

Department for Transport

Introduction

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

Amount £

Changes in resources

RfR 1: Promoting transport that works for everybody

Increases:

Reserve Claim

Amount: £300,000,000 near cash resource

300,000,000

Section: AC

To increase near cash resource provision for Greater London Authority (GLA) Transport grant (resource) (Section AC) by £300,000,000 to reflect reclassification of grant payments to Transport for London from capital to resource.

Take-up of End Year Flexibility (EYF)

Amount: £191,644,000 near cash, £71,926,000 non cash and £60,673,000 capital grants

324,243,000

Sections: C, J, L, P, U, V, X, AC

To increase near cash resource provision for the Mobility and Inclusion Unit (Section J) by £75,000; Railways (Section L) by £112,000,000 for Crossrail and £45,000,000 for Train Operating Companies; Driving Standards Agency (Section U) by £1,819,000 to cover costs in respect of migration to shared services; Central Administration (Section X) by £1,950,000, of which £1,575,000 for Transport Direct and £375,000 for shared service costs; and GLA Transport grant (resource) (Section AC) by £23,000,000 to reflect reclassification of grant payments to Transport for London from capital to resource.

To increase non cash resource provision for Aviation services (Section C) by £2,582,000 for cost of capital charges on National Air Traffic Service's loan; Driving Standards Agency (Section U) by £384,000 to cover cost of capital charges; Vehicle and Operator Services Agency (Section V) by £749,000 to cover cost of capital charges; Central Administration (Section X) by £8,048,000 for Transport Direct depreciation and £658,000 cost of capital charges; and GLA Transport grant (resource) (Section AC) by £59,505,000 for London Underground.

To increase capital grant provision for Railways (Section L) by £60,673,000 for Network Grant.

To cover a decrease in near cash appropriations-in-aid provision for Vehicle Excise Duty enforcement (Section P) by £7,800,000 to reflect a revised forecast of receipts.

Transfers from non-voted spending

1 Take-up of Departmental Unallocated Provision (DUP)

Amount: £57,179,000 near cash resource and £286,590,000 capital grants

343,769,000

Sections: L, W

To increase near cash resource provision for Railways (Section L) by £54,179,000 for franchising; and Driver Vehicle and Operator Group - Enforcement (Section W) by £3,000,000 for additional enforcement work.

To increase capital grant provision for Railways (Section L) by £286,590,000 for Network Grant.

2 Amount: £12,175,000 near cash resource, £131,995,000 non-cash and £193,025,000 capital

337,195,000

Sections: L, P, V, W, X, AC, AE, AF

To increase near cash resource provision for Vehicle and Operator Service Agency trading fund (Section V) by £400,000 for shared services costs; Driver, Vehicle and Operator Group enforcement (Section W) by £390,000 for enforcement work; and Other transport grants (resource) (Section AE) by £485,000 for Passenger Transport Executive payments.

To increase non cash resource provision for Central Administration (Section X) by £5,000,000 to cover Voluntary Early Retirement provision and GLA Transport grant (resource) (Section AC) by £126,995,000 for London Underground.

To increase capital grant provision for Railways (Section L) by £61,892,000 for Network Grant; and Other transport grants (capital) (Section AF) by £121,828,000 for Local Transport major schemes, £5,000,000 for de-trunking and £4,305,000 grant to NEXUS.

To decrease near cash appropriations-in-aid provision for Vehicle Excise Duty enforcement (Section P) by £10,900,000 to reflect a reduced forecast of receipts.

Transfers from other government departments

Amount: £6,658,000 near cash resource and £2,547,000 capital grants 9,205,000

Sections: L, X

To increase near cash resource and capital grant provision for Railways (Section L) by £6,410,000 and £16,000 respectively from the Department of Work and Pensions to cover charges for rail safety work placed on them by the Office of Rail Regulation following a transfer from the Health and Safety Executive.

To increase capital grant provision for Railways (Section L) by £2,531,000 by transfer from the Scottish Executive in respect of Scottish Rail services.

To increase administration provision for Central Administration (Section X) by £248,000 by transfer from the Cabinet Office in respect of Parliamentary Counsel costs.

Increase in Annually Managed Expenditure (AME)

Amount: £26,487,000 non-cash 26,487,000

Section: AM

To increase non-cash provision for Railways (Section AM) by £26,487,000 to reflect changes in budgeting treatment of guarantees to certain rail industry pension schemes.

