



Department  
for Transport

# Memorandum on the Supplementary Estimate 2017-18

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# Introduction

The Department for Transport's (DfT) Supplementary Estimate for 2017-18 seeks the necessary resources and cash to support the functions of the Department, its agencies and arm's length bodies. The Estimate provides a final opportunity to ensure that the Department has the necessary resources and cash for the remainder of the financial year.

The purpose of this Memorandum is to provide the Transport Select Committee with an explanation of how the resources and cash sought in the Main Estimate have changed since its approval.

This Memorandum has been prepared according to the requirements set out in the guidance manual on supply estimates provided by HM Treasury and has been approved by the Departmental Accounting Officer.

A glossary of key terms used in the memorandum is provided at Annex B.

Bernadette Kelly  
Accounting Officer  
Permanent Secretary

# Executive summary

1. The Supplementary Estimate reflects a number of changes to both DEL and AME totals and shows the movement in the Net Cash Requirement.
2. Tables 1.0 and 1.1 below show the net changes sought in the Supplementary against the Main Estimate.
3. There is a net increase of £307.9m in resource DEL, a net increase of £22.3m in capital DEL, a net reduction of £32.9m in resource AME and a net increase of £732.3m in capital AME. The Department's Net Cash Requirement is reduced by £551.3m.
4. Table 1.0 below provides a summary of the key changes in the provision sought in the Supplementary Estimate. Table 1.1 provides the net change in the ring-fenced (RDEL) depreciation and table 1.2 provides details of the key changes in both DEL and AME.

**Table 1.0 2017 18 Estimate provision by budgetary limits**

<b>£'000</b>	<b>Main Estimate 2017-18</b>	<b>Supplementary Estimate 2017-18</b>	<b>Variance</b>
Resource Departmental Expenditure Limit (RDEL)	3,589,479	3,897,420	307,941
Of which:			
<i>Administration budget</i>	268,000	265,414	-2,586
<i>Programme budget</i>	3,321,479	3,632,006	310,527
Capital Departmental Expenditure Limit (CDEL)	6,410,100	6,432,411	22,311
Resource Annually Managed Expenditure (RAME)	8,660,857	8,627,913	-32,944
Capital Annually Managed Expenditure (CAME)	6,717,507	7,449,804	732,297
Net Cash Requirement (NCR)	21,515,028	20,963,693	-551,335

**Table 1.1 Ring fenced depreciation in Resource DEL**

<b>£'000</b>	<b>Main Estimate 2017-18</b>	<b>Supplementary Estimate 2017-18</b>	<b>Variance</b>
Depreciation	1,621,381	1,796,381	175,000

**Table 1.2 Key changes in DEL and AME**

<b>Description</b>	<b>£m</b>	<b>RDEL</b>	<b>CDEL</b>	<b>RAME</b>	<b>CAME</b>
Reduction in TDEL in relation to agreed Budget Exchange into 2018-19 - <b>section 1.7</b>		-30	-111.8		
Increase in TDEL to cover the risk associated with the HMRC VAT review of the Intending Trader Status for HS2 Ltd - <b>section 1.9</b>		54	211		
Increase in RDEL depreciation in relation to Highways England - <b>section 1.13</b>		100			
Increase in RDEL depreciation in relation to inventory write-down in HS2		75			
Increase in RDEL to cover costs related to collapse of Monarch - <b>section 1.10</b>		68			
Increase in RDEL to reflect reduced Rail Passenger income relative to plans made in the 2015 Sending Review - <b>section 1.11</b>		60			
Increase in DEL in relation to Local Roads Maintenance as announced at Autumn Budget - <b>section 1.6</b>			46		
Increase in non-cash CDEL in relation to Trust Port borrowing - <b>section 1.12</b>			41		
Increase in DEL in relation to EU Exit as announced at Autumn Budget - <b>section 1.6</b>		4.6	1		
Increase in RDEL in relation to Midlands Motorway Hub as announced at Autumn Budget		1			
Increase in CDEL in relation to Air Quality Plan			5		
Increase in CAME for Network Rail (NR) due to bringing forward budget in relation to Digital Railways - <b>section 1.16</b>					212.5
Increase in non-cash AME in relation to movement in derivatives for NR - <b>section 1.17</b>					150

<b>Description</b>	<b>£m</b>	<b>RDEL</b>	<b>CDEL</b>	<b>RAME</b>	<b>CAME</b>
CDEL to CAME switch in relation to movement of budget to NR for a number of development projects - <b>section 1.18</b>			-97.4		97.4
Increase in CAME in relation to East West Rail enhancements - <b>section 1.19</b>					95.5
CDEL to CAME switch in relation to NR developments and improving Thames Link Infrastructure - <b>section 1.20</b>			-70		70
Increase in CAME to reflect changes in capital provisions for HS2					49.4
Net movement of RDEL to CAME in relation to a number of transactions for NR		-18			18
RDEL to CAME switch in relation to movement of costs for Crewe Hub to NR - <b>section 1.22</b>		-6.7			6.7
Alignment of non-cash RAME to CAME budget - <b>section 1.21</b>				-50	50
Alignment of budget from CAME to RAME				17.1	-17.5
Alignment of budget from CDEL to RDEL in HS2		8	-8		
Alignment of budget from RDEL to CDEL		-5	5		
Other Government Transfers - <b>section 3</b>		-2.9	0.5		
<b>Net Changes</b>		<b>308</b>	<b>22.3</b>	<b>-32.9</b>	<b>732</b>

**Net Cash Requirement (NCR)** - a net reduction of £551.3m in the Department's NCR, which mainly reflects revisions to NR's loan facility.



# 1. Main reasons for changes in Supplementary Estimate

- 1.1 The following section looks at the main reasons for changes made in the Supplementary Estimate.

## 2017-18 overall position

- 1.2 The Department has continued to review the full year forecast position across its agencies and arm's length bodies and has used the Supplementary Estimate to align expenditure plans to resource and cash requirement. This includes a number switches and budget alignments.
- 1.3 The Department has agreed with HM Treasury to carry over £141.8m (£30m RDEL and £111.8m CDEL) from this year's budget to help manage costs in 2018-19. **Refer to section 1.7 for further details.**
- 1.4 The Department is receiving additional £434m (Reserve Claim) support to deal with a number of pressures and risks that impact the Department due to external factors. **Refer to section 1.8 for further details.**
- 1.5 The Department has agreed an additional non-cash budget cover of £175m to take account of an increase in depreciation costs for Highways England and due to revaluation of High Speed 2 property stock not required for the construction of the rail line.
- 1.6 The Department has received additional £46m CDEL funding for Local Roads and £5.6m RDEL/ CDEL related to work to support the government plan to exit EU.

## Budget Exchange

- 1.7 Budget Exchange (£141.8m) - is being sought in the Supplementary Estimate. HM Treasury has agreed to a transfer of budget into 2018-19, as set out below:
- £79m CDEL underspend in Highways England in relation to re-profiling of capital costs into 2018-19.
  - £32.8m CDEL underspend in High Speed 2 in relation to re-profiling of programme expenditure across future years.
  - £30m RDEL underspend in Rail in relation to unavoidable delays re-profiled into 2018-19.

