

GREATER MANCHESTER CORPORATE ISSUES & REFORM OVERVIEW AND SCRUTINY COMMITTEE 2020/21

DATE: Tuesday 9 February 2021

TIME: 4.30 pm

VENUE: Virtual Meeting via Microsoft Teams

SUPPLEMENTARY AGENDA 2

5.F GMCA CAPITAL BUDGET

1 - 20

For copies of papers and further information on this meeting please refer to the website www.greatermanchester-ca.gov.uk. Alternatively, contact the following Governance & Scrutiny Officer: Jenny Hollamby, Senior Governance & Scrutiny Officer
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This agenda was issued on 3 February 2021 on behalf of Julie Connor, Secretary to the Greater Manchester Combined Authority, Broadhurst House, 56 Oxford Street, Manchester M1 6EU

BOLTON	MANCHESTER	ROCHDALE	STOCKPORT	TRAFFORD
BURY	OLDHAM	SALFORD	TAMESIDE	WIGAN

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Date: 12 February 2021

Subject: GMCA Capital Programme 2020/21-2023/24

Report of: Cllr David Molyneux, Portfolio Holder - Resources
Steve Wilson, Treasurer to GMCA

PURPOSE OF REPORT

To present an update in relation to the Greater Manchester Combined Authority capital expenditure programme for Transport and Economic and Regeneration functions.

RECOMMENDATIONS:

GMCA is requested to;

1. Approve the revisions to the 2020/21 capital forecast as set out in Appendix A and detailed within the report;
2. Approve the capital programme budget for 2021/22 and the forward commitments as detailed in the report and in Appendix A;
3. Note that the capital programme is financed from a combination of grants, external contributions and long term borrowings;
4. Note that provision has been made in the revenue budget for the associated financing costs of borrowing;
5. Approve the addition to the capital programme of the second Transforming Cities Fund (TCF2) as per the prioritised programme. The prioritised TCF 2 programme budgeted capital expenditure for 2021/22 is £2.6 million as set out in section 6 of this report;
6. Approve the addition to the capital programme of the 'OZEV EV (Office for Zero Emission Vehicles Electric Vehicle) Taxi project' (as part of the Greater Manchester Clean Air Programme) with a current forecast expenditure of £0.1 million in 2020/21 and £2.0 million budgeted expenditure for 2021/22, as set out in section 9 of this report;
7. Approve the addition to the capital programme of the Access for All programme (part of the Department for Transport's Access for All programme for rail stations) with a current forecast expenditure of £0.1 million in 2020/21 and £1.1 million budgeted expenditure for 2021/22, as set out in section 10 of this report;

8. Grant delegated authority to the Chief Executives to, where necessary, vary individual scheme allocations for the Growth Deal programmes, in order to optimise Growth Deal grant expenditure by 31 March 2021; and
9. Note that the capital programme will continue to be reviewed, with any new schemes which have not yet received specific approval being the subject of future reports.

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Risk Management – An assessment of major budget risks faced by the authority are carried out quarterly as part of the reporting process – at the present time a significant proportion of the capital budget is funded through grant. In order to mitigate the risk of monetary claw back the full programme is carefully monitored against the grant conditions and further action will be taken as necessary.

Legal Considerations – There are no specific legal implications contained within the report

Financial Consequences – Revenue – There are no specific revenue considerations contained within the report, however the revenue budget contains resources to meet the capital costs of the authority. Changes in the capital programme can affect the budget to meet these costs.

Financial Consequences – Capital – The report sets out the forecast expenditure for 2020/21, 2021/22 and future years.

Equalities Implications - There are no specific equality implications contained within the report, however the capital programme approved by the GMCA reflects the priorities for Greater Manchester.

BACKGROUND PAPERS:

- Report to Greater Manchester Combined Authority: 'GMCA Capital Programme 2019/20 – 2022/23': 14 February 2020.
- Report to Greater Manchester Combined Authority: 'GMCA Local Growth Fund Programme Update and Approvals': 31 July 2020.
- Report to Greater Manchester Combined Authority: 'GMCA Capital Update 2020/21': 25 September 2020.

- Report to Greater Manchester Combined Authority: 'GMCA Capital Update 2020/21': 27 November 2020.
- Report to Greater Manchester Combined Authority: 'Prioritisation of Second Tranche of Transforming Cities Funding': 29 January 2021

TRACKING/PROCESS		
Does this report relate to a major strategic decision, as set out in the GMCA Constitution		Yes
EXEMPTION FROM CALL IN		
Are there any aspects in this report which means it should be considered to be exempt from call in by the relevant Scrutiny Committee on the grounds of urgency?		No
TfGMC	Overview & Scrutiny Committee	
N/A	9 th February 2021	

1. INTRODUCTION AND BACKGROUND

1.1 The Greater Manchester Combined Authority (GMCA) approved the 2020/21 Capital Programme at its meeting on 14 February 2020. The latest 2020/21 Capital Update report with a forecast at Quarter 2 was reported to and noted by the GMCA at its meeting on 27 November 2020.

