

Date: 26 July 2019

Subject: GMCA Capital Update 2019/20

Report of: Cllr David Molyneux, Portfolio Holder - Resources
Richard Paver, Treasurer to GMCA

PURPOSE OF REPORT

To present an update in relation to the Greater Manchester Combined Authority 2019/20 capital expenditure programme.

RECOMMENDATIONS:

GMCA are requested to;

1. Note the current 2019/20 forecast compared to the 2019/20 capital budget;
2. Note and agree the giving of grants to Districts where applicable;
3. Note and approve the revised budget for the Clean Bus Fund following award of grant allocations for 2019/20 as detailed in paragraph 5.6;
4. Grant Full Approval for the Salford Bolton Network Improvement Salford Delivery Package 4 Pendleton town centre and the associated release of funding of £2.823 million from the Local Growth Deal to enable the delivery of the scheme as detailed in section 7;
5. Approve the addition to the Capital programme of four schemes within the Growth Deal minor works programme, as detailed in section 9;
6. Approve the transfers to Districts for the Highways Maintenance, National Productivity Fund and Pot-Hole Funding as detailed in paragraph 10.4;
7. Approve the addition to the Capital programme for HCA Empty Homes Programme as detailed in paragraph 11.5 to 11.6;
8. Note and approve the revised budget for the Pankhurst Centre which will now be spent in 2019/20 and 2020/21 as detailed in paragraph 11.18; and
9. Approve the decision that has been taken by the LEP board in July with regards to management of Local Growth Deal and delegate to the GMCA Treasurer the authority to amend the funding sources and allocations as set out in Para 11.19, including approval of any consequent grants to districts from this money where appropriate.

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

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

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

Financial Consequences – Capital – The report sets out the forecast expenditure for 2019/20.

BACKGROUND PAPERS:

Report to Greater Manchester Combined Authority: 'GMCA Capital Outturn 2018/19': 28 June 2019

Report to Greater Manchester Combined Authority: 'GMCA Capital Programme 2018/19 – 2021/22': 15 February 2019.

Report to Greater Manchester Combined Authority: 'GMCA Local Growth Deal (1, 2 and 3) - Six monthly Transport Progress' 29 March 2019.

Report to Greater Manchester Combined Authority: 'Mayor's Cycling and Walking Challenge Fund' 29 March 2019.

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

1. INTRODUCTION AND BACKGROUND

1.1 The Greater Manchester Combined Authority (GMCA) approved the 2019/20 Capital Programme at its meeting on 15 February 2019.

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

- The Greater Manchester Transport Fund ('GMTF');
- Metrolink Phase 3 extensions;
- Metrolink Trafford Line extension;
- Other Metrolink Schemes;
- Transport Interchanges;
- Bus Priority;
- Other capital projects and programmes including Transforming Cities, Early Measures, Cycle Safety, Smart Ticketing and Cycle City Ambition Grant (CCAG 2);
- Growth Deal Major Schemes;
- Minor Works (including schemes funded by Integrated Transport Capital Block and Growth Deal);
- Capital Highways Maintenance and Pot-Hole funds
- Investments including Growing Places and Regional Growth Fund;
- Empty Home Programme;
- Economic Development and Regeneration Growth Deal Schemes;
- Fire Premises;
- Fire IT Schemes;
- Fire Vehicles & Equipment;
- Waste Operational Sites; and
- Waste Non-Operational Sites