## Reserve Claim

- 1.8 Reserve Claim (£434m) - is being sought in the Supplementary Estimate to help manage the following externally driven risks to the Department:
- 1.9 **HS2 Ltd VAT claim and Intending Trader Status** - HS2 Ltd has recovered £265m of VAT based on its existing Intending Trader Status. The validity of the status is being reviewed by HMRC with no indication on the likely outcome (as explained on page 112 of HS2 Ltd Annual Report and Account for 2016-17). However, should the outcome result in HMRC being unable to recover VAT, this exposure is covered in the Supplementary Estimate.
- 1.10 **Monarch** - £68m costs of repatriating c.110,000 stranded British travellers and reimbursing ATOL protected passengers who had booked flights, but were yet to travel when Monarch ceased trading.
- 1.11 **Rail Risk Transfer Mechanism** – £60m RDEL budget to partially offset the decline in Rail income in 2017-18 compared to the plans set out at the Spending Review in 2015. This is the mechanism agreed with HM Treasury at the last Spending Review.
- 1.12 **Trust Ports** - £41m non-cash CDEL additional cover to take account of the net borrowing by Trust Ports, which mainly relates to works taking place at Dover. The Office for National Statistics has classified Trust Ports in England and Wales as 'public corporations'. Any net borrowing undertaken by these trust ports requires CDEL cover in the Department's Estimate.

## Highways England (HE)

- 1.13 Net increase of £140m RDEL - (Section C) - mainly due to an increase of £100m non-cash depreciation and £40m of internal budget movement to support HE work. Results from the recent road surveys indicate that HE would require additional depreciation budget cover, which was agreed with HM Treasury. The increased requirement is due to various factors including: level of inflation; capital investment made in HE network; the volume of traffic and the condition of the road surface. The budget set at the Main Estimate was in advance of these factors becoming certain, particularly as some are the result of external influences.
- 1.14 Net increase of £180m CDEL - (Section C) - the increase supports HE on their capital renewals and maintenance work.

## Network Rail (NR)

- 1.15 Net increase of £700m CAME - (Section T) - mainly due to a number of switches from DEL to AME in relation to budget transfers from Rail and High Speed Rail to support work undertaken by NR. The key changes are set out below:
- 1.16 **Digital Railways - increase of £212.5m CDEL** relating to the re-profiling of part of the £450m funding allocated in the 2016 Spring Budget for digital signalling.

**1.17 Derivatives - increase of £150m non-cash AME** relating to derivatives. NR has historically used financial derivatives to manage the exposure to interest rate and foreign currency risk arising from its previous borrowings. Interest rate risk has been managed and reduced via interest rate swaps, including pre-hedging of interest rates on future borrowings.

NR has in the past bought derivatives, such as interest rate swaps, to offset changes in the prices of their borrowing arrangements, or purchases of plant. This helped them to forecast their financial position more accurately over a five-year control period and to plan other aspects of their budgets and activities more effectively over that period.

Following NR's reclassification to central government, their future borrowings will now come from the Department, so – looking at central government as a whole – there is no external borrowing to offset these derivatives against. The changes in the value of these derivatives now therefore score against AME. The value of derivatives can be volatile; it is not possible to forecast the year-end position with any certainty even at the Supplementary Estimates stage.

**1.18 Development projects - net increase of £97.4m CAME** mainly due to internal switch in funding from CDEL to support a number of projects managed by NR. The main projects impacted are set out below:

- £30m in relation to East West Rail (EWR) development work. This allows NR and the EWR Alliance to accelerate design and development of the Programme to integrate the construction of Phase 2 of EWR between Bicester / Aylesbury and Milton Keynes / Bedford with HS2
- £34m in relation to work on Crossrail. This allows NR to complete the Crossrail On-Network Works
- £8m in relation to work on the Western Rail link to Heathrow and is part of the business case development and planning consents
- £5.4 in relation to HS2 phase 1 & 2 and work on Euston
- £5m Transport Development fund which supports NR's wider development work
- £5m in relation to large Local Majors Schemes which enables local authorities to bid for the local growth fund to support their development work
- £10m in relation to other projects

**1.19 Enhancement grant - increase of £95.5m CAME** in relation to a ring-fenced East West Rail **structure - increase of £70m CAME** with a reduction in CDEL is being transferred from Rail to NR in relation to investment in 2017-18 for improving Thameslink infrastructure resilience.

**1.20 Alignment of budget** - £50m non-cash switch from RAME to CAME to help align internal budget.

**1.21 Crewe Hub - increase of £6.7m CAME** of development funding is being transferred from High Speed Rail to NR for the Crewe Hub project. Crewe station is a key transport hub in the north west of England, providing connectivity for passenger and freight services to all areas of the country. The opportunity is to enhance passenger experience and to

rejuvenate the economy by improving the train service available and accommodating HS2 trains that are proposed to call at Crewe. The proposal is to provide more capacity, better connectivity, more resilience, improved access and facilities at the station.

- 1.22 Loan facility** - as part of the loan facility agreement, NR borrows money from the Government which impacts the Department's Net Cash Requirement. Following review of NR's loan requirement, drawdowns are forecast lower than the Main Estimate.

## Departmental Unallocated Provision (DUP)

- 1.23 Allocation of £41.9m from the DUP** - as part of the internal business planning work at the beginning of the financial year, a DUP of £41.9m RDEL was created. Following a review of in-year spending plans, the full amount in the DUP is now allocated to various areas of the Department.

## 2. Detailed Explanation of Changes by Estimate Section

- 2.1 Explanations for large variances are given below for each Estimate Line.
- 2.2 A breakdown of provision by programmes within each Estimate line showing comparison between the 2017-18 Main Estimate and Supplementary Estimate is set out at **Annex A**.

### Voted DEL

#### Section A – Tolled Crossings

- 2.3 Resource -£54.8m: Reduction relates to income from Dartford Toll Crossing and also toll income that the Department will retain for the period after the Severn River Crossing reverts to Government ownership.
- 2.4 Capital -£189.2m: Reduction relates to income from the early repayment of the M6 Toll loan agreements by the private sector operator.

#### Section B - Local Authority Transport

- 2.5 Resource +£16m: Net increase relates to Local Authorities major roads schemes.
- 2.6 Capital -£62.2m: Majority of the net reduction relates to movement of budgets towards Network Rail and Highways England for development work.

#### Section C - Highways England

- 2.7 Resource +£139.3m: An increase in depreciation charge, mainly due to increase in capital investment and external factors.
- 2.8 Capital +£179.7m: Relates to capital renewals and maintenance work.

#### Section D – Funding of Other ALBs (net)

- 2.9 Resource +£121.4m: Net increase relates to £68m Reserve Claim (Monarch) and £54m additional cover agreed with HMT to help manage the risk related to HS2 intending trader VAT issue.
- 2.10 Capital +£252.4m: Majority relates to additional cover agreed with HMT to help manage the risk related to HS2 intending trader VAT issue.

## **Section E - Other railways**

- 2.11** Resource -£82.7m: Majority of the net reduction relates to the transfer of development funding to Network Rail for a number of major projects; reduced spend on Crossrail 2 development pending further analysis; and the transfer of funding for on-train Wifi to Train Operating Companies.
- 2.12** Capital +£65.7m: Majority relates to the introduction of Intercity Express Programme bi-mode trains, related to depot costs and contract variations.

## **Section F - Sustainable Travel**

- 2.13** Capital +£261.7m: Net increase is due to re-profiling Cleaner Vehicles and Low Carbon budgets from the National Productivity Investment Funding Estimate line.

## **Section G - Bus Subsidies and Concessionary Fares**

- 2.14** Capital -£2.3m: Reduction relates to Accessibility grants.

