

# Greater Manchester Combined Authority

## Overview & Scrutiny Committee

Date: 11<sup>th</sup> February 2026

Subject: GMCA Capital Programme 2025/26 – 2028/29

### **(Budget Paper F)**

Report of: Councillor David Molyneux, Portfolio Lead for Resources & Investment and Steve Wilson, GMCA Group Chief Financial Officer

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## **Purpose of Report**

To present an update in relation to the Greater Manchester Combined Authority's 2025/26 capital expenditure programme and the 2026/27 capital budget and forward plan for approval.

## **Recommendations:**

The GMCA Overview and Scrutiny Committee is requested to consider and comment on the report and note the recommendations which will be considered by the GMCA at its meeting on the 13 February 2026 as below.

The GMCA is requested to:

1. Note the current 2025/26 forecast of £585.9m compared to the previous forecast of £620.4m; and
2. Approve the 2026/27 capital programme budget of £1,107m and the forward plan set out in this report and Appendix A;
3. Approve the addition of £1.839m of the Department for Transport Pavement Channels Grant to deliver cross-pavement channels for residents without access to off-street parking, as outlined in section 2.6.6;
4. Note the addition of £15.6m to the 2026/27 capital programme for local highways maintenance (£7.8m to be paid to Local Authorities and £7.8m retained by

Department for Transport (DfT) as a new incentive element), as outlined in sections 2.10.8 and 2.10.9;

5. Approve utilisation of full capital to revenue 'switch' permitted under the integrated settlement flexibilities; and
6. Approve the reallocation of £5.3m of CRSTS1 / Integrated Settlement Streets for All funding from Oldham Council's Beal Valley scheme to support two new council-led projects: Park Road / Kings Road and Broadway Canal Link, as outlined in section 2.13; and
7. Approve the addition of £1.4m to the 2026/27 Capital Programme for the Mayors Renewable Fund to develop renewable energy projects, as outlined in section 6.4.1.

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## **Equalities Impact, Carbon and Sustainability Assessment:**

There are no specific equalities impact, carbon and sustainability issues contained within this report.

## **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. 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**

The report sets out the detail behind the CRSTS1 Capital to Revenue ‘switch’ in section 2.12.

## **Financial Consequences – Capital**

The report sets out the forecast capital expenditure for 2025/26 and the budget for 2026/27 and future years.

## **Number of attachments to the report: 1**

GMCA Greater Manchester Good Growth Fund Report

## **Comments/recommendations from Overview & Scrutiny Committee**

None

## **Background Papers**

- 07 February 2025 GMCA Capital Programme 2024/25 – 2027/28
- 27 June 2025 GMCA CRSTS Reprioritisation
- 19 August 2025 BNC Transport Infrastructure Pipeline
- 22 August 2025 GMCA Active Travel Funding
- 26 September 2025 GMCA Capital Budget Update – Quarter 1
- 30 October 2025 BNC Transport Infrastructure Pipeline
- 26 November 2025 GMCA Greater Manchester Good Growth Fund
- 12 December 2025 GMCA Capital Budget Update – Quarter 2
- GM Transport Strategy 2050 Greater and Delivery Plan Consultation - <https://www.gmconsult.org/transport/transport2050/>

## **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?

No

**Bee Network Committee**

N/A

**Overview and Scrutiny Committee**

N/A

# **1. Introduction/Background**

- 1.1. The Greater Manchester Combined Authority approved the 2025/26 capital programme at its meeting on 7 February 2025. The latest 2025/26 capital reforecast at quarter 2 was reported and noted by the authority at its meeting on 12 December 2025. This report is the third quarterly update for 2025/26.
- 1.2. The Authority's capital programme, funded from a number of sources and grants, includes Greater Manchester Fire and Rescue Services (GMFRS), Economic Development & Regeneration programmes, Waste & Resources Service and the continuation of the programme of activity currently being delivered by the Authority, Transport for Greater Manchester (TfGM) and GM Local Authorities (LA) including the following elements:
  - a) Metrolink schemes;
  - b) Rapid Transit schemes;
  - c) Rail schemes;
  - d) Interchange schemes;
  - e) Clean Air schemes;
  - f) Active Travel schemes;
  - g) Bus Infrastructure schemes;
  - h) Bus Franchising schemes;
  - i) Local Authority Highways schemes;
  - j) Other capital projects and programmes; and
  - k) Capital Highways Maintenance, Traffic Signals and Full Fibre.
- 1.3. The Capital Programme for 2025/26 to 2028/29 is summarised in Appendix A, and the major variances are explained in this report.

## **2. Transport Schemes**

### **2.1. Introduction**

- 2.1.1. The transport infrastructure pipeline is a key enabler to delivering the Bee Network – Greater Manchester's plan for a high-quality, affordable and fully integrated

public transport and active travel system; as well as driving growth for the people and businesses of Greater Manchester.

- 2.1.2. A significant number of CRSTS / Integrated Settlement funded programmes are on course to deliver their entire budget allocations, including Active Travel, Integrated Ticketing, Customer Information, Highways Maintenance/Minor Works and Road Safety. However, some face development and delivery challenges. While corrective actions are underway and no elements of the CRSTS1 Delivery Plan will be stopped or paused, the GMCA approved budget reallocations in June 2025 to support emerging GM priorities and ensure full utilisation of GM's CRSTS1 funding.
- 2.1.3. In June 2025, the Spending Review confirmed GM's Transport for City Regions (TCR) funding allocation of £2.47bn for the period April 2027 to March 2032, which will form part of Greater Manchester's Integrated Settlement. Work to develop a detailed Delivery Plan for this and other transport funding in the Integrated Settlement is being progressed in conjunction with the ongoing work that is taking place in relation to Greater Manchester's new draft Local Transport Plan (GM Transport Strategy 2050 and Delivery Plan <https://www.gmconsult.org/transport/transport2050/>), which is currently being consulted on. The final Delivery Plan will confirm strategic funding allocations for transport programmes and key projects that will sustain, grow and transform the network, as part of the Integrated Pipeline. The final GM Transport Strategy 2050 and Transport Delivery Plan are planned to be adopted by late summer / autumn 2026. Once the allocation of funding has been agreed and approved by the GMCA the forecast for 2026/27 onwards will be updated in subsequent reports to include this funding anticipated by quarter 3 of 26/27.

