,595	8,227	368	300	-
S	Power Shift and CleanUp						
-	11,824	-	11,824	-	11,824	-	-
T	Dartford River Crossing						
-	-	-	-	69,700	-69,700	-	-
U	Driving Standards Agency trading fund						
-	558	-	558	847	-289	11,800	1,132
V	Vehicle and Operator Services Agency trading fund						
-	1,483	1,300	2,783	3,040	-257	20,700	2,933
W	Vehicle and Operator Services Agency enforcement						
-	13,902	-	13,902	-	13,902	2,000	-
X	Central administration						
185,158	45,998	-	231,156	16,035	215,121	19,218	-
Y	Trans European network payments for transport projects (net)						
-	-	7,501	7,501	-	7,501	-	-

## Part II: Revised subhead detail including additional provision

Resources						Capital		£'000
1	2	3	4	5	6	7	8	
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
<b>Z Driver, Vehicle and Operator Group Central (including loan pool)</b>								
-	-	-	-	-	-	117	-	
<b>AA Other River Crossings</b>								
-	27,654	-	27,654	15,657	11,997	-	-	
<b>Support for Local Authorities</b>								
<b>AB GLA Transport grant (resource)</b>								
-	-	1,448,885	1,448,885	-	1,448,885	-	-	
<b>AC GLA Transport Grant (capital)</b>								
-	-	731,458	731,458	-	731,458	-	-	
<b>AD Other transport grants (resource)</b>								
-	-	422,382	422,382	-	422,382	-	-	
<b>AE Other transport grants (capital)</b>								
-	-	197,026	197,026	-	197,026	-	-	
<b>AF Speed and red light camera enforcement</b>								
-	2,325	101,500	103,825	102,999	826	-	-	
<b>Spending in Annually Managed Expenditure (AME)</b>								
<b>Central government spending</b>								
<b>AG Highways Agency</b>								
-	2,621,951	-	2,621,951	-	2,621,951	-	-	
<b>AH Railways</b>								
-	-	107,155	107,155	-	107,155	-	-	
<b>Non-budget</b>								
<b>AI Strategic Rail Authority</b>								
-	-	2,044,004	2,044,004	-	2,044,004	-	-	
<b>AJ Grant in aid funding of NDPBs</b>								
-	-	28,200	28,200	-	28,200	-	-	
<b>AK Driver and Vehicle Licensing Agency trading fund</b>								
-	147	208,328	208,475	789	207,686	-	1,879	
<b>Spending in Departmental Expenditure Limits (DEL)</b>								
<b>Central government spending</b>								
<b>AL Haulage efficiency and modernisation projects</b>								
-	1,500	-	1,500	-	1,500	-	-	
<b>AM Government Car and Despatch Agency</b>								
17,153	-	-	17,153	17,153	-	1,260	150	
<b>Total for Estimate:</b>								
<b>300,994</b>	<b>6,370,655</b>	<b>5,985,638</b>	<b>12,657,287</b>	<b>470,680</b>	<b>12,186,607</b>	<b>842,972</b>	<b>23,557</b>	

## Part II: Resource to cash reconciliation

	<u>Present</u>	<u>Increase (+)/ Decrease (-)</u>	<u>£'000</u> <u>Revised</u>
<b>Net total Resources</b>	<b>11,930,044</b>	<b>256,563</b>	<b>12,186,607</b>
<b>Voted capital items</b>			
Capital expenditure	856,773	-13,801	842,972
<i>Less: non-operating A in A</i>	<u>10,126</u>	<u>13,431</u>	<u>23,557</u>
<b>Total net voted capital</b>	<b>846,647</b>	<b>-27,232</b>	<b>819,415</b>
<b>Accruals to cash adjustment</b>			
Adjustments to remove non-cash items:			
Cost of Capital charges	-2,613,273	78,782	-2,534,491
Depreciation	-368,380	-391,751	-760,131
New provisions and adjustments to previous provisions	-145,227	-121,916	-267,143
Profit/loss on sale of assets	-	-390	-390
Prior period adjustments	-	-	-
Other non-cash items	-530	-785	-1,315
Increase(+)/decrease (-) in stock	-	10,732	10,732
Increase(+)/decrease (-) in debtors	-	-13,779	-13,779
Increase(-)/decrease (+) in creditors	54,770	-108,603	-53,833
Use of provisions	<u>1,110,034</u>	<u>-111,050</u>	<u>998,984</u>
<b>Total accruals to cash adjustments</b>	<b>-1,962,606</b>	<b>-658,760</b>	<b>-2,621,366</b>
<b>Adjustment to reflect underspend in cash</b>	<b>-</b>	<b>429,429</b>	<b>429,429</b>
<b>Excess cash to be CFERd</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net cash requirement</b>	<b>10,814,085</b>	<b>-</b>	<b>10,814,085</b>

## Part III: Extra receipts payable to the Consolidated Fund

In addition to Appropriations in aid, the following income and receipts relate to the department and is payable to the Consolidated Fund (cash receipts being shown in italics):