Increase in non-budget Expenditure

Amount: £263,574,000 263,574,000

Sections: AJ, AK

To increase non budget provision for Grant-in-Aid funding of non-departmental public bodies and public corporations (Section AJ) by £214,179,000, of which £210,179,000 is to reflect the Office of National Statistics' reclassification of London and Continental Railways as a public corporation and £4,000,000 for the British Transport Police Authority.

To increase non-budget provision for Driver and Vehicle Licensing Agency trading fund (Section AK) by £49,699,000, of which £49,551,000 is for the Shared Services Centre and £148,000 for cost of capital charges, and appropriations-in-aid provision by £304,000 to cover interest payments on the vesting loan.

Reduction in income offset by increases in CFER's

Amount: £20,450,000 near cash resource 20,450,000

Section: P

To reduce appropriations-in-aid provision for Vehicle Excise Duty enforcement (Section P) by £20,450,000 fully offset by increases in CFERs, to reflect the ending of the netting off agreement in respect of Continuous Registration.

Neutral Changes:**Transfers within RfR**

- 1 Amount: £791,149,000 791,149,000
 Sections: A, B, F, G, H, I, J, L, O, W, AA, AC, AE, AL

To increase resource provision for Ports and shipping services (Section A) by £6,156,000 by transfer from Section L; the Maritime and Coastguard Agency (Section B) by £107,000 from Section A and £3,000,000 from Section AE; Publicity and advice (Section F) by £1,000,000 from Section I; Research (Section G) by £540,000 from Section I, £143,000 from Section L and £220,000 from Section AE; Statistics, censuses and survey (Section H) by £101,000 from Section L, £437,000 from Section O and £68,000 from Section A; Consultancies and other services for roads and local transport (Section I) by £200,000 from Section AE; Mobility and Inclusion Unit (Section J) by £55,000 from Section X; Railways (Section L) by £16,000 from Section C, £27,000 from Section G, £422,000 from Section R, £646,000 from Section U, £45,000,000 from Section AF and £377,000 from Section AG; Bus Service Operator Grant (Section O) by £2,188,000 from Section L; Driver Vehicle and Operator Group - Enforcement (Section W) by £332,000 by transfer from Section Q and £675,000 from Section AE;

Other River Crossings (Section AA) by £13,209,000 from Section L and £192,000 from Section X; GLA transport grant (resource) (Section AC) by £ 185,500,000 from Section E, £440,000,000 from Section L and £11,120,000 from Section AE; Other transport grants (resource) (Section AE) by £2,067,000 from Section E, £240,000 from Section H and £73,611,000 from Section L; and Haulage efficiency and modernisation projects (new Section AL) by £3,500,000 by transfer of £1,500,000 from Section N and £2,000,000 from Section S.

- 2 Amount: (£791,149,000) -791,149,000
 Sections: A, C, E, G, H, I, L, N, O, Q, R, S, U, X, AD, AE, AF, AG

To decrease resource provision for Ports and shipping services (Section A) by £107,000 by transfer to Section B and £68,000 to Section H; Aviation services (Section C) by £16,000 to Section L; Highways Agency (Section E) by £185,500,000 to Section AC and £2,067,000 to Section AE; Research (Section G) by £27,000 to Section L; Statistics, censuses and survey (Section H) by £240,000 to Section AE; Consultancies and other services for roads and local transport (Section I) by £1,000,000 to Section F and £540,000 to Section G; Railways (Section L) by £6,156,000 to Section A, £143,000 to Section G, £101,000 to Section H, £2,188,000 to Section O, £13,209,000 to Section AA, £73,611,000 to Section AE; Freight grants (Section N) by £1,500,000 to a new Section AL for Haulage efficiency and modernisation projects; Bus Service Operators Grant (Section O) by £437,000 to Section H; Vehicle Certification Agency - other payments (Section Q) by £332,000 to Section W; Vehicle Certification Agency (Section R) by £422,000 to Section L; Powershift and CleanUp (Section S) by £2,000,000 to Section AL; Driving Standards Agency trading fund (Section U) by £646,000 to Section L; Central Administration (Section X) by £55,000 to Section J and £192,000 to Section AA; GLA Transport grant (capital) (Section AD) by £440,000,000 to Section L; Other transport grants (resource) (Section AE) by £3,000,000 to Section B, £220,000 to Section G, £200,000 to Section I, £675,000 to Section W and £11,120,000 to Section AC; Other transport grants (Capital) (Section AF) by £45,000,000 to Section L; and Speed and red light camera enforcement (Section AG) by £377,000 to Section L.