## **2.2. Metrolink Schemes**

- 2.2.1. The Metrolink Programme consists of a variety of projects to continue to provide a safe and efficient Metrolink service for customers. These projects include essential safety and operationally critical renewals, safety and operational improvement works and capacity enhancements to the network.

### **Metrolink Programme**

- 2.2.2. The Metrolink Programme includes safety and operationally critical improvement works to the network and the close out of the previous expansion programme. The current forecast expenditure on these works for 2025/26 is £4.5m compared to the

previous forecast of £8.5m. The variance is primarily due to the rephasing of Light Rail Vehicle works from 2025/26 into 2026/27, based upon the review of our programmes for delivery to minimise the impact on the operational network.

2.2.3. The 2026/27 budgeted expenditure is £10.4m.

### **Metrolink Renewals and Enhancements**

2.2.4. The Metrolink Renewals and Enhancements programme has historically been funded by prudential borrowings, with repayments being made from Metrolink net revenues. However, because of COVID-19 and the associated impact on Metrolink revenues the programme was reprioritised, with only works that are either safety or operationally critical currently being delivered.

2.2.5. The works are now funded from a mixture of borrowings and grant, including CRSTS1. The current forecast on these works for 2025/26 is £21.7m, compared to the previous forecast of £22.2m. Whilst some infrastructure delivery works have been brought forward into 2025/26 due to updated contractors programme, this has been offset by an extended tender period relating to customer facing asset renewals, resulting in the rephasing of some costs into 2026/27.

2.2.6. The 2026/27 budgeted expenditure is £40.7m.

### **Metrolink Capacity Improvement Package (MCIP)**

2.2.7. The Metrolink Capacity Improvement Programme included the purchase of 27 additional trams, all of which have been delivered and are now in operation, along with supporting infrastructure. The current forecast for 2025/26 is £1.6m, compared to the previous forecast of £1.4m. The variance is predominantly due to the contractor's programme for some of the substation works being rephased into 2025/26, resulting in accelerated progress.

2.2.8. The 2026/27 budgeted expenditure is £1.1m.

## **2.3. Rapid Transit Programme**

2.3.1. The Rapid Transit programme focuses on developing options to increase capacity by systematically reviewing the Metrolink network and developing schemes to address critical capacity constraints, with the overall aim of improving frequency and unlocking growth through capacity.

### **Rapid Transit Integration**

2.3.2. Projects include the development of new stops for rapid transit network at Cop Road, Elton Reservoir and Sandhills on the Metrolink network and Mosley

Common on the Busway. The current forecast for 2025/26 is £0.6m, compared to the previous forecast of £0.9m. Whilst works on the new Guided Busway stop at Mosely Common being brought forward from 2026/27 to 2025/26 to align to the third party developer's programme, this has been offset by the rephasing of design and engineering works on the Sandhills stop into 2026/27 in parallel with the contractor's scope being finalised.

2.3.3. The 2026/27 budgeted expenditure is £2.4m.

### **Future Rapid Transit**

2.3.4. The Future Rapid Transit Programme focuses on bringing forward major new connectivity connecting Oldham, Rochdale, Heywood and Bury through Tram and Train and additional capacity through Next Generation Vehicles for Metrolink. The current forecast capital expenditure for 2025/26 is nil, which is in line with the previous forecast as the activities to develop the Strategic Outline Business Case (SOBC) costs are being progressed utilising scheme development funding.

2.3.5. The 2026/27 budgeted expenditure is £3.6m.

## **2.4. Rail Programme**

2.4.1. The current rail programme consists of a variety of projects to improve accessibility at stations across the rail network, the enhancement of existing stations, the delivery of a new station at Golborne and the integration of rail into the Bee Network.

### **Rail Stations**

2.4.2. Projects at rail stations include improvement and enhancement works at Salford Central and Stockport stations and a new station at Golborne. The current forecast for 2025/26 is £9.6m, compared to the previous forecast of £9.1m. The variance is due to contract award and start on site dates at Golborne now being forecast to be achieved earlier than anticipated, bringing forward costs into 2025/26.

2.4.3. The 2026/27 budgeted expenditure is £4.6m.

### **Access for All**

2.4.4. The current forecast for 2025/26 is £3.7m, compared to the previous forecast of £3.0m. The variance is due to contract award and start on site dates being achieved earlier than anticipated in November, bringing forward costs into 2025/26.

2.4.5. The 2026/27 budgeted expenditure is £17.8m.

## **Park and Ride**

- 2.4.6. The current forecast for 2025/26 on the Park & Ride schemes at Tyldesley and Hindley is £1.9m, compared to the previous forecast of £2.1m. The variance is due to CCTV cameras being removed from scope of the contractor works and will be procured separately during 2026/27.
- 2.4.7. The 2026/27 budgeted expenditure is £6.9m.

## **Bee Network Rail Integration**

- 2.4.8. Greater Manchester is working with the rail industry to deliver a joined up 'London style' public transport system. This includes plans to integrate Tap-in, Tap-out ticketing and simplified fares, branded Bee Network stations with improved accessibility, service improvements, and new homes and regeneration around stations on the network.
- 2.4.9. The current forecast for 2025/26 is £2.6m, in line with previous forecast.
- 2.4.10. The 2026/27 budgeted expenditure is £11.8m.

## **2.5. Interchanges**

- 2.5.1. The current Interchanges programme consists of the redevelopment of transport Interchanges, cycle hubs and associated infrastructure.

### **Bury Interchange**

- 2.5.2. The current forecast for 2025/26 is £6.4m, compared to the previous forecast of £5.4m. The variance reflects residential development design and survey works being brought forward to support the Outline Business Case.
- 2.5.3. The 2026/27 budgeted expenditure is £9.6m.

### **Stockport Interchange**

- 2.5.4. The current forecast for 2025/26 is (£0.5m), compared to a previous forecast of £0.1m. This variance is wholly offset in section 2.7 due to the Mersey Square works now being undertaken as part of the Active Travel programme as part of larger programme improvements in the area.
- 2.5.5. The 2026/27 budgeted expenditure is £0.1m.

## **2.6. Clean Air Programme**

- 2.6.1. The schemes within this programme are funded through multiple various grants to deliver numerous clean air initiatives.