	<u>Present provision</u>		<u>New provision</u>	
	<b>Income</b>	<i>Receipts</i>	<b>Income</b>	<i>Receipts</i>
Operating income not classified as A in A	112,640	<i>112,640</i>	148,410	<i>148,410</i>
Non-operating income not classified as A in A	3,758	<i>3,758</i>	4,020	<i>4,020</i>
Other amounts collectable on behalf of the Consolidated Fund	-	-	-	-
Excess receipts to be surrendered to the Consolidated Fund	-	-	-	-
<b>Total</b>	<b>116,398</b>	<b><i>116,398</i></b>	<b>152,430</b>	<b><i>152,430</i></b>

## Forecast Operating Cost Statement

		£'000
		2005-06 provision
<b>Net Administration Costs</b>		
RfR 1	265,900	
<b>Total Net Administration Costs</b>		<b>265,900</b>
<b>Net Programme Costs</b>		
RfR 1	11,774,567	
<b>Total Net Programme costs</b>		<b>11,774,567</b>
<b>Total Net Operating Cost</b>		<b>12,040,467</b>
<i>of which:</i>		
<b>Net Resource Outturn</b>		<b>12,186,607</b>
CFERs		-148,410
Non-voted expenditure		-
<b>Resource Budget Outturn</b>		<b>11,453,927</b>

## Notes to the Estimate

### Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2005-06 Provision
<b>Net Resource Outturn (Estimates)</b>	<b>12,186,607</b>
<i>Adjustments to remove:</i>	
provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
non-voted expenditure in the OCS	-
Consolidated Fund extra receipts (CFERS) in the OCS	-148,410
Other adjustments	2,270
<b>Net Operating Costs (Accounts)</b>	<b>12,040,467</b>
<i>Adjustments to remove:</i>	
capital grants to local authorities	-934,882
capital grants financed from the Capital Modernisation Fund	-
European Union income and related adjustments	30,058
voted expenditure outside the budget	642
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	136,878
resource consumption of non departmental public bodies	-49,888
unallocated resource provision	254,013
Other adjustments	-23,361
<b>Resource Budget Outturn (Budget)</b>	<b>11,453,927</b>
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	9,562,821
Annually Managed Expenditure (AME)	1,891,106

### Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2005-06 Provision
<b>Net Voted Capital Outturn (Estimates)</b>	<b>819,415</b>
<i>Adjustments to remove:</i>	
gains/losses from sale of capital assets	-390
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-4,020
capital spending by non departmental public bodies	25,359
capital grants to local authorities	934,882
capital grants financed by the Capital Modernisation Fund	-
local authority credit approvals	1,407,400
capital spending by levy funded bodies	-
unallocated capital provision	12,628
Other adjustments	5,872
<b>Capital Budget Outturn (Budget)</b>	<b>3,201,146</b>
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	3,201,536
Annually Managed Expenditure (AME)	-

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## Notes to the Estimate (*continued*)

### Explanation of Accounting Officer responsibilities

In accordance with the Government Resources and Accounts Act 2000 the Treasury has made the following Accounting Officer appointments for the Requests for Resources within this Estimate.

<b>Request for Resources 1</b>	David Rowlands, Principal Accounting Officer and Permanent Head of Department
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David Rowlands as the Principal Accounting Officer (PAO) of the Department for Transport has personal responsibility for the proper presentation of the Department for Transport's resource accounts as prescribed in legislation or by the Treasury and their transmission to the Comptroller and Auditor General. The PAO as the permanent head, in addition to any responsibilities for an assigned RfR, remains in general overall charge of the Department for Transport.

The responsibilities of an Accounting Officer are set out in Annex 4.1 of Government Accounting. In essence these responsibilities include a personal responsibility for the propriety and regularity of the public finances for which they are answerable; for the keeping of proper accounts; for prudent and economical administration; for the avoidance of waste and extravagance; and for the efficient and effective use of all available resources. In addition, the Accounting Officer must ensure that there is a sound system of internal control to support the achievement of the Department for Transport's policies, aims, and objectives; and should regularly review the effectiveness of that system.

## Notes to the Estimate (*continued*)

### Analysis of appropriations in aid (A in A)

	£'000	
	2005-06 Provision	Non operating
	Operating A in A	operating A in A
<b>RfR 1: Promoting modern, integrated and safe transport and providing customer-focused regulation</b>		
Ports and Shipping Services - section A	1,460	-
Maritime and Coastguard Agency - section B	9,300	-
Aviation services - section C	53,990	5,138
Highways Agency - section E	44,115	12,325
Consultancies and other services for roads and local transport - section I	90	-
Mobility and Inclusion unit - section J	20	-
Strategic Transport Studies - Section K	100	-
Vehicle and Excise Duty Enforcement - section P	40,200	-
Vehicle Certification Agency - section R	8,227	-
Dartford River Crossing - section T	69,700	-
Driving Standards Agency trading fund - section U	847	1,132
Vehicle and Operator Services Agency trading fund - section V	3,040	2,933
Central administration - section X	16,035	-
Other River Crossing - section AA	15,657	-
Speed and red light camera enforcement - section AF	102,999	-
Railways - section L	86,958	-
Government Car and Despatch Agency - section AM	17,153	150
Driver and Vehicle Licensing Agency trading fund - section AK	789	1,879
<b>Total RfR 1</b>	<b>470,680 *</b>	<b>23,557 **</b>