Increase in capital grant provision offset by decrease in capital provision

- Amount: £300,000 capital grants 300,000
 Section: AF

To increase capital grant provision for Other transport grants (capital) (Section AF) by £300,000 by transfer from Section G's capital provision to reflect the correct classification of the expenditure.

Increased spending offset by income

Amount: £371,528,000

Sections: A, C, E, F, L, T, X, AE

To increase resource provision for Ports and shipping services (Section A) by £859,000 for the Marine Accident Investigation Branch, fully offset by increases in appropriations-in-aid for Section C in respect of interest receipts for the National Air Traffic Service.

To increase resource provision for Aviation services (Section C) by £2,835,000 for the Air Accident Investigation Branch, fully offset by increases in appropriations-in-aid in respect of interest receipts for the National Air Traffic Service.

To increase resource provision for the Highways Agency (Section E) by £311,000, fully offset by increases in appropriations-in-aid.

To increase resource provision for Publicity and advice (Section F) by £2,175,000, fully offset by increases in appropriations-in-aid for the Dartford River Crossing (Section T).

To increase resource provision for Railways (Section L) by £363,481,000, fully offset by increases in appropriations-in-aid, to reflect additional income from premia paying Train Operating Companies and the Scottish Executive related to the provision of cross border services.

To increase resource provision for Railways (Section L) by £678,000 for the Rail Accident Investigation Branch, fully offset by increases in appropriations-in-aid for Section C in respect of interest receipts for the National Air Traffic Service.

To increase resource provision for Central Administration (Section X) by £889,000 for Transport Direct, fully offset by increases in appropriations-in-aid for Section C in respect of interest receipts for the National Air Traffic Service.

To increase resource provision for Other transport grants (resource) (Section AE) by £300,000, fully offset by increases in appropriations-in-aid for Dartford River Crossing (Section T).

Decreases:**Transfer to non-voted spending:****Transfer to Departmental Unallocated Provision (DUP)**

- | | | |
|---|---|-------------|
| 1 | Amount: (£628,000) near cash resource, (£26,803,000) non-cash and (£23,090,000) capital
Sections: C, L, U, V, AD | -50,521,000 |
|---|---|-------------|

To decrease non-cash resource provision for Aviation services (Section C) by £316,000 and Railways (Section L) by £26,487,000.

To increase near cash appropriations-in-aid provision for the Driving Standards Agency (Section U) by £501,000 and the Vehicle and Operator Services Agency trading fund (Section V) by £127,000.

To decrease capital grant provision for GLA Transport Grant (capital) (Section AD) by £23,090,000 following the reclassification of grant payments to Transport for London from capital to resource.

- | | | |
|---|--|--------------|
| 2 | Amount: (£124,000,000 near cash (£5,896,000) non-cash resource and (£269,839,000) capital grant
Sections: AC, L, AF | -399,735,000 |
|---|--|--------------|

To decrease near cash provision for GLA transport grant (resource) (Section AC) by £124,000,000.

To decrease non cash resource provision for Railways (Section L) by £5,896,000 to reflect the reclassification of London and Continental Railways as a public corporation.

To decrease capital grant provision for Railways (Section L) by £257,714,000 to reflect the reclassification of London and Continental Railways as a public corporation and by a further £4,600,000 to provide funding for British Transport Police capital expenditure.

To decrease capital grant provision for Other transport grants (capital) (Section AF) by £7,176,000 for de-trunking payments to Local Authorities and by £349,000 for the Shared Service Centre.

Transfer to other government departments

Amount: (£18,294,000) near cash resource -18,294,000

Section: L, X

To decrease near cash resource provision for Railways (Section L) by £16,494,000 by transfer to the Scottish Executive for Scottish Rail services.

To decrease near cash resource provision for Central Administration (Section X) by £1,800,000 by transfer to the Department for Communities and Local Government in respect of Government Offices' Voluntary Early Retirement schemes.