1.2 GMCA's capital programme includes Economic Development and Regeneration programmes, Waste, Fire and Rescue Services and the continuation of the programme of activity currently being delivered by Transport for Greater Manchester ("TfGM") and Local Authorities including the following elements:

- The Greater Manchester Transport Fund ('GMTF');
- Metrolink extensions;
- Metrolink Trafford Line extension;
- Other Metrolink Schemes;
- Transport Interchanges;
- Bus Priority;
- Other capital projects and programmes including Transforming Cities, Active Travel, Joint Air Quality Unit (JAQU) Early Measures Investment Funding (EMIF) , Clean Bus Initiatives, OLEV-EV-Taxi, , Smart Ticketing and Cycle City Ambition Grant (CCAG 2);
- Transport Major Schemes;
- Minor Works (including schemes funded by Integrated Transport Capital Block and Growth Deal);
- Capital Highways Maintenance, Traffic Signals and Full Fibre;
- Investments including Growing Places, Regional Growth Fund and Housing Investment Fund; and
- Economic Development and Regeneration Schemes.

1.3 During Quarter 3 a review took place of progress with the development and delivery of the Local Growth Fund (LGF) Programme and this was reported to GMCA on 18 December 2020. The GMCA approved an increase to the Growth Deal grant allocation for 2020/21 against the MCF Cycling and Walking element of the programme utilising financial flexibilities under the 'Single Pot'. The outcome of this is reflected in the forecast outturn for 2020/21 for both transport and non-transport LGF projects.

1.4 The 2020/21 capital programme is summarised in Appendix A and the major variances are described in this report.

1.5 The capital programme over the three year period (2021-2024) as presented will require a long term borrowing requirement of £341.7m. Provision has been made in the revenue budgets for the associated financing costs. The expenditure profiles in 2021/22 and future years will remain subject to scrutiny and possible change as part of the continuous review of the capital programme.

2. IMPACT OF COVID-19

- 2.1 The progression of a significant number of schemes and their associated expenditure profiles continues to be impacted by the pandemic. During this period TfGM and Local Authority Delivery Partners have been working with their respective supply chains to keep these impacts to a minimum; whilst simultaneously prioritising the need to ensure that all work that takes place is carried out in a manner which is both safe and compliant with national guidance.
- 2.2 Some of these impacts continue to manifest themselves on the forecasts reported within this update, and it is anticipated that these impacts will continue to varying degrees into the future. These impacts are being kept under regular review and will continue to be reported to the GMCA through future capital programme updates.

3. GREATER MANCHESTER TRANSPORT FUND (GMTF)

- 3.1 At its meeting on 12 May 2009, the Association of Greater Manchester A Executive agreed to establish a Greater Manchester Transport Fund (GMTF), incorporating prioritised schemes based on delivering the maximum economic benefit (GVA) to Greater Manchester, consistent with positive package level social and environmental outcomes.
- 3.2 The GMTF programme is funded from a combination of grants from the Department for Transport; a 'top slice' from the Greater Manchester Integrated Transport Block (ITB) Local Transport Plan (LTP) funding over a period of nine years from 2010/11; from a combination of borrowings to be undertaken by GMCA and from local/third party contributions and local resources (including LTP and prudential borrowings).
- 3.3 The GMCA will repay the borrowings in full by 2045, in part through the application of Metrolink net revenues (being Metrolink revenues, net of operating, maintenance and other related costs) and in part by the application of the annual ring-fenced levy contributions, which will be raised by GMCA, under its levying powers; and in part from local, third party, revenue contributions.
- 3.4 The GMCA and TfGM hold certain reserves which are ring-fenced to pay for and manage the risks of delivering their ongoing capital programme. This includes the capital programme reserve which will be utilised as the financing costs, including both the interest costs and minimum revenue provision with respect to the borrowings, which have been or will be taken out to fund the delivery of the schemes in the GMTF increase in future years.
- 3.5 The Metrolink works includes the close out of certain activities relating to the Phase 3 expansion programme as well as other service and operational improvement works to the network.
- 3.6 The current forecast expenditure for 2020/21 on residual works is £5.2 million, which is in line with the previous forecast.

3.7 The 2021/22 budgeted expenditure is £5.8 million.

3.8 The total forecast outturn cost is within the total approved budget.

Metrolink Renewal and Enhancement Capital Programme

3.9 The current forecast expenditure for 2020/21 is £4.1 million, compared to previous forecast of £4.5 million. This variance is primarily due to several procurement activities, contract negotiations and start on site start dates being delayed as a result of the need to take account of COVID-19 related risks and issues.