1.3 The 2019/20 Capital Programme is summarised in Appendix A and the major variances are described in this report.

2. GREATER MANCHESTER TRANSPORT FUND (GMTF)

- 2.1 At its meeting on 12 May 2009, the AGMA Executive agreed to establish a Greater Manchester Transport Fund (GMTF), incorporating prioritised schemes based on delivering the maximum economic benefit (GVA) to Greater Manchester, consistent with positive package level social and environmental outcomes.
- 2.2 The GMTF programme is funded from a combination of grants from the Department for Transport; a 'top slice' from the Greater Manchester Integrated Transport Block (ITB) LTP funding; and from a combination of borrowings, to be undertaken by GMCA, and partly from local/third party contributions and local resources (including LTP and prudential borrowings).
- 2.3 The GMCA will repay the borrowings in full by 2045, in part through the application of Metrolink net revenues (being Metrolink revenues, net of operating, maintenance and other related costs); in part by the application of the annual ring-fenced levy contributions, which will be raised by GMCA, under its levying powers; and in part from local, third party, revenue contributions.
- 2.4 The GMCA and TfGM hold certain reserves which are ring-fenced to pay for and manage the risks of delivering their ongoing capital programme. This includes the capital programme reserve which will be utilised as the financing costs (which include both the interest costs and minimum revenue provision with respect to the borrowings, which have been or will be taken out to fund the delivery of the schemes in the GMTF) increase in future years.

Metrolink Expansion Programme

- 2.5 The Metrolink Expansion Projects include:
 - Phase 3 programme;
 - Metrolink Second City Crossing('2CC'); and
 - SEMMMs Interface Works.
- 2.6 The current forecast expenditure for 2019/20 is £7.5 million, compared to a budget of £11.2 million. The variance is due to the phasing of the settlement of a number of claims and the completion of a number of residual minor works that are now scheduled to be undertaken in 2020/21 in order to minimise disruption to services and customers.
- 2.7 The total forecast outturn cost is within the total approved budget.

Metrolink Renewal and Enhancement Capital Programme

- 2.8 The current forecast expenditure for 2019/20 is £2.8 million, compared to a budget of £7.6 million. This variance is primarily due to the re-phasing of some renewals and enhancement

works that are now scheduled to be undertaken in 2020/21 in order to facilitate the completion of the Metrolink Trafford Park Line Extension works. This re-phasing has also been done to minimise disruption to services and customers.

Bus Priority Programme

2.9 The current forecast for 2018/19 is £1.1 million, compared to a budget of £0.7 million. The variance is due to some works that were budgeted and previously forecast to be undertaken in 2018/19 that are now being delivered in 2019/20.

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

Park and Ride

2.11 The current forecast for 2019/20 is £0.1 million which is in line with the 2019/20 budget.

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

Bolton Town Centre Transport Strategy (BTCTS)

2.13 The current forecast net expenditure in 2019/20 is nil, compared to a budget of £0.9 million. The variance is due primarily to the phasing of risk allowances and is expected to be spent in future years.

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

A6 to Manchester Airport Relief Road

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

2.16 The current forecast expenditure in 2019/20 is £8.8 million, compared to a budget of £7.5 million. The variance is result of lower than the previous financial year forecast spend, offset by the settlement of final accounts for utility diversion works at lower values than was previously anticipated.

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

Stockport Town Centre Access Plan

2.18 Stockport MBC is responsible for the delivery of Stockport Town Centre Access Plan, a Growth Deal major DfT retained scheme.

2.19 The current forecast expenditure in 2019/20 is £8.3 million, compared to a budget of £8.7 million. The variance of £0.4 million is due to higher than forecast spend in the previous financial year.

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

3. METROLINK TRAFFORD EXTENSION

- 3.1 The Metrolink Trafford Park Line Extension will extend Metrolink as far as the Trafford Centre.
- 3.2 The current forecast expenditure in 2019/20 is £62.1 million, compared to a budget of £55.5 million. The variance of £6.6 million is due primarily to the phasing of works, with expenditure previously forecast to be incurred in financial year 2020/21 being brought into the current financial year.
- 3.3 Total forecast outturn cost is within the total approved budget.

4. TRANSFORMING CITIES FUND (TCF)

4.1 This programme includes:

- Metrolink Additional Capacity; and
- Cycling and Walking Mayoral Challenge Fund (MCF)

4.2 The Metrolink Additional Capacity programme includes the purchase of 27 additional trams and additional supporting infrastructure. The current forecast expenditure in 2019/20 for the Metrolink Additional Capacity programme is £34.7 million compared to the budget £38.4 million. The £3.7 million variance is due to some of the supporting infrastructure works being rephased into 2020/21 in order to undertake some additional technical development to ensure that the works provide the optimal operational and financial outcomes.

