

# Department for Transport

## Introduction

This Supplementary Estimate is required for the following purposes:

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Changes in budgets, non-budget voted provision and cash	Increases	Reductions	Total
<b>Resource Administration DEL</b>			
<b>Movements between Sections to align with Business Plan</b>			
Transfer from Rail NDPBs to Central Administration (Sections E and P)	1,140,000	-1,140,000	
Transfer from Motoring Agencies to Central Administration (Sections N and P)	4,300,000	-4,300,000	
Transfer from Highways Agency to Central Administration (Sections C and P)	3,000,000	-3,000,000	
<b>Movement to create a new Section</b>			
Transfer from Central Administration to a new section, Aviation NDPBs (net) for the Air Travel Trust Fund (Sections P and S)	502,000	-502,000	
<b>Resource Programme DEL</b>			
<b>Movements between Sections to align with Business Plan</b>			
Transfer from Rail NDPBs to Aviation, maritime, security and safety (Sections E and L)	5,000	-5,000	
Transfer from Bus Subsidies & Concessionary Fares to Sustainable Travel (Sections H and G)	95,020,000	-95,020,000	
Transfer from Aviation, maritime, security and safety to Central Administration (Section L and P)	3,570	-3,570	
Transfer from Other Railways to Support for Passenger Rail Services (Sections F and Q)	19,460,000	-19,460,000	
Transfer from Other Railways to Aviation, maritime, security and safety (Sections F and L)	429,000	-429,000	

Transfer from Support for Olympic & Paralympic Games to Aviation, Maritime, Security and Safety (Sections K and L)	1,000	-1,000
Transfer from Motoring Agencies to Aviation, Maritime, Security and Safety (Sections N and L)	937,000	-937,000
Transfer from Science, research and support functions to Aviation, Maritime, Security and Safety (Sections O and L)	1,389,000	-1,389,000
Transfer from Central Administration to Aviation, Maritime, Security and Safety (Sections P and L)	810,000	-810,000
<b>Movements between Sections of ring-fenced depreciation</b>		
Transfer from Other Railways to Support for Passenger Rail Services (Sections F and Q)	7,818,000	-7,818,000
Transfer from Motoring Agencies to Aviation, Maritime, Security and Safety (Sections N and L)	1,528,000	-1,528,000
Transfer from Motoring Agencies to Central Administration (Sections N and P)	217,000	-217,000
Transfer from Sustainable Travel to Central Administration (Sections G and P)	10,000	-10,000
Transfer from Science, research and support functions to Central Administration (Sections O and P)	546,000	-546,000
<b>Increased expenditure fully offset by an increase in income</b>		
Increase in expenditure for Other Railways (Section F), fully offset by an increase in income in respect of Eurotunnel/Eurostar	22,342,000	-22,342,000
Increase in expenditure for Central Administration (Section P), fully offset by income for Aviation NDPBs (new Section S)	29,724,000	-29,724,000

### Approved switch of savings from Resource DEL to Capital DEL

Transfers out to Capital DEL of £41,425,000 from Other Railways (Section F), £1,697,000 Motoring Agencies (Section N), £488,000 Central Administration (Section P) and £316,390,000 Departmental Unallocated Provision. -360,000,000

### Budget Exchange

Transfers out to Budget Exchange of £42,000,000 from Highways Agency (Section C), £11,238,000 Other Railways (Section F) and £14,762,000 Motoring Agencies (Section N) to cover pressures in 2013-14. -68,000,000

<b>Total change in Resource DEL (Voted)</b>	<b>189,181,570</b>	<b>-617,181,570</b>	<b>-428,000,000</b>
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### Resource AME

#### Movements between Sections

Transfer from Central Administration to Highways Agency (Sections Y and T)	500,000	-500,000
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Transfer from Central Administration to Other Railways to cover pressures (Sections Y and U)	23,000,000	-23,000,000
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Transfer from Central Administration to a new section, Aviation NDPBs (net) for the Air Travel Trust Fund (Sections Y and Z)	11,145,000	-11,145,000
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#### Removal of a Section