3.10 The 2021/22 budgeted expenditure is £8.4 million.

3.11 The total forecast outturn cost is within the total approved budget.

Bus Priority Programme

3.12 The current forecast expenditure for 2020/21 is £0.4 million, compared to previous forecast of £0.3 million. The variance has arisen following the conclusion of final accounts as part the process to close out the programme.

3.13 The 2021/22 budgeted expenditure is £0.1 million.

3.14 The total forecast outturn cost is within the total approved budget.

Park and Ride

3.15 The current forecast expenditure for 2020/21 is £0.01 million, which is in line with the previous forecast.

3.16 The total forecast outturn cost is within the total approved budget.

A6 to Manchester Airport Relief Road (A6MARR)

3.17 Stockport Council is responsible for the delivery of the A6MARR, resulting in the expenditure largely comprising grant payments to Stockport MBC.

3.18 The current forecast for 2020/21 is £2.9 million, which is in line with the previous forecast.

3.19 The 2021/22 budgeted expenditure is £5.6 million and relates predominantly to concluding final accounts on land and property transactions.

3.20 The total forecast outturn cost is within the total approved budget.

Stockport Town Centre Access Plan

- 3.21 Stockport MBC is responsible for the delivery of Stockport Town Centre Access Plan (TCAP), a DfT retained Growth Deal Major scheme.
- 3.22 The current forecast for 2020/21 of £3.4 million is in line with the previous forecast.
- 3.23 The total forecast outturn cost is within the total approved budget.

4. METROLINK TRAFFORD EXTENSION

- 4.1 The current forecast expenditure in 2020/21 is £6.9 million, compared to the previous forecast of £8.4 million. The variance is predominately due to the timing and rephasing of the closure of final accounts on land and property transactions.
- 4.2 The 2021/22 budgeted expenditure is £0.2 million.
- 4.3 Total forecast outturn cost is within the total approved budget.

5. TRANSFORMING CITIES FUND (TCF)

- 5.1 This programme includes:
 - Metrolink Additional Capacity; and
 - Cycling and Walking Mayoral Challenge Fund (MCF)
- 5.2 The Metrolink Additional Capacity programme includes the purchase of 27 additional trams and additional supporting infrastructure. The current forecast for 2020/21 is £21.8 million, compared to previous forecast of £23.3 million. This variance is due to an updated understanding of previously experienced and future anticipated COVID-19 impacts across the programme. The largest proportion of the variance is due to COVID-19 impacts on the tram manufacturer's delivery schedule. Whilst tram manufacturing has continued throughout, it has been significantly impacted due to availability of resources and parts to maintain progress. Discussions are ongoing with the suppliers and contractors to mitigate these impacts throughout the programme. As at the end of January 2021, two trams have been delivered to Manchester. It is forecast that up to 5 trams per quarter will subsequently be delivered, with the final tram due to be delivered and enter into operational service during spring 2022.
- 5.3 The 2021/22 budgeted expenditure is £18.1 million and total forecast outturn cost is within the total approved budget.
- 5.4 The Cycling and Walking Challenge Fund current forecast expenditure in 2020/21 of £27.8 million is in line with the previous forecast of £28.0 million.
- 5.5 The 2021/22 budgeted expenditure is £54.3 million and total forecast outturn costs are within the total approved budgets.

6. TRANSFORMING CITIES FUND -SECOND ALLOCATION (TCF2)

6.1 The Government announced a second allocation of the TCF i.e. TCF Tranche 2 in January 2019, with Greater Manchester being awarded £69.5m.

6.2 The 'Prioritisation of the Second Tranche of Transforming Cities Funding' report was approved by the GMCA on the 29 January 2021. That report included a list of schemes for potential TCF2 funding has been identified which seek to progress the 2040 transport pipeline under four areas:

- Rail Network, including;
 - A new rail station at Goldborne;
 - Rail and Metrolink station scheme development;
 - Access for All programme for prioritised stations;
 - Contribution to the Network Rail project at Greek Street Bridge in Stockport
- Bus Network, including;
 - A countywide Bus Pinchpoint Fund;
 - Quality Bus Transit schemes as part of the northern and eastern orbitals;
 - Travel Hub and Park and Ride at Tyldesley
- Electric Vehicle Charging Infrastructure GM contribution to a package of funding subject to successful agreement with central government; and
- A further switch of up to £15 million capital TCF2 funding to revenue funding for GMIP development funding for 2021/22 and 2022/23 to ensure development continues across the full 2040 transport pipeline.

