

GREATER MANCHESTER TRANSPORT COMMITTEE

DATE: Friday, 17th February, 2023

TIME: 10.30 am

VENUE: Council Chamber, Manchester Town Hall, Mount St,
Manchester

AGENDA

1. **Apologies**
2. **Chairs Announcements and Urgent Business**
3. **Declarations of Interest**

1 - 4

To receive declarations of interest in any item for discussion at the meeting. A blank form for declaring interests has been circulated with the agenda; please ensure that this is returned to the Governance & Scrutiny Officer 48 hours in advance of the meeting.

BOLTON	MANCHESTER	ROCHDALE	STOCKPORT	TRAFFORD
BURY	OLDHAM	SALFORD	TAMESIDE	WIGAN

Please note that this meeting will be livestreamed via www.greatermanchester-ca.gov.uk, please speak to a Governance Officer before the meeting should you not wish to consent to being included in this recording.

**4. Minutes of the Greater Manchester Transport Committee 5 - 14
meeting held on 9 December 2022**

To consider the approval of the minutes of the meeting held on 9 December 2022.

5. Minutes of the Sub Committee Meetings 15 - 24

To note the minutes of the following GM Transport Sub Committee Meetings –

- Metrolink & Rail Sub Committee held on 13 January 2023 – Attached
- Bus Services Sub Committee held on 20 January 2023 – Attached
- Active Travel Sub Committee held on 27 January 2023 – Attached

6. Rail Network Performance Update

Verbal update by Rail Operators: TransPennine Express and Avanti.

7. Bee Network Delivery Update: Bus Franchising and Customer Experience – To Follow

Report of Steve Warrener, Managing Director, TfGM.

8. Mayoral Update

Verbal update by GM Mayor, Andy Burnham.

9. Transport Revenue Budget 25 - 46

Report of Steve Warrener, Managing Director, TfGM.

10. Work Programme 47 - 52

To note the work programme of the Full Committee and the Sub Committees.

11. Dates and Times of Future Meetings

To consider future meeting dates for the Committee and its Sub Committees for the rest of the municipal year:

Metrolink & Rail	03-Mar-23
Bus Services	10-Mar-23
Active Travel	10-Mar-23
Full committee	17-Mar-23

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: Ninoshka Martins

✉ ninoshka.martins@greatermanchester-ca.gov.uk

This agenda was issued on 09.02.2023 on behalf of Julie Connor, Secretary to the Greater Manchester Combined Authority, Broadhurst House, 56 Oxford Street, Manchester M1 6EU

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Declaration of Councillors’ Interests in Items Appearing on the Agenda

Name and Date of Committee.....>

Agenda Item Number	Type of Interest - PERSONAL AND NON PREJUDICIAL Reason for declaration of interest	NON PREJUDICIAL Reason for declaration of interest Type of Interest – PREJUDICIAL Reason for declaration of interest	Type of Interest – DISCLOSABLE PECUNIARY INTEREST Reason for declaration of interest

Please see overleaf for a quick guide to declaring interests at GMCA meetings.

Quick Guide to Declaring Interests at GMCA Meetings

Please Note: should you have a personal interest that is prejudicial in an item on the agenda, you should leave the meeting for the duration of the discussion and the voting thereon.

This is a summary of the rules around declaring interests at meetings. It does not replace the Member's Code of Conduct, the full description can be found in the GMCA's constitution Part 7A.

Your personal interests must be registered on the GMCA's Annual Register within 28 days of your appointment onto a GMCA committee and any changes to these interests must notified within 28 days. Personal interests that should be on the register include:

1. Bodies to which you have been appointed by the GMCA
2. Your membership of bodies exercising functions of a public nature, including charities, societies, political parties or trade unions.

You are also legally bound to disclose the following information called Disclosable Personal Interests which includes:

1. You, and your partner's business interests (eg employment, trade, profession, contracts, or any company with which you are associated).
2. You and your partner's wider financial interests (eg trust funds, investments, and assets including land and property).
3. Any sponsorship you receive.

Failure to disclose this information is a criminal offence

Step One: Establish whether you have an interest in the business of the agenda

1. If the answer to that question is 'No' then that is the end of the matter.
2. If the answer is 'Yes' or Very Likely' then you must go on to consider if that personal interest can be construed as being a prejudicial interest.

Step Two: Determining if your interest is prejudicial

A personal interest becomes a prejudicial interest:

1. where the wellbeing, or financial position of you, your partner, members of your family, or people with whom you have a close association (people who are more than just an acquaintance) are likely to be affected by the business of the meeting more than it would affect most people in the area.
2. the interest is one which a member of the public with knowledge of the relevant facts would reasonably regard as so significant that it is likely to prejudice your judgement of the public interest.

For a non-prejudicial interest, you must:

1. Notify the governance officer for the meeting as soon as you realise you have an interest.
2. Inform the meeting that you have a personal interest and the nature of the interest.
3. Fill in the declarations of interest form.

To note:

1. You may remain in the room and speak and vote on the matter
2. If your interest relates to a body to which the GMCA has appointed you to, you only have to inform the meeting of that interest if you speak on the matter.

For prejudicial interests, you must:

1. Notify the governance officer for the meeting as soon as you realise you have a prejudicial interest (before or during the meeting).
2. Inform the meeting that you have a prejudicial interest and the nature of the interest.
3. Fill in the declarations of interest form.
4. Leave the meeting while that item of business is discussed.
5. Make sure the interest is recorded on your annual register of interests form if it relates to you or your partner's business or financial affairs. If it is not on the Register update it within 28 days of the interest becoming apparent.

You must not:

Participate in any discussion of the business at the meeting, or if you become aware of your disclosable pecuniary interest during the meeting participate further in any discussion of the business,
participate in any vote or further vote taken on the matter at the meeting.

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**MINUTES OF THE MEETING OF THE
GREATER MANCHESTER TRANSPORT COMMITTEE HELD ON
9 DECEMBER 2022 AT MANCHESTER TOWN HALL**

PRESENT:

Wigan	Mark Aldred (Chair)
Bolton	Stuart Haslam
Bolton	Mohammed Ayub
Bury	Jo Lancaster
Manchester	Naeem Hassan
Manchester	Dzidra Noor
Oldham	George Hulme
Oldham	Howard Sykes
Rochdale	Phil Burke
Salford	Roger Jones
Stockport	Angie Clarke
Stockport	David Meller
Tameside	Doreen Dickinson
Tameside	Warren Bray
Trafford	Aidan Williams
Trafford	Linda Blackburn
Wigan	John Vickers

OFFICERS IN ATTENDANCE:

GMCA	Eamonn Boylan
GMCA	Gwynne Williams
GMCA	Nicola Ward
GMCA	Elaine Mottershead
TfGM	Simon Warburton
TfGM	Steven Rhodes
TfGM	James Baldwin
TfGM	Dave Abdy
TfGM	Emma Flynn

ALSO IN ATTENDANCE:

TransPennine Express

George Thomas

GMTC 49/22 APOLOGIES**RESOLVED -/**

Apologies were received and noted from Mayor Andy Burnham, Councillor Eamonn O'Brien and Councillor Tracey Rawlins.

**GMTC 50/22 APPOINTMENT OF CHAIR OF THE GREATER
MANCHESTER TRANSPORT COMMITTEE AND CHAIR OF
BUS SERVICES COMMITTEE****RESOLVED -/**

1. That the GM Mayor's appointment of Councillor Mark Aldred as Chair of the Committee for the remainder of this municipal year be noted.
2. That Roger Jones be appointed to the Chair of Bus Services Sub Committee from amongst its membership, noting that he would also become a Vice chair of the GM Transport Committee.

GMTC 51/22 CHAIRS ANNOUNCEMENTS AND URGENT BUSINESS

The Chair read a statement provided by Mayor Andy Burnham:

- As Committee members are all aware, the current performance across the rail operators serving Greater Manchester is unacceptable and currently worse than following the May 2018 timetable fiasco.
- The performance of Avanti, TransPennine Express and, to a lesser degree, Northern, continues to inflict huge damage on the people, economy and businesses of Greater Manchester and beyond.

- As a result, people are understandably losing faith in rail travel and have been forced into using their cars or into not travelling at all.
- On Avanti, we have now suffered over four months of a severely degraded timetable, including just one train an hour from London to Manchester. Whilst on TPE, the reduced timetable is still failing to provide frequency and reliability for passengers.
- Along with other Northern Mayors, last Wednesday I met with the new Secretary of State, Mark Harper, to discuss current rail performance and industrial action and I have since had a further meeting with the new Rail Minister, Huw Merriman.
- Both meetings have been constructive, and I welcomed the Secretary of State's commitment to get a grip on this crisis. During the meeting with the Secretary of State, all Mayors made it clear that an urgent agreement on rest day working is required in the short term to move things forward.
- We are approaching a critical period with the new rail timetable coming in on 11 December, so it is time to set a clear test for the train companies.
- On Avanti, unless they restore three trains an hour by the end of December, I will be calling for the cancellation of their franchise and for the Government to bring in an operator of last resort.
- As Committee members know, on 7 October the Government put Avanti on 6-months' notice and challenged them to deliver an urgent increase in the services required. However, given the poor and deteriorating picture, customers simply cannot wait until April to see the drastic improvements needed.
- On TransPennine Express, we need the Government to issue the same explicit warning to the operator by putting them on notice with clear, measurable expectations for how they must perform. Unless there has been a major reduction in cancellations by February next year, I will also be asking for their contract to be terminated when it expires in May and made that clear to the Secretary of State when we met.

In response, TransPennine Express (TPE), apologised for the poor standard of performance and reassured members that urgent improvement measures were being

taken including increased levels of recruitment and training of drivers and work to address high levels of sickness absence and staff turnover.

Members highlighted their lack of confidence in the new timetable change (scheduled for 11 December 2022), but TPE asked that members acknowledge that this interim period would remain challenging whilst the new measures and timetable take effect. The revised was based on lessons learnt over recent months and should provide better resilience and improved contingency planning.

Members raised further concerns regarding cancellations and service changes that happen at the very last minute or mid-journey, why extra carriages are not included on those trains that precede or follow a cancellation and why additional bus services are not offered to relieve the pressure. TPE responded that they try to make the cancellation announcements as soon as they are known. If this is the day before, they can make carriage changes but often the reason for cancellation will occur on the day. Bus alternatives are often not used because it is quicker for the passenger to reach their destination by waiting for the next available train than it would be to offer a bus alternative.

The high levels of sickness absence were discussed with TPE highlighting that there are long-term implications linked to the unprecedented NHS backlogs, particularly around musculoskeletal and mental health illnesses. Members suggested that links should be made with the Integrated Care Partnership Board to explore possible mitigations.

Members thanked TPE for attending and questioned why other operators were also not present today. It was noted that they had not been invited on this occasion but would be to the next meeting, along with another invitation to TPE to update on progress.

RESOLVED -/

1. That the Mayoral update on the current significant rail issues relating to Avanti and TransPennine Express be noted.

2. That TransPennine Express be requested to open discussions with the Integrated Care Partnership Board regarding ways to mitigate the impact of NHS delays on staff sickness absences.
3. That TransPennine Express (and other operators as required) be invited to the next meeting of the GM Transport Committee.