## **Section H – GLA Transport Grants**

- 2.15** Capital -£8.5m: Reduction is a refund due on TfL grant relating to the Garden Bridge Scheme.

## **Section J - Aviation, Maritime, Security and Safety**

- 2.16** Resource -£16.4m: Majority of reduction relates to transfers to various Other Government Departments.
- 2.17** Capital +£40.6m: The net increase relates to the allocation of £41m Reserve Claim in relation to additional net borrowing by Trust Ports.

## **Section K – Maritime and Coastguard Agency**

- 2.18** Resource -£25.5m: Reduction relates to movement of budgets to support the overall pressures of the Department.
- 2.19** Capital +£5.4m: Due to a switch between revenue and capital to reflect change in accounting treatment of licence agreements

## **Section L - Motoring Agencies**

- 2.20** Resource -£6.8m: Change mainly relates to movements in DVLA agency forecasts.
- 2.21** Capital +£4.9m: Change mainly relates to movements in DVLA agency forecasts.

## **Section M – Science, Research and Support Functions**

- 2.22** Resource -£3.7m: This relates to various movements between programmes to help align costs.

**2.23** Capital -£7m: Net reduction is mainly due to re-profiling of Rail budget lines to Network Rail.

#### **Section N – Central Administration**

**2.24** Resource +£55.2m: Net increase relates to additional non-cash cover to help manage a movement in provisions.

**2.25** Capital -£9.3m: The majority relates to CDEL/RDEL switches as agreed with HMT to help align costs.

#### **Departmental Unallocated Provision**

**2.26** Resource -£41.5m: Distributed to various areas to align overall costs.

#### **Section O – Support for Passenger Rail Service**

**2.27** Resource +£248.7m: The variance relates to the impact on the net revenues received from the train franchise portfolio, including the adverse impact on revenues from the TSGN franchise as a result of severe disruption from sustained industrial action and performance issues.

#### **Section P – High Speed Two**

**2.28** Resource -£21.9m: Net reduction relates to re-profiling expenditure across future years.

**2.29** Capital -£125.5m: Net reduction relates to movements in provisions, re-profiling expenditure across future years, budget switch to Network Rail and budget transfer to Other Government Department.

#### **Section Q - Transport Development Fund**

**2.30** Resource -£21.3m: Reduction relates to re-profiling of budget to Network Rail.

**2.31 National Productivity Investment Fund:** As per agreement with HM Treasury the Estimate line was removed at Supplementary and budgets are being re-profiled (See sections E and F)

## **Voted AME**

#### **Section T – Network Rail (net)**

**2.32** Resource -£11.7m: Net reduction relates to re-profiling of expenditure across future years.

**2.33** Capital +£700m: Net increase relates to a number of switches from DEL to AME to support HS2 and Rail related works undertaken by Network Rail.

**Section U - Funding of Other ALBs (net)**

**2.34** Resource +£10.3m: Net increase relates to Air Travel Trust Fund and British Transport Police.

**Section V - Other railways**

**2.35** Resource -£33.4m: Mainly due to movements in pension provisions.

**Section W - Aviation, Maritime, Security and Safety**

**2.36** Resource +£17.1m: Internal switch from CAME to RAME in relation to Lighthouse Pension budgets.

**2.37** Capital -£17.1m: Internal switch from CAME to RAME in relation to Lighthouses pension budgets.

**Section Z - Central Administration**

**2.38** Resource -£14.5m: Internal alignment of budget.

**Section AA – High Speed Two**

**2.39** Capital +£50m: Relates to movement in capital provisions.



## 3. Others Changes in the Supplementary Estimate

**3.1** This section provides details of a number of other changes impacting the Supplementary Estimate.

### Transfers to and from other Government Departments

**3.2** The following provides details of transfers to and from other Government Departments:

- **Aviation, Maritime, Security and Safety** (Section J) - reduction in RDEL for the transfer of £1.8m to Northern Ireland Executive for Derry Airport.
- **Central Administration** (Section N) - reduction in RDEL for the transfer of £0.2m to Ministry of Housing, Communities and Local Government in relation to DfT's contribution to Northern Powerhouse campaign.
- **Aviation, Maritime, Security and Safety** (Section J) - reduction in RDEL for the transfer of £0.9m to Scotland Office for Dundee Airport.
- **Aviation, Maritime, Security and Safety** (Section J) - increase in CDEL for the transfer of £0.5m from Department for Business, Energy and Industrial Strategy to DfT in relation to Driverless Cars.

### Changes to Estimate lines

**3.3** National Productivity Investment Fund (NPIF): As per agreement with HM Treasury, the Estimate line for NPIF is removed and budget (£375m) re-profiled to other areas (Section F - Sustainable Travel and Section E - Other Railways) of the Department.

### Contingent liabilities or guarantees

**3.4** The following **statutory liabilities** have been revised since the Main Estimate:

- **Land Compensation Act 1973**, (Part I: Highways England): possible obligations in relation to land and property acquisitions. Reduced from £100.5m to £92.6m

*Reason for change:* Further review of this Contingent Liability (CL) has found that only the 'scheme contingent' element satisfies the CL criteria.
- **Railways Act 1993, Transport Act 2000:** Contingent Liabilities arise from the signing of new, replacement and extended passenger rail franchise agreements and other agreements to encourage railways investment. Reduced from £3.974bn to £2.407bn.

*Reason for change:* A number of S54 agreements have reduced as they age. This is expected as our liability decreases as the contracts draw closer to their end date. On the contrary, the CL may increase in future as new S54 agreements are signed.
- **CTRL Act 1996:** Undertaking under the HS1 concession agreement. Increased from £2.307bn to £2.664bn.

*Reason for change:* Correction of error identified in the 2016-17 Annual Report and Accounts (ARA) by the NAO. The business were supplying the default costs and not the non-default costs. This brings the Estimate figure in line with the ARA figure from 2016-17.
- **Merchant Shipping Act 1995 s268, s269:** The re-hearing of a formal investigation shall be ordered by the Secretary of State (SoS) if there are grounds for suspecting that a miscarriage of justice may have occurred. The SoS may order a formal investigation into any marine accident, or re-open an investigation in any other circumstances. There may be widespread public demand for the SoS to do so if there is a great loss of life and the accident occurs on a UK registered vessel or in UK waters. Correction in the ARA reflected in Estimates and resulting in £20m Contingent Liability.

*Reason for change:* Correction in 2016-17 ARA now reflected in Estimates.
- **Town and Country Act 1990:** The Department has issued a Safeguarding Order for the proposed route of HS2. This creates an obligation on the Department to purchase properties that have been blighted. Increased from £1.34m to £2.5m

*Reason for change:* As HS2 programme activity ramps up, potential blight claims will continue.
- **HMG guarantee for EU funding** streams as announced in August and October 2016. DfT's responsibility covers Connecting Europe Facility (CEF - Transport). Newly created with an unquantifiable liability.

**3.5** The following **non-statutory liabilities** have been revised since the Main Estimate:

- **Highways England Co Ltd third party claims:** Reduced from £7.5m to £6m.

*Reason for change:* Third party claims against HE fluctuate both up and down relative to the number of claims.

- **Indemnities issued to non-executive members** of the departmental board and to civil servants appointed to represent the Department on the boards of other organisations: Increased from £500k to £800k.

An increase of 3 non-executive directors from last year has led to the £300k increase.