Decrease in capital grant spending offset by increase in capital expenditure

Amount: (£7,163,000) capital grant -7,163,000

Sections: A, L, AF

To decrease capital grant provision for Other transport grants (capital) (Section AF) by £7,163,000, offset by an increase in capital expenditure for Section A (£7,119,000) and Section L (£44,000).

Other decreases

Decrease in non-budget expenditure

Amount: (£500,000) -500,000

Section: AJ

To decrease non budget provision for Grant-in-Aid funding of non-departmental public bodies and public corporations (Section AJ) by £500,000 in respect of Passenger Focus.

Reduction in capital grant provision

Amount: (£300,000,000) capital grants

Section: AD

To decrease capital grant provision for GLA Transport grants (capital) (Section AD) by £300,000,000 to reflect reclassification of grant payments to Transport for London. -300,000,000

Total changes in resources for RfR1 849,010,000

Total change in resources for Estimate 849,010,000

Changes in capital

Increases:

Take-up of End Year Flexibility (EYF)

1 Amount: £1,500,000 1,500,000

Sections: C

To increase capital provision for Aviation services (Section C) by £1,500,000 for the Air Accident Investigation Branch.

Increased spending offset by decrease in capital grants

Amount: £7,163,000 7,163,000

Sections: A, L, AF

To increase capital provision for Ports and shipping services (Section A) by £7,119,000 and Railways (Section L) by £44,000 by transfer from Section AF for the International Maritime Organisation and Rail Accident Investigation Branch, respectively.

Increased spending to compensate for loss from sales of land

Amount: £312,000 312,000

Section: E

To increase capital provision for the Highways Agency (Section E) by £312,000 to cover loss on sales of land.

Neutral Changes:**Transfers within RfR**

Amount: £23,205,000

Sections: E, U, V, AB

To increase capital provision for the Highways Agency (Section E) by £5,000 by transfer from Section X.

To increase capital provision for the Driving Standards Agency trading fund (Section U) by £10,000,000; the Vehicle and Operator Services Agency trading fund (Section V) by £12,500,000; and the Government Car and Despatch Agency (Section AB) by £700,000, all by transfers from Section Z.

Amount: (£23,205,000)

Sections: X, Z

To decrease capital provision for Central Administration (Section X) by £5,000 by transfer to Section E.

To decrease capital provision for Section Z (Driver, Vehicle and Operator Group Central (including loan pool) by £25,200,000 by transfer to Section U (£10,000,000), Section V (£12,500,000) and Section AB (£700,000).

Increased spending offset by income

Amount: £2,888,000

Sections: U, V, Z

To increase capital provision for the Driver, Vehicle and Operator Group Central (including loan pool) (Section Z) by £2,888,000, fully offset by increases in non-operating appropriations-in-aid for Section U (£629,000) and Section V (£2,259,000).

Decreases**Transfers to non-voted spending****1 Transfer to Departmental Unallocated Provision (DUP)**

Amount: (£2,629,000) -2,629,000

Section: X

To decrease capital provision for Central Administration (Section X) by £2,629,000 in respect of Transport Direct.

2 Amount: (£12,000,000)

-12,000,000

Sections: G, X

To decrease capital provision for Research (Section G) by £2,000,000 for de-trunking payments to Local Authorities; and Central Administration (Section X) by £10,000,000 for the Shared Services Centre.

Transfer to other government departments

Amount: (£45,000)	-45,000
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Section: X

To decrease capital provision for Central Administration (Section X) by £45,000 by transfer to the Department for Communities and Local Government in respect of contribution to IT Services Outsourcing Project.

Decrease in spending offset by increase in capital grants

Amount: (£300,000)	-300,000
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Section: G

To decrease capital provision for Research (Section G) by £300,000 offset by an increase in capital grant provision for Other transport grants (capital) (Section AF).

Other decreases:**Non-Budget**

Amount: (£8,455,000)	-8,455,000
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Section: AK

To increase non-operating appropriations-in-aid provision for the Driver and Vehicle Licensing Agency trading fund (Section AK) by £8,455,000.

Total changes in capital for Estimate	-14,454,000
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Changes to CFER's

To increase provision for the Highways Agency by £11,069,000; and Driver and Vehicle Licensing Agency trading fund by £24,046,000, including £20,450,000 by transfer from Section P.

2. As a result of the above and non-cash adjustments, there is an increase in the net cash requirement of £533,764,000.
3. Symbols are explained in the Introduction to this booklet.