4.3 The Cycling and Walking Challenge Fund 2019/20 forecast spend is £5.2 million, compared to a budget of £12.3 million. The forecast expenditure is the aggregate of the individual project forecast spend that has been provided by the Local Authorities and other scheme sponsors. The £7.1 million variance is primarily due to receipt of revised forecast information from scheme promoters, and the re-profiling of delivery dates as part of the continuing design and development of the schemes that have previously been awarded Programme Entry status by GMCA. The forecast will be reviewed regularly.

4.4 Total forecast outturn cost is within the total approved budget.

5. OTHER CAPITAL SCHEMES & PROGRAMMES

5.1 The other capital projects include

- Smart Ticketing;
- Cycle City Ambition Grant 2 (CCAG);
- Cycle safety;
- Joint Air Quality Unit (JAQU) Early Measures; and
- Clean Bus Initiatives.

5.2 The current forecast expenditure in 2019/20 on the Smart Ticketing programme is £1.2 million compared to a budget of nil. The variance is due to the phasing of works in relation to the introduction of Contactless ticketing on Metrolink.

- 5.3 The current forecast expenditure in 2019/20 on the CCAG 2 programme is £2.5 million, compared to a budget of £2.3million. The variance is primarily due to the phasing of local authority delivered interventions.
- 5.4 The Alan Turing Way/Ashton New Road junction 'Cycle Safety' scheme forecast spend in 2019/20 is nil compared to a budget of £0.7million. This variance is due to the scheme now being scheduled for delivery beyond 2019/20.
- 5.5 Joint Air Quality Unit (JAQU) Early Measures Investment Funding (EMIF) 2019/20 current forecast expenditure is £1.8 million compared to a budget of £1.5 million budget. This variance is due to the revised forecast phasing of the delivery of the electric vehicle charging points that the EMIF is funding. A contract with the preferred supplier is currently scheduled to be signed in August.
- 5.6 The Clean Bus Technology Fund 2019/20 forecast of £6.0 million is in line with the 2019/20 revised budget.
- 5.7 Total forecast outturn cost for all projects and programmes included in Section 5 is within the total approved budget.

6. GROWTH DEAL MAJORS SCHEMES / GROWTH DEAL 3

- 6.1 The Growth Deal 1 Majors programme consists of 11 major schemes, excluding the Stockport TCAP scheme, which are being delivered by TfGM and the Local Authorities. The current forecast expenditure in 2019/20 is £29.7 million, compared to a budget of £32.6 million. This £2.9 million variance is due to re-phasing of construction works on a number of Local Authority Highway schemes including South Heywood Area Wide Improvements, Regent Rd/Water St, Great Ancoats Street and on the Stockport Interchange / Mixed Use Development.
- 6.2 The Growth Deal 3 (GD3) transport schemes programme includes a combination of both major and minor schemes. The current forecast expenditure in 2019/20 is £12.1 million, compared to a budget of £10.8 million. The variance is due primarily to expenditure being re-phased from future years into the current financial year.
- 6.3 Total forecast outturn cost within the total approved budget.

7. SALFORD BOLTON NETWORK IMPROVEMENTS (SBNI) – SALFORD DP4

- 7.1 The Salford Bolton Network Improvements (SBNI) scheme is part of the Growth and Reform Majors package of works and is being delivered in the form of a number of Delivery Packages. Each package comprises of a series of interventions which focus on improvements to junction layouts, pedestrian access provisions, bus priority measures and cycle infrastructure which have been developed in collaboration with Salford City Council and Bolton Council. The SBNI scheme has an overall budget from Local Growth Deal funding of £39.665m and a local

contribution of £0.8 million from Salford City Council (SCC) to fund an enhanced landscaping scheme to be delivered as part of Salford Delivery Package 4 Pendleton town centre.

