



Department for Transport

Navin Shah AM
Chair of the London Assembly
City Hall, The Queens Walk
London
SE1 2AA

Baroness Vere of Norbiton
Minister for Roads, Buses and Places

Great Minster House
33 Horseferry Road
London
SW1P 4DR

Tel: 0300 330 3000
E-Mail: baroness.vere@dft.gov.uk

Web site: www.gov.uk/dft

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Dear Navin,

Thank you for your letter of 5 March, through the London Assembly Plenary session on 4 March, where you asked about the devolution of Vehicle Excise Duty (VED) and the publication of the KPMG report into TfL's financial sustainability.

VED

Londoners benefit from VED through investment on the National Strategic Road Network and the Major Road Network in London, for example projects such as the Lower Thames Crossing, which is the largest road scheme built since the M25. The request for Government to devolve VED was made to the Department by TfL. I will respond to TfL ahead of 18 May, when the current financial offer expires.

KPMG Report

As part of their Covid-19 funding deals, TfL agreed to assist the Department for Transport, in a Government Led Review of TfL's existing Business Plan, with additional options to improve their financial position over the short and medium term. The KPMG report was commissioned as part of this Review and is internal advice to inform Government during negotiations on funding and financing between TfL and the Government. This includes a second funding package agreed in October 2020, which has now been extended until 18 May 2021, and consideration of what further support may be required.

*Yours,
Charlotte*

BARONESS VERE OF NORBITON