GMTC 52/22 DECLARATIONS OF INTEREST

RESOLVED /-

There were no declarations of interest received.

**GMTC 53/22 MINUTES OF THE GM TRANSPORT COMMITTEE HELD ON
THE 14 OCTOBER**

RESOLVED /-

That the minutes of the GM Transport Committee meeting held on 14 October 2022 be approved as a correct record.

GMTC 54/22 MINUTES OF THE GMTC SUB COMMITTEES

RESOLVED/-

1. That the minutes of the Active Travel Sub Committee held on 28 October 2022 be noted.
2. That the minutes of the Metrolink & Rail Sub Committee held on 11 November 2022 be noted.
3. That the minutes of the Bus Services Sub Committee held on 18 November 2022 be noted.
4. That it be noted that the Chair and Councillor Vickers have requested a meeting with TfGM and operators regarding the ongoing issues with the Vantage Services.
5. That TfGM would provide information directly to Councillor Burke on the formation of Metrolink services along the Rochdale line.

A report was presented by Emma Flinn, Head of Partnerships, Engagement and Inclusion, Transport for Greater Manchester (TfGM) on the vision for accessibility and inclusion across the Bee Network.

Members noted that there was an omission in section 3 on active travel and TfGM offered to address this in a future report to the Active Travel Sub Committee.

There was a question relating to the membership of the White Ribbon Group. It was confirmed that this was currently an internal officer group for the purpose of drawing up the strategy, but TfGM would eventually run focus groups of open membership across the region. The demographics of engagement would be considered, and any gaps addressed.

Councillor Bray quoted paragraph 1.4 (on page 53) of the report and gave an example of how the co-design approach is not being delivered locally around the implementation of a cycle lane. TfGM officers offered to investigate and respond separately. However, officers further clarified that some of the funding criteria for active travel schemes may dictate certain approaches and outcomes and it might be helpful to members if further information was given on this at an appropriate opportunity.

A member referred to paragraph 3.4 (on page 57) relating to improving accessibility in rail stations and whether Mayor Burnham's aspiration of making 40% of Greater Manchester stations fully accessible by 2025 was still feasible. TfGM responded that it would not be impossible to meet that target with the current levels of funding and powers. However, they were seeking to prioritise and make improvements where possible. In the meantime, officers and members were keen to explore where the negotiations on ownership of rail services might be revisited.

RESOLVED /-

1. That the contents of the report be noted.

2. That the omission of Active Travel in section 3 be acknowledged and that future examples and reassurances of inclusion are shared with the Active Travel Sub Committee.
3. That Emma Flynn responds directly to Councillor Bray on a local issue in Tameside regarding consultation with elected Members on the layout of a cycle lane.
4. That Eamonn Boylan requested that TfGM provide further clarity around the conditions attached to some of the funding for active travel schemes which might help elected Members understand why some decisions are required to be taken.
5. That in light of the delay for the implementation of Great British Railways, Simon Elliott be requested to provide further information to Leading Members as to any further potential negotiations on the devolved ownership of GM rail stations.

**GMTC 56/22 CITY REGION SUSTAINABLE TRANSPORT SETTLEMENT
PROGRAMME**

Steve Warrener from Transport for Greater Manchester (TfGM) presented the report. In 2021, Greater Manchester were successful in securing the largest capital allocation of £1.07 billion from the City Region Sustainable Transport Settlement (CRSTS) which set out a clear five-year programme. 14 schemes had been allocated approval including the Zero Emissions Bus programme. There were additional challenges impacting this funding with the unusually high inflation and energy costs. TfGM recommended that this Committee receive periodic reports on the implementation of the CRSTS Programme in 2023.

A member asked about funding on zero emissions for taxi drivers. TfGM has submitted a Clean Air Zone investment led proposal which included allocations to support taxi drivers including the changeover to electric power and they were still awaiting Government response on this. In the interim, there was GM investment in EV charging points that offered attractive rates for taxi drivers that were already driving electric vehicles.

There was a separate discussion on making changes to bus stops that were particularly vulnerable to vandalism. TfGM confirmed that they have an arrangement in place to action this where required although the impact of doing so needs to be

carefully considered each time. TfGM were happy to look at particular examples if Members wish to make recommendations.

RESOLVED /-

1. That the background, intended outcomes and key interdependencies in relation to GM's City Region Sustainable Transport Settlement (CRSTS) funded programme be noted.
2. That the progress that has been made in relation to the development and delivery of the programme to date and the key challenges be noted.
3. That a further report providing an update on progress be brought to the Committee in Spring 2023 and periodically thereafter.

GMTC 57/22 DELIVERING THE BEE NETWORK

Steve Warrener from Transport from Greater Manchester (TfGM) introduced the report, highlighting the recent daily capping of bus fares that has been introduced and the proposed next stage of capping weekly tickets which was being submitted to the Greater Manchester Combined Authority Committee on 16 December 2022. Passenger rail would also be incorporated into the proposals for the next phases of the Bee Network. The Bee Network brand has been launched along with 'Get on Board' campaign and alongside capped fares these initiatives had seen a growth in patronage.

A member gave an example of a resident being unable to buy a System One Ticket from a ticket machine at an unstaffed rail station to highlight that multi-modal transport needed to be more widely accessible. TfGM would respond separately on this issue.

Members asked about the procurement process for the bus franchising and what criteria had and would be applied. Officers responded that the contracts were being awarded and documents would be publicly available from Friday 16 December 2022 for the first tranche.

The daily cap on bus fares has been welcomed in the current economic climate and there was a discussion around the free off-peak bus passes with a view to reverting the qualifying age back to 65 years old along with extending the offer to include tram

and rail travel passes. A report on bus passes would be submitted to a future meeting of the Bus Sub Committee, however it was recognised that the cost of reversing this policy would be significant.

A member referred to School Streets in paragraph 5.11 (page 84) and asked for further information on the number of schemes implemented, the criteria and any problems encountered. Officers agreed to submit this information to the Active Travel Sub Committee.

A member gave an example of residents purchasing day tickets without understanding they were being given operator products and therefore could only use them with that operator rather than System One tickets for more flexible travel. Officers confirmed that there had been some specific advertising campaigns around this and that operators had been told to ensure that customers were aware of the choices available. Officers would welcome specific details from members so these incidences could be investigated further.

RESOLVED /-

1. That the content of the report and comment on progress toward delivering the Bee Network be noted.
2. That officers respond to Councillor Vickers separately regarding the demolition of a bridge in Hindley that local councillors were not informed about.
3. That it be noted that the Committee wish to consider the following elements of Bee Network delivery at future meetings: ticketing, bus passes eligibility criteria and take up (Bus Services Sub), Metrolink fares, School Streets (Active Travel Sub).
4. That officers would respond directly to the issues raised by Councillor Clarke regarding the System One ticket and some operators only offering their product to passengers.

GMTC 58/22 WORK PROGRAMME

RESOLVED /-

That the proposed Work Programme for the GM Transport Committee and its Sub Committees be noted.

RESOLVED /-

That the dates and times of the Full Committee and the Sub Committees for the forthcoming year be noted.

Metrolink & Rail	13-Jan-23
Bus Services	20-Jan-23
Full committee	17-Feb-23
Metrolink & Rail	03-Mar-23
Bus Services	10-Mar-23
Full committee	17-Mar-23

Signed by the Chair: (to be printed off and signed by the Chair at the next meeting)

**MINUTES OF THE GREATER MANCHESTER TRANSPORT METROLINK & RAIL
COMMITTEE
HELD FRIDAY, 13TH JANUARY, 2023 AT THE BOARDROOM, THE TOOTAL
BUILDINGS, BROADHURST HOUSE , 1ST FLOOR, 56 OXFORD STREET,
MANCHESTER, M1 6EU**

PRESENT:

Councillor Damian Bailey	Salford
Councillor Noel Bayley	Bury MBC
Councillor Angie Clark	Stockport MBC
Councillor Doreen Dickinson in the Chair	Tameside MBC
Councillor Stuart Haslam	Bolton Council
Councillor Dzidra Noor	Manchester City Council
Councillor Eamon O'Brien	Bury Council

OFFICERS IN ATTENDANCE:

Mark Angelucci	Rail Performance Officer, TfGM
Liz Boyle	TfGM (Observing)
Helen Davies	Senior Governance and Scrutiny Officer, GMCA
Simon Elliot	Head of Rail Programme, TfGM
Victoria Mercer	TfGM
Daniel Vaughan	TfGM

OPERATORS IN ATTENDANCE:

Chris Jackson	Northern Trains
Graham Meiklejohn	TransPennine Express
Kara Wood	Network Rail
Damien Chabas	KeliosAmey Metrolink
Nick Smith	Avanti West Coast

<u>BOLTON</u>	<u>MANCHESTER</u>	<u>ROCHDALE</u>	<u>STOCKPORT</u>	<u>TRAFFORD</u>
<u>BURY</u>	<u>OLDHAM</u>	<u>SALFORD</u>	<u>TAMESIDE</u>	<u>WIGAN</u>

GMTMRC/01/23 APOLOGIES

Apologies were received from, Councillors: John Vickers (Wigan), Mohammed Ayub (Bolton), Aasim Rashid (Rochdale), Kevin Peel (Bury).

GMTMRC/02/23 CHAIRS ANNOUNCEMENTS AND URGENT BUSINESS

The Chair wished the Committee a Happy New Year and noted those in attendance for the meeting, plus a change of running order to the agenda to accommodate a diary request.

RESOLVED /-

That it be noted:

- 1) That Councillor Eamonn O'Brien had now joined the Committee as he had been appointed as the Combined Authority representative and replaced Councillor Andrew Western on this Committee; and
- 2) That the rail report and update would be the first item of business to accommodate a diary request.

GMTMRC/03/23 DECLARATIONS OF INTEREST

There were no declarations received in relation to any item on the agenda.

GMTMRC/04/23 MINUTES OF THE PREVIOUS MEETING

RESOLVED /-

That the minutes of the meeting held on 11 November 2022 be approved as a correct and accurate record.

GMTMRC/05/23 LOCAL RAIL SERVICES PERFORMANCE REPORT

Simon Elliot, Head of Rail Programme, Transport for Greater Manchester (TfGM) introduced a report to the Committee on Local Rail Services and noted the following points:

- Operation performance had declined and was a concern for TfGM. The practice of P-Coding (a process to make advance cancellations, when not enough staff or trains were available) had continued and there had been between 250-400 cancellations per week.
- Northern performance remained a concern, improvement was noted between Period 07 and 08 when Short-Forming (the use of a train that is shorter than usual) of services more than doubled in Period 07 performance improved in Period 08.
- Although Avanti did not use the practice of P-coding, performance remained poor with Public Performance Measures (PPM) on reduced timetables at 66.8% in Period 08 and a Right Time figure of 26.3%.
- Performance was affected by additional causes such as trespass, fatality, weather (flooding) and sickness.
- Industrial action with a strike during October continued to impact rail and Metrolink services.
- Thanks were noted by TfGM to Network Rail for support of contingency cover during challenges to business continuity.
- Transpennine Express had experienced performance issues with patronage demand for services at 65% of pre-Covid levels.
- The December 22 timetable change, weather issues in December and rostering system issues were all noted and TfGM would continue to monitor these issues closely.