- 7.2 Salford Delivery Package 4 relates to Pendleton town centre, which occupies a strategic location close to Manchester City Centre, Salford University and Salford Quays. It is the largest town centre in Salford and an important public transport hub that acts as a key location where passengers can interchange between bus services. The scheme seeks to support the economic vitality of Pendleton by improving facilities for pedestrians and bus passengers, enhancing the quality of the public realm and reducing the dominance of general traffic. Salford City Council will be responsible for managing these works with project management support and oversight provided by TfGM.
- 7.3 As reported at the 29 March 2019 GMCA meeting, the remaining SBNI Delivery Packages have been revised as part of the Minor Works Governance Procedures. The Business Case review included consideration of legal, risk, financial (both capital and revenue) and strategic fit consequences. Overall the required criteria for the project to proceed were considered to have been met and Full Approval for this element of the scheme is recommended. An economic appraisal was also undertaken, resulting in a Benefit Cost Ratio (BCR) of 3.58. The scheme is therefore considered to provide Very High Value for Money.
- 7.4 Following the conclusion of the Business Case Review, the proposals have progressed through the necessary endorsement / approval process, as provided for by the agreed GM Local Growth Deal governance arrangements. Salford Delivery Package 4 will be delivered by Salford City Council using the Manchester City Council Highways Framework. As with previous Delivery Packages, a Delivery Agreement between Salford City Council, the GMCA and TfGM will be entered into to facilitate delivery of the works.
- 7.5 A thorough review of the cost plan for the scheme was undertaken as part of the review process. It was concluded that the cost plan is robust and that the project, including an appropriate allowance for risk and contingency, is affordable within the overall scheme budget. The funding request for the Salford Delivery Package 4 is set out below. Subject to the receipt of the required approvals, it is intended that substantive main contract works will commence on site in autumn 2019.

	Scheme Budget (£'000)	Funding Released to Conditional Approval (£'000)	SCC Local Contribution (£'000)	Funding requested for delivery (£'000)
SBNI – Salford Delivery Package 4 (Pendleton)	4,401	778	800	2,823

7.6 It is recommended that the Combined Authority grant Full Approval for the Salford Delivery Package 4 scheme and the associated release of £2.823 million from the Local Growth Deal grant, required to deliver these works.

8. MINOR WORKS

8.1 The Minor Works Programme is a combination of schemes being delivered by the Local Authorities and TfGM.

8.2 The programme consists of schemes funded from a combination of Integrated Transport Block (ITB), Growth Deal 1 (GD1) and Growth Deal 2 (GD2) funding.

8.3 The current forecast expenditure in 2019/20 is £10.1 million, compared to a budget of £9.7 million. The variance is due primarily to the rephasing of Local Authority promoted schemes from the previous financial year into the current financial year.

8.4 Total forecast outturn cost is within the total approved budget.

9. MINOR WORKS APPROVALS

9.1 The governance arrangements for the Minor Works initiatives provide for the submission of Mini Business Cases; with approval oversight of these Mini Business Cases resting with the GM Transport Strategy Group (TSG) of senior transport officers; with approval for expenditure being sought from GMCA for all schemes with a forecast cost of over £0.5 million. The Minor Works schemes over £0.5 million requiring expenditure approval are shown in the table below:

Scheme Promoter	Scheme	Growth Deal funding £'000
Oldham	Mumps Bridge and Cultural Quarter	3,500
Salford	M60 Junction 13 Improvement scheme	1,056
TfGM	Cornbrook & Shudehill Metrolink Stop Improvements	2,498
TfGM	GM Wayfinding Initiative Phase 1	1,400

Oldham Mumps Bridge and Cultural Quarter (£3.5 million)

9.2 This scheme is part of the wider regeneration of Oldham Town Centre. The primary objective of the works is to prepare land for redevelopment and bring available land into productive use.