- 2.6.2. The Clean Air Programme aims to tackle air pollution on local roads in a way that protects health, jobs, livelihoods, and businesses. The schemes within this programme are funded through various grants to deliver numerous clean air initiatives.
- 2.6.3. In January 2025, Government accepted the assessment that an investment – led, non-charging Greater Manchester Clean Air Plan will achieve compliance with nitrogen dioxide levels on the local road network in the shortest possible time and by 2026 at the latest. Agreed measures with Government include zero emission buses along with depot electrification, targeted local traffic measures on Regent Road, Salford and in St John’s area, Manchester, along with funding to support moving the hackney carriage fleet to cleaner vehicles.
- 2.6.4. The current forecast for 2025/26 is £3.5m compared to the previous forecast of £1.3m. The variance is due to Local Authority confirmation of scope for Electric Vehicle Charging Infrastructure. Additionally, a new investment led plan has been produced for Clean Air Zone, rephasing costs from 2026/27 into the current year as traffic control works have been brought forward.
- 2.6.5. The 2026/27 budgeted expenditure is £2.2m.
- 2.6.6. The UK government continues to provide funding for Electric Vehicle transition. To build on progress already made, in August 2025, Department for Transport announced a further £25m capital grant for Combined Authorities and Tier 1 Local Authorities in England to deliver cross-pavement channels for residents without access to off-street parking. Of this £25m, Greater Manchester has been awarded £1.839m and GMCA is requested to approve the addition of this to the capital programme. Updates will be included in the next capital update report.

## **2.7. Active Travel Programme**

- 2.7.1. The Active Travel programme delivers a range of interventions, including cycle hire and infrastructure provision – including segregated cycle lanes, crossings, and junction safety improvements, with the rollout of high-quality active travel schemes being at the core of the Bee Network vision.

### **Mayors Cycling and Walking Challenge Fund (MCF)**

- 2.7.2. The overall programme management of the MCF, including design assurance, is undertaken by TfGM, with most schemes being delivered by the 10 GM Local Authorities. The Programme is jointly funded through Transforming Cities Fund 1 (TCF1), CRSTS 1 funding and third-party contributions. The current forecast for

2025/26 is £24.2m compared to the previous forecast of £24.7m. Whilst Rochdale Council's Castleton scheme is progressing well, with anticipated risks around the acquisition of land not materialising, thereby bringing forward previously forecast 2026/27 construction works, this has been offset by Salford Council electing to use local funding, such as S106 contributions, for construction activities rather than grant, resulting in a redistribution of funding into 2026/27.

2.7.3. The 2026/27 budgeted expenditure is £17.1m.

### **Active Travel Fund (ATF 2, 3 and 4) including Cycle Safety Grant**

2.7.4. The Active Travel Fund (ATF) programme (ATF 2, 3 and 4 and 4 extension and the Cycle Safety Grant) comprises 46 cycling and walking infrastructure schemes. The ATF capital programme is delivered predominantly by the GM Local Authorities. The current forecast for 2025/26 is £10.3m compared to the previous forecast of £11.7m. The variance is driven by works on Romiley-to-Stockport being rephased into 2026/27 following discussions around site access agreements and extended discussions on Ladybrook Valley with the environment agency over the necessary permits.

2.7.5. The 2026/27 budgeted expenditure is £11.9m.

## **2.8. Bus Infrastructure Schemes**

2.8.1. Bus infrastructure schemes comprise a range of on-highway measures across the network, delivered in partnership with GM Local Authorities, to improve bus journey times, service reliability, and grow travel by bus, walking, wheeling, and cycling. They also play an integral role in driving the growth and regeneration of our town centres and Regional Centre. The programme also includes the acquisition, renewal, and enhancement of the GM Bus Shelter estate infrastructure schemes consist of a variety of on-highway measures across the bus network, working in partnership with GM Local Authorities, to support the improvement of bus journey times and reliability of services and the growth of travel by bus, walking, wheeling and cycling as well as the acquisition, and the renewal and enhancement, of the GM Bus Shelter estate.

### **Salford Bolton Network Improvement (SBNI)**

2.8.2. The current forecast for 2025/26 is £0.2m, compared to a previous forecast of £0.3m.

2.8.3. The 2026/27 budgeted expenditure is nil.

## **Quality Bus Transit, City Centre Radials & Bus Pinchpoint & Maintenance**

- 2.8.4. The current forecast for 2025/26 is £16.5m, compared to the previous forecast of £18.6m. The variance is driven by extended timescales related to development and stakeholder engagement activities required in advance of securing the necessary powers and consents and the commencement of construction across the Programme. This has resulted in a rephasing of costs in 2026/27.
- 2.8.5. The 2026/27 budgeted expenditure is £34.3m.

## **Bus & Metrolink Shelters Estates Renewal**

- 2.8.6. The bus shelter estate, consisting of 3,534 shelters was purchased 27 March 2025.
- 2.8.7. The current forecast for 2025/26 is £1.0m, compared to the previous forecast of £1.3m. The variance is due to an updated procurement strategy on shelter advertising.
- 2.8.8. The 2026/27 budgeted expenditure is £1.5m.

## **2.9. Bus**

- 2.9.1. The programme of works includes the acquisition/construction and electrification of multiple bus depots, along with the delivery of a Zero Emissions Bus (ZEB) fleet. It also includes upgrades to ticketing, IS, and customer applications and infrastructure to support the implementation of an accessible, electrified bus fleet.
- 2.9.2. The programme is jointly funded via CRSTS1, ZEBRA, borrowings, third party contributions and JAQU.
- 2.9.3. The current forecast for 2025/26 is £56.0m, compared to the previous forecast of £51.4m. The variance is due to account-based ticketing and in-app customer safety enhancements being brought forward from 2026/27 as functionality improvements are rolled out, along with the acceleration of electric fleet charger infrastructure works at Oldham and Hyde Road phase 2. This is offset partially by fleet CCTV installation works rephased in 2026/27 to align to bus servicing schedules.
- 2.9.4. The 2026/27 budgeted expenditure is £106.7m.