Part I

£

RfR 1: Promoting transport that works for everybody	849,010,000
Total additional net resource requirement	849,010,000
Additional net cash requirement	533,764,000

SUPPLEMENTARY amounts required in the year ending 31 March 2007 for expenditure by the Department for Transport on:

RfR 1: Promoting transport that works for everybody

ports and shipping services; 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 (DVT) and type approval testing of electronic screening devices for use in enforcing aviation provisions of the Railways and Transport Safety Act 2003; 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; 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 licensing staff; grants and loans and other expenditure relating to the Driver and Vehicle Licensing Agency (trading fund); Driver and Vehicle Licensing Agency Vehicle excise duty collection and enforcement related activities, development and operation of systems associated with licensing; Vehicle and Operator Services Agency (trading fund); Vehicle and Operator services Agency enforcement; 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 railways services under Section 6 of the Railways Act 2005; 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 Department for Communities and Local Government in respect of certain central services; the purchase, acquisition, hire, lease and rent of land, buildings, plant, equipment, 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 for Transport will account for this Estimate.

Part II: Changes proposed

£'000

Resources	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision	
RfR 1: Promoting transport that works for everybody						
Spending in Departmental Expenditure Limits (DEL)						
RfR 1 - A	Ports and shipping services	12,714	6,840	-	6,840	19,554
RfR 1 - B	Maritime and Coastguard Agency	118,419	3,107	-	3,107	121,526
RfR 1 - C	Aviation services	19,045	5,085	5,261	-176	18,869
RfR 1 - E	Highways Agency	2,585,317	-187,256	311	-187,567	2,397,750
RfR 1 - F	Publicity and advice	19,388	3,175	-	3,175	22,563
RfR 1 - G	Research	35,597	876	-	876	36,473
RfR 1 - H	Statistics, censuses and surveys	14,764	366	-	366	15,130
RfR 1 - I	Consultancies and other services for roads and local transport	6,621	-1,340	-	-1,340	5,281
RfR 1 - J	Mobility and Inclusion Unit	4,388	130	-	130	4,518
RfR 1 - L	Railways	3,729,049	633,339	363,481	269,858	3,998,907
RfR 1 - N	Freight Grants	35,108	-1,500	-	-1,500	33,608
RfR 1 - O	Bus Service Operator Grant	398,300	1,751	-	1,751	400,051
RfR 1 - P	Vehicle Excise Duty enforcement	-54,400	-	-39,150	39,150	-15,250
RfR 1 - Q	Vehicle Certification Agency - Other payments	1,250	-332	-	-332	918
RfR 1 - R	Vehicle Certification Agency	98	-422	-	-422	-324
RfR 1 - S	Power Shift and CleanUp	20,000	-2,000	-	-2,000	18,000
RfR 1 - T	Dartford River Crossing	-67,000	-	2,475	-2,475	-69,475
RfR 1 - U	Driving Standards Agency trading fund	-221	1,557	501	1,056	835
RfR 1 - V	Vehicle and Operator Services Agency trading fund	-1,264	1,149	127	1,022	-242
RfR 1 - W	Driver, Vehicle and Operator Group - Enforcement	11,921	4,397	-	4,397	16,318
RfR 1 - X	Central administration	171,070	14,746	-	14,746	185,816
RfR 1 - AA	Other River Crossings	-	13,401	-	13,401	13,401
RfR 1 - AC	GLA Transport Grant (resource)	1,614,880	1,022,120	-	1,022,120	2,637,000
RfR 1 - AD	GLA Transport Grant capital)	763,090	-763,090	-	-763,090	-
RfR 1 - AE	Other transport grants (resource)	416,061	61,488	-	61,488	477,549
RfR 1 - AF	Other transport grants (capital)	260,930	71,745	-	71,745	332,675

Department for Transport

Spring Supplementary Estimate, 2006-07

RfR 1 - AG Speed and red-light camera enforcement	1	-377	-	-377	-376
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Non-Budget

RfR 1 - AJ Grant in Aid funding of non-departmental public bodies and public corporations	10,400	213,679	-	213,679	224,079
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RfR 1 - AK Driver and Vehicle Licensing Agency (trading fund)	232,485	49,699	304	49,395	281,880
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Spending in Departmental Expenditure Limits (DEL)

