

# Department for Transport

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Dear Steve

## GLA TRANSPORT GRANT

I am writing to inform you of the Secretary of State's intention to increase the amount of the GLA Transport Grant for the remainder of the current Spending Review period. This is in response to the Prime Minister's announcement on 7 October 2012 in relation to rail fares.

The total increase over the period will be **£96,000,000**. The GLA Transport Grant profile was set out in paragraph 10 of the 2010 Spending Review letter and revised following the Chancellor's Autumn Statement last year, as set out in Peter Strachan's letter of 29 November 2011. The Secretary of State intends to vary the profile of the GLA Transport Grant as follows:

£m (cash)	November 2011 reprofile			October 2012 Change		
	12/13	13/14	14/15	12/13	13/14	14/15
General	1,948	1,840	1,582	1,954	1,873	1,639
Abatement in respect of Metronet capital grant	-0	-0	-41	-0	-0	-41
Investment Grant	881	904	928	881	904	928
<b>GLA Transport Grant</b>	<b>2,829</b>	<b>2,744</b>	<b>2,469</b>	<b>2,835</b>	<b>2,777</b>	<b>2,526</b>

You will appreciate that, for the avoidance of doubt, all the provisions of the original 2010 Spending Review letter sent to the Mayor by the then Secretary of State on 20<sup>th</sup> October 2010 apply to this revised settlement. In particular, it is a statement of present intentions and cannot fetter the ability of the Secretary of State or any future Secretary of State to review the overall Settlement and to determine grant levels as she or he sees fit in response to relevant circumstances.

I am copying this letter to Neil Perrins at TfL and Jon-Paul Graham at the GLA.

Regards

Jonathan Sharrock