The Committee was given the opportunity to ask questions, there was some discussion that included:

- Central Government had allowed train operators time to make an offer around working days. The offer submitted was a final offer in terms of value and ASLEF (the train union) was continuing negotiations.
- Specific questions were asked by Members on:
 - the financial cost to train operators (through the refund of tickets) given that there was a significant number of commuting passengers negatively affected by the strikes;
 - some Members had noticed periods where there was a significant number of passenger numbers on the platforms and concern was raised about the safety of allowing large numbers of passengers to build up on platforms; and

- some Members had noticed expensive return fares between Manchester-London and queried if there were any correlations between fair prices and the service.
- TfGM had requested ticket acceptance (across rail operators and Metrolink) for those passengers affected by strike action and cancelled trains in order to minimise further disruptions.
- TfGM gave reassurances to the Committee that an analysis had begun to understand the wider impacts of the decline in rail performance. Work was being carried out with the Chamber of Commerce and the Local Enterprise Partnership. TfGM could demonstrate figures for investment on the railway and money spent within the city region, this also assisted business cases to demonstrate the growing city region required more services and quantified the role of rail services.

RESOLVED /-

- 1) That the Local Rail Services Performance Report be received and noted.
- 2) That a report outlining the reasons for poor performance would be brought to the next committee meeting.
- 3) That it be noted that Northern and Avanti West Coast Trains agreed to respond to the questions in relation to refunded tickets, level of traffic on platforms, cancellation of trains and fair prices directly with Members.
- 4) That a report on the Value of the Railway (currently being undertaken by Transport for the North (TfN)) was scheduled to the Rail North Committee on 22 February and this would be shared with this Committee at the next meeting.
- 5) That it be noted that Northern Trains agreed to directly feedback to Members on specific questions: the outcomes of the Rest Day Working to Councillor Angie Clark; and to re-circulate the information on refunds to tickets to Councillor Damian Bailey.

GMTMRC/06/23 RAIL OPERATOR UPDATE

The Chair addressed the operators in attendance and specifically asked as part of the update to answer: what the current plans were for future changes being considered as part of May or December 23 timetable change.

Northern Trains

Chris Jackson, Regional Director, Northern Trains addressed the Committee with an update and the following points were noted:

- The update position reflected 4-6 weeks since the last update and acknowledged the last four weeks had significant impact for customers. Nine full strike days had been recorded and 14-days of action short of a strike, where large parts of the network across GM and nationally received no cover.
- The dispute action was significant and this had made business planning difficult.
- 10-20% services were cancelled on a daily basis with 2-days notice where possible.
- 95% of employees worked Sundays outside of their contracted working week, the Regional Director noted reform was needed within the industry in this area.
- The Committee noted that in respect of the December 22 timetable, an extra 2,000 trains a week had been scheduled as part of a new timetable structure. Reassurances were given that there was capacity for drivers and conductors and in spite of flooding earlier in the week, the launch had gone well.
- The Track Satisfaction Scores reflected that the strikes and associated negative press had impacted the decisions by the public away from travelling by rail.
- The December 22 timetable now reflected an extra two-thousand trains per-week, there were enough drivers and conductors and despite recent flooding the timetable had worked.
- The flash sale of 5,000 tickets had gone well.
- Work was ongoing for:
 - the platform extension on the Airport line; and
 - Platforms 13 and 14 at Piccadilly Station.
- Salford Central remained closed until Summer 2023, the refurbishment would see a fit for purpose station that was fully accessible.

TransPennine Express

Graham Meiklejohn, Regional Development Manager, TransPennine Express addressed the Committee with an update and the following points were noted:

- The training requirement had been set back because of the rest day working agreement, this had been the day used to enable training and therefore, if it came into effect this would limit future capacity for training.
- The Secretary of State (SoS) had made an offer to the Trade Union in respect of the rest day working agreement, thanks were extended to the Mayor of Greater Manchester, Andy Burnham for his work in lobbying the SoS on this matter.
- Apologies were made to those affected by the cancellation of services and the unacceptable service was acknowledged.
- Winter had impacted severely on the network dysfunction, and there had been localised flooding between Manchester-Liverpool. Programmes of work were scheduled to combat severe effects of flooding.
- In respect of the question by the Chair, the Committee was advised that services would be dependent on a business plan that would be updated on in due course.

The Committee noted the high absences reported in December and queried the reasons why to determine if it was preventable. The Regional Development Manager gave reassurances to the Committee that there was a process for absence management that was monitored to understand patterns. Those with medium to long term sickness absence were supported back to a position of work via referrals for support such as counselling.

Avanti West Coast

Nick Smith, Regional Growth Manager, Avanti West Coast addressed the Committee and noted the following points:

- The timetable alterations in December for Avanti now ran seven trains an hour out of Euston, London. This was the biggest improvement and change to the timetable on the West Coast Mainline since 2008.
- Poor performance was acknowledged for passengers trying to plan journeys and whilst travelling when disruption affected the trains they were onboard.

- Avanti had provided a time-table not reliant on rest day working that could be delivered in a sustainable way.
- Manchester had returned to three services an hour to Euston. Rugby had been reinstated as a route due to usage as a destination and not just a connection. Data showed an increase in passengers travelling to work in Manchester.
- Avanti provided more services into and out of Manchester throughout the day and reported a short time between trains when cancellations occurred.
- Customers had been delaying travel since the train strikes and had deferred meetings until a period of stability with the trains. This had impacted on fares.
- Avanti were refurbishing the Pendolino fleet, with completion expected in 2024, depending on supply chains.
- Community rail projects continued and funding was available for this year with spend into next year.
- More engagement with staff had been undertaken, specifically to understand long-standing sickness absences.

The Committee was given the opportunity to ask questions and discussion included the perception by Members that staff morale was low and clarity was sought on the measures (through a employers duty-of-care) being taken to support staff and the changes to processes and rosters during a difficult period of productivity.

The Committee asked for data to map the type of journeys between Manchester and London specifically how many were for leisure vs. business.

There was some discussion on the renovations to Platform 13 and 14 at Manchester Piccadilly Station. Members noted that there had been negative feedback from the public via social media on the removal of seating and planters and asked for further clarity on this matter.

RESOLVED /-

- 1) That the Rail Operator update be received and noted.
- 2) That all Operators be requested to bring back an item to the next Committee meeting on staff morale and what measures through a employers duty-of-care were being taken to support staff and the changes to processes and rosters during a difficult period of productivity.

3) That it be noted that Avanti West Coast agreed to feedback directly to Councillor Damian Bailey on the subject of data to map journeys between Manchester and London specifically how many were for leisure vs. business.

4) That it be noted that Network Rail agreed to feedback directly to Councillor Noel Bayley on the subject of seating and planters on Platform 13 and 14 at Manchester Piccadilly Station.

GMTMRC/07/23 EVALUATION OF THE CARRIAGE OF DOGS ON METROLINK PILOT

Daniel Vaughan, Head of Metrolink, TfGM presented a report on the evaluation of the carriage of dogs on Metrolink pilot to the Committee and noted that Manchester Metrolink had been an outlier in respect of the carriage of dogs on the network. TfGM carried out a pilot in August-October 2022 and had consulted with a variety of groups. Very few issues had emerged and feedback from both customers and via social media was positive. Regular commuters were less in favour of the scheme but when all the consultation was evaluated, the majority of customers were positive about the scheme. There were terms and conditions in allowing dogs to travel on the trams including the requirement for owners to clean up behind their dogs and dogs were not allowed on seats.

The Committee queried if timings of dogs travelling on the trams could be conditioned, the Head of Metrolink clarified that some passengers used Assistance Dogs and not all disabilities were visible and therefore the approach taken was in-line with the rest of the UK and ensured that it was straightforward for the Police to manage.

The Committee was advised that:

- TfGM was in the process of revisiting a consultant report in respect of passengers bringing bikes onto the trams.
- Not all trams were double units so it could not be stipulated that dogs travel in specific carriages.
- If dogs were vicious this would be enforced in the same way any bylaw would, Customer Service Officers would be roaming the network and staff would enforce if cases occurred. The Committee noted that there were few reports of aggressive dogs during the pilot and other parts of the UK reported that it didn't happen. Announcements could also be made on the platforms if needed.

RESOLVED /-

- 1) That the findings of the pilot of the carriage of non-assistance dogs on Metrolink be received and noted;
- 2) That the proposal to continue to allow non-assistance dogs on the Metrolink Network, subject to the conditions of carriage be agreed; and
- 3) That it be noted that TfGM would bring an item back to the Committee on the subject of bicycles on the Metrolink revisiting a consultant report from when the network was purchased.

GMTMRC/08/23 METROLINK SERVICE PERFORMANCE REPORT

Victoria Mercer, Metrolink Service Delivery Manager, TfGM presented the Metrolink Service Performance Report to the Committee and noted the following points:

- A third-party incident had occurred at the Anchorage stop where a pallet of bricks had fallen onto the track. This incident had impacted on performance.
- There had been issues on staff availability due to the constraints experienced during the winter months.
- Engineering works at Piccadilly Gardens had concluded in November.
- A programme of works for 2023 gave consideration to weekend and evening work and some tunnel and track work.
- During the last academic year 55,000 young people were engaged with, activities ranged from Key Stage 6 and secondary schools and colleges with safety roadshows, Freshers Week at Manchester University with key messages against violence towards women and girls.
- TfGM was now part of the Police live-chat to work towards reducing anti-social behaviour (ASB).
- TfGM had partnered with Foundation 92, an independent Charity in Salford that focused on supporting people to improve their lives through sport. The partnership considered sport education and an emphasis on mental intervention specifically for those at risk of ASB. This work had helped along the Airport Line as it was reactive to ASB hotspots.
- Work had been undertaken using Virtual Reality (VR) that put youth offenders in the shoes of a tram driver to simulate ASB on train tracks (statistically not a premeditated event). VR was recognised as a powerful addition to the suite of interventions.

A Member enquired about clarity on the tunnel works at Whitefield. Clarity was provided that there was a speed restriction in the tunnel due to a cracked iron beam. The beam was in a difficult location and the work had been a complicated investigation, work had been paused and a review would commence in the summer but this would result in a Bury-Whitefield closure during this time. Replacement bus services would be in operation.

RESOLVED /-

That the Metrolink Service Performance Report be received and noted.

GMTMRC/09/23 METROLINK OPERATOR UPDATE

Damien Chabas, Service Delivery Director of KAM provided a verbal update to the Committee. Positive performance was noted specifically the dedication and resilience and the planning and delivery of teams operating in a difficult social and economic environment. The Committee were advised that there were pressures on staff availability resulting from seasonal absenteeism and the impacts of covid on recruitment. Measures had been taken in respect of mental health support with the allocation of buddies in the work-place which removed any stigma of being able to talk to management.

KAM were committed to ensuring:

- an effective partnership;
- that Metrolink was a safe place to travel;
- that Metrolink was effectively maintained as an asset to GM residents and visitors; and
- that Metrolink could become financially sustainable.

RESOLVED /-

That the Metrolink Operator update be received and noted

GMTMRC/10/23 WORK PROGRAMME

RESOLVED /-

That the Work Programme be received and noted.

GMTMRC/11/23 DATES AND TIMES OF FUTURE MEETINGS

RESOLVED/-

That the dates and times of future meetings be received and noted.

