

Contingencies fund advance: pending approval of the supplementary estimate 2019 to 2020

I hereby give notice of the Department for Transport's intention to seek an advance from the [Contingencies Fund](#).

The department requires an advance to meet its cash requirements pending parliamentary approval of the supplementary estimate 2019 to 2020.

The department is operating within the budget agreed in the main estimate, however, we will be seeking an increase in our net cash requirement in the supplementary estimate. Accessing the contingency fund is to allow the department to move cash around the group to support existing expenditure consistent with existing Parliamentary estimates and does not represent additional spending.

When the main estimate was submitted for approval, part of Network Rail's (NR) grant-in-aid was excluded. The grant funding for NR in Control Period 6 was agreed shortly before the main estimate was finalised and in the transition from loan funding to grant funding the full value of the required grant was not captured in the department's net cash requirement. It was the department's intention that the final classification and cash requirement would be covered by the supplementary estimates process.

The advance will be repaid immediately following approval of the supplementary estimate. We have taken steps to review our processes and capture lessons learned, to prevent any similar issues from happening again.

Parliamentary approval for additional cash of £3.6 billion will be sought in a supplementary estimate for the Department for Transport. Pending that approval, urgent expenditure estimated at up to £3.6 billion will be met by repayable cash advances from the Contingencies Fund.