PURPOSE OF REPORT

The purpose of this report is to update members on the forecast capital outturn position for 2012/13 and to present the 2013/14 capital programme and forward commitments as approved by the Greater Manchester Combined Authority (GMCA or the Authority) on 25 January 2013.

Recommendations

The Committee is requested to:

1. Note that the current forecast capital expenditure for 2012/13 is as detailed in the report and Appendix A.

2. Endorse the one year capital programme 2013/14 and forward commitments as presented in Appendix A and approved by GMCA on 25 January 2013.

3. Note that the capital programme will require a potential long term borrowing requirement of £429.3 million over the next three years and that provision has been made in the revenue budget for the associated financing costs.

4. Note that the capital programme will continue to be reviewed and any recommendations will be reported back to the Committee later in the financial year 2013/14.

5. Note that any schemes included in the programme which have not received specific approval will be brought back to the Committee in due course.
BACKGROUND DOCUMENTS


Report to Transport for Greater Manchester Committee: ‘Greater Manchester Transport Fund Update’; 10 February 2012.


Report to Greater Manchester Combined Authority: ‘Capital Programme 2011/12 to 2013/14’; 1 April 2011.


CONTACT OFFICERS
Steve Warrener 0161 244 1025  steve.warrener@tfgm.com
Bob Morris 0161 244 1022  bob.morris@tfgm.com
David Daughney 0161 244 1176  david.daughney@tfgm.com
Jamie Finnegan 0161 244 1568  jamie.finnegan@tfgm.com
1 GMCA Capital Programme Update 2012/13

Transport Functions

1.1 TfGMC’s capital programme includes the continuation of the programme of activity currently being delivered by Transport for Greater Manchester (“TfGM”) and comprises the following elements:

- The Greater Manchester Transport Fund (‘GMTF’);
- Metrolink Phase 3a extensions;
- Other Metrolink Capital Programmes;
- Transport Infrastructure Fund (Bolton & Wigan);
- Traffic Signals Upgrade;
- SEMMMS Minor Capital Programme;
- Green Bus Fund;
- Better Bus Area Fund;
- Local Sustainable Transport Fund
- Smart Ticketing; and
- Other committed schemes including Rochdale Interchange, Wythenshawe Interchange, contractual contributions to Victoria Station and Electric Vehicles.

1.2 The three year Capital Programme and the latest estimates of forecast spend for 2012/13 is summarised at Appendix A.

1.3 The proposals contained in this report would create a one year capital programme of £309.4 million in 2013/14, plus forward commitments of up to £181.5 million in 2014/15, £62.8 million in 2015/16 and planned commitments in future years of £45 million. The spending profiles in 2013/14 and future years will remain subject to scrutiny and possible change as part of the continuous review of the capital programme.

2 Metrolink Phase 3a extensions

2.1 The South Manchester Line is a 1.7 mile (2.7km) conversion of a previously disused railway corridor from Trafford Bar to St. Werburgh’s Road. This line opened on 7 June 2011.

2.2 The East Manchester line is a 3.9 miles (6.3km) section to Droylsden running from the existing Metrolink stop at Manchester Piccadilly via the Etihad Stadium and the Velodrome. This service opened for passengers on 11 February 2013.

2.3 The extensions to Oldham and Rochdale are being delivered in three phases: Oldham Rochdale Line 1 (ORL1) to Central Park; Oldham Rochdale Line 2 (ORL2) to the Oldham Mumps temporary stop; and Oldham Rochdale Line 3 (ORL 3) to Rochdale Railway Station. These extensions include the conversion of 14 miles (22.5km) of old railway line for Metrolink use. ORL1 and ORL2 opened on 13 June 2012. The new line to Shaw and Crompton opened to passenger service on 16th December 2012; and services to Rochdale Rail Station are expected to open in February, subject to a successful testing and commissioning phase.
2.4 The programme is funded from a Department for Transport (DfT) Grant of £276 million, Local Transport Plan (LTP) Top Slice of £70 million; borrowings of £229 million; and £0.5 million relating to Velodrome works funded by Manchester City Council.