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**MINUTES OF THE MEETING OF THE
GREATER MANCHESTER TRANSPORT BUS SERVICES SUB-COMMITTEE
HELD ON FRIDAY 20 JANUARY 2023
AT THE GMCA OFFICE, CHURCHGATE HOUSE, MANCHESTER**

PRESENT:

Councillor Roger Jones (Chair)	Salford Council
Councillor Jo Lancaster	Bury MBC
Councillor Tracey Rawlins	Manchester City Council
Councillor George Hulme	Oldham Council
Councillor Phil Burke	Rochdale Council
Councillor David Meller	Stockport MBC
Councillor Warren Bray	Tameside MBC
Councillor Linda Blackburn	Trafford Council
Councillor John Vickers	Wigan Council
Councillor Mark Aldred	Wigan Council

OFFICERS IN ATTENDANCE:

Stephen Rhodes	Director of Bus, Transport for Greater Manchester (TfGM)
Nick Roberts	Head of Services & Commercial Development, TfGM
Jenny Coates	Bus Planning Manager (Funding & Development), TfGM
Nicola Ward	Governance & Scrutiny Team
Elaine Mottershead	Governance & Scrutiny Team

OPERATORS IN ATTENDANCE:

Tom Calderbank	Diamond
Paul Townley	First Bus
John Roxburgh	Go North West
Alan French	Stagecoach
Richard Greaves	Stagecoach
Adam Clarke	Stagecoach
Paul Turner	Trans Dev

GMTBSC 01/23 APOLOGIES**RESOLVED /-**

That apologies be received and noted from Councillor Howard Sykes (Oldham), Bob Morris from Transport for Greater Manchester (TfGM) and Alistair Nuttall (Arriva).

GMTBSC 02/23 CHAIRS ANNOUNCEMENTS AND URGENT BUSINESS

There were no Chair's announcements or items of urgent business.

GMTBSC 03/23 DECLARATIONS OF INTEREST

There were no declarations of interest in relation to any item on the agenda.

**GMTBSC 04/23 MINUTES OF THE GM TRANSPORT BUS SERVICES SUB
COMMITTEE MEETING HELD 18 NOVEMBER 2022****RESOLVED /-**

That the minutes of the GM Transport Bus Services Sub Committee meeting held 18 November 2022 be approved as a correct record.

GMTBSC 05/23 CHANGES TO THE BUS NETWORK AND REVIEW OF SUBSIDISED BUS SERVICES BUDGET

Diamond commented on the main changes in Annex A which detailed the proposed changes to some of their services from April 2023. They confirmed that there was a requirement for an operator to give 112 days' notice of such changes. However, that notice period had coincided with a confidentiality period connected with the bus franchise procurement timetable. This resulted in the announcement of the changes being made within 48 hours of the award of franchising contracts. Diamond's decision included the reduction of their Bolton operation by 50 vehicles and they were keen to highlight that this was not financially motivated but rather to provide stability and mitigate the impact of future network changes.

Members expressed their concerns over this decision. This Committee recognised that considering the proposed franchising arrangements was outside of their remit but they had expected they would be involved in any impact on services as a result of any franchise arrangements and had also assumed this would not be necessary until later in the year. They acknowledged Diamond's insistence that it was not a commercial decision, however, it was noted that the commercial services were those identified for change whilst subsidised routes remained unaffected. Members requested that Diamond defer their decision until the next meeting of this Committee in February.

Diamond responded to say that, until recently, only 70 days' notice was required and they had, therefore, given more notice than usual of the changes. They confirmed that, as a commercial company, they considered all their routes as commercially viable. They did not give Members any reassurances that the service changes, or their decision, could be deferred until February but they confirmed that they would be willing to continue discussions.

Councillor Burke read out a statement regarding the 163 bus, the only service linking Heywood and Manchester. A request was made for a full review of bus services across Heywood and Middleton, along with protection for the 163 service and the provision of a long-term sustainable bus service across the community which would put passengers before profit.

Members raised concerns about the 524, 520 and 575 services in Bolton in that any curtailment of services in these areas could lead to further isolation for residents as there were no alternative public transport modes available.

Diamond stated that their decision had been made in response to shortage of drivers, congestion challenges and the uncertainty of contracting arrangements over the next few months. They confirmed that they had tried to minimise impact and, in many cases, had withdrawn services that overlapped with others so that there would still be alternative options available for passengers.

Officers assured Councillors that they were working on plans in response to Diamond's decision.. They confirmed that they would cover the services in the short-term where possible and this could include arrangements with other operators. Officers assured Members that they would be kept informed.

Members repeated their concerns that this situation had occurred and stated that this situation needed to be avoided for future franchising milestones to protect existing services. It was suggested that the procurement process should have restrictions or weighting levels that prevented companies from being able to bid and win contracts and then withdraw from services in this way. Officers were unable to give this assurance to Members, given the legal framework of the procurement and franchising procedures, however would look to mitigate any future risk to further services where possible.

Officers also reported that work had started with the successful operators to ensure successful implementation in September including handover arrangements and staff transfers under the regulations of TUPE (Transfer of Undertakings (Protection of Employment) Regulations 2006).

A member asked for more detail about the revisions to Atherton services 586 and 132 and officers agreed that they would provide this.

A member asked about the 755 service in Altrincham that did not provide access to the Girls Grammar School. Officers offered to have a discussion about this directly with the member.

RESOLVED /-

1. That the changes on the commercial network set out in Annex A be noted.
2. That the impact of the changes set out in Annex A be the subject of a further report to the next meeting of this Committee.
3. That TfGM be asked to consider how they may be able to mitigate any risk to the de-registration of current services through future bus franchise procurement tranches.
4. That the proposed changes to general subsidised services set out in Annex C be agreed.
5. That TfGM would provide details of the revisions to services 586 and 132 directly to Councillor Vickers.
6. That TfGM would pick up the concerns of Cllr Blackburn in relation to service 755 not including Altrincham Girls Grammar School outside of the meeting.

GMTBSC 06/23 BUS OPERATORS UPDATE

Stagecoach reported on driver shortages and their work on recruitment and retention which included a 15 minute reduction to the length of shifts to give longer recovery times. It was anticipated that this would improve staffing levels.

Stagecoach had reduced frequencies on some routes and re-invested the vehicles back into other areas. This had been introduced for services 230 and 231, following concerns raised by Councillor Bray about punctuality. Stagecoach had also liaised directly with Councillor Meller regarding service 328 that operated across two weight restricted bridges. The service needed to operate with a small vehicle but, at the same time, ensure that high demand from students was met. Stagecoach confirmed that an additional vehicle would be introduced from April 2023, at no extra cost, to meet this need.

Stagecoach had been running duplicates and planned to run more where possible. No other major changes were reported other than the usual seasonal changes across Summer and September.

Trans Dev reported that they had stabilised their staffing position with help from neighbouring depots. Other challenges included delays on basic maintenance and repair

components along with traffic congestion. Resilience remained low without spare drivers but work had been done with TfGM to address this issue. They expressed concern about the lack of consultation on cross-boundary permit schemes within the upcoming franchise arrangements which had caused a degree of uncertainty. They needed a better route for their services out of Manchester, up the A56 to Prestwich, and had been restricted by a delayed Traffic Order which would open a right turn from Princess Street into Cross Street. The delays had caused a diversion for two years.

An additional update from Diamond reported on a service change in Atherton from the end of January. A revised timetable was developed for the 516 and 583 services with five buses instead of four planned from the end of January. Diamond reported 90% of patronage compared to pre-Covid levels. They had driver shortages, most notably in Bolton, but were continuing to recruit.

First Bus remained above their required staffing levels and had recently recruited 55 people who were new to the industry. Current operation levels were 98% of their scheduled mileage. They had been dealing with sickness absences due to seasonal colds and flu but still managed to operate effectively.

First Bus reported 40 incidences of antisocial behaviour, which had been logged, but they had not received any specific interventions from the TravelSafe Scheme as a result. Incidences of broken glass had resulted in costs of £6,500 to First Bus and one incident with a school resulted in costs of £4,000. The school and GMP had provided support on this issue. TfGM offered to contact TravelSafe on their behalf and keep Councillor Aldred informed. It was also acknowledged that TravelSafe would be providing their six-monthly report to the Transport Committee in March. Members were reminded that all incidences needed to be reported as they occur in order for officers to take appropriate action.

Go North West reported driver shortages but also that there were signs of improvement with continued recruitment and reduced staff turnover. Their patronage numbers were fairly stable. Traffic congestion was particularly challenging in November and December but had since settled as expected. They anticipated operating more mileage towards the end of January and punctuality reviews were completed on the 93, 95, 97 and 98 services. Additional work had also been done with TfGM on services 6 and 129 to improve punctuality. The 162 service was now being operated by Go North West on behalf of TfGM to help bridge a gap in the network.

One Bus provided a general update with an overview of the current challenges faced by operators across the region. The operators had been faced with driver shortages, but congestion and lack of layover facilities had also affected resilience. The City Plan for Manchester City Centre had not recognised this need despite the request for 13 layover spaces. This was not related to commercial profits but to punctuality and reliability for the services. Operators were concerned that plans for new buses and capped fares would not succeed if the layover issues were not addressed.

One Bus were asked to write to Councillor Rawlins separately outlining their concerns on the City Plan.

A member raised a related issue concerning the condition of gulleys which had, in some instances, caused vehicles to swerve around large areas of collected water. It was acknowledged that this was part of the responsibilities of Highways Departments in Local Authorities.

In light of the comments and concerns raised about congestion, a report on the Greater Manchester Road Activity Permit Scheme would be requested.

Members gave positive feedback on some services which included the Vantage Service and improvements that had been made to the Ring and Ride Service after discussions were held with TfGM officers.

RESOLVED /-

1. That bus operators be thanked for their verbal updates, and their contents noted.
2. That bus operators and Members continue to contact TravelSafe to report any anti-social behaviour or safety concerns.
3. That TfGM would report recent damage to First Bus vehicles directly to TravelSafe and ensure that Councillor Aldred is included in any correspondence.
4. That a report on the Greater Manchester Road Activity Permit Scheme (GMRAPS) be brought to the next meeting the Greater Manchester Transport Committee.
5. That it be noted that Gary Nolan from One Bus would write separately to Councillor Tracey Rawlins (Executive Member for the Environment at Manchester City Council) regarding the City Plan for central Manchester and its impact on bus operations.

6. That operators be invited to contact Councillor Lancaster directly should they wish to be involved in the forthcoming Jobs Fair in Bury.
7. That it be noted that Stagecoach would write to Councillor Tracey Rawlins regarding the potential requirements for a permanent diversion away from Rusholme on Friday and Saturday evenings due to congestion levels.

GMTBSC 07/23 LOCAL LINK AND ASSESSIBLE TRANSPORT REVIEW

Officers gave an update on the Local Link service, a pre-bookable minibus service. The Local Link Service was used in situations where few other transport options was available, for example, by shift workers or people in isolated areas, and would be cheaper than a conventional service. The passenger journey matrix had been considered costly but work had been done in the background to ensure its position as a social service. Officers had looked at where they could improve patronage and produced some extensive communications and stakeholder tools. Officers were keen to stress that, unlike the Ring and Ride service, the Local Link was a service for all users without any criteria applied.

