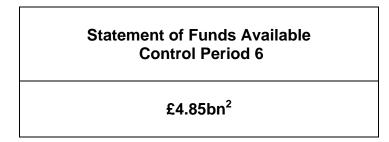
RAILWAYS ACT 2005 STATEMENT OF FUNDS AVAILABLE **CONTROL PERIOD 6 (2019-2024)**

Background

- This Statement of Funds Available fulfils the requirements of paragraph 1D(2)(b) of Schedule 4A of the Railways Act 1993, as amended by the Railways Act 2005.
- 2. It sets out to the independent regulator, the Office of Rail and Road (ORR), such information as it is reasonable to provide about the public financial resources that are or are likely to become available to be applied during Control Period 6 for purposes that contribute (directly or indirectly) towards the achievement of the outcomes contained within the Scottish Ministers High Level Output Specification, published in July 2017.
- 3. The SoFA covers funding available for Network Rail operations, maintenance and renewal activities and the completion of projects which carry over from Control Period 5. It also includes some provision for railway improvement projects, which will be subject to the governance and decision making processes to be outlined in the Rail Enhancements and Capital Investment Strategy, due for publication in coming weeks.1
- The Scottish Ministers have not defined a profile of spend in this SoFA, which will be subject to the outcome of the ORR's periodic review process. We will also continue to work with Department for Transport and HM Treasury to ensure that governance and budgetary oversight is consistent with the funding arrangements for Control Period 6, including the requirement for greater Scottish Government budgetary flexibilities to manage volatility, secure value for money and improve planning.
- Through the periodic review process, the Scottish Ministers will expect the ORR to work closely with Transport Scotland to ensure strong and robust challenge on cost and deliverability, including transparency and contestability on central costs. Also areas where the devolved decision making and empowerment of the Scottish route can be strengthened, building on the progress made since Executive Devolution under the Railways Act 2005.



Any obligations which Network Rail may have in relation to Corporation Tax, financial indemnity mechanism fee, cash collateral obligations, interest payments and repayments related to the DfT Loan or other third party debt and other intragovernment costs will be dealt with by the UK Government. Figure expressed in cash prices.