2.5 The current forecast expenditure in 2012/13 is £58.6 million. This compares to the budget for the year of £72.6 million. This variance is due primarily to the phasing of certain works on the Oldham/Rochdale and East Manchester lines; and the actual, compared to the budgeted, phasing of the programme risks and contingency allowances. The forecast positive variance in 2012/13, compared to the budget, will be expended in future years, primarily 2013/14.

2.6 The 2013/14 forecast expenditure is £12.9 million.

3 Greater Manchester Transport Fund (GMTF)

3.1 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.

3.2 The GMTF programme is funded from a combination of grants from the Department for Transport; a ‘top slice’ from the Greater Manchester Integrated Transport Block (ITB) LTP funding over a period of 9 years from 2010/11; 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).

3.3 The GMCA will repay the borrowings in full by 2045, in part through the application of Metrolink net revenues (being Metrolink revenues, net of operating, maintenance and other related costs); in part by the application of the annual ring-fenced levy contributions, which will be raised by GMCA, under its levying powers; and in part from local, third party, revenue contributions.

3.4 As reported to the Combined Authority previously, GMCA and TfGM hold certain reserves which are ring-fenced to pay for and manage the risks of delivering their ongoing capital programme.

3.5 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.

3.6 The projected balance on the Capital Programme Reserve at the end of 2013/14 is approximately £30 million. This is after allowing for:

- up to £18 million towards the costs of carrying out the road works at Manchester Airport where SEMMMS and the Metrolink extension interface. This is the balance of the funding required for the full cost of the works of £35.8 million as set out in the May 2011 GMCA report;
the costs relating to the acquisition of an additional 20 trams to replace the remainder of the existing T68 fleet; and

a programme level allowance relating to the cost of delivering the Metrolink capital programme.

Metrolink Phase 3b

**East Manchester Line - Droylsden To Ashton**

3.7 The scheme comprises of a 2.4 mile (3.8km) extension from Droylsden to Ashton.

3.8 The current forecast expenditure for 2012/13 is £16.3 million. This compares to the budget for the year of £13.9 million. The variance is due primarily to the phasing of programme milestones and expenditure.

3.9 The 2013/14 forecast expenditure is £10.1 million.

3.10 The funding for this scheme includes £1.2 million of funding allocated from the Ashton Northern Bypass scheme to enable additional on street works relating to the renewal of a section of the Droylsden Road inbound carriageway to be undertaken by Tameside MBC, as approved by the Combined Authority in January 2012.

**South Manchester Line - Chorlton To East Didsbury**

3.11 The scheme comprises of a 2.8 mile (4.4km) extension from Chorlton to East Didsbury.

3.12 The current forecast expenditure in 2012/13 is £17.5 million. This compares to the budget for the year of £13.9 million. The variance is due primarily to the phasing of the programme milestones and expenditure.

3.13 The 2013/14 forecast expenditure is £7.9 million.

**Oldham Rochdale Line to Rochdale Town Centre**

3.14 The scheme comprises of a 0.7 mile (1.1km) extension into Rochdale Town Centre.

3.15 The current forecast expenditure for 2012/13 is £11.7 million, compared to the budget for the year of £12.3 million. The variance is due primarily to the phasing of utility diversion works and the actual, compared to the budgeted, phasing of programme risk allowances. The forecast positive variance in 2012/13, compared to the budget, will be expended in future years, primarily in 2013/14.

3.16 The 2013/14 forecast expenditure is £5 million.
Oldham Rochdale Line to Oldham Town Centre

3.17 The scheme comprises of a 1.5 mile (2.4km) extension into Oldham Town Centre.

3.18 The current forecast expenditure for 2012/13 is £25.4 million compared to the budget for the year of £26.4 million. The variance is due primarily to the actual, compared to the budgeted, phasing of the programme allowances. The forecast positive variance in 2012/13, compared to the budget, will be expended in future years; primarily in 2013/14.

3.19 The 2013/14 forecast expenditure is £12.9 million.

Airport Line

3.20 The scheme comprises 9 miles (14.5km) extension connecting the Regional Centre to Manchester Airport.

3.21 The current forecast expenditure for 2012/13 is £124.2 million compared to the budget for the year of £128.5 million. The variance is due primarily to the actual, compared to the budgeted, phasing of the programme risk allowances. The forecast positive variance in 2012/13, compared to the budget, will be expended in future years; primarily in 2013/14.