Officers reported that the scheduling of the Ring and Ride had been brought in-house to co-ordinate it with the Local Link. It was noted that they already provide a key component of the Bee Network.

Officers had held meetings with Health and SEND colleagues to look at where expertise, efficiencies and support could be utilised in improving the Local Link service.

In response to a question from members, officers confirmed that these services were not part of the franchise procurement procedures, and would remain stand alone.

A member queried an area in Saddleworth with limited public transport options. Officers confirmed that they would be willing to discuss service boundaries if members wished to make representations.

A member disputed the level of publicity around these services, despite the report that extensive communications and stakeholder tools had been used. Officers stated that they would speak to Councillor Rawlins separately.

RESOLVED /-

1. That thanks be expressed to officers at Transport for Greater Manchester (TfGM) for a comprehensive report.
2. That members be encouraged to contact TfGM with specific issues relating to their communities and the Local Link service.
3. That TfGM would speak directly to Councillor Rawlins regarding further promotional materials for Local Link within the Wythenshawe area.

GMTBSC 08/23 WORK PROGRAMME**RESOLVED /-**

That the proposed Work Programme for the GM Transport Committee and its Sub Committees be noted.

GMBSC 09/23 DATES AND TIMES OF FUTURE MEETINGS

That the next meeting of the Bus Services Sub Committee be noted as Friday 10 March 2023.

GMBSC 10/23 EXCLUSION OF THE PRESS AND PUBLIC

That, under section 100 (A)(4) of the Local Government Act 1972 the press and public should be excluded from the meeting for the following items on business on the grounds that this involved the likely disclosure of exempt information, as set out in the relevant paragraphs of Part 1, Schedule 12A of the Local Government Act 1972 and that the public interest in maintaining the exemption outweighed the public interest in disclosing the information.

**GMTBSC 11/23 CHANGES TO THE BUS NETWORK AND REVIEW OF SUBSIDISED
BUS SERVICES BUDGET**

RESOLVED /-

That the Committee expressed significant concerns regarding the wider implications of the proposed de-registration of commercial services as highlighted in Annex A of the Changes to the Bus Network and Review of Subsidised Bus Services Budget (item 5) and would prepare a statement outlining these matters for consideration by the GM Transport Committee on 17 February.

**MINUTES OF THE GREATER MANCHESTER TRANSPORT COMMITTEE, ACTIVE
TRAVEL SUB COMMITTEE
HELD ON FRIDAY 27 JANUARY 2023**

PRESENT:

Manchester	Tracey Rawlins (Chair)
Manchester	Dzidra Noor
Salford	Roger Jones
Trafford	Linda Blackburn
Tameside	Warren Bray
Trafford	Aiden Williams

ALSO IN ATTENDANCE:

GMCA	Dame Sarah Storey
GMCA	Gwynne Williams
GMCA	Ninoshka Martins
GMCA	Ed Flanagan
TfGM	Peter Boulton
TfGM	Simon Warburton
TfGM	Richard Nickson
TfGM	James Baldwin

GMAT 09/23 APOLOGIES

That apologies be received and noted from Councillors Doreen Dickson, Kevin Peel, Angie Clark and David Mellor.

GMAT 10/23

CHAIRS ANNOUNCEMENTS AND URGENT BUSINESS

There was no Chairs announcements or urgent business.

GMAT 11/23

DECLARATIONS OF INTEREST

There were no declarations of interest received.

GMAT 12/23

MINUTES OF THE MEETING HELD ON 28 OCTOBER 2022

RESOLVED /-

That the minutes of the Active Travel Sub Committee meeting held on 28 October 2022 be approved as a correct record.

GMAT 13/23

ACTIVE TRAVEL ENGLAND – FUNDING UPDATE

The Active Travel Programme Director, Richard Nickson gave a verbal update on funding from Active Travel England.

RESOLVED /-

That it be noted that confirmation from Active Travel England on the programme and allocation of funds for round 4 were still awaited.

The Committee received a presentation from the Active Travel Commissioner, Dame Sarah Storey. The main points referred to included: -

- The Active Travel Commissioner, appointed in May 2022, shared a refresh of Greater Manchester's Active Travel Mission at the Big Active Travel Conversation event held in Wigan on 1 November 2022.
- Fundamental to the programme would be three foundations, referred to as the ABC at the heart of the programme. They were: -
 - A – Accessibility
 - B – Behaviour Change
 - C – Communications and Engagement
- To provide a more formal process for communications, a dedicated email address had been set up – AT@greatermanchester-ca.gov.uk This would enable residents to better engage directly with the Active Travel team.
- Future infrastructure investment would include accessible longer routes and active neighbourhoods which would include high quality continuous crossings across roads.
- Improvements would be made to link active travel with public transport, for example, improved cycle storage at tram and train stations, to enable commuters to cycle from their home to their local public transport hub, safety store there bike there and continue their journey on public transport.
- How children travel to school would be reviewed, were there active travel alternatives to the school bus.

- The Bee Bike cycle hire scheme would be extended and further initiatives encouraged, such as bike libraries, to enable people to cycle without having to own a bicycle.
- A new Road Danger Reduction Action Plan would be introduced with a target of zero deaths or severe injuries on Greater Manchester's roads.

It was reported that ten recommendations had been developed to deliver the Active Travel Mission as follows: -

- Renew the commitment for every part of the Bee Active Network to be universally accessible.
- Deliver a pilot for trialling the carriage of bikes and non-standard cycles on trams.
- Adopt Vision Zero, clearly stating a timeframe and plan for all people in GM to commit to.
- Publish a plan for the expansion of GM's cycle hire scheme to additional areas of Greater Manchester.
- Establish an integrated ticketing system for the Bee Network that incorporates cycle hire, allowing customers to complete end to end, multi-modal journeys with a single fare.
- Explore new offers - including for Our Pass holders - on Cycle Hire and TfGM's Cycle Hubs to improve access and encourage use.
- Publish the comprehensive network review by the end of April 2023.
- Publish a comprehensive update to the future pipeline of active travel infrastructure, acknowledging the previous ten year target and including annual

goals to enable progress to be transparently tracked and reported on year by year. Target date of April 2023 for the initial update.

- Deliver a new plan for travel between home and school that reduces the number of children being driven less than 2km to their school and helps support Greater Manchester ambitions for improved air quality.
- Work with GM's local authorities and the VCSE sector to create an expanding, accessible and diverse range of training offers to suit local needs that reaches all residents of GM by 2025. Collaborate with Bikeability to assist them in achieving the ambition to ensure that every child is able to achieve level 2 Bikeability by 2025.

In the discussion that followed the following points were raised: -

- A request to receive an update on proposals for the Vision Zero project at a future meeting.
- Whilst the Active Transport vision was developed at a Greater Manchester level, delivery of the vision was delegated to Local Authorities, some of whom may struggle to allocate sufficient resources.
- To address resourcing issues relating to supporting school streets. New proposals included installing cameras on school streets enabling monitoring of the street to be undertaken remotely.
- A request was made for data on the success of the Bikeability courses previously run. It was suggested that this could be measured in the number of participants who continued to regularly cycle 2 years after attending a Bikeability course.
- It was noted that the majority of adult cyclists were male and that two thirds of women cited safety as a reason for them not to cycle. It was reported that

raising the standards of cycle infrastructure including using quieter roads with decent crossings would support an increase in women cyclists.

- It was acknowledged that more was needed to be done to support GM residents to use active travel for the first and last mile of their journey on public transport, rather than using park and ride schemes. Additional safe bike storage facilities at tram stops and railway stations would support this.
- It was suggested that having the same rules of carriage across different public transport modes, when practical, would support the ethos of an integrated transport system. An example given was allowing dogs to travel for free on trams but charging for dogs to travel on busses.

RESOLVED /-

1. That the report and its contents be noted.
2. That the Committee receive an update on Vision Zero at a future meeting.
3. That an update on the success of the Bikeability scheme in relation to the number of young people regularly cycling 2 years after they attended their bike ability course be shared with the Committee.

GMAT 15/23 DATE AND TIME OF FUTURE MEETINGS

That the next meeting of the Active Travel Sub Committee take place at 1.30pm on Friday 10 March 2023.

GREATER MANCHESTER TRANSPORT COMMITTEE

Date: Friday 17th February 2023

Subject: Transport Revenue Budget 2023/24

Report of: Steve Warrener, Managing Director, TfGM

Purpose of Report

The report sets out the transport related Greater Manchester Combined Authority (GMCA) revenue budget for 2023/24. A verbal update will be provided at the meeting following the consideration of the budget proposals by the GMCA Overview and Scrutiny Committee on Wednesday 8th February and by GMCA on Friday 10th February.

Recommendations:

Member are requested to:

- Note the risks and issues which are affecting the 2023/24 transport budgets as detailed in the report; and
- Note the GMCA budget relating to transport functions funded through the Levy, as set out in this report for 2023/24.

Contact Officers:

Steve Warrener, Managing Director, TfGM

steve.warrener@tfgm.com

Equalities Implications: N/A

Climate Change Impact Assessment and Mitigation Measures: N/A

Risk Management – The risks and issues which are affecting the 2023/24 transport budgets are detailed in the report.

Legal Considerations – There are no specific legal implications with regards to the 2023/24 budget update, however, please refer to section 6 of the report for budget setting considerations.

Financial Consequences – Revenue – The report sets out the proposed budget for 2023/24.

Financial Consequences – Capital – There are no specific capital 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.

Background Papers:

Report to Greater Manchester Combined Authority: GMCA Transport Revenue Budget 2022/23 – 11 February 2022

Report to Greater Manchester Combined Authority: Revenue Update 2022/23 – 28th October 2022

Tracking/Process

Does this report relate to a major strategic decision, as set out in the GMCA Constitution? No

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? N/A

Overview & Scrutiny Committee - 8th February 2023

1. INTRODUCTION

- 1.1 The report provides details of the proposed budget, including Mayoral funded functions as they relate to Transport for 2023/24.
- 1.2 The allocation to District Councils in relation to the Transport Levy and Transport Statutory Charge is set out in Section 3 of the report. Part 4 of the Transport Order laid before Parliament in April 2019 provides that some £86.7m of funding will be provided to the Mayor by way of a Statutory Charge, in respect of costs that were previously met from the levy.
- 1.3 The Authority's legal obligations and the responsibility of the Treasurer to the Combined Authority are also set out in more detail later in the report.

2. TRANSPORT REVENUE BUDGET 2023/24

- 2.1 The proposed Transport budget for 2023/24 is £304.649m, this is an increase of £35.296m compared to 2022/23. The proposed funding to TfGM is £225.428m, an increase of £36.373m compared to 2022/23, with £79.221m to be retained by GMCA predominantly to meet capital financing costs.
- 2.2 The major changes to the proposed 2023/24 Transport Revenue Budget are as follows:
 - Bus Service Improvement Programme (BSIP) grant of £13m to fund the cap on bus fares introduced in September 2022 (singles and dailies) and January 2023 (weeklies) for the period to August 2023. These proposals were introduced on an initial one year basis, from September 2022 to August 2023, with a commitment to review the delivery by summer 2023;
 - Bus support grants of £6m to support the continuation of bus services which have been deregistered by bus operators;

- District Transport Levy increase of £7.7m which, together with the Statutory Charge is an overall increase of 4% (3% of which will be recurrent with a 1% one off increase in 2023/24);
- Scheme Development cost increase of £6.2m funded from the Business Rates Top-Up reserve which provides flexibility on use of revenue funding to support capital schemes.

