

GREATER MANCHESTER TRANSPORT COMMITTEE

Date: 13 March 2020

Subject: Transport Revenue and Capital Budgets

Report of: Steve Warrener, Director of Finance and Corporate Services, TfGM

PURPOSE OF REPORT

To present the Transport Revenue and Capital Budgets for 2020/21.

RECOMMENDATIONS:

The Committee is requested to:

1. Note the Budgets presented to, and approved by, GMCA for 2020/21
2. Approve the proposed increase in Bus Station Departure Charges of two pence (2.6%), with effect from April 2020;
3. Agree the proposed changes in Local Link and TfGM Schools Weekly pass fares of increases in line with RPI at various dates during 2020/21 as set out in this report;
4. Agree the proposed changes to bus stop and shelter closure charges of £50 to £250, stops and that the costs thereafter are increased from £35 to £70 per stop. The costs for revisiting a stop are also proposed to increase from £50 to £100 ;
5. Note that the budget includes a grant of up to £4.6 million for GMATL

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RISK/ FINANCIAL/ LEGAL CONSEQUENCES/DETAILS

Risk Management – See Budget reports attached
 Legal Considerations – See Budget reports attached
 Financial Consequences – See Budget reports attached
 Financial Consequences – Capital – See Capital Budget report attached

BACKGROUND PAPERS:

- GMCA Transport Revenue Budget 2020/21- GMCA, 14 February 2020
- GMCA Capital Programme 2019/20 to 2022/23

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?		
GM Transport Committee	Overview & Scrutiny Committee	
	11 February 2020	

1. INTRODUCTION

- 1.1 The purpose of this report is to present the reports which have been approved by GMCA on the Transport Revenue and Capital Budgets for 2020/21.
- 1.2 The GMCA Revenue budget reports set the amount of funding which will be available to GMCA and TfGM to fund revenue activities in 2020/21, from both the Transport Levy and the Mayoral General Budgets.
- 1.3 The GMCA Capital Budget report sets out the capital programme for 2020/21, including in relation to transport schemes, the majority of which are being delivered, or programme managed, by TfGM.
- 1.4 The budget reports include the following as they relate to transport activities in 2020/21:
 - Transport Budget: report at Appendix 1. This includes the primary sources of funding for TfGM's revenue budgets;
 - Mayoral Budget: report at Appendix 2. This budget includes funding for Bus Reform, the 16-18 Concession and Local Transport Plan costs; and
 - Capital Budget: report at Appendix 3. Sets out the approved Capital Programme for 2020/21 and the following two years. The Transport capital programme budget for TfGM and Local Authority schemes, including Highways Maintenance is £202 million in 2020/21, with forecast forward spend of up to £285 million in 2021/22; £182 million in 2022/23; and planned spend in future years of £369 million.

2 REVENUE BUDGET REPORTS

- 2.1 Attached to this report are the reports on the GMCA Transport Budget (Appendix 1) and the Mayoral Budget (Appendix 2). Further reports, which related to transport budget matters, were presented to the CA. These were an overview of the various GMCA/Mayoral Budgets; and the Outturn on the GMCA Revenue budget, including Transport for 2019/20.
- 2.2 Although a large part of TfGM's revenue funding is still provided by the Transport Levy, certain activities are funded from the Mayoral Budget. These include in particular all activities in relation to Bus and in particular a 'Statutory Charge' of £86.7 million. This Statutory Charge funds the budgets for all bus related activities including bus subsidised services; Bus concessions; and the costs of Ring and Ride.
- 2.3 The Budgets approved by GMCA included increases in various fees, which have all been budgeted to increase in line with inflation. These increases which also need to be approved or agreed by GMTTC are as follows:
 - Bus Station Departure Charges to increase in line with RPI, by 2p, from April 2020, which represents an increase of 2.6%;

- Charges for temporarily opening and closing bus stops / shelters to increase from £200 to £250 for the first four stops and that the costs thereafter to increase from £35 to £70 per stop. The costs for 'revisiting' a stop are also proposed to increase from £50 to £100. All changes to be effective from 1 April 2020;
- In line with recent years, the fares on services that TfGM provides, including on schools' services and Local Link, will all be subject to increases in line with inflation as follows:
 - Schools: RPI increase from September 2020; and
 - Local Link: RPI increase from January 2021.

3 CAPITAL BUDGET REPORT

- 3.1 The Capital Budget report is set out at Appendix 3. The total approved Transport Capital Programme for 2020/21 is £202 million. Further detail is included at Appendix A of this report. This includes schemes being delivered directly by TfGM, for example The Growth Deal 'Major' Schemes being delivered by TfGM (£18.7 million in 2020/21) and those schemes which are being delivered by the Local Authorities, including highways schemes in the Growth Deal Programme and the Highways Capital Maintenance Programme (£27.2 million).
- 3.2 The report also includes the forecast costs of the programme for 2021/22 and 2022/23. Regular update reports will be presented to GMCA during the year.
- 3.3 Regular updates on the delivery of the Capital Programme are also presented to GMTCC. An update report is included on the agenda for this meeting.