



5 November 2020

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Dear Barry

## **Local Implementation Plan (LIP) 2020/21 (H2)**

I am pleased to inform you that we have now reached a deal with the Government to cover the second half of this financial year (H2), and I can confirm that we are able to reinstate within limits, the LIP Corridors funding stream that was paused back in May.

## **Impact of Covid 19 on Funding**

Since the onset of Covid-19, the situation for transport investment in London has changed dramatically.

In May we wrote to you advising that all work on LIP programmes should be paused. This is due to a vast reduction in fare revenue throughout the Coronavirus pandemic.

We were successful in agreeing an interim funding package with the Government to cover its costs up until 17 October (H1). Some of this funding was in turn reallocated to London boroughs to cover your sunk / staff costs, and fund measures on the newly created London Streetspace programme.

I am happy to report that the £45m that was allocated to London boroughs in H1 has now been spent, delivering significant walking and cycling benefits across the capital. The measures were introduced in extremely challenging circumstances, using emergency powers and further work is now required to monitor their impacts and consider whether it is appropriate to make them permanent.

A further £75m has been granted in H2 for active travel for the remainder of the year. This allocation will cover both TLRN as well as borough roads. As a condition of the agreement, we are also required to prioritise the urgent delivery and operation of a temporary walking and cycle ferry as a replacement crossing for local communities affected by the closure of Hammersmith Bridge.

We are also still awaiting confirmation from the DfT about the second Tranche of the DfT Emergency Active Travel Fund (we submitted a bid for London for £20m of borough projects, compiled from bids from boroughs).

## **LIP Corridors Neighbourhoods and Supporting Measures**

In total, £23.1 million has been approved for the Local Implementation Plan (LIP) programme for the remainder of the current financial year 20/21. The funding has been applied to each borough based on the current LIP formula. Your authority's LIPs Corridor allocation for the remainder of 2020/21 is detailed in Table 1 and is subject to the proposals on the Annual Spending Submission that were

approved by TfL. We realise that although we had previously agreed with you what your LIP programme would be, this has been an exceptional year and we know that we may need to agree with you a revised programme of activity.

### Local Transport Fund (LTF)

I'm pleased to confirm that the LTF has been reinstated and each London borough will receive £50k per to spend on local priorities.

### Discretionary Funding

We also hope to restart funding for other discretionary programmes, such as Liveable Neighbourhoods, Bus Priority and London Streetspace. This will be subject to final internal approval and we intend to write to you again about other TfL funded borough programmes as soon as we can, probably early next week.

### Summary of LIP Funding

LIP Programme	Kensington & Chelsea (£'000)
LIP Corridors	534
Local Transport Fund (LTF)	50
Liveable Neighbourhoods	TBC
Bus Priority	TBC
London Streetspace	TBC
<b>Total</b>	<b>584</b>

All schemes will need to be submitted as new applications on the portal for H2 to separate them from the works completed during H1. In the meantime, you can now claim for the work you carried out in the first half of the year up to the Value of Work Done (VoWD) that you have entered for each scheme. We would encourage you to do this once you have finalised your Income Claim Statement.

Copies of the LIP Finance and Reporting Guidance which sets out the terms and conditions that apply to LIP funding can be found on our website at:

<http://content.tfl.gov.uk/lip-finance-guidance-19.pdf>

I look forward to continuing to work with you in future years.

Yours sincerely



**Penny Rees and Sam Monck**  
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