6.3 The 2021/22 budgeted capital expenditure for TCF2 is £2.6 million.

7. ACTIVE TRAVEL FUND

7.1 This programme is being delivered in two phases as below:

- Tranche 1 (Emergency Active Travel) short-term to mitigate the impact of COVID-19; and
- Tranche 2 (Active Travel Fund) to increase cycling and walking in the longer term.

7.2 The current forecast expenditure on Tranche 1 (Emergency Active Travel) is £1.9 million which is in line with the previous forecast.

7.3 Active Travel (AT Tranche 2) 2021/22 budgeted expenditure is £6.7 million.

7.4 Total forecast outturn costs are within the total approved budgets.

8. OTHER CAPITAL SCHEMES & PROGRAMMES

- 8.1 The other capital projects include
- Cycle City Ambition Grant 2 (CCAG);
 - Smart Ticketing;
 - Joint Air Quality Unit (JAQU) Early Measures; and
 - Clean Bus Initiatives.
- 8.2 The current forecast expenditure in 2020/21 on the CCAG 2 programme is £4.9 million compared to the previous forecast of £2.2 million. The variance is due to Manchester City Council commencing construction activities earlier than originally forecast.
- 8.3 The 2021/22 budgeted CCAG 2 expenditure is £2.2 million.
- 8.4 The Smart Ticketing current forecast expenditure in 2020/21 is £0.5 million which is in line with the previous forecast.
- 8.5 Joint Air Quality Unit (JAQU) Early Measures Investment Funding (EMIF) 2020/21 current forecast expenditure is £0.5 million compared to the previous forecast of £0.8 million. This variance is primarily due to phasing of expenditure now being incurred in 2021/22 following agreement of sites and a revised installation schedule for the rapid chargers for electric vehicles.
- 8.6 The 2021/22 budgeted expenditure for JAQU EMIF is £0.3 million.
- 8.7 The Clean Bus Technology Fund current forecast expenditure in 2020/21 of £4.3 million is in line with the previous forecast.
- 8.8 The 2021/22 budgeted expenditure for Clean Bus Technology Fund is £1.7 million.
- 8.9 The Clean Bus (Retrofit) Programme 2020/21 current forecast expenditure of £0.2 million compares to the previous forecast of £3.4 million. This variance is primarily due to a revised profile of retrofits following the procurement of a grant administration system.
- 8.10 The 2021/22 budgeted expenditure for the Clean Bus (Retrofit) Programme is £11.6 million.
- 8.11 Total forecast outturn cost for all projects and programmes included in Section 8 is within the total approved budget.

9. OFFICE FOR ZERO EMISSION VEHICLES, ELECTRIC VEHICLES - TAXI (OZEV EV)¹

- 9.1 The OZEV EV Taxi Project has £1.8 million of funding awarded by OZEV to support the roll-out of the dedicated Taxi Electric Vehicle Charging Infrastructure. TfGM will provide £0.6 million match funding from existing budgets to release the OZEV funding, resulting in a total capital investment of £2.1 million and revenue of £0.3 million.
- 9.2 This funding will facilitate the rollout of no less than 30 Rapid Chargers.
- 9.3 The 2020/21 current forecast of capital expenditure is £0.1 million, with a budgeted expenditure in 2021/22 of £2.0 million.
- 9.4 Total forecast outturn costs are within the total approved budgets.

10. RAIL - ACCESS FOR ALL

- 10.1 The Greater Manchester Access for All schemes has been awarded £6.7 million of funding by the Department for Transport (DfT) to provide step free access to Daisy Hill, Irlam and Walkden rail stations alongside minor access improvements at 22 GM stations. GMCA/TfGM will provide £2.7 million match funding from existing budgets to secure the DfT grant.
- 10.2 The Access for All schemes will be delivered by TfGM, Northern and Network Rail. The development and delivery of the Access for All schemes will follow the Network Rail GRIP (Governance for Railway Investment Project) process. TfGM will lead on the installation of lifts at Daisy Hill and Irlam, installation of a ramp at Bredbury and minor interventions at a further 13 rail stations. Procurement activities relating to detailed design work have commenced and preferred bidders will be appointed in March 2021.
- 10.3 The 2020/21 current forecast expenditure for the Access for All programme is £0.1 million.
- 10.4 The 2021/22 budgeted expenditure for this programme is £1.8million.
- 10.5 The total forecast outturn cost is within the total approved budget.

