



## Department for Transport

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25 MAY 2016

Thank you for your letter. This is to confirm that I am formally directing you as Accounting Officer to increase the department's pre-construction commitment to the Garden Bridge by up to £15m.

I have noted your concerns about the level of risk that the Exchequer would be exposed to on the Garden Bridge project as a result of this course of action. However, I believe that there are wider issues to consider which I accept fall outside the remit of the Accounting Officer but that I consider are material.

Your letter described the transport benefits of the Garden Bridge as quite limited, but I consider that the wider benefits to the government's agenda and to the London economy are significant, and not fully captured by the department's assessment.

The Garden Bridge will become a key and iconic tourist attraction right in the heart of our capital city, helping the UK tourism industry to grow. It will also contribute to some of DfT's own policy objectives, including promoting walking and physical activity.

I also note that a failure to increase our pre-construction commitment to the Bridge will lead to a high risk of the project being cancelled by its Trustees. Cancellation would lead to the public sector's already committed contribution to the bridge (in excess of £35m) being effectively written-off. Providing the additional commitment requested will maximise the likelihood of the government securing value from the investment already made.

In the light of these factors I believe there are sufficient reasons for issuing you with a direction to increase the department's pre-construction commitment to the Garden Bridge by up to £15m.

I note that you will copy our exchange of letters to the Comptroller and Auditor General, and to the Treasury Officer of Accounts.

y- sincerely  
Patrick McLaughlin

**RT. HON. PATRICK McLOUGHLIN MP**