

Funding transport improvements – the new local implementation plan process.

An overview of the new Lip funding arrangements

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Introduction

The local implementation plan (Lip) sets out how the council works with partners to coordinate and improve its transport infrastructure and services in the borough. Each council in London is required to prepare a Lip to detail how the authority will assist in delivering the Mayors Transport Strategy. Southwark's Lip was adopted in 2006 and will be replaced with a new plan from 2011/12.

The Lip annual progress report (Apr) is the process by which boroughs report on progress and apply for funding to Transport for London (TfL) to implement measures identified in the lip. This document describes significant changes to the funding allocation process for the year 2010/11.

The new funding process aims to reduce bureaucracy and make the system more flexible, transparent, fair and equitable. The process will now be streamlined and much of the allocation boroughs receive will be calculated based on a formula that will replace the previous bidding process.

The greater freedom these changes bring places greater responsibility on the council to identify and prioritise the transport improvements it wishes to see implemented in Southwark.

The new funding process

In May 2009, TfL issued the new guidance for borough funding in 2010/11. This 'transition' year will see significant changes to the Lip funding process prior to the development of the second round of Lips due in 2011/12.

Until now, the projects funded and therefore delivered in Southwark have been strictly regulated by TfL. Each year the council would bid for funds across a complex system of categories. An outcome of this was that there was little opportunity to respond to local needs and community concerns and subsequently requests that did not fit this rigid system were sometimes rejected.

The new system for funding allocation recognises that, within the bounds of the Mayor of London's overarching strategy, it is up to the boroughs to decide how they wish to target their funding. From this overall level of funding boroughs are then asked to put together a programme of projects and to submit these to TfL for confirmation. There will be more scope to develop projects over several years with confirmed funding.

The new funding categories

For 2010/11 there will be just five Lip funded programmes compared to more than 20 previously including;

Maintenance and Bridges	No change	Boroughs receive an allocation commensurate with the condition of their principal roads and any bridges within their area.
Area Based Schemes (large scale streetscape improvement projects)	Minor change	Schemes will continue to be submitted outside of the Lip process via the existing 'step approach', except for smaller schemes under £250,000 in total value where this will no longer be required.
Corridors	Major change	Consolidation of previous categories into one programme. Focus on safety, traffic flows, buses, cycling and walking along key routes. Funding allocated by new formula.
Neighbourhoods	Major change	Consolidation of previous categories into one programme. Focus on traffic speed, parking and better street design in local areas. Funding allocated by new formula.
Smarter Travel	Major change	Consolidation of previous categories into one programme. Focus on travel to schools, hospitals and businesses as well as wider road safety education, training and promotional activities. Funding allocated by new formula.

The new funding formula

For the Corridors, Neighbourhoods and Smarter travel programmes, a formula has been applied to the available budget across London. The essential criteria contained in the formula are: bus performance, road casualties, vehicle delay, CO₂ emissions, population and indices of multiple deprivation. In addition, each borough has been allocated £100K discretionary funding to spend as it sees fit.

The result of this calculation is the following allocation for Southwark for 2010/11:

Corridors	£1,615K
Neighbourhoods	£1,261K
Smarter Travel	£373K
Discretionary funding	£100K
Area based schemes	TBC
Maintenance and bridges	TBC
Total	£3,349k

Now that the funding and guidance has been confirmed, boroughs will develop 'packages' of schemes that match the allocation provided in the above programmes. The total value of these packages may not exceed the overall TfL allocation for the council, but the amount in each programme may be increased or decreased by up to 20%.

The approval procedure

Although the process of bidding for funds has been discontinued, the council is still required to submit the projects or 'packages' of work it chooses to take forward to TfL for 'confirmation'. Each package must demonstrate how it meets or deviates from the Mayor's transport strategy (statement of intent until the new strategy is published). Each package must be costed for each year up to a maximum of 3 years.

Developing project proposals

The new funding process provides an opportunity to ask the community which projects they wish to prioritise. These priorities will then need to be balanced against the need to deliver the council's borough wide objectives before a final list of project packages is submitted to TfL.

A brief summary of the development and consultation process is set out below:

- The executive member for environment will oversee the project selection and prioritisation process. They will provide oversight of the whole process and approve the final scheme list prior to submission to the full executive.
- Officers will use available data (collisions, traffic flows and speeds, walking and cycling routes, previous correspondence and project proposals such as project bank ideas, CGS submissions, community council requests etc) to identify possible schemes according to need / opportunity.
- Each community council will be consulted and asked to give feedback on proposed schemes in their area as well as to suggest any other schemes that have not been covered.
- Key external stakeholders and interest groups will be asked to give their views and proposals.
- The full executive will be asked to ratify the final programme of projects prior to submission to TfL.

Key dates

May	TfL announces council funding for integrated transport programme
May & June	Officers identify possible transport schemes
June & July	Consultation with community councils
June & July	Consultation with key stakeholders
August	Scheme list developed in discussion with Executive member for the environment
September	Scheme list presented to Full executive for approval
September	Submit to TfL
December	TfL confirm Southwark schemes for 2010/11