3.22 The 2013/14 forecast expenditure is £54.6 million.

Second City Crossing (2CC)

3.23 The Metrolink Second City Crossing (2CC) is key to delivering the Metrolink extensions currently under construction, by enabling an increase in operational capacity in the city centre to run more tram services and deliver improvements in the reliability of all Metrolink services.

3.24 The ITA Capital Projects Committee confirmed at its meeting on 18 September 2009 that Cross Street should be the alignment for the Second City Crossing and subsequent work undertaken jointly with MCC revised the southern end of the alignment to run through St Peter’s Square, and down Princess Street, avoiding Mount Street and Albert Square. These proposals, which will integrate with the MCC proposals for St Peter’s Square, were confirmed by the MCC Executive on 16 March 2011; and by the TfGM Policy and Resources Committee on 18 March 2011.

3.25 The Transport and Works Act Order (TWAO) application for the scheme was made on 17 May 2012. A total of 14 objections were received within the statutory period, one of which has since been withdrawn. One representation and one letter of support were also received.

3.26 A public inquiry into the scheme was held between 22nd and 30th January 2013.
3.27 Nineteen Listed Building Consents and one Conservation Area Consent were submitted to MCC alongside the TWAO application and these have been referred to the Department for Communities and Local Government (DCLG). These were also considered at the public inquiry with the related TWAO for 2CC.

3.28 There were 14 objections to the 2CC scheme, 6 of these were withdrawn prior to the close of public inquiry. Discussions are continuing with other objectors in order to reach Third Party Agreements and allow the objections to be withdrawn.

3.29 As outlined previously, the upgrade of the Metrolink Stop to increase the capacity at Victoria Station is being incorporated into the re-roofing works by Network Rail. A significant amount of work is required to realign the Metrolink tracks in the station and to provide additional capacity; two island platforms; and to interface effectively with the Second City Crossing. Metrolink services will continue to operate through Victoria Station whilst these works are being undertaken and the impact on service patterns from September 2013 will be reviewed and assessed in consultation with Members.

3.30 The current forecast expenditure for 2012/13 is £9.7 million, compared to the budget of £3.4 million. The variance is due primarily to expenditure on advance works on utility diversions, as approved by GMCA in April 2012, and works at Victoria.

3.31 The 2013/14 forecast expenditure is £26.2 million.

3.32 The Metrolink programme costs are currently forecast to be within the total approved programme budgets.

3.33 An update on the Metrolink Capital Programme is included as a separate agenda item for this meeting.

*Tram Replacement*

3.34 The Combined Authority approved the proposals for the replacement of 12 of the original fleet of 32 T68 trams in September 2011; and subsequently approved the proposals to replace the remaining 20 T68 trams in June 2012 at a total net forecast cost of £78 million. The trams have been ordered and are expected to be delivered by 2015.

3.35 The current forecast expenditure for 2012/13 is £38.3 million compared to the original budget for the year of £28.9 million. The variance is as a result of the timing of the approval to replace the remaining T68 trams being in advance of the assumed approval date in the original budget and the phasing of the programme risks and contingency allowances.

3.36 The 2013/14 forecast expenditure is £30.2 million.

3.37 The forecast outturn cost is in line with budget of £80.3 million.
Cross City Bus Package

3.38 The Cross City Bus Package involves the development of bus priority measures along four separate corridors:
- the A580 East Lancashire Road in Salford;
- the A664 Rochdale Road in Manchester and Rochdale;
- the Oxford Road Corridor in Manchester; and
- the Regional Centre, in Manchester.

3.39 The Cross City Bus Package will link areas of social deprivation to the North and West of Manchester with key areas of employment, education and healthcare opportunities within the City Centre, along the Oxford Road Corridor and also in the Chapel Street area of Salford.

3.40 DfT announced in November 2011 that the bids for the Cross City Bus Package and the Rochdale Interchange had been successful.

3.41 The current forecast expenditure for 2012/13 is £4.7 million compared to the budget for the year of £15.9 million.

3.42 The variance is due primarily to the phasing of the procurement for the A580 works, which is nearing completion. TfGM has also been working closely with Salford City Council (SCC) to finalise the delivery agreement for the highway works. All works on the A580 are expected to be completed during 2014. The forecast positive variance in 2012/13, compared to budget, will be expended in future years; primarily in 2013/14 and 2014/15.