- In 2008 the Secretary of State entered into quantifiable (disclosed) and unquantifiable indemnities under the **Crossrail Sponsor's agreement** and the **Project Development agreement** between DfT and TfL (as joint sponsors) and the Project Delivery Agency (Crossrail Limited). Increased from £4.59bn to £5.6bn.

*Reason for change:* Put/call option - debt used to finance operations, resulting in potential Contingent Liability increases.

- In 2013 the Secretary of State agreed to quantifiable (disclosed) and unquantifiable assurances, warranties, indemnities and potential losses under the **Thameslink Rolling Stock** contracts with Siemens, Network Rail and Cross London Trains. Reduced from £2.89bn to £2.71bn.

*Reason for change:* A minor drop relating to a number of smaller value Contingent Liabilities lapsing since year end, 2016-17.

- In 2012 the Secretary of State agreed to quantifiable (disclosed) and unquantifiable assurances, warranties, indemnities and potential losses under the **Inter City Express Rolling Stock** contracts with Agility Consortium and Network Rail. Increased from £299m to £3.6bn.

*Reason for change:* The two Contingent Liabilities which made up this disclosure at the Main Estimate have lapsed due to the completion of the Intercity Express Programme. However, two new Contingent Liabilities relating to Thameslink equalling over £3.6bn account for the increase.

- Indemnities issued to businesses at Rail privatisation and transferred from BRBR on abolition: Reduced from £991m to £19.7m.

*Reason for change:* Reduction in indemnities as a number have now reached the end of their indemnifying period.

- Legacy **environmental claims:** Increased from £40bn to unquantifiable.

*Reason for change:* After a technical review, the decision was made to class the Contingent Liability as unquantifiable as the valuation was based upon £1m to repair each of the 40,000 structures (a figure which unfortunately cannot be quantified with any accuracy).

- **International Oil Pollution Compensation Fund Building** - obligations under the agreement to fund alternative accommodation

in the event of the building becoming partially or completely destroyed: Increased from £0.4m to £25m

*Reason for change:* Correction in 2016-17 ARA now reflected in Estimates.

- Revenue element of **Train Operator Companies sustained poor performance claim against Network Rail:** Increase from £339.4m to unquantifiable

*Reason for change:* A number of Contingent Liabilities have since lapsed, leaving only one for claims against Network Rail for Control Period 4. However, a new liability has been introduced for claims during Control Period 5, which has been classed as unquantifiable. Therefore, the entire liability has now been deemed unquantifiable.

- **Other Contingent Liabilities, including legal claims:** Increased from £682m to £1.085bn

*Reason for change:* Due to an increase in the number of legal claims, mainly in Highways England and to cover any liability related to the Air Travel Trust Fund.

- **Under the Enhanced Bromsgrove Station Deed** the Department has an obligation to use reasonable endeavours to ensure that the Electrification Project will be completed within a specified timeframe. If not accomplished, the Department shall compensate the transport authority and the County Council for any net financial loss: Reduced from £26m to zero.

*Reason for Change:* The liability has lapsed.

# Annex A: Detailed Comparison between 2017-18 Main Estimate and 2017-18 Supplementary Estimate

				Main Estimate	Supplementary Estimate	Variance	Variance
Section	Column		Programme	2017-18	2017-18		
				£m	£m	£m	%
<b>VOTED DEL</b>							
<b>A</b>			<b>Tolled Crossings</b>				
	4		Tolled Crossings	23.5	0.8	-22.7	-96.5
	4		Dartford Crossing Tolls	37.2	36.0	-1.2	-3.3
	5		Dartford Crossing Tolls	-142.8	-173.7	-30.8	21.6
	5		Tolled Crossings	0.0	0.0	0.0	0.0
	6		<b>Resource programme net total</b>	<b>-82.0</b>	<b>-136.8</b>	<b>-54.8</b>	<b>66.8</b>
	7		Dartford Crossing Tolls	0.8	0.9	0.2	21.9
	7		Tolled Crossings	0.0	0.0	0.0	0.0
	8		Tolled Crossings	0.0	-189.2	-189.2	0.0
	9		<b>Capital net total</b>	<b>0.8</b>	<b>-188.3</b>	<b>-189.0</b>	<b>-25,200.1</b>
<b>B</b>			<b>Local Authority Transport</b>				
	4		LA Major Schemes	0.5	23.5	23.1	5,128.9
	4		LA Maintenance	0.0	0.0	0.0	0.0
	4		LA PFI Schemes	323.4	323.2	-0.2	-0.1
	4		Northern Transport Strategy	23.6	16.4	-7.3	-30.7
	4		Other LA Schemes	0.0	0.4	0.4	0.0
	6		<b>Resource programme net total</b>	<b>347.4</b>	<b>363.4</b>	<b>16.0</b>	<b>4.6</b>
	7		LA Road Maintenance	1,349.4	1,342.1	-7.2	-0.5
	7		Other LA Schemes	0.0	0.0	0.0	0.0
	7		Integrated Transport Block Grant	226.2	225.9	-0.4	-0.2
	7		Northern Transport Strategy	0.0	4.0	4.0	0.0
	7		LA Major Schemes	232.0	173.4	-58.6	-25.3
	9		<b>Capital net total</b>	<b>1,807.6</b>	<b>1,745.4</b>	<b>-62.2</b>	<b>-3.4</b>
<b>C</b>			<b>Highways England ALB (net)</b>				
	1		HE administration	48.7	47.6	-1.1	-2.3
	3		<b>Administration net total</b>	<b>48.7</b>	<b>47.6</b>	<b>-1.1</b>	<b>-2.3</b>
	4		Making better use of the network	611.6	679.8	68.2	11.2
	4		Maintenance	277.5	258.1	-19.4	-7.0
	4		Traffic Officer Services	120.3	106.4	-13.9	-11.6
	4		Associated costs of investment	1,465.0	1,569.4	104.4	7.1
	6		<b>Resource programme net total</b>	<b>2,474.4</b>	<b>2,613.7</b>	<b>139.3</b>	<b>5.6</b>
	7		HE administration	0.0	0.0	0.0	0.0
	7		Capital programme	2,148.4	2,328.0	179.7	8.4
	9		<b>Capital net total</b>	<b>2,148.4</b>	<b>2,328.0</b>	<b>179.7</b>	<b>8.4</b>