## **2.10. Local Authority Schemes**

- 2.10.1. These interventions are led and delivered by the GM Local Authorities across Greater Manchester. The schemes include Stockport Road schemes (SEMMMS) highway scheme, along with others such as the CRSTS/ Integrated Settlement-

funded Streets for All programme and ongoing improvements to the key route network and other highway corridors.

### **Stockport Road Schemes**

2.10.2. Stockport Council is responsible for the delivery of the A6 to Manchester Airport Relief Road (A6MARR), resulting in the expenditure largely comprising of grant payments to Stockport MBC.

2.10.3. The current forecast for 2025/26 is £5.0m, in line with previous forecast.

2.10.4. The 2026/27 budgeted expenditure is £5.0m.

### **Other Local Authority Schemes**

2.10.5. The current forecast in 2025/26 is £110.9m, compared to the previous forecast of £111.0m.

2.10.6. The 2026/27 budgeted expenditure is £79.9m.

### **Highways Maintenance**

2.10.7. Within the 2026/27 budgeted expenditure, £35.0m relates to Core Highways Maintenance, £6.55m for Strategic Highways Maintenance and £8.15m to Minor Works / Road Safety, allocated to the GM Local Authorities as per the table below:

<b>Local Authority</b>	<b>Core Highways Maintenance 2026/27 £'000</b>	<b>Strategic Highways Maintenance 2026/27 £'000</b>	<b>Minor Works /Road Safety 2026/27 £'000</b>	<b>Total 2026/27 £'000</b>
Bolton	3,822	-	829	4,651
Bury	2,549	400	543	3,492
Manchester	4,757	-	1,685	6,442
Oldham	3,067	250	707	4,024
Rochdale	3,058	-	652	3,710
Salford	3,143	-	796	3,939
Stockport	3,978	1,400	791	6,169
Tameside	2,905	4,500	631	8,036
Trafford	2,912	-	607	3,519

Wigan	4,807	-	908	5,715
<b>Total</b>	<b>35,000</b>	<b>6,550</b>	<b>8,150</b>	<b>49,700</b>

2.10.8. The Government have additional capital funding for local highways maintenance activities in the North, (of which GM has been allocated £4.4m in each of 2023/24 and 2024/25 and £14.8m in 2025/26) and have recently announced a further £15.6m in 2026/27, of which 50% (£7.8m) will be paid to Local Authorities, as per section 2.10.9, and 50% retained by Department for Transport (DfT) as a new incentive element to ensure that best practice in sustainable highways asset management is followed.

2.10.9. The proposed allocation to the GM Local Authorities is as per the table below:

<b>Local Authority</b>	<b>2026/27 funding £'000</b>
Bolton	1,700
Bury	1,136
Manchester	2,115
Oldham	1,368
Rochdale	1,357
Salford	1,401
Stockport	1,774
Tameside	1,292
Trafford	1,294
Wigan	2,135
<b>Total</b>	<b>15,572</b>

## **2.11. Other Capital Schemes**

2.11.1. The current forecast for Other Capital Schemes is £2.7m compared to the previous forecast of £0.8m. The variance is driven by rephasing of Pelican to Puffin works into the current year as contractor capacity is greater than anticipated, bringing forward design and signal installation works.

2.11.2. The 2026/27 budgeted expenditure is £2.9m

## **2.12. Capital to Revenue ‘switch’**

2.12.1. The capital to revenue ‘switch’ is enabled by CRSTS1 being included in the Integrated Settlement from April 2025. The switch can be used to fund transport and potentially other services that require revenue funding, which would otherwise need to be funded from non-recurrent sources, including Reserves.

## **2.13. Reallocation of CRSTS1 funding**

2.13.1. Following feedback on the Beal Valley Broadbent Moss - Greenway Corridor scheme proposals, Oldham Council decided to withdraw the scheme from the CRSTS Streets for All Programme in February 2025. A proposal to reallocate the remaining CRSTS allocation of £5.3m (including development funding) to alternative schemes in Oldham has been developed and agreed with Council Officers and TfGM. The intention is to reallocate the remaining funding to the following regeneration and active travel schemes.

2.13.2. New scheme: Park Road/ Kings Road: The scheme originally received Programme Entry into the Mayor’s Challenge Fund Active Travel programme. It will improve walking and cycling in the area by upgrading active travel routes and introduce controlled crossing facilities.

2.13.3. New scheme: Broadway to Canal Link: Again, the scheme has received Programme Entry into the Mayor’s Challenge Fund Active Travel programme. Proposals include upgrading existing off-road routes which will connect routes between Chadderton and Middleton, a new residential development and a school in the area.

2.13.4. Existing scheme: St Mary’s Way: Additional funding required to introduce additional scope to the existing Streets for All CRSTS scheme. The scheme will reallocate road space along St Mary’s Way to widen pedestrian paths and introduce crossing points, improve bus stop facilities and access to Oldham’s bus station and support the delivery of 2,000 new homes in the area.

2.13.5. Further details including specific drawdown requests will be presented at the February 2026 meeting of the Bee Network Committee.

### **Traffic Signals**

2.14.1. General traffic signals are externally funded and spend will fluctuate dependent on the level on new installations requested.

2.14.2 The Authority has received Traffic Signal Obsolescence and Green Light Funding from central government to upgrade traffic signal systems by replacing obsolete

equipment and tune up traffic signals to better reflect current traffic conditions and get traffic flowing.

2.14.3 The total 2025/26 forecast expenditure is £6.4m which is in line with the previous forecast.

2.14.4 The 2026/27 budgeted expenditure is £2.5m.

### **GM One Network**

2.15.1 The GM One Network scheme is for Wide Area Network services across several GM councils and GMCA and fulfils the Department for Culture, Media and Sport (DCMS) grant conditions for activating the Local Full Fibre Network (LFFN) dark fibre infrastructure.

2.15.2 The total 2025/26 forecast expenditure of £0.9m, is in line with the previous forecast.

## **3 Integrated Pipeline – Good Growth Fund**

3.1.1 The November 2025 report to the GMCA set out a new approach to investment to deliver Good Growth across the region. The growth is underpinned by the delivery of our Integrated Investment Pipeline which represents the spatial element of the Greater Manchester Strategy.

3.1.2 The Integrated Pipeline combines major housing, employment, town centre regeneration, transport, innovation and infrastructure projects into a single coordinated programme for Greater Manchester.