9.3 The Mumps scheme will also seek to improve the overall attractiveness of Oldham Town Centre as a destination for shoppers and visitors, a place to live and a place in which to invest; improve the attractiveness and usability of the Mumps area, particularly for pedestrians; and

improve connectivity from Mumps to the centre via Yorkshire Street to support businesses in the Independent Quarter.

- 9.4 The works are part of the regeneration of the Cultural Quarter, the objectives of which are to: realign Waterloo Street in preparation for full signalisation of the Waterloo Street/Rhodes Bank junction in the Growth Deal 3 programme; and provide a safe means of access for coach parties visiting current and future Cultural Quarter attractions. The scheme is rated medium value for money, with a Benefit Cost Ratio (BCR) of 1.84.

Salford M60 Junction 13 Improvement scheme (£1.056 million)

- 9.5 The purpose of the scheme is to provide capacity improvements at junction 13 of the M60 to relieve existing congestion issues and to facilitate the anticipated growth in the area over the next 10 to 20 years. The scheme is rated very high value for money, with a BCR of 4.54.

- 9.6 The scheme, in summary, comprises:

- installation of additional lanes on the approaches to both roundabouts to mitigate against congestion and improve traffic flow, particularly on the local highway network;
- additional lanes and lining on the two roundabouts to encourage lane discipline, thereby enhancing the flow of traffic moving through the junctions and mitigating against congestion;
- keep clear markings on the roundabouts to discourage drivers from blocking local access roads and advance signage and road markings to assist drivers in getting into the correct lanes early to improve the functioning and effectiveness of the junction; and
- improvements to the pedestrian and cycling environment via a widened shared use footway on the north of the roundabout and new gateway features on the roundabout islands to showcase and welcome visitors to the RHS (northern roundabout) and Worsley industrial heritage area (southern roundabout).

Cornbrook & Shudehill Metrolink Stop Improvements (£2.498 million)

- 9.7 Both of these Metrolink Stop Improvement projects will benefit passengers through enhanced customer facilities including enhanced weather protection; enhanced safety and security; enhanced accessibility and an improved customer experience. The scheme is rated high value for money, with a BCR of 2.88.

- 9.8 The works at Cornbrook include:

- Enhancements to the stairs and entrance area;
- A new passenger shelter at the Manchester end of the platform, along with improved lighting; and
- CCTV and equipment upgrades.

- 9.9 The works at Shudehill include:

- Replacing the shelters with larger, more modern, facilities;
- A new crossing point and improvements to lighting; and
- CCTV and equipment upgrades.

GM Wayfinding Initiative Phase 1 (£1.4 million)

9.10 GM Connected Wayfinding aims to develop a wayfinding system for Greater Manchester. The ambitions for this proposal extend across the urban environment. Phase 1 focusses upon installing physical wayfinding infrastructure (totem signs) located at strategic nodes throughout the area between Piccadilly and Victoria Rail Stations. It will also provide printed city centre maps and in-stop onward travel information at bus and Metrolink stops and base mapping. The scheme is rated high value for money, with a BCR of 2.17

10. GMCA CONTROLLED TRANSPORT SCHEMES

Traffic Signals

10.1 The current forecast is in line with the budget of £2.5 million. All traffic signals are externally funded and the annual amount will fluctuate year on year dependant on the level of new installations and developments.

Capital Highways Maintenance (Including National Productivity Investment Fund and Pot-Hole funding)

10.2 Included within the Single Pot is the Highways Maintenance allocations previously paid as ring-fenced Department for Transport (DfT) grants. Whilst the funding is no longer paid as a capital grant, an equivalent amount is received as revenue funding through the 100% business rates pilot. The 2019/20 forecast follows DfT funding allocation mechanisms.

10.3 In addition to this funding the Authority has also received funding from the Department for Transport for the National Productivity Investment Fund for two schemes in Manchester and Stockport and further funding for all ten Districts for Pot-Hole funding. These two grants total £9 million.