RfR1 - AL Haulage efficiency and modernisation projects	-	3,500	-	3,500	3,500
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Spending in Annually Managed Expenditure (AME)

RfR1 - AM Railways	-	26,487	-	26,487	26,487
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Total RfR 1		1,182,320	333,310	849,010	
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Total Changes to RfRs		1,182,320	333,310	849,010	
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	Present Provision	Change in Provision	£000 New Provision
Capital and Cash			
Total Capital Expenditure	1,219,915	-3,423	1,216,492
Non-Operating A in A	18,621	11,031	29,652
Net cash requirement	11,199,801	533,764	11,733,565

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	
RfR 1: Promoting transport that works for everybody								
281,417	6,967,124	7,425,823	14,674,364	709,994	13,964,370	1,216,492	29,652	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A Ports and shipping services								
-	21,014	-	21,014	1,460	19,554	11,612	-	
B Maritime and Coastguard Agency								
-	129,196	80	129,276	7,750	121,526	9,000	-	
C Aviation services								
-	22,916	49,750	72,666	53,797	18,869	1,707	-	
D Transport security and royal travel								
-	11,079	6,750	17,829	-	17,829	680	-	
E Highways Agency								
97,796	2,345,007	-	2,442,803	45,053	2,397,750	1,140,239	15,627	
F Publicity and advice								
-	17,073	5,490	22,563	-	22,563	-	-	
G Research								
-	36,473	-	36,473	-	36,473	3,263	-	
H Statistics, censuses and surveys								
-	15,130	-	15,130	-	15,130	1,475	-	
I Consultancies and other services for roads and local transport								
-	4,856	500	5,356	75	5,281	-	-	
J Mobility and Inclusion Unit								
-	933	3,605	4,538	20	4,518	140	-	
K Strategic Transport Studies								
-	1,500	-	1,500	-	1,500	-	-	
L Railways								
-	1,101,777	3,260,611	4,362,388	363,481	3,998,907	44	-	
M Commission for Integrated Transport								
-	1,500	-	1,500	-	1,500	-	-	
N Freight Grants								
-	22,500	11,108	33,608	-	33,608	-	-	
O Bus Service Operator Grant								
-	400,051	-	400,051	-	400,051	-	-	
P Vehicle Excise Duty enforcement								
-	-	-	-	15,250	-15,250	-	-	
Q Vehicle Certification Agency - Other payments								
-	918	-	918	-	918	-	-	
R Vehicle Certification Agency								
-	9,051	-	9,051	9,375	-324	300	-	

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		
S	Power Shift and CleanUp	-	10,000	8,000	18,000	-	18,000	-	-
T	Dartford River Crossing	-	-	-	-	69,475	-69,475	-	-
U	Driving Standards Agency trading fund	-	1,920	-	1,920	1,085	835	10,000	1,452
V	Vehicle and Operator Services Agency trading fund	-	2,361	-	2,361	2,603	-242	12,500	3,978
W	Driver, Vehicle and Operator Group - Enforcement	-	16,318	-	16,318	-	16,318	-	-
X	Central administration	166,730	25,196	-	191,926	6,110	185,816	13,124	-
Y	Trans-European network payments for transport projects (net)	-	-	3	3	-	3	-	-
Z	Driver, Vehicle and Operator Group central (including loan pool)	-	-	-	-	-	-	9,930	-
AA	Other River Crossings	-	29,667	-	29,667	16,266	13,401	-	-
AB	Government Car and Despatch Agency	16,891	-	-	16,891	16,891	-	2,478	140
<i>Support for Local Authorities</i>									
AC	GLA Transport Grant (resource)	-	-	2,637,000	2,637,000	-	2,637,000	-	-
AD	GLA Transport Grant capital)	-	-	-	-	-	-	-	-
AE	Other transport grants (resource)	-	-	477,549	477,549	-	477,549	-	-
AF	Other transport grants (capital)	-	-	332,675	332,675	-	332,675	-	-
AG	Speed and red-light camera enforcement	-	623	100,000	100,623	100,999	-376	-	-
Spending in Annually Managed Expenditure (AME)									
<i>Central Government spending</i>									
AH	Highways Agency	-	2,736,417	-	2,736,417	-	2,736,417	-	-
Non-Budget									
AI	Strategic Rail Authority	-	-	100	100	-	100	-	-