3.1.3 In order to kickstart investment into the pipeline, the launch of the Good Growth Fund was announced, utilising out Integrated settlement monies alongside £150m borrowing and a commitment from the Greater Manchester Pension Fund to invest £300m into the pipeline.

3.1.4 In this budget, we have aligned all the capital available for growth into the Good Growth Fund, with £739m available for investment over the next three years, of which £459m represents the budget for 2026/27.

3.1.5 Allocations against this funding have already commenced, with £400m being committed into 18 housing and employment site projects in November 2025. Further allocations will be made in March 2026.

3.1.6 The funding will operate flexibly to blend the more flexible grant money with money that has to be recycled, in order to maximise the impact of the investment and address the funding requirements of the pipeline.

## **4 Investment Team**

### **4.1 Regional Growth Fund**

- 4.1.1 The RGF was secured in 2012/13 and 2013/14 to create economic growth and lasting employment. This fund is now in the recycling phase.
- 4.1.2 The total forecast 2025/26 expenditure has decreased from £3.5m to £1.8m due to the reprofiling of additional pipeline development activity expected in 2025/26.
- 4.1.3 The 2026/27 budgeted expenditure is £5.0m.

### **4.2 Growing Places**

- 4.2.1 The Growing Places Fund was secured in 2012/13 to generate economic activity and establish sustainable recycled funds. This fund is now in the recycling phase.
- 4.2.2 The total forecast expenditure for 2025/26 has reduced to £1.6m, as some previously expected expenditure has now been reprofiled into 2026/27.
- 4.2.3 The 2026/27 budgeted expenditure has been included within the Good Growth Fund for investment into the Integrated Pipeline.

### **4.3 Housing Investment Loan Fund (HILF)**

- 4.3.1 The GM Housing Investment Loan Fund has been designed to accelerate and unlock housing schemes to help build the new homes and support the growth ambitions of Greater Manchester.
- 4.3.2 The total forecast expenditure for 2025/26 on these schemes has decreased by £1.2m to £89.9m due to reprofiling of the scheme schedule.
- 4.3.3 The 2026/27 budgeted expenditure is £62.7m reflecting the deployment of investments approved from the first Housing Investment Loan Fund. A recapitalisation of the Housing Investment Loan Fund to £300m, has been announced by MHCLG and investments from this will be managed under the Good Growth Fund.

### **4.4 Life Sciences Fund**

- 4.4.1 The Life Sciences Funds are a 15-year venture capital funds investing in life sciences businesses across the region.
- 4.4.2 The forecast 2025/26 expenditure has increased by £0.1m to £3.1m due to a further uplift in pipeline programme spend.
- 4.4.3 The 2026/27 budgeted expenditure is £1.4m.

## **4.5 Pankhurst Institute**

4.5.1 The Pankhurst Institute is a University of Manchester led initiative to promote needs-led health technology research and innovation.

4.5.2 The previous forecast of £0.8m is no longer expected in 2025/26, which is in line with the original budget.

## **4.6 City Deal**

4.6.1 The original City Deal from 2012 was to cover a 10-year period. The expenditure was included in the budget due to ongoing negotiations with Homes England for a new City Deal fund, this has now been agreed.

4.6.2 The total forecast 2025/26 expenditure on these schemes has decreased by £1.0m to £4.8m due to the reprofiling of the schemes schedule.

## **5 Place Team**

### **5.1 Brownfield Land Fund**

5.1.1 The Authority has been successful in receiving funding from central government from the Brownfield Land Fund. The grant from central government has been provided with the aim of creating more homes by bringing more brownfield land into development.

5.1.2 The total forecast for 2025/26 has decreased from £85.5m to £64.0m as previously expected expenditure has been reprofiled to 2026/27 and will now form part of the Good Growth Fund.

### **5.2 UK Shared Prosperity Fund**

5.2.1 The Fund from central government is designed to build pride in place and increase life chances by investing in community and place, supporting local businesses and people and skills.

5.2.2 The total forecast 2025/26 of £9.5m is a reduction of £2.1m due to reprofiling of expenditure between capital and revenue within the Local Growth & Flexible Grants Programme.

### **5.3 Temporary Accommodation**

5.3.1 This Temporary Accommodation project will deliver the Greater Manchester Strategy ambition of healthy homes for all and address the increasing financial burdens on Local Authorities for emergency accommodation.

5.3.2 The 2026/27 budgeted expenditure is £30.0m.

## **5.4 Estate Regeneration**

5.4.1 To deliver estate regeneration by enabling retrofit and new build under a single programme that drives economic efficiencies while delivering improved low carbon social housing standards and new net zero social housing.

5.4.2 The 2026/27 budgeted expenditure is £2.5m.

## **6 Environment Team**

### **6.1 Public Building Retrofit Fund**

6.1.1 The Public Building Retrofit Fund was formerly known as GM Public Sector Decarbonisation Scheme and is grant funding received from central government for public building retrofit projects.

6.1.2 The current forecast of £2.1m is in line with the previously reported position.

6.1.3 The 2026/27 budgeted expenditure is £12.9m.

### **6.2 Warm Homes: Social Housing Fund**

6.2.1 A new 3 year allocation has been agreed from April 2025 to provide funding to registered social housing providers in England for energy performance improvements in their homes.

6.2.2 This scheme is currently in the mobilisation phase, and due to its early stages, variation to budget was reported at quarter 2 with a forecast of £16.6m, the current forecast remains in line with this.

6.2.3 The 2026/27 budget expenditure is £23.5m.

### **6.3 Warm Homes: Local Grant**

6.3.1 A new 3 – 5 year funding allocation has been agreed as part of the Integrated Settlement for The Warm Homes: Local Grant, this is to deliver energy performance and low carbon heating upgrades to low-income homes in England.

6.3.2 This scheme is currently in the early stages of mobilisation and the forecast expenditure of £5.2m is in line with the budget set.

6.3.3 The 2026/27 budgeted expenditure is £11.1m.

## **6.4 Mayoral Renewables Fund**

- 6.4.1 The Mayoral Renewables Fund (MRF) is a grant scheme for Mayoral Strategic Authorities (MSAs) to develop renewable energy projects in their localities. The scheme aims to contribute towards the Great British Energy (GBE) Local Power Plan, increase community benefits from, and support for, clean power, increase energy resilience and security of the public estate, improve geographic spread of benefits from energy investment and provide an initial platform for GBE to work with, and learn lessons from, regional government.
- 6.4.2 The forecast expenditure for 2025-26 is £1.4m.