To remove a section for Renewable Transport Fuels Obligation (formerly Section Y).	336,553,000	-336,553,000
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<b>Total change in Resource AME (Voted)</b>	<b>371,198,000</b>	<b>-371,198,000</b>	<b>-</b>
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### Capital DEL

Transfer out from Local Authority Transport (Section B) to the Department for Communities and Local Government for the West Northamptonshire Development Corporation's Castle Station	-1,000,000
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**Changes between Sections to align with the Business Plan**

Movement from Departmental Unallocated Provision to Local Authority Transport (Section B)	350,000	-350,000
Movement from Other Railways to Sustainable Travel (Sections F and G)	7,000,000	-7,000,000
Movement from Bus Subsidies & Concessionary Fares to Sustainable Travel (Sections H and G)	64,000,000	-64,000,000

**Changes between Sections**

Transfer from Sustainable Travel (Section G) to Highways Agency (Section C)	20,109,000	-20,109,000
Transfer from High Speed Two (Section R) to cover pressures in Other Railways (Section F)	29,397,000	-29,397,000
Transfer from High Speed Two (Section R) to Local Authority Transport (Section B)	69,103,000	-69,103,000

**Increased expenditure fully offset by an increase in capital receipts**

Increase in expenditure for Other Railways (Section F), fully offset by an increase in receipts for Motoring Agencies (Section N)	7,384,000	-7,384,000
Increase in expenditure for Highways Agency (Section C), fully offset by an increase in receipts in respect of EU grant-related income	1,485,000	-1,485,000
Increase in expenditure for Local Authority Transport (Section B), fully offset by an increase in receipts for Highways Agency (Section C) in respect of EU grant related income	22,486,000	-22,486,000

**Approved switch of savings from Resource DEL to Capital DEL**

Transfer from Resource DEL to Central Administration (Section P) for subsequent distribution	360,000,000	
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**Budget Exchange**

Transfers out to Budget Exchange of £20,000,000 from Sustainable Travel (Section G), £1,000,000 from Motoring Agencies (Section N) and £360,000,000 from Central Administration (Section P), of which £311,000,000 to cover pressures in 2013-14 and £70,000,000 in 2014-15		-381,000,000
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<b>Total change in Capital DEL (Voted)</b>	<b>581,314,000</b>	<b>-603,314,000</b>	<b>-22,000,000</b>
<b>Capital AME</b>			
Adjustment to capitalised provisions			
Highways Agency (Section T)	1,000		
<b>Total change in Capital AME (Voted)</b>	<b>1,000</b>	<b>-</b>	<b>1,000</b>
<b>Non Budget</b>			
Highways Agency and Maritime and Coastguard Agency for Prior Year Adjustments (Section AA)	31,500,000		
<b>Total change in Non-Budget</b>	<b>31,500,000</b>	<b>-</b>	<b>31,500,000</b>
<b>Total change in Net Cash Requirement</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Part I**

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	Voted	Non-Voted	Total
<b>Departmental Expenditure Limit</b>			
Resource	-428,000,000	-	-428,000,000
Capital	-22,000,000	-	-22,000,000
<b>Annually Managed Expenditure</b>			
Resource	-	-	-
Capital	1,000	-	1,000
<b>Total Net Budget</b>			
Resource	-428,000,000	-	-428,000,000
Capital	-21,999,000	-	-21,999,000
<b>Non-Budget Expenditure</b>	31,500,000		
<b>Net cash requirement</b>	-		

Supplementary amounts required in the year ending 31 March 2013 for expenditure by Department for Transport on:

**Departmental Expenditure Limit:**Expenditure arising from:

losses and special payments relating to the administration of the Department for Transport and its associated Agencies. Support of transport related activities including roads; vehicles and driving; rail; shipping and maritime; mountain rescue; ports; sustainable travel; aviation; local transport; transport security and safety; and highway services. Net spending by non departmental public bodies. Grants to Transport for London and local authorities in respect of local transport programmes. Support for other minor transport services; use of European funding for transport related schemes; support for the Olympic and Paralympic Games, administrative costs and associated other non-cash items falling in DEL.