Section	Column	Programme	Main Estimate 2017-18	Supplementary Estimate 2017-18	Variance	Variance
<b>D</b>		<b>Funding of Other ALBs (net)</b>				
	1	Transport Focus	0.9	0.9	0.0	0.0
	1	High Speed 2	3.4	3.5	0.0	0.4
	1	Air Travel Trust Fund	0.6	0.8	0.1	21.9
	3	<b>Administration net total</b>	<b>5.0</b>	<b>5.1</b>	<b>0.2</b>	<b>3.1</b>
	4	Directly Operated Railways	0.0	0.0	0.0	0.0
	4	British Transport Police	0.0	2.5	2.5	0.0
	4	High Speed 2	175.0	235.6	60.6	34.6
	4	Transport Focus	5.3	5.5	0.2	4.4
	4	Air Travel Trust Fund	-31.0	27.1	58.1	-187.5
	6	<b>Resource programme net total</b>	<b>149.3</b>	<b>270.7</b>	<b>121.4</b>	<b>81.3</b>
	7	British Transport Police	10.5	9.7	-0.8	-7.8
	7	High Speed 2	649.1	902.3	253.2	39.0
	7	Directly Operated Railways	0.0	0.0	0.0	0.0
	9	<b>Capital net total</b>	<b>659.6</b>	<b>912.0</b>	<b>252.4</b>	<b>38.3</b>
<b>E</b>		<b>Other railways</b>				
	4	Rail Strategy and Stakeholder Relations				
		Community Rail	0.8	0.8	0.0	0.0
	4	British Rail Board Residuary	2.2	2.0	-0.2	-9.6
	4	Rail projects	0.0	15.3	15.3	0.0
	4	London and Continental Railways	0.0	0.1	0.1	0.0
	4	Channel Tunnel Rail Link Eurotunnel	280.6	284.1	3.4	1.2
	4	Rail pensions	14.6	14.1	-0.5	-3.5
	4	Rail Grants including Nexus	129.5	25.1	-104.4	-80.6
	4	HS1 and Ashford	46.7	47.1	0.4	0.9
	4	East West Rail Programme	0.0	4.7	4.7	0.0
	4	HLOS 2	0.0	0.0	0.0	0.0
	4	Intercity Express Programme	12.6	8.1	-4.5	-35.7
	5	British Rail Board Residuary	-5.4	-7.1	-1.7	31.6
	5	Channel Tunnel Rail Link Eurotunnel	-270.0	-266.1	3.9	-1.4
	5	Rail Strategy and Stakeholder Relations Community Rail	-0.8	0.0	0.8	-100.0
	5	Rail projects	0.0	0.0	0.0	0.0
	5	HS1 and Ashford	-54.4	-54.4	0.0	0.0
	6	<b>Resource programme net total</b>	<b>156.5</b>	<b>73.8</b>	<b>-82.7</b>	<b>-52.9</b>
	7	London and Continental Railways	0.7	0.6	-0.1	-7.7
	7	Rail projects	0.0	9.7	9.7	0.0
	7	Rail Grants including Nexus	30.2	24.2	-6.0	-19.7
	7	Intercity Express Programme	119.1	182.1	63.0	52.9
	8	Rail Strategy and Stakeholder Relations Com	0.9	0.0	-0.9	-100.0
	9	<b>Capital net total</b>	<b>150.9</b>	<b>216.7</b>	<b>65.7</b>	<b>43.6</b>
<b>F</b>		<b>Sustainable Travel</b>				
	4	Cleaner Vehicles & Low Carbon	27.0	25.3	-1.7	-6.2
	4	Smart and integrated ticketing	0.0	12.1	12.1	0.0
	4	Freight grants	15.6	15.8	0.2	1.4
	4	Cycling England	6.0	7.7	1.8	29.3
	4	Europe	0.0	0.9	0.9	0.0
	4	Sustainable Transport	40.3	27.0	-13.3	-33.0
	5	Freight grants	0.0	0.0	0.0	0.0
	5	Smart and integrated ticketing	0.0	0.0	0.0	0.0
	6	<b>Resource programme net total</b>	<b>88.8</b>	<b>88.9</b>	<b>0.1</b>	<b>0.1</b>
	7	Cleaner Vehicles & Low Carbon	0.0	271.8	271.8	0.0
	7	Europe	0.0	0.1	0.1	0.0
	7	Smart and integrated ticketing	0.0	32.2	32.2	0.0
	7	Freight grants	0.0	0.0	0.0	0.0
	7	Sustainable Transport	45.2	5.0	-40.2	-88.9
	7	Cycling	65.3	63.1	-2.2	-3.3
	8	Smart and integrated ticketing	0.0	0.0	0.0	0.0
	8	Cleaner Vehicles & Low Carbon	0.0	0.0	0.0	0.0
	9	<b>Capital net total</b>	<b>110.5</b>	<b>372.2</b>	<b>261.7</b>	<b>236.9</b>

Section	Column	Programme	Main Estimate 2017-18	Supplementary Estimate 2017-18	Variance	Variance
			£m	£m	£m	%
<b>G</b>		<b>Bus Subsidaries and Concessionary Fares</b>				
	4	Bus Service Operator Grant	252.8	252.9	0.0	0.0
	4	Accessibility	0.0	0.0	0.0	0.0
	4	Concessionary Fares	1.0	0.1	-1.0	-95.2
	5	Bus Service Operator Grant	0.0	0.0	0.0	0.0
	6	<b>Resource programme net total</b>	<b>1.0</b>	<b>0.1</b>	<b>-1.0</b>	<b>-95.2</b>
	7	Bus Service Operator Grant	6.3	6.3	0.0	0.0
	7	Accessibility	5.4	3.0	-2.3	-43.3
	9	<b>Capital net total</b>	<b>11.6</b>	<b>9.3</b>	<b>-2.3</b>	<b>-19.9</b>
<b>H</b>		<b>GLA Transport grants</b>				
	4	Transport for London grant	255.0	255.1	0.1	0.0
	6	<b>Resource programme net total</b>	<b>255.0</b>	<b>255.1</b>	<b>0.1</b>	<b>0.0</b>
	7	Transport for London grant	0.0	-8.5	-8.5	0.0
	9	<b>Capital net total</b>	<b>0.0</b>	<b>-8.5</b>	<b>-8.5</b>	<b>0.0</b>
<b>I</b>		<b>Crossrail</b>				
	4	Crossrail	1.6	1.8	0.2	11.6
	6	<b>Resource programme net total</b>	<b>1.6</b>	<b>1.8</b>	<b>0.2</b>	<b>11.6</b>
	8	Crossrail	0.0	0.0	0.0	0.0
	9	<b>Capital net total</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>J</b>		<b>Aviation, Maritime, Security &amp; Safety</b>				
	4	Maritime	7.2	6.0	-1.2	-16.9
	4	Aviation	23.7	8.9	-14.8	-62.6
	4	Transitional Aviation Security	0.0	0.0	0.0	0.0
	4	Transport security	3.6	3.8	0.2	6.6
	4	Marine Accident Investigation Branch	4.0	4.0	0.0	-0.1
	4	Air Accident Investigation Branch	7.3	7.1	-0.2	-2.9
	4	Rail Accident Investigation Branch	4.7	4.8	0.0	1.0
	4	Road Safety Grants	0.5	0.7	0.2	41.2
	4	Aviation Serv Trans, Security & Royal Travel	21.7	21.4	-0.3	-1.6
	4	Air Safety Support International	3.0	3.1	0.0	0.2
	4	Dangerous Goods	1.3	1.2	-0.1	-10.5
	5	Maritime	-1.5	-1.6	-0.1	7.8
	5	Air Accident Investigation Branch	0.0	0.0	0.0	0.0
	5	Aviation	0.0	0.0	0.0	0.0
	5	Air Safety Support International	-3.1	-3.1	0.0	0.3
	5	Transport security	0.0	0.0	0.0	0.0
	5	National Air Traffic Services Dividend	0.0	0.0	0.0	0.0
	6	<b>Resource programme net total</b>	<b>72.5</b>	<b>56.1</b>	<b>-16.4</b>	<b>-22.6</b>
	7	Aviation	1.4	0.4	-1.0	-69.4
	7	Dangerous Goods	0.5	0.1	-0.5	-90.0
	7	Maritime	2.4	1.7	-0.8	-31.3
	7	Maritime Public Corporation	0.0	0.0	0.0	0.0
	7	Marine Accident Investigation Branch	0.0	0.0	0.0	0.0
	7	Maritime Trust Ports	0.0	41.0	41.0	0.0
	7	Air Accident Investigation Branch	0.4	0.4	0.0	0.0
	7	Rail Accident Investigation Branch	0.1	0.1	0.0	37.6
	7	Aviation Serv Trans, Security & Royal Travel	0.0	0.8	0.8	0.0
	7	Transitional Aviation Security	7.1	8.7	1.6	22.5
	7	Transport security	5.4	4.8	-0.6	-10.3
	7	Road Safety Grants	1.9	1.8	-0.1	-2.9
	9	<b>Capital net total</b>	<b>19.2</b>	<b>59.8</b>	<b>40.6</b>	<b>211.6</b>