## **6.5 Retrofit Loans**

- 6.5.1 Development and support for finance products to support the wider roll-out of area-based retrofit - through equity backed loans with LAs and unsecured loans. This supports a 3-year project to deliver the Integrated Settlement retrofit outcome to reduce domestic carbon emissions.
- 6.5.2 The 2026/27 budgeted expenditure is £1.0m.

# **7 Public Sector Reform Team**

## **7.1 Rough Sleeper Accommodation Programme**

- 7.1.1 The scheme is to support those rough sleeping or with a history of rough sleeping into longer-term accommodation with support. The expenditure is dependent on suitable properties becoming available.
- 7.1.2 The total forecast 2025/26 expenditure is now £0.1m due to slippage during 2024/25.

## **7.2 Project Skyline**

- 7.2.1 Project Skyline is intended to create a supply of children's homes to increase availability of Looked After Children (LAC) placements in the Greater Manchester region for some of the most vulnerable young people whilst tackling the significant costs associated with these types of placements.
- 7.2.2 The total 2025/26 forecast of £2.0m is a reduction of £0.2m from the previously reported forecast.
- 7.2.3 The 2026/27 budgeted expenditure is £3.2m.

## **7.3 Room Makers**

7.3.1 The scheme provides funding and support for Greater Manchester Foster Carers who want to renovate existing spare rooms in order to foster more children across the 10 local authorities in the region.

7.3.2 The current forecast of £0.7m is in line with budget.

## **8 Digital Team**

### **8.1 5G Innovation**

8.1.1 The programme aims to champion the use of innovative applications powered by 5G from proof of concept to widespread adoption.

8.1.2 The total forecast 2025/26 expenditure is £2.5m, this is an increase of £0.2m following an additional grant being allocated in November 2025.

## **9 Economy, Culture and Innovation Team**

9.1.1 The 'a great place to do business workstream' focusses on creating the right business environment, with the right support for entrepreneurs and businesses to start, innovate, expand and access new global markets. This includes supporting employers to attract and develop the talent they need, creating high-quality jobs that improve the lives of our residents, as well as driving economic growth. By creating the conditions for our frontier sectors to thrive, Greater Manchester will stay at the cutting edge of progress and remain a great place to invest and do business.

### **9.2 Industrial Strategy Zone**

9.2.1 This programme supports the development of the Advanced Materials and Manufacturing sector in GM through a range of projects, including local infrastructure, research and innovation, business support, skills, and planning and development.

9.2.2 The total forecast 2025/26 expenditure is £12.1m which is in line with the previous forecast.

9.2.3 The 2026/27 budgeted expenditure is £12.3m.

### **9.3 Angel Funding**

- 9.3.1 £0.8m has been forecast within 2025/26 to deliver the early-stage innovation funding that is aimed at improving the supply of innovation capital to diverse early-stage Greater Manchester businesses.
- 9.3.2 The current forecast expenditure is in line with the previous forecast.

### **9.4 Economic Development and Regeneration Flexible Grants**

- 9.4.1 This funding provides a funding settlement to each Local Authority, affording them the flexibility to prioritise this funding across the functions set out in the Economic Development & Regeneration pillar of the GMCA's Integrated Settlement. This includes improving business productivity, enabling job creation, unlocking floorspace, supporting public realm improvements, regeneration, and funding cultural activities.
- 9.4.2 The 2026/27 budgeted expenditure is £8.7m.

### **9.5 Culture & Creative Industries Programmes**

- 9.5.1 This funding will be used to deliver Greater Manchester's Creative Industries Sector Development Plan. In alignment with the GMS, this programme will support cultural activity to improve wellbeing, strengthen communities, and celebrate the distinct identities of Greater Manchester's towns and cities.
- 9.5.2 The 2026/27 budgeted expenditure is £3.0m.

### **9.6 Economic Programmes and Projects**

- 9.6.1 This funding will be used to meet capital costs of programmes and projects under the 'A great place to do business' workstream of the GMS, including investment in businesses and local regeneration.
- 9.6.2 The 2026/27 budgeted expenditure is £2.8m.

## **10 Education, Work & Skills Team**

### **10.1. Greater Manchester Post-16 Capacity Fund**

- 10.1.1 In April 2025, the Skills Minister announced that £10m capital funding would be made available to GMCA to support capacity for the rising number of 16 – 19-year-olds in Greater Manchester, this will support the creation of new education places needed for 25/26.

- 10.1.2 Along with the £10m grant awarded by Department for Education, £10m was proposed to be match funded by utilising recycled Local Growth Fund, approval was sought at 30 May 2025 GMCA meeting.
- 10.1.3 With no change to the previous report, the total forecast 2025/26 expenditure is £20.0m.
- 10.1.4 Further Department for Education grant funding has been confirmed for 26/27, which is budgeted at £11.7m.

## **10.2 Technical Excellence Colleges & Project-Based Capital Funding**

- 10.2.1 This programme will support the creation of regional hubs for high-quality technical training in priority sectors such as construction, clean energy and advanced manufacturing.
- 10.2.2 The 2026/27 budgeted expenditure is £2.0m.

## **11 Fire and Rescue Service**

### **11.1 Estates**

- 11.1.1 A long-term estates strategy has been formulated and the approved phase 1 of the scheme with plans for new builds, extensions, refurbishments, and carbon reduction schemes is underway with expected completion by 2027/28. This included additional funding of £13m which was given by the Deputy Mayor to take into account the significant cost pressures arising from significant supply chain inflation, site specific conditions and highways related costs emerging across the Estates programme.
- 11.1.2 The new build at Blackley completed in December 2025. Whitefield and Stockport are both now on site and expected to finish mid-way through 2026/27. Phase 2 of the Estates Strategy has been added to with estimates over the period 2028/29 to 2032/33, to align to the proposed extended capital programme timeline. The variance from Q2 relates to a reprofiling of the Stockport scheme, with around half of total expenditure expected in the current year, down from the majority.
- 11.1.3 Following the administration of the preferred contractor for two of the new build stations in 2024, the rest of the estates programme has been re-profiled to reflect the impact on the sequencing of works.
- 11.1.4 Alongside the estates strategy is a refresh programme of work to enhance facilities across stations. Of the initial allocation for refresh, £0.400m has been reprofiled

into 2025/26 which will be utilised to increase the scope of the number of stations and £0.135m to complete works in relation to managing contaminants guidance.