11. TRANSPORT MAJORS SCHEMES AND TRANSPORT 3 (Major and Minor Schemes)

- 11.1 The Transport 1 & 3 Majors Programme consists of 18 major schemes (including Stockport TCAP) which are being delivered by TfGM and the Local Authorities. The current forecast expenditure in 2020/21 is £39.4 million compared to previous forecast of £42.3 million. The variance is driven by reduced forecasts on a number of schemes, including Salford Bolton Network Improvements (SBNI) following delays to a number of Salford and Bolton packages

¹ In December 2020 it was announced that the Office for Low Emission Vehicles (OLEV), the government unit responsible for overseeing the transition to zero-emission cars and vans, was to be renamed The Office for Zero Emission Vehicles (OZEV) to align with the government's net-zero ambitions.

as a result of delays to the diversion of statutory undertakers equipment and also securing the necessary powers and consents. The A5063 Trafford Rd (Salford) scheme continues to be impacted further by COVID-19 delays with the main works now anticipated to commence at the end of February 2021.

- 11.2 Transport 3 Minor schemes are also being delivered by TfGM and the Local Authorities. The current forecast expenditure in 2020/21 is £7.3 million which is in line with the previous forecast of £7.6 million.
- 11.3 The 2021/22 budgeted expenditure for Transport Majors is £34.5 million and for Transport 3 Minors schemes is £2.4 million.
- 11.4 Total forecast outturn cost within the total approved budget.
- 11.5 The forecast outturn for 2020/21 for both transport and non-transport LGF projects demonstrates that the LGF grant is currently forecast to be fully expended by 31 March 2021, in line with the relevant grant conditions. Monitoring of expenditure on individual projects is carried out on a monthly basis and, dependent on progress on individual schemes across the programme, there may be some individual scheme variances, albeit that overall spend will be maintained. Greater Manchester is able to utilise financial flexibilities under the 'Single Pot' framework. This means that, if required, the amount of Growth Deal grant against each approved individual scheme may be varied in order to maximise the Growth Deal grant to be expended by 31 March 2021. It is therefore recommended that delegated authority is granted to Chief Executives to, where necessary, vary individual scheme allocations for the Growth Deal programme, within the overall GMCA approved grant allocations, in order to optimise grant expenditure. Any such variations will be reported to the GMCA as part of the close out of the Growth Deal grant expenditure, once the final position is known.

12. MINOR WORKS

- 12.1 The Minor Works Programme is a combination of schemes being delivered by the Local Authorities and TfGM.
- 12.2 The programme consists of schemes funded from a combination of Integrated Transport Block (ITB), Transport 1 and Transport 2 funding.
- 12.3 The current forecast expenditure in 2020/21 of £7.8 million is in line with the previous forecast of £8.0 million.
- 12.4 The 2021/22 budgeted expenditure is £8.7 million.
- 12.5 Total forecast outturn cost is within the total approved budget.

13. GMCA CONTROLLED TRANSPORT SCHEMES

Capital Highways Maintenance

- 13.1 Included within the Single Pot is the Highways Maintenance allocations previously paid as ring-fenced DfT grants. Whilst the funding is no longer paid as a capital grant, an equivalent amount is received as revenue funding through the 100% business rates pilot. In previous years the allocation to Districts has been agreed as part of the approval of the Capital Programme. For 2020/21 the allocation to Districts was agreed at £27.2m with a further in-year allocation of £20.9m for the Pothole and Challenge Fund which was added to the 2020/21 Capital Programme and approved by GMCA in November 2020.
- 13.2 The allocation to GMCA for 2021/22 has not yet been received from DfT and is anticipated later in February, subject to ministerial approval. The Capital Programme for 2021/22 onwards reflects an estimate based on the initial allocation for 2020/21 of £27.2m. A further report on the confirmed grant and basis of allocations to Districts for 2021/22 will be brought to a later meeting of the GMCA for approval once information is available from DfT.

Traffic Signals

- 13.3 The current forecast is in line with the budget of £2.5m. All traffic signals are externally funded and the annual amount will fluctuate year on year dependant on the level of new installations and developments. Future year forecasts are expected to stay within the £2.5m range.

Full Fibre

- 13.4 Following the award of £19.6m from Department of Digital, Culture, Media and Sport (DDCMS) funding to undertake installation of a full fibre network within Greater Manchester. The full cost is anticipated to be £29.8m, with £12.5m anticipated spend within 2020/21 and the remaining £17.3m expected to be spent in 2021/22. In addition to the grant there is expected to be £5.2m of District contributions alongside a borrowing requirement of £4.9m.

14. ECONOMIC DEVELOPMENT AND REGENERATION FUNCTIONS

Recycled RGF / GPF

- 14.1 Both the Regional Growth Fund and Growing Places Fund's loans are now being repaid, with the strategy being that a perpetual fund is created to support businesses and commercial property developments to enable growth.
- 14.2 Between 2021/22 and 2023/24 it is estimated that £25m will be recycled back out to businesses and developers. It should be noted that the forecast will be subject to change once specific loans are approved and the timing of payments confirmed.