Smart-ticketing and related technology.

Income arising from:

sales of assets; loan repayments; and European grants for transport related activities including roads; vehicle and driving; rail; shipping and maritime; mountain rescue; ports; sustainable travel; aviation; local transport; transport security and safety; highway services; the administration of the Department and payments from other government departments or their agencies in respect of central services.

Shipping and maritime income including, but not limited to Registration fees.

**Annually Managed Expenditure:**Expenditure arising from:

grant and pension provisions and associated non-cash costs incurred by the Department for Transport and its associated Agencies in respect of transport related activities including roads; vehicle and driving; rail; sustainable travel; aviation; local transport; transport security and safety; and highway services.

Shipping and maritime activities. Fuel levy funded expenditure in respect of Renewable Transport Fuel Obligation activities.

Income arising from:

fuel levies in respect of Renewable Transport Fuel Obligation activities.

**Non-Budget Expenditure:**Expenditure arising from:

\* Transport related activities carried out in previous financial years in the form of Prior Year Adjustments.

**Department for Transport** will account for this Estimate.

## Part II: Changes Proposed

£'000

Net Resources						Net Capital		
Present		Changes		Revised		Present	Changes	Revised
Admin	Prog	Admin	Prog	Admin	Prog			
1	2	3	4	5	6	7	8	9
<b>Spending in Departmental Expenditure Limits (DEL)</b>								
<b>Voted Expenditure</b>								
264,208	5,826,481	-	-428,000	264,208	5,398,481	8,031,150	-22,000	8,009,150
<i>Of which:</i>								
B Local Authority Transport								
-	242,660	-	-	-	242,660	1,366,750	90,939	1,457,689
C Highways Agency								
68,549	1,928,132	-3,000	-42,000	65,549	1,886,132	1,036,023	-2,377	1,033,646
E Rail NDPBs (net)								
11,300	186,126	-1,140	95	10,160	186,221	20,605	-	20,605
F Other railways								
-	327,330	-	-80,370	-	246,960	45,150	29,781	74,931
G Sustainable Travel								
-	72,292	-	95,010	-	167,302	120,060	30,891	150,951
H Bus Subsidies & Concessionary Fares								
-	456,368	-	-95,020	-	361,348	64,000	-64,000	-
K Support For Olympic and Paralympic Games								
-	9,643	-	-1	-	9,642	-	-	-
L Aviation, Maritime, Security and Safety								
-	33,968	-	1,529	-	35,497	-2,632	-	-2,632
N Motoring Agencies								
4,300	223,698	-4,300	-19,141	-	204,557	19,214	-8,384	10,830
O Science, research and support functions								
-	60,799	-	-1,935	-	58,864	877	-	877
P Central Administration								
168,028	16,637	7,938	32,669	175,966	49,306	8,399	-	8,399
Q Support for Passenger Rail Services								
-	-715,866	-	27,278	-	-688,588	-	-	-
R High Speed Two								
-	3,410	-	-	-	3,410	128,500	-98,500	30,000
S Aviation NDPBs (net)								
-	-	502	-29,724	502	-29,724	-	-	-
Departmental Unallocated Provision								
-	316,390	-	-316,390	-	-	350	-350	-
<b>Total Spending in DEL</b>								
			-	<b>-428,000</b>			<b>-22,000</b>	

### Spending in Annually Managed Expenditure (AME)

<b>Voted Expenditure</b>								
-	1,382,106	-	-	-	1,382,106	-	1	1
<i>Of which:</i>								
T Highways Agency								
-	826,613	-	500	-	827,113	-	1	1
U Other Railways								
-	282,000	-	23,000	-	305,000	-	-	-