10.4 The proposed breakdown for each districts is detailed below;

	Highways Maintenance	Incentive Element	NPIF	Pot-Holes	Total
	£	£	£	£	£
Bolton	2,458,642	512,000		178,037	3,148,679
Bury	1,639,975	342,000		118,755	2,100,730
Manchester	3,060,099	637,000	4,211,659	221,590	8,130,348
Oldham	1,973,430	411,000		142,901	2,527,331
Rochdale	1,967,485	410,000		142,471	2,519,956
Salford	2,021,855	421,000		146,408	2,589,263
Stockport	2,557,884	533,000	3,180,139	185,223	6,456,246
Tameside	1,868,597	389,000		135,310	2,392,907
Trafford	1,872,633	390,000		135,603	2,398,236
Wigan	3,092,094	644,000		223,907	3,960,001
Total	22,512,693	4,689,000	7,391,798	1,630,206	36,223,697

11. ECONOMIC DEVELOPMENT AND REGENERATION FUNCTIONS

Recycled RGF / GPF

- 11.1 Both the Regional Growth Fund and Growing Places Fund's loans are now being repaid, with the strategy being that a perpetual fund is created to support businesses and enable growth. For 2019/20 it is estimated that £8.8 million will be defrayed, however it should be noted that the forecast will be subject to change once specific loans are approved and the timing of payments confirmed.

GM Loans Fund

- 11.2 The Greater Manchester Loan Fund ('GMLF' or 'the Fund') was established in June 2013 in response to market constraints which significantly reduced the availability of debt finance.
- 11.3 The Fund was set up to provide debt finance of between £100k and £500k to small and medium enterprises in the Greater Manchester region, with the objective of generating business growth, creating and safeguarding jobs.
- 11.4 It is anticipated that the £2.6 million will be drawn down within 2019/20.

Empty Homes Programme

- 11.5 Following a bid to the Homes and Communities Agency, up to £3.542 million was available between 2015 and 2018 to deliver 232 units. Whilst the programme did complete within 2018/19, final claims are being processed with £0.6 million anticipated to be drawn down.
- 11.6 The budget will be adjusted to reflect the final grant allocations from the Homes and Community Agency.

Housing Investment Fund

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

- 11.8 To facilitate this DCLG have provided a £300 million facility to provide the up-front funding.
- 11.9 Forecasts for 2019/20 currently stand at £122 million however it should be noted that the forecast will be subject to change once specific loans are approved and the timing of payments confirmed.

Growth Deal – Economic Development and Regeneration Projects

Skills Capital (Round One)

- 11.10 The Skills Capital (Round One) allocation is to be used supporting colleges and adult education facilities invest in capital infrastructure. There are currently six approved schemes being delivered. The forecast for 2019/20 is £2.14 million.

Skills Capital (Round Two and Three)

- 11.11 £71 million has been allocated to Skills Capital under rounds 2 and 3 of the Growth Deal. It is proposed that the allocation will deliver four strands of investment as follows;
- Large Redevelopment of Further Education
 - Priority Sectors
 - Smaller Investment Projects
 - Digital Skills

- 11.12 The forecast for 2019/20 is currently £18.9 million, however it should be noted that the forecast will be subject to change once specific grants are approved and the timing of drawdowns confirmed.

Life Sciences

- 11.13 The GM&C Life Sciences Fund is a seed and early stage venture capital fund targeting life sciences businesses located in the Greater Manchester and Cheshire & Warrington region. The forecast for 2019/20 is £2 million, however this could be subject to change as further investments are confirmed and the timings of drawdowns confirmed.

Graphene Engineering Innovation centre (GEIC)

- 11.14 The budget for 2019/20 is £0.768 million, however final claims have been submitted for the project and it has been confirmed that the remaining funds will not be required, this will allow funds to be utilised elsewhere.

International Screen School Manchester

11.15 This project by Manchester Metropolitan University provides a new £35 million facility on the Oxford Road campus and aims to be operational by mid-2021. The forecast spend for 2019/20 is £9.3 million.

Cyber Innovation Hub

11.16 This project proposes to fit out and purchase IT equipment for the hub with Manchester City Council as the delivery partner. The forecast spend for 2019/20 is £2.2 million.