Housing Investment Fund

- 14.3 The Greater Manchester Housing Investment Fund has been designed to accelerate and unlock housing schemes. It will help build the new homes to support the growth ambitions

across Greater Manchester. To facilitate this DCLG have provided a £300 million loan to provide the up-front funding.

- 14.4 Forecasts drawdowns for 2020/21 currently stand at £61.7m, however it should be noted that the forecast will be subject to change once specific loans are approved and the timing of payments confirmed. An estimate has been included for future years but will be updated as loans are approved.

Skills Capital

- 14.5 £63 million has been allocated to Skills Capital. The allocation will deliver four strands of investment as follows:

- Large Redevelopment of Further Education
- Priority Sectors
- Smaller Investment Projects
- Digital Skills

- 14.6 The forecast for 2020/21 is currently £40.5m compared to the previous forecast of £37.7m. The variance is primarily due to drawdowns being confirmed following full approval of schemes.

- 14.7 Forecast spend for 2021/22 currently stands at £9.7m.

Life Sciences

- 14.8 The Greater Manchester and Cheshire Life Sciences Fund is a seed and early stage venture capital fund targeting life sciences businesses located in the Greater Manchester and Cheshire and Warrington region. The forecast for 2020/21 is £1.1m compared to the previous forecast of £1.7m. The variance is primarily due to drawdowns being confirmed following full approval of loans and investments.

- 14.9 Forecast spend for 2021/22 currently stands at £1.7m.

School of Digital Arts (SODA)

- 14.10 This project by Manchester Metropolitan University provides a new £35m facility on the Oxford Road campus and aims to be operational by mid-2021. The forecast spend for 2020/21 is £12.3m and is in line with previous forecasts.

Pankhurst Institute

- 14.11 The Pankhurst Institute will be a new Institute which will exploit the University of Manchester's strengths in advanced materials, digital technology and precision medicine to drive health benefit, business growth, productivity-gain and employment in Greater Manchester (GM), filling a critical gap in the GM health innovation ecosystem. The Pankhurst Institute will create a complete and robust translational pathway. Research and early

translation activities of the Institute will be located in a refurbished and extended building on the University campus (the NatWest building), and later-stage translational and business engagement activities will be located in the CityLabs 4.0 development.

- 14.12 The forecast for 2020/21 is £4.2m and is in line with previous forecasts and a further £0.8m in 2021/22.

Cyber Innovation Hub

- 14.13 This project proposes to fit out and purchase IT equipment for the hub with Manchester City Council as the delivery partner. 2020/21 spend is in line with previous forecast.

Protos Loan

- 14.14 The Protos loan was acquired from the Evergreen Fund in order to create capacity within the Evergreen Fund. Protos is a subsidiary of Peel established to deliver the development of an industrial site in Cheshire for a variety of uses including waste to energy, biomass and environmental technology facilities. These schemes will generate increased economic activity and jobs within Greater Manchester.

- 14.15 Forecast spend for 2020/21 is £7.8m which is the full amount available.

Broughton House

- 14.16 Broughton House is developing its site to create a Veteran Care Village. It will be a complex with both a Registered Nursing facility of 64 beds for Nursing, Dementia and Residential Care. The site will also incorporate 24 apartments for predominantly the over 55s as well as an Armed Forces Support Hub.

- 14.17 The forecast spend for 2020/21 is £3m.

COVID19 Learner Support

- 14.18 At the 31 July 2020 GMCA meeting it was agreed to increase the provision for Digital Skills elements of LGF spending to now include provision for COVID-19 related adaptations and digital devices, in order to ensure adult learning can continue across the Adult Education providers.

- 14.19 The forecast spend is in line with the approved budget for 2020/21.

LGBT+ Centre

- 14.20 The Proud Trust provides services to LGBT+ young people across Greater Manchester and the North West of England from its hub at the LGBT+ Centre, located on Sidney Street in central Manchester. The Centre was established in 1988, in co-operation with Manchester City Council, and was the first fully publicly funded 'LGBT centre' in Europe. The Centre is

currently in a state of disrepair and lacks the space to accommodate the numbers of young people the Proud Trust wish to work with, or act as a true community hub.

14.21 The forecast spend in 2020/21 is in line with previous forecasts.

Coronavirus Business Interruption Loan Scheme (CBILS) and Co-Angels

14.22 As part of a £330bn package to support UK businesses affected by Coronavirus, on the 23 March the Government launched the Coronavirus Business Interruption Scheme (CBILS) to provide businesses with loans of up to £5m. CBILS are available from accredited Banks and lenders, funded from their own capital, but with guarantees against default provided by the British Business Bank (BBB) to a maximum of 80% of an individual loan.

14.23 Co-Angels provides investment into early stage companies alongside other Angel investors to ensure that the start up community continues to be supported.