				<b>Main Estimate</b>	<b>Supplementary Estimate</b>	<b>Variance</b>	<b>Variance</b>
<b>Section</b>	<b>Column</b>		<b>Programme</b>	<b>2017-18</b>	<b>2017-18</b>		
				<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>%</b>
<b>K</b>			<b>Maritime &amp; Coastguard Agency</b>				
	1		Maritime & Coastguard Agency	8.5	8.1	-0.4	-4.8
	2		Maritime & Coastguard Agency	-0.5	-0.6	0.0	3.5
	3		<b>Administration net total</b>	<b>8.0</b>	<b>7.6</b>	<b>-0.4</b>	<b>-5.3</b>
	4		Maritime & Coastguard Agency	364.2	341.8	-22.4	-6.2
	5		Maritime & Coastguard Agency	-11.1	-14.2	-3.1	28.2
	6		<b>Resource programme net total</b>	<b>353.1</b>	<b>327.6</b>	<b>-25.5</b>	<b>-7.2</b>
	7		Maritime & Coastguard Agency	14.1	19.5	5.4	38.3
	8		Maritime & Coastguard Agency	0.0	0.0	0.0	0.0
	9		<b>Capital net total</b>	<b>14.1</b>	<b>19.5</b>	<b>5.4</b>	<b>38.3</b>
<b>L</b>			<b>Motoring Agencies</b>				
	4		Compliance & Agency Sponsorship	17.0	15.7	-1.3	-7.9
	4		Vehicle Certification Agency	17.7	20.3	2.6	14.6
	4		Driver & Vehicle Licensing Agency	456.2	425.8	-30.4	-6.7
	4		Driver and Vehicle Standards Agency				
			formerly VOSA	0.4	2.5	2.2	581.1
	5		Vehicle Certification Agency	-17.9	-20.0	-2.1	11.6
	5		Driver & Vehicle Licensing Agency	-358.4	-336.0	22.4	-6.3
	5		Driver and Vehicle Standards Agency				
			formerly DSA	-0.2	-0.3	-0.1	57.1
	6		<b>Resource programme net total</b>	<b>114.8</b>	<b>108.0</b>	<b>-6.8</b>	<b>-5.9</b>
	7		Vehicle Certification Agency	-4.6	0.7	5.2	-114.2
	7		Driver and Vehicle Standards Agency				
			formerly VOSA	0.7	0.8	0.2	26.8
	7		Driver & Vehicle Licensing Agency	13.0	9.0	-4.0	-30.7
	8		Driver and Vehicle Standards Agency	-15.0	-21.3	-6.3	42.0
	9		<b>Capital net total</b>	<b>-5.9</b>	<b>-10.8</b>	<b>-4.9</b>	<b>82.4</b>
<b>M</b>			<b>Science, research and support functions</b>				
	4		Technical & Safety	0.0	0.3	0.3	0.0
	4		Rail Research	0.0	0.0	0.0	0.0
	4		Local Research Programme	3.2	2.9	-0.4	-10.9
	4		Freight research & statistics	0.0	0.0	0.0	0.0
	4		Transport statistics - roads	6.8	6.9	0.0	0.3
	4		Statistics personal travel	4.6	1.5	-3.0	-66.3
	4		Road Safety research	0.1	2.3	2.2	2,732.1
	4		Rail and Land Compliance	2.9	2.6	-0.3	-11.0
	4		Transport analysis and economics research	2.5	0.5	-2.0	-78.8
	4		Analysis and Strategy	0.4	0.0	-0.4	-90.2
	5		Analysis and Strategy	0.0	-0.1	-0.1	0.0
	5		Rail Research	0.0	0.0	0.0	0.0
	5		Transport analysis and economics research	0.0	0.0	0.0	0.0
	5		Transport Direct	0.0	0.0	0.0	0.0
	6		<b>Resource programme net total</b>	<b>20.5</b>	<b>16.8</b>	<b>-3.7</b>	<b>2,475.2</b>
	7		Transport analysis and economics research	0.8	0.4	-0.4	-51.4
	7		Statistics personal travel	0.0	2.5	2.5	-16,916.2
	7		Local Research Programme	0.0	0.0	0.0	0.0
	7		Freight research & statistics	0.4	0.6	0.2	60.4
	7		Transport statistics - roads	0.3	0.3	0.0	0.0
	7		Rail Research	25.2	12.0	-13.1	-52.1
	7		Analysis and Strategy	2.7	4.5	1.8	65.9
	7		Road Safety research	1.0	3.0	2.0	197.5
	9		<b>Capital net total</b>	<b>30.3</b>	<b>23.3</b>	<b>-7.0</b>	<b>-23.1</b>