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	
AJ Grant in Aid funding of non-departmental public bodies and public corporations								
-	-	224,079	224,079	-	224,079	-	-	-
AK Driver and Vehicle Licensing Agency (trading fund)								
-	148	282,036	282,184	304	281,880	-	8,455	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
AL Haulage efficiency and modernisation projects								
-	3,500	-	3,500	-	3,500	-	-	-
Spending in Annually Managed Expenditure (AME)								
<i>Central Government spending</i>								
AM Railways								
-	-	26,487	26,487	-	26,487	-	-	-
Total for Estimate:								
281,417	6,967,124	7,425,823	14,674,364	709,994	13,964,370	1,216,492	29,652	

Part II: Resource to cash reconciliation

	<u>Present</u>	<u>Increase (+)/ Decrease (-)</u>	<u>£'000</u> <u>Revised</u>
Net Resource Requirement	13,115,360	849,010	13,964,370
Voted capital items			
Capital	1,219,915	-3,423	1,216,492
<i>Less: Non-operating A in A</i>	<i>18,621</i>	<i>11,031</i>	<i>29,652</i>
Total net voted capital	1,201,294	-14,454	1,186,840
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-2,745,298	45,479	-2,699,819
Depreciation	-1,225,497	281,832	-943,665
New provisions and adjustments to previous provisions	-75,131	-482,588	-557,719
Profit/loss on sale of assets	-	-312	-312
Prior period adjustments	-	-	-
Other non-cash items	-1,504	-189	-1,693
Increase(+)/decrease (-) in stock	-	-	-
Increase(+)/decrease (-) in debtors	-	7,694	7,694
Increase(-)/decrease (+) in creditors	-	-286,266	-286,266
Use of provisions	930,577	133,558	1,064,135
Total accruals to cash adjustments	-3,116,853	-300,792	-3,417,645
Excess cash to be CFERd	-	-	-
Net Cash Requirement	11,199,801	533,764	11,733,565

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>	
	Income	<i>Receipts</i>	Income	<i>Receipts</i>
Operating income not classified as A in A	119,270	<i>119,270</i>	20,339	<i>20,339</i>
Non-operating income not classified as A in A	3,149	<i>3,149</i>	3,149	<i>3,149</i>
Other amounts collectable on behalf of the Consolidated Fund	-	-	134,046	<i>134,046</i>
Excess receipts to be surrendered to the Consolidated Fund	-	-	-	-
Total	122,419	<i>122,419</i>	157,534	<i>157,534</i>

Forecast Operating Cost Statement

	£'000
	2006-07 provision
Net Administration Costs	
RfR1	256,392
Total Net Administration Costs	256,392
Net Programme Costs	
RfR1	13,687,639
Non-voted	-
Total Net Programme costs	13,687,639
Total Net Operating Cost	13,944,031
<i>of which:</i>	
Net Resource Requirement	13,964,370
Non-voted expenditure	-
Consolidated Fund Extra Receipts	-20,339
Resource Budget	10,549,696

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2006-07 Provision
Net Resource Requirement (Estimates)	13,964,370
<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 in the OCS	-20,339
Net Operating Costs (Accounts)	13,944,031
<i>Adjustments to remove:</i>	
capital grants	-3,484,718
European Union income related to capital grants	34,161
voted expenditure outside the budget	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
resource consumption of non departmental public bodies	-148,964
unallocated resource provision	79,362
Other adjustments	125,824
Resource Budget (Budget)	10,549,696
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	7,786,792
Annually Managed Expenditure (AME)	2,762,904

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2006-07 Provision
Net Voted Capital (Estimates)	1,186,840
<i>Adjustments to remove:</i>	
gains/losses from sale of capital assets	-312
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-3,149
capital spending by non departmental public bodies	49,949
capital grants	3,484,718
European Union income related to capital grants	-34,161
supported capital expenditure (revenue)	1,369,607
capital spending by levy funded bodies	-
unallocated capital provision	23,402
Other adjustments	607,270
Capital Budget (Budget)	6,684,164
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	6,684,164
Annually Managed Expenditure (AME)	-

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.