14.24 Forecast spend in 2020/21 is £2.9m.

Bounce Back Loan Fund

14.25 The Government launched the Bounce Bank Loan Scheme on 4 May 2020. The Bounce Back Loan Scheme (BBLs) provides loans of up to £50k to individual businesses, the application supported by a series of applicant self declarations, rather than a lenders assessment of affordability. The GMCA meeting of 29 May 2020 approved up to £10m of capital towards the scheme. The scheme closes on 31 March 2021 and the forecast for 2020/21 is £10m.

Getting Building Fund

14.26 This fund is focussed on 'shovel ready' sites with a key focus on job creation and economic recovery with all allocated spend to be outlaid by 31 March 2022.

14.27 The forecast spend for 2020/21 is £22.9m but will depend on timings of claims from the schemes.

Brownfield Land Fund

14.28 As part of the March 2020 budget, Government announced a £400m Brownfield Land Fund. For GMCA, this means an initial allocation of £81.1m over a 5 year period to make brownfield land available for housing.

14.29 The forecast for 2020/21 is £16.2m as reported to the 31 July 2020 GMCA meeting.

15. GM FIRE AND RESCUE

15.1 The Capital expenditure for 2020/21 has increased from a forecast of £7.252m to £7.344m wholly in relation to vehicles and equipment. The variances for vehicles have been rephased

into future years as a result of delays due to Covid-19 in light of resources being redirected to support the response to the pandemic and a review of future requirements incorporating new ways of working. The equipment variance will be funded from revenue contributions to capital expenditure rather than require a capital budget increase.

- 15.2 An estates strategy has been commissioned for the service to determine where best to invest in improving the fire and rescue service estate. This may not be in the form of new builds, but rather refurbishment to improve the overall standard and condition of fire stations.
- 15.3 Additional investment is anticipated for the Bury Training and Safety Centre, this investment will support delivery of the training strategy. Equally it strategically unlocks the Training and Development Centre and Manchester Central Fire Station site going forward allowing us to move to a single Training Centre. The capital programme will be updated to reflect this once the position is confirmed.

16. WASTE DISPOSAL

- 16.1 Operational asset spend is split between
- upgrades and modifications to Mechanical Treatment and Recycling (MTR) plants;
 - a new MTR and HWRC at Reliance Street, Newton Heath;
 - a replacement Transfer Loading Station (TLS) at Chichester Street, Rochdale;
 - new turbine installation at Raikes Lane, Bolton;
 - operational improvements at Longley Lane, Sharston Materials Recovery Facility (MRF), and
 - replacement mobile plant and equipment.
- 16.2 The forecast for 2020/21 is slightly higher than previously reported due to the reprofiling from 2019/20 of mobile plant and equipment.
- 16.3 Non-operational assets relate to the former landfill sites that GMCA maintains along with the solar farm at Salford Road, Over Hulton. Forecast spend is in line with previous reports.

17. FUNDING REQUIREMENTS

- 17.1 The capital programme over the next three years, results in a borrowing requirement of £341.7m. Provision has been made in the revenue budget for the associated financing costs.
- 17.2 The estimated funding profile for the forecast spend in financial year 2021/22 is as follows:

Source	£m
Borrowing	110.783
Access for All Grant	1.788
Active Travel Grant	6.697
Brownfield Land Grant	30.000

Clean Air Grant	11.571
Clean Bus Technology Grant	1.733
Cycle City Ambition Grant	2.179
Early Measures Grant	0.342
Earnback Grant	5.748
Full Fibre Network Grant	7.152
Getting Building Grant	31.316
OZEV EV Grant	1.709
Transforming Cities Grant	72.422
Transforming Cities 2 Grant	2.625
Capital Receipts	115.142
Revenue Contributions	30.043
Other Contributions	7.700
TOTAL	438.950

18. RECOMMENDATIONS

- 18.1 Approval of the recommendations contained at the front of this report will authorise the capital programme detailed in Appendix A.