				Main Estimate	Supplementary Estimate	Variance	Variance
Section	Column		Programme	2017-18	2017-18		
				£m	£m	£m	%
<b>N</b>			<b>Central Administration</b>				
	1		Central administration	209.8	209.1	-0.7	-0.3
	2		Central administration	-10.0	-10.0	0.0	-0.1
	3		<b>Administration net total</b>	<b>199.8</b>	<b>199.1</b>	<b>-0.7</b>	<b>-0.3</b>
	4		Human Resources Programme expenditure	19.0	18.5	-0.5	-2.7
	4		Central administration	3.4	0.0	-3.4	-100.0
	4		Shared Services - (incl migration)	1.5	2.9	1.4	98.8
	4		Road Safety Publicity	5.2	5.3	0.0	0.1
	4		Commercial Contracts	14.4	76.2	61.8	429.2
	4		Capital Infrastructure Investment	2.0	5.4	3.4	168.7
	4		IT Programme	0.0	2.8	2.8	0.0
	4		Finance & Estates	0.5	0.0	-0.5	-100.0
	5		Human Resources Programme	0.0	-0.7	-0.7	0.0
	5		Finance & Estates	-9.0	0.0	9.0	-100.0
	5		Central administration	0.0	0.0	0.0	0.0
	5		Shared Services	0.0	-1.2	-1.2	0.0
	5		Capital Infrastructure Investment	-37.0	-53.9	-16.9	45.6
	6		<b>Resource programme net total</b>	<b>0.0</b>	<b>55.2</b>	<b>55.2</b>	<b>306,648.2</b>
	7		Commercial Contracts	1.6	0.0	-1.6	-100.0
	7		Capital Infrastructure Investment	0.0	0.5	0.5	0.0
	7		Finance & Estates	11.0	0.0	-11.0	-100.0
			Shared Services - (incl migration)	0.0	1.7	1.7	0.0
	7		IT Capital	0.0	1.1	1.1	0.0
	9		<b>Capital net total</b>	<b>12.6</b>	<b>3.2</b>	<b>-9.3</b>	<b>-74.1</b>
			<b>Departmental Unallocated Provision (Removed in SE 2017-18)</b>				
	4		Departmental Unallocated Provision	41.5	0.0	-41.5	-100.0
	6		<b>Resource programme net total</b>	<b>41.5</b>	<b>0.0</b>	<b>-41.5</b>	<b>-100.0</b>
<b>O</b>			<b>Support for Passenger Rail Services</b>				
	4		Purchase of Goods & Services	1.8	3.7	1.8	99.2
	4		Current grants to Local Government	4.8	86.7	81.9	1,706.4
	4		Subsidies to Private Sector	467.6	454.0	-13.6	-2.9
	5		Misc Income	-1,486.8	-1,308.3	178.5	-12.0
	6		<b>Resource programme net total</b>	<b>-1,012.5</b>	<b>-763.9</b>	<b>248.7</b>	<b>-24.6</b>
			Purchase of Goods & Services	0.0	0.0	0.0	0.0
			<b>Capital net total</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>P</b>			<b>High Speed Two</b>				
	4		High Speed 2	33.0	11.1	-21.9	-66.4
	6		<b>Resource programme net total</b>	<b>33.0</b>	<b>11.1</b>	<b>-21.9</b>	<b>-66.4</b>
	7		High Speed 2	1,067.5	942.1	-125.5	-11.8
	9		<b>Capital net total</b>	<b>1,067.5</b>	<b>942.1</b>	<b>-125.5</b>	<b>-11.8</b>
<b>Q</b>			<b>Transport Development Fund</b>				
	4		Transport Development Fund	47.0	25.7	-21.3	-45.4
	6		<b>Resource programme net total</b>	<b>47.0</b>	<b>25.7</b>	<b>-21.3</b>	<b>-45.4</b>
			Transport Development Fund	8.0	7.7	-0.3	-3.7
			<b>Capital net total</b>	<b>8.0</b>	<b>7.7</b>	<b>-0.3</b>	<b>-3.7</b>
			<b>National Productivity Investment Fund (removed at SE)</b>				
	7		Local Roads & Local Transport Networks	210.0	0.0	-210.0	-100.0
	7		Strategic Roads Pinchpoints	95.0	0.0	-95.0	-100.0
	7		Digital Signaling	0.0	0.0	0.0	0.0
	7		Support for future transport	40.0	0.0	-40.0	-100.0
	7		Smart ticketing	25.0	0.0	-25.0	-100.0
	7		Strategic studies development funding	5.0	0.0	-5.0	-100.0
			<b>Capital net total</b>	<b>375.0</b>	<b>0.0</b>	<b>-375.0</b>	
			<b>TOTAL VOTED DEL</b>				
			<b>Administration net total</b>	<b>261.4</b>	<b>259.3</b>	<b>-2.1</b>	<b>-0.8</b>
			<b>Resource programme net total</b>	<b>3,314.7</b>	<b>3,620.2</b>	<b>305.4</b>	<b>9.2</b>
			<b>Capital net total</b>	<b>6,410.0</b>	<b>6,431.7</b>	<b>21.6</b>	<b>0.3</b>

Section	Column	Programme	Main Estimate 2017-18 £m	Supplementary Estimate 2017-18 £m	Variance £m	Variance %
<b>NON VOTED DEL</b>						
<b>R</b>		<b>Funding of Other ALBs (net)</b>				
	1	Trinity House Lighthouse Service	3.2	2.8	-0.4	-13.6
	1	Northern Lighthouse Board	3.1	3.1	0.0	0.0
	1	Commissioners of Irish Lights	0.3	0.2	-0.1	-21.5
	3	<b>Administration net total</b>	<b>6.6</b>	<b>6.1</b>	<b>-0.5</b>	<b>-7.5</b>
	4	General Lighthouse Fund	0.0	5.1	5.1	0.0
	4	Trinity House Lighthouse Service	4.0	5.5	1.5	36.9
	4	Northern Lighthouse Board	2.3	1.0	-1.3	-55.8
	4	Commissioners of Irish Lights	0.3	0.2	-0.1	-27.4
	6	<b>Resource programme net total</b>	<b>6.6</b>	<b>11.8</b>	<b>5.2</b>	<b>79.2</b>
	7	General Lighthouse Fund	0.0	0.8	0.8	0.0
	7	Trinity House Lighthouse Service	0.0	0.0	0.0	0.0
	7	Northern Lighthouse Board	0.0	0.0	0.0	0.0
	8	Commissioners of Irish Lights	0.0	0.0	0.0	0.0
	9	<b>Capital net total</b>	<b>0.0</b>	<b>0.8</b>	<b>0.8</b>	<b>0.0</b>
		<b>TOTAL NON-VOTED</b>				
		<b>Administration net total</b>	<b>6.6</b>	<b>6.1</b>	<b>-0.5</b>	<b>-7.5</b>
		<b>Resource programme net total</b>	<b>6.6</b>	<b>11.8</b>	<b>5.2</b>	<b>79.2</b>
		<b>Capital net total</b>	<b>0.0</b>	<b>0.8</b>	<b>0.8</b>	<b>0.0</b>
		<b>TOTAL DEL</b>				
		<b>Administration net total</b>	<b>268.0</b>	<b>265.4</b>	<b>-2.6</b>	<b>-1.0</b>
		<b>Resource programme net total</b>	<b>3,321.3</b>	<b>3,632.0</b>	<b>310.6</b>	<b>9.4</b>
		<b>Capital net total</b>	<b>6,410.0</b>	<b>6,432.4</b>	<b>22.4</b>	<b>0.3</b>
<b>VOTED AME</b>						
<b>S</b>		<b>Highways England ALB (net)</b>				
	4	Highways England asset write-downs and provisions	6.0	6.0	0.0	0.0
	4	Highways England administration	0.0	0.0	0.0	0.0
	6	<b>Resource programme net total</b>	<b>6.0</b>	<b>6.0</b>	<b>0.0</b>	<b>0.0</b>
	7	Capital	40.0	40.0	0.0	0.0
	9	<b>Capital net total</b>	<b>40.0</b>	<b>40.0</b>	<b>0.0</b>	<b>0.0</b>
<b>T</b>		<b>Network Rail ALB (net)</b>				
	4	Network Rail	8,301.6	8,289.8	-11.7	-0.1
	6	<b>Resource programme net total</b>	<b>8,301.6</b>	<b>8,289.8</b>	<b>-11.7</b>	<b>-0.1</b>
	7	Network Rail	5,934.5	6,634.5	700.0	11.8
	9	<b>Capital net total</b>	<b>5,934.5</b>	<b>6,634.5</b>	<b>700.0</b>	<b>11.8</b>
<b>U</b>		<b>Funding of Other ALBs (net)</b>				
	4	British Transport Police	80.3	82.9	2.6	3.3
	4	Air Travel Trust	0.0	7.7	7.7	0.0
	6	<b>Resource programme net total</b>	<b>80.3</b>	<b>90.6</b>	<b>10.3</b>	<b>12.9</b>
	7	High Speed 2	0.0	-0.6	-0.6	-64,819.8
	9	<b>Capital net total</b>	<b>0.0</b>	<b>-0.6</b>	<b>-0.6</b>	<b>-64,819.8</b>
<b>V</b>		<b>Other railways</b>				
	4	London & Continental Railways	262.6	262.7	0.0	0.0
	4	CTRL Corporate Support Finance Managed	144.8	151.0	6.3	4.3
	4	Finance & Planning Pension provision	-14.3	-50.4	-36.1	252.7
	5	London & Continental Railways	-131.3	-131.3	0.0	0.0
	5	CTRL Corporate Support Finance Managed	-72.6	-76.1	-3.5	4.8
	6	<b>Resource programme net total</b>	<b>189.2</b>	<b>155.8</b>	<b>-33.4</b>	<b>-17.6</b>
<b>W</b>		<b>Aviation, Maritime, Security &amp; Safety</b>				
	4	ASSI	0.0	0.0	0.0	0.0
	4	GLA pension related payments	0.0	-2.9	-2.9	0.0
	5	GLA pension repayments	-20.0	0.0	20.0	-100.0
	6	<b>Resource programme net total</b>	<b>-20.0</b>	<b>-2.9</b>	<b>17.1</b>	<b>-85.3</b>
	7	GLA pension related payments	0.0	-20.0	-20.0	0.0
	8	GLA pension repayments	-2.9	0.0	2.9	-100.0
	9	<b>Capital net total</b>	<b>-2.9</b>	<b>-20.0</b>	<b>-17.1</b>	<b>579.3</b>