Request for Resources 1

Sir David Rowlands, Permanent Head of the Department

Sir David Rowlands as the Accounting Officer of the Department for Transport has personal responsibility for the proper presentation of the department's resource accounts as prescribed in legislation, or by the Treasury, and their transmission to the Comptroller and Auditor General. The AO as the permanent head, 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 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 the available resources. In addition, the Accounting Officer must ensure that there is a sound system of internal control to support the achievement of the organisation's policies, aims, and objectives and should regularly review the effectiveness of that system.

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

£'000

2006-07
Provision

RfR 1: Promoting transport that works for everybody

Administration	25,025
<i>of which:</i>	
Sale of goods and services	25,025
Programme	684,969
<i>of which:</i>	
Sale of goods and services	130,465
Regulatory licences, fines, penalties and taxes	116,249
EU income	46,445
Other grant income (including repayment of grants/subsidies)	362,600
Interest and dividends	29,210
CFERs	
Other income (including receipts)	

Total RfR1	709,994 †
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† Amount that may be applied as operating 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 and non-print media); sponsorship, including contributions from co-sponsors, other government departments, agencies and non-departmental public bodies towards the cost of research, surveys and studies; receipts from the European Union including receipts relating to the PHARE programme, donations, legal claims, including extra-contractual claims for defective work; awards of court costs and out of court settlements; receipts from 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 enquiries 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 civil aviation services; the sale of civil aviation items; repayments of loans or other payments made to National Air Traffic Services; receipts related to the World Health Organisation study into airline travel and Deep Vein Thrombosis; repayments of loans or other payments 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 seafarer 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 Department for Communities and Local Government 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 Despatch Agency; and receipts relating to the administration and operation of the department.

Total Operating A in A	709,994
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Analysis of non - operating appropriations in aid (A in A)

Programme	29,652
<i>of which:</i>	
Sale of assets	15,767
Loan, etc., repayments	13,885
CFERs	-

Total RfR1	29,652 †
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† Amounts that may be applied as non-operating appropriations in aid in addition to the net total 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 payments made 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.

Total Non - operating A in A	29,652
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Notes to the Estimate (*continued*)

Analysis of Consolidated Fund extra receipts

		£'000	
		2006-07 provision	
		Income	Receipts
Tyne Tunnel	Φ	1,624	1,624
Second Mersey Tunnel	Φ	1,525	1,525
Bus Service Operator Grant	Φ	300	300
Highways Agency	Φ	20,000	20,000
Driver and Vehicle Licensing Agency (trading fund)	Φ	134,046	134,046
Central administration	Φ	39	39
Total		157,534	157,534

Departmental Expenditure Limits and Administration Budgets

	Change		New DEL		£'000
	Voted	Non-voted	Voted	Non-voted	Total
Resource DEL	616,406	277,829	7,244,850	541,942	7,786,792
<i>of which:</i>					
Administration budget*	-1,552	-	256,392	6,778	263,170
Near-cash in RDEL	444,126	448,892	5,761,557	789,316	6,550,873
Capital**	-62,956	-639,057	4,645,852	2,038,312	6,684,164
Less Depreciation†	281,832	-27,607	-943,665	-20,816	-964,481
Total	835,282	-388,835	10,947,037	2,559,438	13,506,475

* The total of 'Administration budget' and 'Near-cash in Resource DEL' figures may well be greater than total resource DEL, due to the definitions overlapping.

**Capital DEL includes items treated as resource in Estimates and accounts but which are treated as Capital DEL in budgets.

† 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

739,646

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

Expenditure resting on the sole authority of the Appropriation Act

The following subheads contain provision sought under the sole authority of Part I of the Estimate and of the confirming Appropriation Act:

RfR/Section	Service	£'000
RfR1 - I	Local Transport Consultancy	1,196
RfR1 - I	Government Office programme expenditure	550
RfR1 - I	Transport Analysis and Economic Consultancies	500
RfR1 - L	International subscriptions OECD	460
RfR1 - AE	Centres of Excellence	100

Notes to the Estimate (*continued*)
Grants in Aid

RfR/Section	Body	£ '000
RfR1 - AI	Strategic Rail Authority	100
RfR1 - AJ	British Transport Police Authority	9,400
RfR1 - AJ	Rail Passenger Council	4,500
RfR1 - AJ	London and Continental Railways	210,179
RfR1 - AK	Driver and Vehicle Licensing Agency (trading fund)	281,880
		<u>506,059</u>

International subscriptions

RfR/Section	Body	£ '000
RfR1 - C	International Civil Aviation Organisation	2,000

