

AMS (HIGHWAYS) MODULE E – FUNDING & EXPENDITURE

What... Funding is the financial support Lewisham uses to maintain its highway assets. This is generally obtained from various streams, primarily the central government, including TfL the Council, and locally generated revenue. This module looks at current and future funding sources, as well as, expenditure received historically to help understand impact on performance.

Why... Lewisham needs to stay abreast of developments in funding and revenue opportunities, and with changes in government funding to be able to raise revenue locally.

The highways team needs to, therefore, ensure the best case is put forward for funding from funds available through CIL, Section 278, Section 106 and business rates as these provide income to the authority. Such other funding may also be a consequence of a pro-active approach to integrated place making and development.

Who... The responsibilities for the 'Funding & Expenditure' module lie with:

Defining budget need

**Asset Strategy &
 Technical Support
 Manager/Commercial
 & Investment**

Developing income opportunity
 Monitoring expenditure
 Updating & reporting module

**Delivery
 Manager/SGM
 Operational Asset
 Management
 SGM Operational
 Asset Management
 Asset Manager
 Asset Manager**

How... Lewisham investigates alternative funding opportunities to invest in the highway infrastructure with the aim of reaching and maintaining a steady-state condition in its network.

Council funding from Capital sources include that from TfL, Capital Reserves and the Community Infrastructure Levy. Other funding opportunities can be through DfT and from highways agreements with developers.

Expenditure is monitored to express the overall funding, income splits and capital / revenue split for the authority and is documented.

Reporting... Expenditure is monitored on an annual basis, Figure E1. This provides an overview of the diversity of the income streams from internal and external sources and how this is spent through capital and revenue budgets.

Figure E1 is updated annually and the capital / revenue expenditure is reported through the annual 'State of the Highway' report which will be fed into the R & A M Annual Business Report.

Success Measures... Maximising income from third parties will be essential for the long-term improvement and steady-state maintenance of the highway assets.

It is Lewisham's aim to provide 80% of its expenditure as capital works and to continuously increase the income from third parties to fund its investments.

The need to inform future budgets through investment modelling, outlined in AMS (Highways) module G – Investment Strategies, will be imperative to build a good business case for alternative funding.

Further Information:
The Community Infrastructure Levy
Business Rates

Figure E1: Funding streams and expenditure.