2.3 The table below summarises the proposed 2023/24 Transport Revenue Budget compared to original budget for 2022/23. Section 4 below provides detail on the TfGM budget strategy for 2023/24 and the proposed TfGM revenue budget.

Transport Revenue Budget	Approved Budget 2022/23	Proposed Budget 2023/24	Change
	£000	£000	£000
Mayoral Transport Budget	134,095	134,786	691
Mayoral Priorities - Care Leavers	550	550	0
District Levy	105,773	113,472	7,699
Earnback Revenue Grant	12,475	12,592	117
Bus Services Improvement Grant	0	13,000	13,000
Use of Reserves	16,460	22,149	5,689
Other Grants	0	8,100	8,100
Total Resources	269,353	304,649	35,296
Resources Available:			
Calls on Resources:			
<u>Funding to TfGM</u>			
Gross Grant to TfGM	138,322	146,021	7,699
TfGM Funded Finance Costs	(13,419)	(12,836)	583
Revenue grant to TfGM	124,903	133,185	8,282
Other Grants	11,785	19,985	8,200
Bus Services Improvement Grant for capped fares	0	13,000	13,000
Scheme Development Costs	15,900	22,100	6,200
Our Pass Concession	16,200	16,891	691
Care Leavers Concession	550	550	0
Bus Reform	15,895	15,895	0
GMCA Traffic Signals	3,822	3,822	0
Total TfGM	189,055	225,428	36,373
<u>Funding retained by GMCA</u>			
GMCA Corporate	1,024	1,024	0
Capital Financing Costs			

- Levy Funded	52,904	52,904	0
- GMCA Funded	12,951	12,457	(494)
- Metrolink related financing costs	13,419	12,836	(583)
	80,298	79,221	(1,077)
Total Call on Resources	269,353	304,649	35,296

3. PROPOSED GMCA TRANSPORT LEVY AND MAYORAL STATUTORY CHARGE 2023/24

Proposed GMCA Transport Levy and Statutory Charge 2023/24 per District

3.1 The table below details both the Transport Levy and the Statutory Charge per district.

District	Population Mid 2020		2022/23 Total Charge £000	2023/24 Transport Levy £000	2023/24 Statutory Charge £000	2023/24 Total Charge £000	Change £000 %	
Bolton	288,248	10.12%	19,478	11,483	8,774	20,258	779	4.00%
Bury	190,708	6.70%	12,887	7,598	5,805	13,403	515	4.00%
Manchester	555,741	19.51%	37,554	22,140	16,916	39,056	1,502	4.00%
Oldham	237,628	8.34%	16,058	9,467	7,233	16,700	642	4.00%
Rochdale	223,659	7.85%	15,114	8,910	6,808	15,718	605	4.00%
Salford	262,697	9.22%	17,752	10,466	7,996	18,462	710	4.00%
Stockport	294,197	10.33%	19,880	11,720	8,955	20,676	795	4.00%
Tameside	227,117	7.97%	15,347	9,048	6,913	15,961	614	4.00%
Trafford	237,579	8.34%	16,054	9,465	7,232	16,697	642	4.00%
Wigan	330,712	11.61%	22,348	13,175	10,067	23,242	894	4.00%
Total	2,848,286	100.00%	192,473	113,472	86,700	200,172	7,699	4.00%

4. TfGM BUDGET STRATEGY 2023/24

The Bee Network

4.1 Over the next four years, significant investment in Greater Manchester will dramatically improve the public transport offer. GM's move to bus franchising is a key enabler for delivering this transformational change. This all builds towards delivering the Bee

Network, an integrated 'London-style' transport system, which will transform the way people travel across the city region.

- 4.2 By designing and delivering public transport, active travel and shared mobility services as one system with local accountability and aligned to national and local priorities, the Bee Network will transform the travelling experience and make sustainable, low carbon transport an attractive option for all. The ability to better plan the network will drive revenue by encouraging more people to switch from car journeys to public transport (and active travel) and is therefore key to getting to the 'right mix' of 50% (car):50% (sustainable travel) from the current 60:40 mix.
- 4.3 Accessible, affordable, integrated, inclusive and easy to use, with a daily fare cap and Greater Manchester-wide multi-modal fares, the Bee Network will support seamless end-to-end journeys within Greater Manchester.
- 4.4 On 30 March 2021, the Mayor made the Greater Manchester Franchising Scheme for Buses 2021 ("the Franchising Scheme") and the GMCA published its response to the consultation together with the Mayor's decision, as required by section 123G of the Transport Act 2000 and (on behalf of the Mayor) the Franchising Scheme itself.
- 4.5 Greater Manchester is the first place in the UK outside of London to introduce bus franchising, bringing bus services under local control in the biggest change to public transport in the city region in over 30 years.
- 4.6 As previously reported to GMCA, implementation of the Bus Franchising Programme is now well under way, with Tranche 1, covering Wigan and Bolton, due to become operational on 24th September 2023. Contract awards for Tranche 1 took place on 23 December 2023 with Go Ahead and Diamond Bus North West notified as being the successful bidders.

- 4.7 The Expression of Interest for Tranche 2 was issued in September and the second tranche will be operational at the end of March 2024. The third tranche will be contracted by the end of March 2024 and be operational by January 2025.

Financial Context

- 4.8 The Bee Network is being delivered against an exceptional set of financial challenges driven by patronage and revenue remaining below pre-pandemic levels combined with exceptional inflationary pressures on the cost base of the transport network (e.g. increasing electricity, fuel and labour costs). These challenges have impacted both the Metrolink and Bus networks, alongside other risks as described below.

Metrolink

- 4.9 Metrolink has suffered a significant reduction in patronage and farebox revenues since the start of the COVID-19 pandemic in March 2020. After falling to as low as 5% of pre-COVID-19 levels during the first lockdown, patronage has gradually recovered, but farebox revenues remain at c.85% of pre-pandemic levels. The operating costs of the system have also increased significantly due to the unprecedented increases in energy prices and the impact of increase in general inflation. To help address these financial challenges, a package of light rail recovery funding support was provided by central Government throughout the pandemic. That light rail recovery funding subsequently expired in October 2022.

Bus

- 4.10 Bus patronage and revenue also fell significantly at the start of the pandemic but has recovered to approximately 90% of pre-pandemic levels. Notwithstanding this strong recovery, bus operators are still facing a challenging trading environment, with lower farebox revenues combining with the negative impact of high levels of cost inflation (e.g., higher fuel, labour costs etc). This has resulted in some operators making commercial service changes across Greater Manchester, including service withdrawals and reductions in frequency. To ensure the stability of the network, TfGM has replaced

most of these withdrawn services at current frequencies to ensure there has been no material impact on network coverage. These interventions will also protect revenue and enable the network to be optimised through better planning, post franchising. The cost of restoring these services has, to-date, been mitigated by Government bus recovery funding and by maintaining local funding of concession payments to bus operators at pre Covid-19 levels. These same funding sources have also, to date, helped to prevent wider-reaching service withdrawals. That bus recovery funding is currently due to expire at the end of March 2023.

- 4.11 Whilst patronage is now recovering strongly, reflecting the region's population growth and our marketing campaigns to offer affordable alternatives to car travel, the lasting impacts of the pandemic and the subsequent exceptional inflationary pressures means that the public transport network will continue to face financial challenges in 2023/24 and beyond.
- 4.12 As previously reported, TfGM have been in discussions with DfT officials with a view to securing a continuation of financial support for the Metrolink and Bus networks for the next two financial years (2023/24 and 2024/25).
- 4.13 TfGM has put forward a clear rationale for the level of requested financial support setting out the unique circumstances faced by Greater Manchester and a constructive initial meeting has taken place with the Secretary of State for Transport (SoS). Following that meeting, the SoS was content for TfGM to continue to work through the detail with DfT officials with a view to bringing the discussions to a successful conclusion as soon as possible.
- 4.14 In addition, TfGM will continue to consider options, for subsequent consideration by GMCA, for longer term financial sustainability beyond the next two financial years

Additional Risks

- 4.15 In addition to the risks relating to public transport patronage and revenues; and cost inflation, several other budget pressures and risks exist, including:

- Inflation is also impacting TfGM's core operating costs (e.g. energy costs, salary costs and other support costs)
- Long term revenue and capital funding will be required to support the work to consider the options and potential for future Rail Reform, including service delivery and the development of major infrastructure schemes, including High Speed 2.
- Costs of operating and maintaining an expanding network of traffic signals, largely with no additional funding for operational costs. The increasing cost of energy has impacted the cost of operation; and the network which needs to be supported continues to expand due to the delivery of new highways schemes, in particular with respect to Active Travel interventions.;
- Continuing costs to support the ongoing development of modal and integrated ticketing initiatives.

2023/24 Budget Strategy

4.16 As set out above TfGM have been in discussions with DfT officials with a view to securing a continuation of financial support for the Metrolink and Bus networks for the next two financial years (2023/24 and 2024/25).

4.17 In parallel to, and as part of the discussions with DfT, TfGM has committed to a Financial Sustainability Plan (FSP) which sets out a set of initiatives that, alongside continuing central government financial support, will ensure the long-term financial sustainability of the transport network and provide the foundation for the continued delivery of the Bee Network. The various initiatives underpinning the FSP are summarised below:

- **Market renewal:** A set of initiatives to increase patronage and revenues across all modes, including continued innovation around the marketing of transport services, proposals to reduce fare evasion and to increase commercial and other income.

- **Network review:** Continuous network review to scope potential efficiencies on the transport network, including initiatives to reduce energy costs and to further optimise service delivery.
- **Internal efficiencies:** A programme to reduce the core operating costs of TfGM, including by reducing staff costs (TfGM has already initiated a voluntary severance process), reductions in external expenditure, optimising the use of TfGM's office space and increasing commercial income from the existing TfGM asset base.
- **Additional local funding:** The proposed 4% (£7.7m) increase in the Transport Levy in 2023/24 will be ringfenced in full to contribute towards funding the budgeted Metrolink net deficit and the budgeted costs of stabilising the Bus network as it transitions to franchising.
- TfGM will continue to consider options, for subsequent consideration by GMCA, for longer term financial sustainability beyond the next two financial years, as part of the longer-term shared funding model envisaged in the Greater Manchester 'trailblazer' proposition.

4.18 The 2023/24 budget proposal is therefore that:

- The Transport levy is increased from £105.773m in 2022/23 to £113.472m in 2023/24, an increase of 7.7m, together with a flat Statutory Charge of £86.7m. This is an overall increase of 4% (3% of which will be recurrent with a 1% one off increase in 2023/24).
- A further drawdown of £1.8 million is made from the Integrated Ticketing Reserve to continue the development of modal and integrated ticketing initiatives as part of the work to transition to Greater Manchester-wide multi-modal fares and ticketing.
- TfGM fares and departure charges increase in line with rates up to inflation at varying points in 2023/24 as set out in sections 4.31 of the report.
- Bus Stop Closure Charges increase as set out in section 4.32 of the report.