## Part II: Changes Proposed

£'000

	Net Resources						Net Capital		
	Present		Changes		Revised		Present	Changes	Revised
	Admin 1	Prog 2	Admin 3	Prog 4	Admin 5	Prog 6	7	8	9
Y Central Administration	-	273,709	-	-34,645	-	239,064	-	-	-
Z Aviation NDPBs (net)	-	-	-	11,145	-	11,145	-	-	-
<b>Total Spending in AME</b>			-	-				1	
<b>Non-Budget spending</b>									
Voted Expenditure	-	-	-	31,500	-	31,500	-	-	-
<i>Of which:</i>									
AA Prior Period Adjustments	-	-	-	31,500	-	31,500	-	-	-
<b>Total Non-Budget Spending</b>			-	31,500				-	
<b>Total for Estimate</b>			-	-396,500				-21,999	
<i>Of which:</i>									
Voted Expenditure			-	-396,500				-21,999	
Non Voted Expenditure			-	-				-	

£'000

	Present Plans	Changes	Revised Plans
<b>Net Cash Requirement</b>	12,815,083	-	12,815,083

## Part II: Revised subhead detail including additional provision

£'000

Revised Plans								
Resources						Capital		
Administration			Programme					
Gross	Income	Net	Gross	Income	Net	Gross	Income	Net
1	2	3	4	5	6	7	8	9
<b>Spending in Departmental Expenditure Limits (DEL)</b>								
<b>Voted expenditure</b>								
300,586	-36,378	264,208	7,922,307	-2,523,826	5,398,481	8,093,866	-84,716	8,009,150
<i>Of which:</i>								
A Tolled Crossings								
-	-	-	-	-94,864	-94,864	-	-629	-629
B Local Authority Transport								
-	-	-	242,660	-	242,660	1,457,689	-	1,457,689
C Highways Agency								
67,749	-2,200	65,549	1,941,493	-55,361	1,886,132	1,072,617	-38,971	1,033,646
D Network Rail								
-	-	-	-	-207,806	-207,806	3,658,008	-	3,658,008
E Rail NDPBs (net)								
10,160	-	10,160	186,221	-	186,221	20,605	-	20,605
F Other railways								
-	-	-	583,147	-336,187	246,960	74,931	-	74,931
G Sustainable Travel								
-	-	-	167,456	-154	167,302	171,311	-20,360	150,951
H Bus Subsidies & Concessionary Fares								
-	-	-	361,348	-	361,348	-	-	-
I GLA transport grants								
-	-	-	2,829,016	-	2,829,016	352,000	-	352,000
J Crossrail								
-	-	-	-	-	-	1,205,000	-	1,205,000
K Support For Olympic and Paralympic Games								
-	-	-	9,642	-	9,642	-	-	-
L Aviation, Maritime, Security and Safety								
-	-	-	111,705	-76,208	35,497	-2,632	-	-2,632
M Maritime and Coastguard Agency								
12,031	-	12,031	150,848	-12,300	138,548	9,475	-	9,475
N Motoring Agencies								
-	-	-	610,129	-405,572	204,557	35,400	-24,570	10,830
O Science, research and support functions								
-	-	-	59,255	-391	58,864	1,063	-186	877
P Central Administration								
210,144	-34,178	175,966	49,716	-410	49,306	8,399	-	8,399
Q Support for Passenger Rail Services								
-	-	-	645,985	-1,334,573	-688,588	-	-	-
R High Speed Two								
-	-	-	3,410	-	3,410	30,000	-	30,000
S Aviation NDPBs (net)								
502	-	502	-29,724	-	-29,724	-	-	-
<b>Total Spending in DEL</b>								