3.43 The 2013/14 forecast expenditure is £21.7 million.

3.44 The forecast outturn cost for this programme is in line with the budget of £54.4 million.

Leigh Salford Manchester Guided Busway (LSM)

3.45 The LSM Busway scheme provides three core sections of bus priority infrastructure and associated park and ride facilities that will improve bus reliability and journey times. These core sections will complement the Cross City Bus package and will facilitate the enhancement of Leigh Salford bus services by including; an off highway guided section which will run from the outskirts of Leigh town centre to Ellenbrook; on highway bus priority measures along the A580 from Ellenbrook to the M60 Boothstown; and on highway bus priority measures linking Wigan to the guided section of the busway at Tyldesley.

3.46 The current forecast expenditure for 2012/13 is £5.4 million compared to the budget for the year of £10.2 million.

3.47 The variance is due primarily to the phasing of the procurement for the guided section of the busway and the phasing of the programme risk allowances. The forecast positive variance in 2012/13, compared to budget, will be expended in future years; primarily in 2013/14 and 2014/15.
The 2013/14 forecast expenditure is £24.1 million.

The forecast outturn cost for this programme is in line with the revised budget of £67.8 million.

**Park & Ride**

The proposed Park and Ride sites included within the GMBT programme, are listed below:

<table>
<thead>
<tr>
<th>Metrolink Sites</th>
<th>District</th>
<th>Other Sites (Rail unless indicated)</th>
<th>District</th>
</tr>
</thead>
<tbody>
<tr>
<td>Prestwich</td>
<td>Bury</td>
<td>Horwich Parkway</td>
<td>Bolton</td>
</tr>
<tr>
<td>Radcliffe</td>
<td>Bury</td>
<td>Irlam</td>
<td>Salford</td>
</tr>
<tr>
<td>Whitefield</td>
<td>Bury</td>
<td>M60/A580 (Bus / LSM)</td>
<td>Salford</td>
</tr>
<tr>
<td>East Didsbury</td>
<td>Manchester</td>
<td>Hazel Grove</td>
<td>Stockport</td>
</tr>
<tr>
<td>Derker</td>
<td>Oldham</td>
<td>Cheadle Hulme</td>
<td>Stockport</td>
</tr>
<tr>
<td>Hollinwood</td>
<td>Oldham</td>
<td>Guide Bridge</td>
<td>Tameside</td>
</tr>
<tr>
<td>Oldham Mumps</td>
<td>Oldham</td>
<td>Flixton</td>
<td>Trafford</td>
</tr>
<tr>
<td>Shaw &amp; Crompton</td>
<td>Oldham</td>
<td>Hindley</td>
<td>Wigan</td>
</tr>
<tr>
<td>Rochdale</td>
<td>Rochdale</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Dane Road</td>
<td>Trafford</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The forecast total capital cost of the Metrolink and Bus / LSM Park and Ride sites is approximately £26 million, to be funded as follows; £8.5 million from DfT, £2.0 million from LTP and £15.5 million of borrowings.

The Rail Park and Ride sites included within the Greater Manchester Transport Fund are at Horwich Parkway, Irlam, Hazel Grove, Cheadle Hulme, Guide Bridge, Flixton and Hindley.

Funding has been secured for the sites at Cheadle Hulme and Guide Bridge from a combination of Network Rail and the Station Commercial Project Facility (SCPF). In addition, Horwich Parkway has been successful in attracting funding of approximately £0.2 million from the SCPF, towards the overall cost of the scheme of approximately £0.7 million.

The funding for the remaining Park and Ride sites was approved by the GMCA on 28 September 2012 from a combination of £2.6 million from the additional DfT Integrated Transport Block funding made available in December 2011; £1 million of SEMMMS Minor Funding; and £0.3 million of efficiencies and savings from the Minor Works Programme.

The current forecast expenditure for 2012/13 is £4.7 million compared to the budget for the year of £14.7 million. The variance is partly due to the revised timeline in delivering the Park & Ride sites following the approval of the rail funding package for the Park & Ride sites, and the phasing of programme risk allowances.

The forecast positive variance in 2012/13, compared to budget, will be expended in future years; primarily in 2013/14.
The 2013/14 forecast expenditure is £21 million.