Section	Column	Programme	Main Estimate 2017-18	Supplementary Estimate 2017-18	Variance	Variance
			£m	£m	£m	%
<b>X</b>		<b>Maritime &amp; Coastguard Agency</b>				
	4	MCA Purchase of goods & services	1.0	1.0	0.0	0.0
	6	<b>Resource programme net total</b>	<b>1.0</b>	<b>1.0</b>	<b>0.0</b>	<b>0.0</b>
<b>Y</b>		<b>Motoring Agencies</b>				
	4	GCDA Provisions	-0.1	0.0	0.1	-70.8
	4	Driver and Vehicle Licensing Agency	-2.1	-4.3	-2.2	104.1
	6	<b>Resource programme net total</b>	<b>-2.2</b>	<b>-4.3</b>	<b>-2.1</b>	<b>94.6</b>
	4	Driver and Vehicle Licensing Agency	-2.1	-4.3	-2.2	104.1
	6	<b>Resource programme net total</b>	<b>-4.5</b>	<b>-4.3</b>	<b>-6.4</b>	<b>-5.6</b>
<b>Z</b>		<b>Central Administration</b>				
	4	Central Administration	14.5	0.0	-14.5	-100.0
	4	Finance & Estates	-0.2	0.2	0.5	-200.2
	4	Human Resources	92.0	91.5	-0.5	-0.5
	6	<b>Resource programme net total</b>	<b>106.3</b>	<b>91.8</b>	<b>-14.5</b>	<b>-13.6</b>
<b>AA</b>		<b>High Speed two</b>				
	7	High Speed two	746.0	796.0	50.0	6.7
	9	<b>Capital net total</b>	<b>746.0</b>	<b>796.0</b>	<b>50.0</b>	<b>6.7</b>
		<b>TOTAL VOTED AME</b>				
		<b>Resource programme net total</b>	<b>8,660.8</b>	<b>8,628.8</b>	<b>-38.6</b>	<b>-0.4</b>
		<b>Capital total</b>	<b>6,717.5</b>	<b>7,449.8</b>	<b>732.3</b>	<b>10.9</b>
<b>NON VOTED AME</b>						
<b>AB</b>		<b>Funding of Other ALBs (net)</b>				
	4	Commissioners of Irish Lights	0.0	0.0	0.0	33.5
	4	Trinity House Lighthouse Service	0.0	0.1	0.1	0.0
	4	Northern Lighthouse Board	-1.4	0.0	1.4	-100.0
	6	<b>Resource programme net total</b>	<b>-1.4</b>	<b>0.1</b>	<b>1.5</b>	<b>-107.0</b>
		<b>TOTAL NON VOTED AME</b>				
		<b>Resource programme net total</b>	<b>-1.4</b>	<b>0.1</b>	<b>1.5</b>	<b>-107.0</b>
		<b>TOTAL AME</b>				
		<b>Resource programme net total</b>	<b>8,659.4</b>	<b>8,628.9</b>	<b>-37.1</b>	<b>-0.4</b>
		<b>Capital net total</b>	<b>6,717.5</b>	<b>7,449.8</b>	<b>732.3</b>	<b>10.9</b>

# Annex B: Glossary of Terms

**Administration Budget:** Expenditure incurred by departments and agencies in providing those services which are not directly associated with frontline service delivery. Includes pay, training, travel, accommodation, stationery, utilities, etc.

**Ambit:** The ambits describe the activities for which provision sought in the Estimate will be used. They are set out in Part I of the departmental Estimate. Separate ambits are required for both expenditure and income in each budgetary category included in the Estimate (DEL, AME and Non Budget).

**Annually Managed Expenditure (AME):** A Treasury budgetary control for expenditure which is generally less predictable and controllable than expenditure in DEL.

**Arm's Length Body (ALB):** A Non-Departmental Public Body, a company in which the department has a significant shareholding, or other sponsored body.

**Budget Exchange:** A mechanism that allows Departments either a) to carry forward a forecast DEL underspend from one financial year to the next or b) surrender a forecast DEL underspend in advance of the end of the financial year (through a DEL reduction in the Supplementary Estimate) in return for a corresponding DEL increase in the following year.

**Contingent liabilities:** Potential liabilities that are uncertain but recognise that future expenditure may arise if certain conditions are met or certain events happen.

**Departmental Expenditure Limit (DEL):** A Treasury budgetary control for expenditure which is generally within the department's control and can be managed within fixed four year limits (Comprehensive Spending Review period).

**Departmental Unallocated Provision (DUP):** An amount held back by a department to meet unforeseen pressures in expenditure and is not allocated at the start of the year to any particular programme. It forms part of the DEL.

**Derivatives:** A derivative is a financial contract that derives its value from an underlying asset. The buyer agrees to purchase the asset on a specific date at a specific price. Derivatives can be used for a number of purposes, including insuring against price movements, increasing exposure to price movements for speculation or getting access to otherwise hard-to-trade assets or markets. Network Rail has in the past bought derivatives, such as interest rate swaps, to offset changes in the prices of their borrowing arrangements, or purchases of plant. This helped them to forecast their financial position more accurately over a five-year control period, and to plan other aspects of their budgets and activities more effectively over that period.

**Grant-in-Aid:** Financing payment made by a department to a Non-Departmental Public Body or other Arm's Length Bodies.

**Non-budget:** This is a parliamentary control, one of the main items that appear in this limit relates to Prior Period Adjustments.

**Provision:** A provision is set up to cover recognised liabilities which either have to be paid out by departments over a period of more than one year (such as pensions or contractual obligations), or are held back by the departments pending decision for eventual payment if directed by a ruling body.

**Reserve:** A small amount of both resource and capital DEL budgetary provision that has not been allocated by HM Treasury to a department. The function of the Reserve is to assist departments with the costs of genuinely unexpected and unforeseeable events, which are also large relative to the department's available resources.

**Spending Review (SR):** A cross-Government review of the departmental aims and objectives and analysis of all spending programmes, with the resultant allocation of four year Departmental Expenditure Limits (DEL).

**Supplementary Estimate:** A single opportunity for a Department to seek parliamentary authority for additional resources and/or cash above that obtained in the Main Estimate, or vary the way in which resources are allocated. Supplementary Estimates are normally presented in February.

**Voted Expenditure:** That which has been authorised by Parliament in response to Supply Estimates.

**Non-voted Expenditure:** Public expenditure outside that voted by Parliament in Supply Estimates. It is largely used for ALB budgets.