## **11.2 Transport**

11.2.1 Transport expenditure is forecast to total £3.048m in 2025/26 including Batch 4 of FDS cars scheme, B fleet vehicles and special appliances.

11.2.2 The 2026/27 budgeted expenditure is £7.97m

## **11.3 ICT**

11.3.1 The forecast for 25/26 has increased by £0.6m to £1.0m this is due to the reprofiling of the Full Fibre Network which rolled forward from 2024/25, and an increase of capital spend on systems across the service.

11.3.2 The 2026/27 budgeted expenditure is £0.15m

## **11.4 Equipment**

11.4.1 In Equipment, expenditure of £2.858m is scheduled for 2025/26. The largest items are foam equipment being built (£0.500m) and a refresh of Technical PPE (£1.123m) and remaining Structural (£0.416m) PPE due to be received from the order placed in 2024/25. The variance from Q2 relates to some schemes slipping into 26/27 (£0.2m) partially offset by additional spend in year on Water PPE (£50k).

11.4.2 The 2026/27 budgeted expenditure is £4.25m

## **11.5 Sustainability**

11.5.1 The reduction in Sustainability forecast of £0.15m relates to a further reprofiling of part of the Electric Vehicle recharging programme, with £0.20m expected in the current financial year and the remaining £0.350m expected in future financial years.

11.5.2 The 2026/27 budgeted expenditure is £0.38m

## **11.6 Waking Watch Relief Fund**

11.6.1 Following the successful roll out of the Waking Watch Relief Fund and two final payments in 2025/26, this scheme has now completed.

## 12 Waste and Resources

### 12.1 Operational Assets

12.1.1 This budget line covers all spend associated with the operation of the waste disposal assets used by the operator of the waste management contracts.

12.1.2 The forecast expenditure of £31.6m, this is a reduction of £3.3m due to reprofiling of fire suppression and detection to 2026/27.

12.1.3 The 2026/27 budgeted expenditure is £36.8m

### 12.2 Non-Operational Assets

12.2.1 This budget line covers all spend associated with the closed landfill sites any other land not being used for waste management.

12.2.2 The expected 2025/26 expenditure of £0.2m is in line with the previously reported forecast.

## 13. Funding Requirements

13.1 The estimated funding profile for the forecast spend in 2025/26 and 2026/27 is as follows, resulting in a borrowing requirement of £526m for 2026/27:

Source	25/26 £'000	26/27 £'000
Borrowing	54,287	25,793
Grants	227,553	343,790
External Contributions	7,746	3,565
<b>Transport</b>	<b>289,586</b>	<b>373,148</b>
Borrowing	5,718	419,222
Grants	135,413	150,546
Capital Receipts	750	82,716
Revenue Contribution	96,401	-
<b>Economic Development &amp; Regeneration</b>	<b>238,282</b>	<b>652,484</b>
Borrowing	25,725	44,282
Grants	327	-
Revenue Contribution	90	90
<b>Fire</b>	<b>26,142</b>	<b>44,372</b>
Borrowing	31,842	36,778
<b>Waste</b>	<b>31,842</b>	<b>36,778</b>
<b>TOTAL</b>	<b>585,852</b>	<b>1,106,782</b>

Appendix A

	2025/26 Budget	2025/26 Previous Forecast	2025/26 Forecast	2025/26 Variance	2026/27 Forecast	2027/28 Forecast	2028/29 Forecast
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Metrolink Programme	10,480	8,495	4,460	4,035	10,395	6,947	12,463
Metrolink Renewals and Enhancements	24,997	22,247	21,686	561	40,747	35,354	13,359
Trafford Extension	51	(308)	(318)	10	-	-	4,907
Metrolink Improvement Package	49	78	78	-	-	2,065	-
Metrolink Capacity Improvement Programme	1,848	1,402	1,561	(159)	1,102	3,768	358
<b>Metrolink</b>	<b>37,425</b>	<b>31,914</b>	<b>27,467</b>	<b>4,447</b>	<b>52,244</b>	<b>48,134</b>	<b>31,087</b>
Rapid Transit Integration	636	884	591	293	2,432	2,170	-
Future Rapid Transit	168	-	-	-	3,614	11,438	11,441
<b>Rapid Transit</b>	<b>804</b>	<b>884</b>	<b>591</b>	<b>293</b>	<b>6,046</b>	<b>13,608</b>	<b>11,441</b>
Rail Stations	10,133	9,120	9,613	(493)	4,578	21,076	-
Access For All	8,331	3,010	3,656	(646)	17,791	10,494	6,204
Park and Ride	2,495	2,094	1,945	149	6,927	2,969	16
Rail Integration	2,000	2,648	2,621	27	11,796	1,083	-
<b>Rail</b>	<b>22,959</b>	<b>16,872</b>	<b>17,835</b>	<b>(963)</b>	<b>41,092</b>	<b>35,622</b>	<b>6,220</b>
Bury Interchange	7,545	5,440	6,419	(979)	9,554	17,805	6,677
Stockport Interchange (Inc Bridge) Interchanges Programme	39	90	(491)	581	50	313	-
Interchange Programme	-	42	36	6	6	4,129	-
<b>Interchanges</b>	<b>7,584</b>	<b>5,572</b>	<b>5,964</b>	<b>(392)</b>	<b>9,610</b>	<b>22,247</b>	<b>6,677</b>