TfGM Proposed Budget 2023/24

4.19 Based on the proposals above the TfGM budget for 2023/24 would be as follows:

	2022/23	2023/24	
	Budget £000	Budget £000	Change £000
Resources			
Funding from GMCA (incl Levy increase of £7.7m)	189,055	225,428	36,373
Metrolink related financing costs	13,419	12,836	(583)
DfT Rail grant	1,900	1,900	-
Other grants	2,700	-	(2,700)
	207,074	240,164	33,090
Expenditure			
Concessionary Reimbursement	75,600	76,254	(654)
Bus Network Support Costs	36,000	63,000	(27,000)
Capped Fares Scheme	-	13,000	(13,000)
Payment of Devolved BSOG	11,750	11,750	-
Accessible Transport	3,700	3,700	-
Operational Costs	37,697	45,697	(8,000)
Traffic Signals Costs	3,822	3,822	-
Clean Air Plan Costs	400	2,100	(1,700)
Scheme Pipeline development Costs	15,900	19,800	(3,900)
Bus Franchising costs	15,895	15,895	-
Metrolink net loss	-	38,836	(38,836)
Financing costs	6,310	6,310	-
Total Expenditure	207,074	300,164	(93,090)
Surplus/(Deficit) <u>before financial mitigations</u>	-	(60,000)	(60,000)

4.21 The net deficit before financial mitigations (but including the 4% / £7.7 million Levy increase) of £60 million in the table above is proposed to be offset by the various initiatives underpinning the FSP, including securing a continuation of financial support for the Metrolink and Bus networks for the next two financial years (2023/24 and 2024/25) which, as described above, is subject to ongoing work and discussions.

		£'000
Net deficit requiring funding after additional Levy funding of £7.7m		(60,000)
Additional Local Financial Mitigations		
Internal Efficiencies	8,000	
Network Efficiencies	7,500	
Market Renewal	5,500	
		21,000
Continuing financial support from central Government (<i>subject to ongoing work and discussions</i>)		39,000
Surplus/(Deficit) after financial mitigations		0

Expenditure

- 4.22 The Concessionary Reimbursement budget includes the cost of the English National Concessionary Travel Scheme (ENCTS) and the local Concessionary scheme, including the 16-18 (Our Pass) concessionary travel scheme.
- 4.23 Since the first lockdown TfGM has, as encouraged by DfT, continued to reimburse operators for concessionary reimbursement based on pre-pandemic levels of patronage. DfT has issued guidance for reimbursement beyond March 2023 which allows for this basis of reimbursement to continue, in particular in the context of continuing to support the recovery of the bus network.

- 4.24 The 2023/24 Concessionary Reimbursement budget has been prepared based on the continuation of the current basis of reimbursement, which is at pre COVID-19 levels of patronage, with an adjustment where mileage operated has been reduced.
- 4.25 The Our Pass scheme provides free bus travel within Greater Manchester for 16-18 year olds and direct access to other opportunities in the region. The scheme was proposed to run for a pilot period of two years from August 2019, which subsequently became impacted by the Covid pandemic. The scheme was extended in September 2021 and again for the period to August 2023 in order for it to be evaluated. The Combined Authority agreed, at its meeting on 27 January 2023, to fund Our Pass on a continuing basis and that the scheme should be subject to an annual review of its performance, to be completed at the end of each academic year. The Our Pass scheme is funded from a combination of Mayoral precept, reserves and other income. A budget of £16.9m is proposed for 2023/24 with a risk reserve held by TfGM if costs exceed this level, in line with the original funding for the scheme agreed by GMCA.
- 4.26 The supported bus network budget has come under further pressure in the current financial year as operators have withdrawn services. TfGM has replaced the majority of these services from autumn 2022, with funding from a combination of in year government funding and reserves. The budgeted cost of the additional pressures on the supported services budget in 2023/24 is £27 million which is partly mitigated by government bus support funding of £6 million.
- 4.27 Capped bus fares were introduced in September 2022 (singles and daily fares) and January 2023 (weekly fares). The budgeted costs are an estimate of the costs to the end of 'year one' of the scheme which runs to 31 August 2023. In the report to GMCA in June 2022 on the implementation of the singles and daily fares scheme, it was proposed that these proposals were introduced on an initial one year basis, from September 2022 to August 2023, with a commitment to review the delivery by summer 2023. The costs will be refined and updated during the quarterly reforecasts as more data becomes available. The single and daily fares caps are being funded from BSIP grant income (of £68m in total, in the period to March 2025) from DfT. To the extent the £68 million of BSIP funding cannot also accommodate the costs of the capped weekly

fares, in the period to March 2025, the extension could, subject to the agreed annual review, and the agreement of GMCA, be funded from a combination of Reserves that are specifically allocated for Bus, including the Concessionary Fares Reserve.

- 4.28 The budgeted grant payable to GMATL, for the provision of Ring and Ride services, of up to £3.7 million is in line with the 2022/23 outturn.
- 4.29 Net operational costs include the costs of operating and maintaining the TfGM owned bus stations, travel shops and other infrastructure, and the costs of support functions. These costs are forecast to increase by c£8 million from the budgeted costs in 2022/23, largely due to inflationary pressures. That will, as described above, require a saving of c. £8 million in core costs to be delivered. The savings of £8 million will be delivered in a number of areas including by reducing staff costs (TfGM has already initiated a voluntary severance process), reductions in external expenditure, optimising the use of TfGM's office space and increasing commercial income from the existing TfGM asset base.
- 4.30 Expenditure on scheme development costs is budgeted to increase in 2023/24, due to higher levels of activity on the development of Business Cases and schemes which are part of the programme of works funded through City Region Sustainable Transport Scheme (CRSTS). As reported in the GMCA Capital Programme 2022/23 – 2025/26 report on the agenda for this meeting, the progression of a number of schemes and their associated expenditure profiles has been impacted by global pressures on construction materials availability, associated pricing and inflationary pressures. TfGM and Local Authority Delivery Partners are continuing to work with their respective supply chains to mitigate the impacts of the above matters; albeit due to more recent ongoing global events and trends this continues to be an increasing challenge across the capital programme. It is anticipated that these impacts will continue in respect of expenditure within 2022/23, 2023/24 and beyond. Officers are progressing work to formulate a strategy to address these and related issues. A report detailing the outcome of this work and associated recommendations will be submitted to the GMCA in May 2023.

4.31 Expenditure on Bus Franchising is budgeted to be at a similar level to 2022/23 of c.£15.9m. The key activities in the year are set out below. The outputs of this planned expenditure for 2023/24 include, in particular:

- Continuation of the procurement of local service contracts required for the implementation and operation of the franchising scheme;
- Procurement of on-bus equipment, other equipment, and systems and associated services which are necessary for the implementation and operation of the franchising scheme;
- Depot and land acquisition financing costs aligned to the depot strategy, as set out in the Assessment;
- Work to establish, operate and manage the Residual Value mechanism, as set out in the Assessment; and
- A quantified risk allowance, in line with the allowance in the Assessment, and as considered appropriate for this stage of development and implementation.

4.32 In line with recent years, it is proposed that the fares and charges on certain products or services that TfGM provide, including certain bus fares (on schools, DRT and Ring Ride services) and Departure Charges, will be subject to increases in line with inflation, at various dates between April 2023 and September 2023. The additional income will be used to partly offset the increasing bus network support costs.

4.33 The budget includes an assumption that Bus Station Departure Charges will also increase in line with inflation, from April 2023. The additional income will be used to partly offset the increasing costs of operating bus stations.

4.34 The budget also assumes that the fees applied to utility companies, commercial contractors and developers when temporarily opening and closing bus stops / shelters are increased from £290 to £320 for the first four stops and that the costs thereafter are increased from £100 to £110 per stop. The costs for 'revisiting' a stop are also proposed to increase from £130 to £140.

- 4.35 TfGM is forecasting an unmitigated, net revenue loss from Metrolink operations for 2023/24 of c£26m, which, in addition to the budgeted financing costs that were previously assumed to be funded from Metrolink net revenues, of £12.836m, results in an overall net deficit of c£39m. The mitigation strategy to fund this net deficit is summarised earlier in this report.

Income

- 4.36 An analysis of the funding from GMCA is set out in section 2 above in this report.
- 4.37 The main elements of the GMCA funding are the Transport Levy, the Statutory Charge and funding from the Mayoral General Budget including from the precept as it relates to Transport.
- 4.38 Following Transport Orders being laid in April 2019, the Mayor was given further powers for transport functions, which in relation to TfGM's activities supports activities associated with delivery of Bus related activities. An amount of £86.7 million was agreed as the cost of delivering these functions and this funding is raised via a statutory charge to District Councils. This was offset by a corresponding reduction in the Transport Levy, so overall funding was unchanged.
- 4.39 The Transport levy is proposed to increase from £105.773m in 2022/23 to £113.472m in 2023/24, an increase of £7.7m, which together with a flat Statutory Charge of £86.7m is an overall increase of 4% (3% of which will be recurrent with a 1% one off increase in 2023/24). The Levy allocated to TfGM is budgeted to increase in 2023/24 to partly fund the net operating loss from Metrolink as set out above.
- 4.40 The Mayoral General budget continues to fund other costs in 2023/24 which relate to Mayoral functions and priorities, including the costs associated with updating and delivering the Local Transport Plan (LTP) and the costs of Our Pass (the 16-18 Concessionary Travel Scheme). The LTP costs are budgeted to be £3.55 million, which is unchanged from 2022/23, and the contribution from the Mayoral budget to the costs of Our Pass are budgeted to be £16.9m.

- 4.41 The funding from the DfT Rail grant in 2023/24 is budgeted to remain at the same level, although this has not yet been formally confirmed by DfT so is a risk in the budget.

5 RESERVES

- 5.1 An analysis of the forecast and budgeted movements in transport related reserves for 2022/23 and 2023/24 is set out below:

Transport Reserves and Balances	Final Closing Balances 31st March 2022	2022/23 Planned Use	Projected Closing Balance 31st March 2023	2023/24 Planned Use	Projected Closing Balance 31st March 2024
	£000	£000	£000	£000	£000
Capital Programme Reserve	-100,800	4,850	-95,950	0	-95,950
Business Rates Top-Up - Highways	-31,260	-1,137	-32,397	-5,457	-37,854
Integrated Ticketing Reserve	-10,629	1,800	-8,829	1,800	-7,029
Earnback Reserve	-29,430	3,620	-25,810	8,585	-17,225
Revenue Grants Unapplied Reserve	-18,310	400	-17,910	2,300	-15,610
Concessionary Fares Reserve - TfGM	-16,303	0	-16,303	0	-16,303
Property Reserve TfGM	-10,900	400	-10,500	400	-10,100
Metrolink Reserve TfGM	-2,100	0	-2,100	0	-2,100
Joint Road Safety Group Reserve TfGM	-6,607	0	-6,607	0	-6,607
<u>General Revenue Reserves</u>					
General Reserve - TfGM	-5,829	0	-5,829	0	-5,829
General Reserve - General	-1,085	0	-1,085	0	-1,085
Total	-233,252	9,933	-223,319	7,628	-215,691

General Reserves

- 5.1 Current good practice states that reserves should be maintained at an appropriate level as determined by a detailed business risk review. The forecast balance on the General Reserve at 31 March 2023 is £1.085 million for GMCA and £5.829 million for TfGM and there is no planned use of General Reserves in 2023/24.