\*Amount that may be applied as appropriations in aid in addition to the net total, arising from research, statistical and administrative services; fee paying enquiries; dissemination and sales of information, royalties, the loan and hire of equipment, seminars, conferences and publication (in print media and non-print media); sponsorship, including contributions from co-sponsors, other government departments, agencies and non-public bodies towards the cost of research, surveys and studies; receipts from the European Union including receipts relating to PHARE programmes, donations, legal claims, including extra-contractual claims for defective work, awards of court costs and out of court settlements; receipts for the use of accommodation; rental income and receipts from property and land; the disposal of land, buildings, plant, equipment, machinery, vehicles and capital assets; recoveries of seconded staff salaries; fees for driving assessments; speed and red light camera fixed penalty receipts; fines from wheelclamping and continuous registration; charges for vehicle and component testing; recoveries from local authorities in respect of public inquiries into highway orders; the sale of land on completion or abandonment of highway schemes; receipts from Dartford River Crossing Ltd; receipts from claims for damage to motorways and trunk roads; contributions from developers to transport schemes; recoveries of costs of aviation services; the sale of civil aviation items; repayments of loans or other payments made to National Air Traffic Services; receipts relating to the World Health Organisation study into airline travel and Deep Vein Thrombosis; repayments of loans or other payments made under Section 63 of the Railways Act 1993 to Railtrack plc (in administration); receipts from the Strategic Rail Authority and the British Transport Police authority; the Channel Tunnel Rail Link, Eurostar and the Scottish Executive; receipts in respect of railways and railway services; fees and receipts from the surveys of ships, Port State Control inspections, examinations and the certification of seafarers and receipts from the Learning and Skills Council for SmarT seafaring training; recoveries in respect of the International Maritime Organisation building; the Mersey Conservancy; shipping services; ports and associated pension and compensation schemes and receipts from outside organisations in respect of the provision by MAIB staff of investigation expertise and training; Eurocontrol; subsidy provided under the New Deal – Welfare to Work; repayments of deemed and voted loans made to the Driver and Vehicle Licensing Agency; receipts in respect of Vehicle Excise duty enforcement activities; Vehicle and Operator Services Agency and the Driving Standards Agency; plus Other River Crossings; payments from the Office of the Deputy Prime Minister in respect of certain central services; payments from the Department for Work and Pensions in respect of transitional administration costs; receipts from the trading and programme activities of the Government Car and Despatch Agency; and receipts relating to the administration and operation of the department.

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## Notes to the Estimate (*continued*)

### Analysis of appropriations in aid (A in A)

\*\* Amounts that may be applied as non-operating appropriations in aid arising from the disposal of land, buildings, plant, equipment, machinery, vehicles and capital assets; the loan or hire of equipment; the sale of motorway service area freeholds; repayments of loans or other payments made to National Air Traffic Services; repayments of loans or other payment under Section 63 of the Railways Act 1993 to Railtrack plc (in administration); the Channel Tunnel Rail Link; repayments of deemed and voted loans made to the Driver and Vehicle Licensing Agency; Vehicle and Operator Services Agency, the Driving Standards Agency and the British Transport Police Authority.

<b>Total A in A</b>	<b>470,680</b>	<b>23,557</b>
<i>of which: Administration budgets</i>	<i>35,094</i>	<i>-</i>

## Notes to the Estimate (*continued*)

### Analysis of Consolidated Fund extra receipts

		£'000	
		2005-06 provision	
		Income	Receipts
Humber Bridge Board	●	1,144	1,144
Tyne Tunnel	●	1,476	1,476
Second Mersey tunnel	●	1,400	1,400
Bus Service Operators grants	●	300	300
Maritime and Coastguard Agency	●	686	686
Driver and Vehicle Licensing Agency	●	112,592	112,592
Central administration	●	39	39
Channel tunnel receipts	●	1,600	1,600
Speed and red light camera enforcement		22,000	22,000
Highways Agency		11,193	11,193
<b>Total</b>		<b>152,430</b>	<b>152,430</b>

### Departmental Expenditure Limits and Administration Budgets

As announced to the House of Commons, the Department for Transport's Departmental Expenditure Limit will change as follows:

	Change	New DEL		Total
		Voted	Non-voted	
Resource	756,809	6,275,072	3,287,749	9,562,821
<i>of which :Administration Budget</i>	<i>5,365</i>	<i>265,900</i>	<i>4,023</i>	<i>269,923</i>
Capital	-94,124	1,756,176	1,445,360	3,201,536
Depreciation*	-392,197	-760,131	-9,823	-769,954
Total	270,488	7,271,117	4,723,286	11,994,403

\*Depreciation, which forms part of resource DEL, is excluded from total DEL since capital DEL includes capital spending and to include depreciation of those assets would lead to double counting.

### Cash which may be retained to offset expenditure

£'000  
494,237

Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been or will be appropriated in aid