## Part II: Revised subhead detail including additional provision

£'000

<b>Revised Plans</b>								
<b>Resources</b>						<b>Capital</b>		
<b>Administration</b>			<b>Programme</b>					
Gross	Income	Net	Gross	Income	Net	Gross	Income	Net
1	2	3	4	5	6	7	8	9
300,586	-36,378	264,208	7,922,307	-2,523,826	5,398,481	8,093,866	-84,716	8,009,150
<b>Spending in Annually Managed Expenditure (AME)</b>								
<b>Voted expenditure</b>								
-	-	-	1,382,106	-	1,382,106	1	-	1
<i>Of which:</i>								
T Highways Agency								
-	-	-	827,113	-	827,113	1	-	1
U Other Railways								
-	-	-	305,000	-	305,000	-	-	-
V GLA transport grants								
-	-	-	-16	-	-16	-	-	-
W Maritime and Coastguard Agency								
-	-	-	2,200	-	2,200	-	-	-
X Motoring Agencies								
-	-	-	-2,400	-	-2,400	-	-	-
Y Central Administration								
-	-	-	239,064	-	239,064	-	-	-
Z Aviation NDPBs (net)								
-	-	-	11,145	-	11,145	-	-	-
<b>Total Spending in AME</b>								
-	-	-	1,382,106	-	1,382,106	1	-	1
<b>Non-Budget spending</b>								
<b>Voted expenditure</b>								
-	-	-	31,500	-	31,500	-	-	-
<i>Of which:</i>								
AA Prior Period Adjustments								
-	-	-	31,500	-	31,500	-	-	-
<b>Total Non-Budget Spending</b>								
-	-	-	31,500	-	31,500	-	-	-
<b>Total for Estimate</b>								
300,586	-36,378	264,208	9,335,913	-2,523,826	6,812,087	8,093,867	-84,716	8,009,151
<i>Of which:</i>								
<b>Voted Expenditure</b>								
300,586	-36,378	264,208	9,335,913	-2,523,826	6,812,087	8,093,867	-84,716	8,009,151
<b>Non Voted Expenditure</b>								
-	-	-	-	-	-	-	-	-

**Part II: Resource to cash reconciliation**

£'000

	Present Plans	Changes	Revised Plans
<b>Net Resource Requirement</b>	<b>7,472,795</b>	<b>-396,500</b>	<b>7,076,295</b>
<b>Net Capital Requirement</b>	<b>8,031,150</b>	<b>-21,999</b>	<b>8,009,151</b>
<b>Accruals to cash adjustments</b>	<b>-2,688,862</b>	<b>418,499</b>	<b>-2,270,363</b>
<i>Of which:</i>			
<i>Adjustments to remove non-cash items:</i>			
Depreciation	-2,122,180	36,045	-2,086,135
New provisions and adjustments to previous provisions	-271,730	-34,145	-305,875
Departmental Unallocated Provision	-316,740	316,740	-
Supported capital expenditure (revenue)	-	-	-
Prior Period Adjustments	-	-31,500	-31,500
Other non-cash items	-4,773	11	-4,762
<i>Adjustment for NDPBs:</i>			
Remove voted resource and capital	-218,031	-	-218,031
Add cash grant-in-aid	207,231	-630	206,601
<i>Adjustments to reflect movements in working balances:</i>			
Increase (+) / Decrease (-) in stock	-	-	-
Increase (+) / Decrease (-) in debtors	-	-	-
Increase (-) / Decrease (+) in creditors	-	133,878	133,878
Use of provisions	37,361	-1,900	35,461
<b>Removal of non-voted budget items</b>	<b>-</b>	<b>-</b>	<b>-</b>
<i>Of which:</i>			
Consolidated Fund Standing Services	-	-	-
Other adjustments	-	-	-
<b>Net Cash Requirement</b>	<b>12,815,083</b>	<b>-</b>	<b>12,815,083</b>