Capital Programme Reserve

- 5.2 GMCA and TfGM hold certain reserves which are primarily ring-fenced to pay for and manage the risks of delivering their ongoing capital programme. These reserves are revenue reserves and can be used for capital and revenue purposes, including repaying capital and interest on borrowings and to fund Metrolink renewals to ensure system integrity.
- 5.3 The current forecast balance on the Capital Programme Reserve at 31 March 2024 is approximately £95.950m. The long-term balance on the Capital Programme Reserve is very sensitive to the ongoing delivery of the planned net revenues from Metrolink, inflation pressures and interest rates for capital financing which would be under very significant short term pressure if ongoing financial support from central Government is not provided beyond financial year 2022/23.

Business Rates Pilot Top-Up – Highways/Local Transport Plan

- 5.6 GMCA currently receives revenue funding that is used to support capital spend in GM Local Authorities for highways maintenance and the Local Transport Plan of c£35.7m annually. As this is revenue funding it enables flexibility to support the revenue element of capital schemes. When necessary, approval is sought through GMCA to approve delegated authority to the GMCA Treasurer to make adjustments between capital funding and this reserve to ensure the correct accounting treatment for planned revenue spend.

Integrated Ticketing Reserve

- 5.7 The Integrated Ticketing Reserve had a balance of £10.6m on 31 March 2022. The reserve will be used over a period of time to contribute towards the development and delivery of integrated, including smart, ticketing schemes. Planned use of the reserve is £1.8m in 2022/23 with a proposed further drawdown of £1.8m in 2023/24, which would reduce the balance at 31st March 2024 to £7.0m

Revenue Grants Unapplied Reserve

- 5.8 This relates to grants received ahead of expenditure, with the largest grants being in relation to Clean Air plan funding and the Active Travel Fund.

Concessionary Fares Reserve

- 5.9 A reserve is held to cover specific costs and manage various risks including:
- Costs of fixed deal arrangements with the larger bus operators;
 - forecast costs of reimbursing other operators;
 - other costs including concessionary travel data collection and 'smart' related costs, which would otherwise be funded from the Levy;
 - the costs of concessions, to the extent that they cannot be managed within the 'core' budget, including the 16-18 travel concession and weekly capped fares.

Property Reserve

- 5.10 The Property Reserve has been generated from the disposal of a number of historic surplus assets and is being used to fund the depreciation costs of the TfGM Head Office. The remaining balance will be applied to match the depreciation charges.

Metrolink Reserves

- 5.11 TfGM Metrolink reserves of £2.1m relates largely to historic reserves which have been retained for specific purposes.

Joint Road Safety Group Reserve

- 5.12 The Greater Manchester Joint Road Safety Group operates as part of TfGM. The forecast and budgeted movements represent the net income generated from the delivery of driver improvement training offset by the cost of investments in road safety schemes.

6. LEGAL ISSUES

- 6.1 In coming to decisions in relation to the revenue budget the Authority has various legal and fiduciary duties. The amount of the transport levy and statutory charge must be sufficient to meet the Authority's legal and financial commitments, ensure the proper discharge of its statutory duties and lead to a balanced budget.
- 6.2 In exercising its fiduciary duty, the Authority should be satisfied that the proposals put forward are a prudent use of the Authority's resources in both the short and long term and that they are acting in good faith for the benefit of the community whilst complying with all statutory duties.

Duties of the Treasurer (Chief Finance Officer)

- 6.3 The Local Government Finance Act 2003 requires the Chief Finance Officer to report to the Authority on the robustness of the estimates made for the purposes of the calculations and the adequacy of the proposed financial reserves. The Authority has a statutory duty to have regard to the CFOs report when making decisions about the calculations.
- 6.4 Section 28 of the Local Government Act 2003 imposes a statutory duty on the Authority to monitor during the financial year its expenditure and income against the budget calculations. If the monitoring establishes that the budgetary situation has deteriorated, the Authority must take such action as it considers necessary to deal with the situation. This might include, for instance, action to reduce spending in the rest of the year, or to increase income, or to finance the shortfall from reserves.
- 6.5 Under Section 114 of the Local Government Finance Act 1988, where it appears to the Chief Finance Officer that the expenditure of the GMCA incurred (including expenditure it proposes to incur) in a financial year is likely to exceed the resources (including sums borrowed) available to it to meet that expenditure, the Chief Finance Officer has a duty to make a report to the Authority.

- 6.6 The report must be sent to the Authority's External Auditor and every member of the Authority and the Authority must consider the report within 21 days at a meeting where it must decide whether it agrees or disagrees with the views contained in the report and what action (if any) it proposes to take in consequence of it. In the intervening period between the sending of the report and the meeting which considers it, the authority is prohibited from entering into any new agreement which may involve the incurring of expenditure (at any time) by the authority, except in certain limited circumstances where expenditure can be authorised by the Chief Finance Officer. Failure to take appropriate action in response to such a report may lead to the intervention of the Authority's Auditor.

Reasonableness

- 6.7 The Authority has a duty to act reasonably taking into account all relevant considerations and not considering anything which is irrelevant. This Report sets out the proposals from which members can consider the risks and the arrangements for mitigation set out below.

Risks and Mitigation

- 6.8 The Treasurer has examined the major assumptions used within the budget calculations and considers that they are prudent, based on the best information currently available. A risk assessment of the main budget headings for which the GMCA will be responsible has been undertaken and the key risks identified are as follows;
- The pandemic and the subsequent, unprecedented levels of general – and specifically energy – inflation has had a significant impact on the finances of TfGM. In particular, this includes passenger revenue from Metrolink, which has been significantly adversely impacted; and the requirement to fund additional bus services to stabilise the network, as well as in other areas of activity, including loss of bus service related incomes and loss of commercial revenues.

The mitigation strategy to manage these risks is summarised earlier in this report.

- The risk that net revenues from Bus Franchising are not sustainable from operating income streams. The Assessment for Bus Franchising included a number of mitigating sources for this risk;
- For anticipated borrowings current market interest rate forecasts have been used. While these costs have been budgeted, there remains a risk that until the costs are fixed actual costs may exceed budget. This risk is mitigated by the specific Capital Programme Reserve.
- The complex nature of the significant capital developments being undertaken to enhance and extend the transport network is another key risk area. Whilst these projects and programmes are subject to rigorous management and governance arrangements and each contains an appropriate level of risk allowance and contingency, there remains an inherent financial risk with any project or programme of this size.

Greater Manchester Transport Committee – Master Work Programme

March 2023

The table below suggests the Transport Committee's and its Sub Committees work programme for March 2023.

Members are invited to further develop, review and agree topics which they would like to consider. The work programme will be reviewed and updated regularly to ensure that the Committee's work remains current.

The key functions of the Committee are –

- **Accountability:** active and regular monitoring of the performance of the transport network, including the Key Route Network, the operation of the GM Road Activities Permit Scheme, road safety activities, etc as well as all public transport modes. This role will include holding service operators, TfGM, highway authorities and transport infrastructure providers to public account, and to recommend appropriate action as appropriate;
- **Implementation:** oversee the delivery of agreed Local Transport Plan commitments. This includes the active oversight of the transport capital programme, and decisions over supported bus services network to be made within the context of policy and budgets set by the Mayor and the GMCA as appropriate; and
- **Policy Development:** undertake policy development on specific issues, as may be directed by the Mayor and / or the GMCA.

March 2023

MEETING	TOPIC	CONTACT OFFICER	PURPOSE	ALIGNMENT TO WHICH KEY FUNCTION OF THE COMMITTEE
Bus Services Sub Committee	Changes to the Bus Network and Review of Subsidised Bus Services Budget	Alison Chew and Nick Roberts, TfGM	To note forthcoming changes to the bus network and to review and make decisions relating to supported bus services within the context of policy and budgets set by the Mayor and GMCA as appropriate.	Implementation
	Bus Performance Report	Stephen Rhodes, TfGM	To provide an overview of bus services since the last subcommittee meeting.	Accountability
	Update from Operators	All Operators	To inform the Committee of the latest challenges, issues and achievements across the bus network.	Accountability
Metrolink & Rail Services Sub Committee	Metrolink Performance Report	Daniel Vaughan	To review overall performance of Metrolink.	Accountability
	Rail Performance Report	Simon Elliott	To review performance across the rail industry.	Accountability
	Update from Operators	All Operators	To inform the Committee of the latest challenges, issues and achievements across the bus network.	Accountability

MEETING	TOPIC	CONTACT OFFICER	PURPOSE	ALIGNMENT TO WHICH KEY FUNCTION OF THE COMMITTEE
	Metrolink Contract Strategy?	Steve Warrener/ Danny Vaughan	Ahead of the GMCA decision in Feb??	Policy development
	Access for All Update	Simon Elliott	Ahead of GMCA decision?	Implementation
	Manchester Recovery Taskforce	DfT / Simon Elliot	To inform the Committee of the work to improve the performance of rail services in GM.	Implementation
	Bicycles on the Metrolink	Daniel Vaughan	TfGM to provide an update to Members referencing a consultant report from when the network was purchased.	Accountability
	Poor Performance Update	Simon Elliot	To provide the Sub-Committee with an update on the reasons for poor performance across the network.	Accountability
	Value of the Railway Report	Simon Elliot	To provide the Sub-Committee with a report by Transport for the North scheduled to the Rail North Committee on 22 February.	Accountability
	Staff Moral Report.	Simon Elliot	To provide the Sub-Committee with reassurances that Operators are supporting	Accountability

MEETING	TOPIC	CONTACT OFFICER	PURPOSE	ALIGNMENT TO WHICH KEY FUNCTION OF THE COMMITTEE
			staff through employers' duty-of care.	
Active Travel	Home to School Transport	Richard Nickson	To seek members input on the plan in preparation of the next academic year.	Implementation
	Active Travel Programme Update	Richard Nickson	To update members on the latest position on the Active Travel Programme.	Accountability
	Road Danger Reduction (Vision Zero)	Richard Nickson	To update members on the progress of the Road Danger Reduction pilot.	Accountability
	Streets for All Design Guide	Richard Nickson	To seek input from members on the design guide.	Implementation

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MEETING	TOPIC	CONTACT OFFICER	PURPOSE	ALIGNMENT TO WHICH KEY FUNCTION OF THE COMMITTEE
Full Committee	Update on Bus Franchising	Eamonn Boylan / Anne Marie Purcell	To provide an update on the latest status of the bus franchising programme.	Implementation
	Six monthly update on TravelSafe	Lucy Kennon, TfGM	To provide a regular update on the work undertaken by the TravelSafe Partnership	Accountability
	Introduction to the Active Travel Commissioner	Sarah Storey	To provide an update on the refreshed active travel vision.	Policy Development
	Operator Update	Chris Jackson (Northern)	To provide an update on current performance and issues.	Accountability
	Network and Market Renewal	Steven Rhodes	To brief Members on the current status of the public transport network and proposals to encourage people back to public transport. To also include accessible transport.	Implementation
	GM Rail network performance update	Simon Elliot	To update members on the overall performance and proposals for rail the network.	Policy Development