Pankhurst

11.17 The LEP Board have approved a full business case for £5m of Local Growth Fund (LGF) investment in the University of Manchester to support the establishment of the Christabel Pankhurst Institute for Research in Health, Technology and Innovation ('the Pankhurst Institute'). This £5m of LGF investment will be matched by £7.2m of additional capital investment. £13.4m of revenue match will also be provided, resulting in a total project value of over £25m. The Pankhurst Institute will be a new Institute which will exploit the University of Manchester's strengths in advanced materials, digital technology and precision medicine to drive health benefit, business growth, productivity-gain and employment in Greater Manchester (GM), filling a critical gap in the GM health innovation ecosystem. The Pankhurst Institute will create a complete and robust translational pathway. Research and early translation activities of the Institute will be located in a refurbished and extended building on the University campus (the NatWest building), and later-stage translational and business engagement activities will be located in the CityLabs 4.0 development.

11.18 The approved budget for 2019/20 is £5 million, however following the submission of the costing profile, the University has requested £0.625 million in 2019/20 and £4.375 million in 2020/21. The revised budget has been adjusted accordingly.

Reallocation of Local Growth Deal Funding

11.19 As part of the annual rating of all LEPs the Government is now looking at the amount of spending on the Local Growth Fund (LGF). It has asked GM to accelerate its rate of spend and to reduce the amount of LGF funding due to be spent after March 2021. In order to achieve this the LEP board members (who met on 15/07/19) have agreed to reprofile the spend on some existing LGF schemes, bring some existing CA projects onto the LGF portfolio and allocate some existing contingency funding to project activity. The proposed changes are set out below in points a) – c) below and GMCA are asked to approve the reallocations and authorise the GMCA Treasurer to manage the process for re allocation of funds.

a) To reprofile existing LGF schemes which are funded with LGF and other monies under GMCA's control to use the LGF funding first on projects

b) To bring the following projects into the LGF portfolio:

Transport	Non Transport
	Protos Loan

Metrolink additional capacity programme/activities funded from Transforming Cities Fund	Project Q
SEMMMS 2019/20	Broughton House
Wigan A49 Link Road (grant switch in from Wigan M58 Link Road)	

- c) To reallocate the currently unallocated funding / contingency of £40.8m as set out below.
- i. £20m is ring-fenced, at this stage, to support the delivery of the enhanced outcomes on a number of current Growth Deal Transport schemes.
 - ii. Make a further allocation, in line with the original intervention rate, to Tameside Council of £1.5m following the demise of Carrillion mid project which saw the existing “Tameside One” skills capital project incur additional costs to in order to complete. This contribution will ensure that the proportion of grant funding to overall scheme cost remains consistent with the original approval.
 - iii. Increase the allocation for future Skills Capital funding by £6.22m to create a new skills funding pot totalling £8.22m to help drive the implementation of the Local Industrial Strategy (LIS), see further “Skills Investment” paper elsewhere on the agenda. The majority of the funding is likely to be for revenue purposes, therefore an appropriate revenue / capital switch will be necessary.
 - iv. In relation to the remaining Transport contingency of £13.08m, further work is required to identify potential future allocations and to ensure that any potential future allocations will be spent by March 2021. Potential allocations will be brought to a future meeting of the LEP and subsequently the CA.

LGBT+ Centre

11.20 The Proud Trust provides services to LGBT+ young people across Greater Manchester and the North West of England from its hub at the LGBT+ Centre, located on Sidney Street in central Manchester. The Centre was established in 1988, in co-operation with Manchester City Council, and was the first fully publicly funded ‘LGBT centre’ in Europe. The Centre is currently in a state of disrepair and lacks the space to accommodate the numbers of young people the Proud Trust wish to work with, or act as a true community hub.

11.21 The GMCA has approved funding of £0.45 million for the renovation of its LGBT+ Centre.

- 12.1 Work is currently on-going to re-profile the capital programme, therefore revised budgets and forecasts have not been amended at this stage but will be brought back to the GMCA in due course.