## Part III: Note A - Statement of Comprehensive Net Expenditure & Reconciliation Table

£'000

	Revised Plans
Gross Administration Costs	298,841
<i>Less:</i>	
Administration DEL Income	-36,378
<b>Net Administration Costs</b>	<b>262,463</b>
Gross Programme Costs	16,260,087
<i>Less:</i>	
Programme DEL Income	-2,567,983
Programme AME Income	-
Non-budget income	-98,423
<b>Net Programme Costs</b>	<b>13,593,681</b>
<b>Total Net Operating Costs</b>	<b>13,856,144</b>
<i>Of which:</i>	
Resource DEL	5,627,228
Capital DEL	6,909,772
Resource AME	1,417,567
Capital AME	-
Non-budget	-98,423
<i>Adjustments to include:</i>	
Departmental Unallocated Provision (resource)	-
Consolidated Fund Extra Receipts in the budget but not in the SoCNE	-
<i>Adjustments to remove:</i>	
Capital in the SoCNE	-6,909,772
Non-Budget Consolidated Fund Extra Receipts in the SoCNE	98,423
Other adjustments	-
<b>Total Resource Budget</b>	<b>7,044,795</b>
<i>Of which:</i>	
Resource DEL	5,662,689
Resource AME	1,382,106
<i>Adjustments to include:</i>	
Prior period adjustments	31,500
<i>Adjustments to remove:</i>	
Consolidated Fund Extra Receipts in the resource budget	-
Other adjustments	-
<b>Total Resource (Estimate)</b>	<b>7,076,295</b>

## Part III: Note B - Analysis of Departmental Income

£'000

Revised  
Plans

<b>Voted Resource DEL</b>	<b>-2,560,204</b>
<i>Of which:</i>	
Administration	
Sales of Goods and Services	-36,378
<i>Of which:</i>	
C Highways Agency	-2,200
P Central Administration	-34,178
Total Administration	-36,378
Programme	
EU Grants Received	-45,000
<i>Of which:</i>	
L Aviation, Maritime, Security and Safety	-45,000
Sales of Goods and Services	-1,082,563
<i>Of which:</i>	
A Tolled Crossings	-87,000
C Highways Agency	-39,361
D Network Rail	-207,806
F Other railways	-336,187
M Maritime and Coastguard Agency	-12,300
N Motoring Agencies	-399,518
O Science, research and support functions	-391
Interest and Dividends	-60,072
<i>Of which:</i>	
A Tolled Crossings	-7,864
C Highways Agency	-16,000
G Sustainable Travel	-154
L Aviation, Maritime, Security and Safety	-30,000
N Motoring Agencies	-6,054
Other Income	-1,336,191
<i>Of which:</i>	
L Aviation, Maritime, Security and Safety	-1,208
P Central Administration	-410
Q Support for Passenger Rail Services	-1,334,573
Total Programme	-2,523,826
<b>Total Voted Resource Income</b>	<b>-2,560,204</b>
<b>Voted Capital DEL</b>	<b>-84,716</b>
<i>Of which:</i>	
Programme	
Sales of Assets	-15,000
<i>Of which:</i>	

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C Highways Agency	-15,000
EU Grants Received	-43,971
<i>Of which:</i>	
C Highways Agency	-23,971
G Sustainable Travel	-20,000
Other Grants	-186
<i>Of which:</i>	
O Science, research and support functions	-186
Repayments	-25,559
<i>Of which:</i>	
A Tolled Crossings	-629
G Sustainable Travel	-360
N Motoring Agencies	-24,570
Total Programme	<hr/> -84,716
<b>Total Voted Capital Income</b>	<hr/> <b>-84,716</b> <hr/>

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### Part III: Note C - Analysis of Consolidated Fund Extra Receipts

In addition to income retained by the Department the following income is payable to the Consolidated Fund:

£'000

	Present		Changes		Revised	
	Income	Receipts	Income	Receipts	Income	Receipts
Income in budgets surrendered to the Consolidated Fund (resource)	-	-	-	-	-	-
Income in budgets surrendered to the Consolidated Fund (capital)	-	-	-	-	-	-
Non-budget amounts collectable on behalf of the Consolidated Fund (in the SoCNE)	-98,423	-98,423	-75,000	-75,000	-173,423	-173,423
<b>Total</b>	<b>-98,423</b>	<b>-98,423</b>	<b>-75,000</b>	<b>-75,000</b>	<b>-173,423</b>	<b>-173,423</b>

#### Detailed description of CFER sources

£'000

	Present		Changes		Revised	
	Income	Receipts	Income	Receipts	Income	Receipts
<b>Non-Budget</b>						
Driver and Vehicle Licensing Agency	-98,423	-98,423	-	-	-98,423	-98,423
Highways Agency	-	-	-75,000	-75,000	-75,000	-75,000
<b>Total</b>	<b>-98,423</b>	<b>-98,423</b>	<b>-75,000</b>	<b>-75,000</b>	<b>-173,423</b>	<b>-173,423</b>



## Part III: Note D - Explanation of Accounting Officer responsibilities

The Accounting Officer prepares resource accounts for each financial year.

The following individuals are responsible for the expenditure within this Estimate:

**Accounting Officer:** Philip Rutnam

In accordance with Chapter 3 of Managing Public Money (issued by the Treasury), the following individuals are NDPB Accounting Officer appointments:

### ALB/NDPB Accounting Officers:

Andrew Figgures, Chief Executive Officer	British Transport Police Authority
Alison Monroe, Chief Executive Officer	High Speed Two
Anthony Smith, Chief Executive Officer	Passenger Focus
Michael Holden, Chief Executive Officer	Directly Operated Railways
David Armstrong, Financial Controller	Air Travel Trust Fund

Philip Rutnam has personal responsibility for the proper presentation of the department's resource accounts and their transmission to the Comptroller & Auditor General, and is also responsible for the use of public money and stewardship of assets.

In discharging these responsibilities, particular regard is given to:

- observing any accounting and disclosure requirements (including any Accounts Direction) and applying suitable accounting policies on a consistent basis;
- making judgements and estimates on a reasonable basis;
- stating whether applicable accounting standards, as set out in the Financial Reporting Manual (FReM), or an organisation's version of it, have been followed, and explain any material departures in the accounts; and
- preparing the accounts on a going concern basis.

The responsibilities of an Accounting Officer, including responsibility for regularity and propriety of the public finances for which an Accounting Officer is answerable, for keeping proper records and safeguarding assets, are also set out in Chapter 3 of Managing Public Money.

In accordance with Managing Public Money requirements, the relationship between the Principal Accounting Officer and Additional Accounting Officer(s), and with their Ministers, together with their respective responsibilities, is set out in writing. Similarly, the relationship between the Principal/Additional Accounting Officer and the NDPB Accounting Officer(s) is set out in writing.

**Part III: Note E - Non-Departmental Public Bodies**

£'000

<b>Section in Part II: Subhead Detail</b>	<b>Body</b>	<b>Resources</b>	<b>Capital</b>	<b>Grant-in-aid</b>
E, DEL	British Transport Police Authority	27,621	11,605	29,231
E, DEL	Passenger Focus	5,360	-	5,360
E, DEL	High Speed Two	163,300	9,000	172,010
S, DEL	Air Travel Trust Fund	-29,222	-	-
Z, AME	Air Travel Trust Fund	11,145	-	-
<b>Total</b>		<b>178,204</b>	<b>20,605</b>	<b>206,601</b>

## Part III: Note F - Accounting Policy changes

### Prior Period Adjustments

This note provides details of Prior Period Adjustments (PPAs) impacting on this Estimate.