Appendix A

	Previous 2020/21 Forecast £'000	Current 2020/21 Forecast £'000	Variance 2020/21 £'000	2021/22 Forecast £'000	2022/23 Forecast £'000	2023/24 Forecast £'000	Future years forecast £'000
Greater Manchester Transport Fund	10,052	9,783	269	14,241	58,185	40,878	319,391
Road Schemes (Stockport)							
Stockport Town Centre Access Plan (DfT retained scheme)	3,445	3,445	-	-	-	-	-
A6 MARR / SEMMMS	2,908	2,908	-	5,552	3,087	16,127	-
Stockport Council Schemes total	6,353	6,353	-	5,552	3,087	16,127	-
Other Metrolink Schemes							
Trafford Extension	8,352	6,853	1,499	196	5,626	6,692	6,692
Other Metrolink Schemes total	8,352	6,853	1,499	196	5,626	6,692	6,692
Other Capital Schemes							
Other Capital Schemes	3	3	-	51	5	-	-
Smart Ticketing	493	501	(8)	-	-	-	-
CCAG 2	2,217	4,916	(2,699)	2,179	-	-	-
TCF - Mayors Challenge Fund	27,960	27,804	156	54,290	67,438	-	-
TCF - Metrolink Capacity Improvement Programme	23,284	21,750	1,534	18,132	17,983	-	-
TCF2	-	-	-	2,625	23,625	26,250	-
Active Travel Fund	1,886	1,886	-	6,697	6,000	-	-
Access For All	-	82	(82)	1,788	7,502	-	-
Cycle Safety	-	-	-	-	1,542	-	-
OZEV EV	-	91	(91)	1,986	50	-	-
Clean Bus Technology Fund	4,261	4,261	-	1,733	-	-	-
Clean Bus Fund	3,401	178	3,223	11,571	3,690	-	-
Early Measures	771	469	302	342	-	-	-
Other Capital Schemes total	64,276	61,941	2,335	101,394	127,835	26,250	-
TfGM Majors	20,506	19,224	1,282	22,117	46,815	19,898	102
Local Authorities Majors	21,842	20,199	1,643	12,418	3,943	2,456	-
Transport Major Schemes total	42,348	39,423	2,925	34,535	50,758	22,354	102
Minor Works							
ITB Local Authorities	1,080	1,080	-	849	-	-	-
Local Authorities 1	422	460	(38)	1,404	-	-	-
Local Authorities 2	5,656	5,831	(175)	5,528	-	-	-
TfGM Schemes 2	859	448	411	910	751	-	-

	Previous 2020/21 Forecast £'000	Current 2020/21 Forecast £'000	Variance 2020/21 £'000	2021/22 Forecast £'000	2022/23 Forecast £'000	2023/24 Forecast £'000	Future years forecast £'000
TfGM schemes 3	4,673	4,363	310	1,347	134	-	-
Local Authorities 3	2,901	2,901	-	1,040	-	-	-
Transport Minor Works total	15,591	15,083	508	11,078	885	-	-
Traffic Signals (Externally Funded)	2,500	2,500	-	2,500	2,500	2,500	
Full Fibre Network	20,125	12,484	7,641	17,252			
Highways Capital Maintenance	48,101	48,801	(700)	27,202	27,202	27,202	
Total Capital - Transport	217,698	203,221	14,477	213,950	276,078	142,003	326,185
Recycled GF / RGF Capital Receipts	6,601	3,993	2,608	5,000	5,000	5,000	
Growing Places	-	3,291	(3,291)	20,000	20,000	20,000	
Housing Investment Fund	71,034	61,704	9,330	90,142	90,000	90,000	
Skills Capital Round 2 & 3	37,726	40,548	(2,822)	9,673			
Life Sciences Fund	1,651	1,140	511	1,749			
International Screen School Manchester	12,332	12,332	-				
Pankhurst Institute	4,200	4,207	(7)	793			
Cyber Innovation Hub	5,000	5,000	-				
Protos Loan	9,894	7,811	2,083				
Broughton House	-	3,000	(3,000)				
COVID19 Learner Support	-	2,115	(2,115)				
LGBT Centre	338	338	-				
Affordable Homes	-	84	(84)				
Coronavirus Business Interruption Loan Scheme (CBILS) and Co Angels	-	2,900	(2,900)				
Bounceback Loan Fund	-	10,000	(10,000)	-	-	-	-
Getting Building Fund	-	22,884	(22,884)	31,316	-	-	-
Brownfield Land Fund	-	16,200	(16,200)	30,000	18,000	8,500	8,400
Total Capital - Economic Development & Regeneration	148,776	197,547	(48,771)	188,673	133,000	123,500	8,400
Estates	1,203	1,203	-	4,999	7,029	3,910	1,240
ICT	928	928	-	4,017	1,340	150	600
Vehicles & Equipment	4,977	5,069	(92)	4,186	4,251	2,625	10,572
Sustainability	144	144	-	75	75	75	300

	Previous 2020/21 Forecast £'000	Current 2020/21 Forecast £'000	Variance 2020/21 £'000	2021/22 Forecast £'000	2022/23 Forecast £'000	2023/24 Forecast £'000	Future years forecast £'000
Total Capital - Fire and Rescue Service	7,252	7,344	(92)	13,277	12,695	6,760	12,712
Operational Sites	17,200	19,335	(2,135)	21,300			
Non-Operational - Sites	100	125	(25)	1,750	2,200	2,000	
Total Capital - Waste & Resources	17,300	19,460	(2,160)	23,050	2,200	2,000	-
Total Capital	391,026	427,572	(36,546)	438,950	423,973	274,263	347,297