13 GM FIRE AND RESCUE

- 13.1 Following slippage of schemes in 2018/19, capital programmes have been reviewed for 2019/20. The revised budgets for the Fire Estates, Fire ICT schemes and Operational Vehicles and Equipment, now reflect the anticipated spend for the year.

14 RECOMMENDATIONS

- 14.1 The recommendations appear at the front of this report.

	Original Budget 2019/20 £'000	Revised Budget 2019/20 £'000	Current Forecast 2019/20 £'000	Variance 2019/20 £'000
Greater Manchester Transport Fund	20,375	20,375	11,473	(8,902)
Road Schemes (Stockport)				
Stockport Town Centre Access Plan (DfT retained scheme)	8,725	8,725	8,325	(400)
A6 MARR / SEMMMS	7,456	7,456	8,718	1,262
Stockport Council Schemes total	16,181	16,181	17,043	862
Other Metrolink Schemes				
Trafford Extension	55,486	55,486	62,140	6,654
Other Metrolink Schemes total	55,486	55,486	62,140	6,654
Other Capital Schemes				
Other Capital Schemes	-	-	1,241	1,241
CCAG 2	2,319	2,319	2,453	134
Transforming Cities	50,752	50,752	39,964	(10,788)
Cycle Safety	672	672	-	(672)
Clean Bus Fund		5,981	5,981	-
Early Measures	1,492	1,492	1,765	273
Other Capital Schemes total	55,235	61,216	51,404	(9,812)
Growth Deal				
TfGM Majors	16,647	16,647	17,431	784
Local Authorities Majors	15,964	15,964	12,275	(3,689)
Growth Deal 3 TfGM schemes	4,352	4,352	3,438	(914)
Growth Deal 3 Local Authorities	6,450	6,450	8,646	2,196
Growth Deal total	43,413	43,413	41,790	(1,623)
Minor Works				
ITB Local Authorities	413	413	736	323
Growth Deal 1 Local Authorities	584	584	945	361
Growth Deal 2 Local Authorities	5,510	5,510	5,380	(130)
Growth Deal 2 TfGM Schemes	3,163	3,163	3,064	(99)
Minor Works total	9,670	9,670	10,125	455
Traffic Signals (Externally Funded)	2,500	2,500	2,500	-
Full Fibre Network	7,100	7,100	7,100	-
Highways Capital Maintenance (Including Pot-Holes and NPIF)	27,202	36,224	36,224	-
Total Capital - Transport	237,162	252,165	239,798	(12,366)
Recycled GF / RGF Capital Receipts	8,806	8,806	8,806	-
GM Loans Fund	2,577	2,577	2,577	-
Empty Homes Programme	-	600	600	-
Housing Investment Fund	145,423	145,423	122,300	(23,123)
Growth Deal - Skills Capital	2,144	2,144	2,144	-
Growth Deal - Skills Capital Round 2 & 3	18,936	19,704	19,704	-
Growth Deal - Life Sciences Fund	2,000	2,000	2,000	-
Growth Deal - GEIC	768	-	-	-
Growth Deal - International Screen School Manchester	9,300	9,300	9,300	-
Growth Deal - Pankhurst	5,000	625	625	-
Growth Deal - Cyber Innovation Hub	2,200	2,200	2,200	-
Growth Deal - Investment Fund Loans	-	12,309	12,309	-
LGBT Centre	450	450	450	-
Total Capital - Economic Development & Regeneration	197,604	206,138	183,015	(23,123)
Operational Sites	49,925	49,925	49,925	-
Non-Operational Sites	2,075	2,075	2,075	-
Total Capital - Waste	52,000	52,000	52,000	-
Estates	684	1,319	1,319	-
ICT	640	301	301	-
Vehicles and Equipment	4,342	4,256	4,256	-
Total Capital - GM Fire & Rescue	5,666	5,876	5,876	-
Total Capital	492,432	516,179	480,689	(35,489)