	2025/26 Budget £'000	2025/26 Previous Forecast £'000	2025/26 Forecast £'000	2025/26 Variance £'000	2026/27 Forecast £'000	2027/28 Forecast £'000	2028/29 Forecast £'000
<b>Clean Air Schemes</b>	<b>404</b>	<b>1,262</b>	<b>3,496</b>	<b>(2,234)</b>	<b>2,211</b>	<b>27,355</b>	<b>4,329</b>
Active Travel Fund	12,940	11,701	10,346	1,355	11,895	15,236	-
Active Travel	23,673	24,659	24,218	441	17,137	8,117	1,180
<b>Active Travel</b>	<b>36,613</b>	<b>36,360</b>	<b>34,564</b>	<b>1,796</b>	<b>29,032</b>	<b>23,353</b>	<b>1,180</b>
SBNI	125	279	242	37	36	(4,934)	-
Bus Priority Programme	62	49	56	(7)	8	398	-
Bus Shelters	2,000	1,337	1,029	308	1,492	-	-
Bus Infrastructure	26,718	18,558	16,517	2,041	34,336	53,378	43,454
Other Bus Schemes	-	-	-	-	-	35	-
<b>Bus</b>	<b>28,905</b>	<b>20,223</b>	<b>17,844</b>	<b>2,379</b>	<b>35,872</b>	<b>48,877</b>	<b>43,454</b>
<b>Bus Franchising</b>	<b>33,911</b>	<b>51,444</b>	<b>55,988</b>	<b>(4,544)</b>	<b>106,718</b>	<b>60,863</b>	<b>9,057</b>
Stockport Road Schemes	7,697	5,000	5,000	-	5,000	7,799	-
Rail Stations	389	884	884	-	-	-	-
LA Major Highway Interventions (Growth Deal)	600	-	-	-	-	-	3,347
ITB Local Authorities	593	92	48	44	-	539	-
Growth Deal 1 & 2 Local Authorities	570	570	463	107	-	165	-
Streets for All	17,544	23,878	23,891	(13)	30,198	79,357	57,077
Key Route Network & Road Improvements	41,350	77,455	77,455	-	41,550	-	-
Vision Zero	385	-	-	-	-	-	-
Other Highways	16,300	8,150	8,150	-	8,150	-	-
<b>Local Authority</b>	<b>85,428</b>	<b>116,029</b>	<b>115,891</b>	<b>138</b>	<b>84,898</b>	<b>87,860</b>	<b>60,424</b>



	2025/26 Budget	2025/26 Previous Forecast	2025/26 Forecast	2025/26 Variance	2026/27 Forecast	2027/28 Forecast	2028/29 Forecast
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Public Building Retrofit Fund (GM PSDS)	2,883	2,128	2,128	-	12,916	12,778	-
Warm Homes: Social Housing Fund	21,318	16,629	16,629	-	23,547	23,547	-
Warm Homes: Local Grant	5,280	5,280	5,280	-	11,124	11,124	-
Mayoral Renewables Fund	-	-	1,435	(1,435)	-	-	-
Retrofit Loans	-	-	-	-	1,000	-	-
<b>Environment Team</b>	<b>29,481</b>	<b>24,037</b>	<b>25,472</b>	<b>(1,435)</b>	<b>48,587</b>	<b>47,449</b>	<b>-</b>
Rough Sleeper Accommodation Programme	-	20	20	-	-	-	-
GM Room Makers	700	700	700	-	-	-	-
Project Skyline	2,197	2,197	2,038	159	3,222	200	-
<b>Public Sector Reform Team</b>	<b>2,897</b>	<b>2,917</b>	<b>2,758</b>	<b>159</b>	<b>3,222</b>	<b>200</b>	<b>-</b>
5G Innovation	-	2,390	2,540	(150)	-	-	-
<b>Digital Team</b>	<b>-</b>	<b>2,390</b>	<b>2,540</b>	<b>(150)</b>	<b>-</b>	<b>-</b>	<b>-</b>
Angel Funding	-	750	750	-	-	-	-
Industrial Strategy Zone	10,800	12,115	12,115	-	12,300	2,970	3,523
Economic Development and Regeneration Flexible Grants	-	-	-	-	8,739	10,687	19,760
Culture and Creative Industries Programmes	-	-	-	-	3,000	3,000	3,000
Economic Programmes and Projects	-	-	-	-	2,800	1,800	1,800
<b>Economy, Culture &amp; Innovation Team</b>	<b>10,800</b>	<b>12,865</b>	<b>12,865</b>	<b>-</b>	<b>26,839</b>	<b>18,457</b>	<b>28,083</b>
Post-16 Capacity Fund	-	20,000	20,000	-	11,675	-	-
Technical Excellence Colleges & Project Based Capital	-	-	-	-	1,967	523	551
<b>Education, Work &amp; Skills Team</b>	<b>-</b>	<b>20,000</b>	<b>20,000</b>	<b>-</b>	<b>13,642</b>	<b>523</b>	<b>551</b>

	2025/26 Budget	2025/26 Previous Forecast	2025/26 Forecast	2025/26 Variance		2026/27 Forecast	2027/28 Forecast	2028/29 Forecast
	£'000	£'000	£'000	£'000		£'000	£'000	£'000
<b>Total Capital - Economic Development &amp; Regeneration</b>	<b>270,355</b>	<b>267,665</b>	<b>238,282</b>	<b>29,383</b>		<b>652,484</b>	<b>198,264</b>	<b>192,825</b>
Estates	31,059	21,271	19,092	2,179		31,627	10,484	2,291
Transport	7,030	3,048	2,701	347		7,971	3,030	135
ICT	350	963	963	-		150	150	150
Equipment	981	2,858	2,707	151		4,249	801	170
Sustainability	275	425	275	150		375	275	75
Health & Safety		77	77	-		-		
Waking Watch Relief		327	327	-				
<b>Total Capital - Fire &amp; Rescue Service</b>	<b>39,695</b>	<b>28,969</b>	<b>26,142</b>	<b>2,827</b>		<b>44,372</b>	<b>14,740</b>	<b>2,821</b>
Operational Sites	25,617	34,942	31,642	3,300		36,778	8,250	3,438
Non-Operational Sites		200	200	-		-	-	-
<b>Total Capital - Waste &amp; Resources</b>	<b>25,617</b>	<b>35,142</b>	<b>31,842</b>	<b>3,300</b>		<b>36,778</b>	<b>8,250</b>	<b>3,438</b>
<b>Total Capital</b>	<b>598,287</b>	<b>620,449</b>	<b>585,852</b>	<b>34,597</b>		<b>1,106,782</b>	<b>591,751</b>	<b>375,453</b>