#### Voted

The Supplementary Estimate includes a voted PPA to reflect an omission in the outturn figures for 2011-12 that will be corrected as part of the preparation of the 2012-13 Annual Report and Accounts. No adjustments are required for 2012-13 or 2010-11.

	£'000		
	2010-11	2011-12	2012-13
<p><b>Maritime and Coastguard Agency:</b> After a review undertaken by the Maritime and Coastguard Agency on assets, it was discovered that there was some purchased software in the books classed as an asset under construction which was not a licensed copy and therefore not the proper product. Legal action is being taken and if not successful, would result in an adjustment to prior year's asset under construction.</p>	-	1,500	-
<p><b>Highways Agency:</b> A full review of the asset valuation of structures at the Highways Agency is underway. The exercise will lead to adjustments to the valuation of a large number of structures. While the revaluations themselves will be taken to the revaluation reserve, there will be an impact on depreciation charges, which may need to be entered as Prior Year adjustments. £ 30m is a reasonable estimate of the possible impact of additional depreciation charges to be taken as a Prior Year adjustment.</p>	-	30,000	-

## Part III: Note K - Contingent Liabilities

Nature of liability	£'000
<b>Statutory liabilities:</b>	
Channel Tunnel Act 1987, s 25, 26 and 29 : potential liabilities in the event of termination of Eurotunnel's concession	Unquantifiable
Marine and Aviation Insurance Act 1952, s 1 : Government war risk reinsurance for British shipowners insuring their vessels with the British Mutual War Risks Associations (Clubs). Under the current agreement with Clubs, the Government provides 95% reinsurance for Queen's Enemy Risks (QER). A contingent liability arises from the continuous QER cover for the hull and machinery value of British flag vessels entered with the Clubs.	Unquantifiable
Land Compensation Act 1973, Part I : Highways Agency: possible obligations in relation to land and property acquisitions	150,000
Railways Act 1993, s 29(5) : Liabilities in direct agreements with rolling stock companies re Environmental Deed of Indemnity	Unquantifiable
Railways Act 1993, Transport Act 2000 and EU Rail Passengers' Rights and Obligations Regs (EC 1371/2007): Contingent liabilities arising from signing of new, replacement and extended passenger rail franchise agreements	6,693,600
Railways Act 2005: Network Rail - Long Term Contingent Support Facility	4,000,000
Merchant Shipping Act 1894 s 466 inquiries; Merchant shipping Act 1995 s268 & s269 Shipping inquiries: formal investigations and re-opened formal investigations	Unquantifiable
Merchant Shipping Act 1995 S211: General Lighthouse Authorities' pension fund	361,500
<b>Non-statutory liabilities</b>	
Reinstatement of International Maritime Organisation (IMO) building, and abatement of rent, if IMO building destroyed; and rehousing of IMO during rebuilding	68,100
Possible Highways Agency obligations in relation to engineering and construction services	3,000
Highways Agency third party claims	14,510
North Atlantic Treaty Organisation (NATO) agreement relating to the indemnification of civil aircraft in respect of their use on NATO tasks in times of crises and war	Unquantifiable
Letters of comfort have been issued providing an indemnity in relation to legal action taken against the Judge, Counsel, solicitors and secretaries to the Thames Safety Inquiry (report published in year 2000) and the Victim Identification Inquiry (report published in year 2001) following major transport disasters	Unquantifiable
The Air Travel Trust, which is administered by the Civil Aviation Authority as Trustees, provides protection for air-package holiday makers in the event of a collapse of tour operators whose statutory bonds are insufficient to meet claims. A Government guarantee has been given to the Fund so that the Trustees may borrow from the banks, if the need arises	20,000
Network Rail Debt Issuance Programme (DIP) - Financial Indemnity provided for holders of debt raised under NR's DIP against any cash shortfall at NR to meet debt service payments	30,000,000
In 2008 the Secretary of State entered into quantifiable 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)	Unquantifiable
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	1,000
Other contingent liabilities, including legal claims	23,150