The forecast outturn cost for this programme is in line with the budget of £32 million.

**Altrincham Interchange**

TfGM has been working with Trafford Council, Network Rail, and a number of other key stakeholders to design and implement a significant package of improvements at the existing Altrincham Interchange facility, including the construction of a new bus interchange; improvements to the rail / light rail passenger environment; the provision of a cycle centre; and the construction of a new accessible pedestrian footbridge and associated lifts. These improvements will facilitate enhanced access for bus, rail and Metrolink passengers and will strengthen connectivity to, and within, Altrincham town centre.

A contractor was appointed to undertake the works in January 2013.

The current forecast expenditure for 2012/13 is £1.8 million compared to the budget for the year of £5.6 million. The variance is due primarily to the resolution of a number of stakeholder issues and the associated, resultant changes in design to the original scope, which resulted in a change to the planning permission submission date. This has impacted on the expenditure profile for 2012/13, but has not impacted on the forecast delivery date of the scheme.

The 2013/14 forecast expenditure is £14.9 million.

The forecast outturn cost is in line with the budget of £19.3 million.

An update on the Interchange schemes is included as a separate agenda item for this meeting.

**Bolton Interchange**

The project is being developed in conjunction with Bolton Council and involves the relocation of the existing bus station from Moor Lane to a new site adjacent to Bolton Rail Station and incorporates a direct, wholly enclosed, pedestrian footbridge between the two facilities.

The current forecast expenditure for 2012/13 is £5.4 million compared to the budget for the year of £5.9 million. The variance is due primarily to the phasing of the acquisition of the land required for the scheme.

The forecast positive variance in 2012/13, compared to budget, will be expended in future years; primarily in 2013/14.

The 2013/14 forecast expenditure is £18.5 million.

The forecast outturn cost is in line with the budget of £47.9 million.
4 Other Metrolink Capital Programmes

4.1 Other Metrolink Capital Programmes include a number of projects to enhance the overall quality of service for passengers.

4.2 The current forecast expenditure for 2012/13 is £7.1 million compared to the budget for the year of £6.4 million.

4.3 The 2013/14 forecast expenditure is £4.9 million subject to the necessary approval from the Authority.

4.4 The expenditure in 2012/13 includes the cost of acquiring the freehold of the car park at Ladywell Metrolink stop, as approved by the Combined Authority on 14 December 2012.

5 Traffic Signals Upgrade

5.1 The Traffic Signal Maintenance Contract, approved by GMCA on 1 April 2011, includes a programme to replace the existing filament lamps used in the traffic signals with Light Emitting Diode (LED) technology. This is a GMCA capital programme that will be delivered by TfGM. The budget for the LED replacement project, as approved by GMCA on 1 April 2011, is £7.5 million.

5.2 The LED replacement programme commenced at the end of 2011/12 and is for forecast to last for three years, producing savings in on-going maintenance and power costs for the signals network. These savings will be used to fund the financing costs of the LED replacement capital programme.

5.3 The forecast spend in 2012/13 is £3.7 million, which is in line with budget, and the 2013/14 forecast expenditure is £3.4 million.

5.4 The forecast outturn cost for the LED replacement programme is in line with the budget of £7.5 million.

6 Green Bus

6.1 In November 2009, a successful bid was submitted to the DfT’s Green Bus Fund competition, to support the purchase of low-carbon vehicles by TfGM for use on Metroshuttle, Yellow School Bus and General Subsidised services.

6.2 The total programme consists of 20 Metroshuttle Buses; 25 vehicles for the subsidised services network; 39 Yellow School Buses; and 4 vehicles for the Media City shuttle service.

6.3 All buses have now been delivered and are fully operational. The expenditure of £0.2 million in 2012/13 reflects final amount due with respect to the buses and is in line with the budget for the project.
6.4 An additional bid for funding was submitted to the DfT on 10 February 2012 requesting a total of £1 million for 11 single-deck vehicles for use on general subsidised services and supported schools’ services. The DfT announced on 20 March 2012 that the bid had been successful.

6.5 In line with the Department for Transport guidance, the funding will be passed on to an operator, at the time of the award of the associated operating contract; and the operator would then fund any remaining capital investment and, would own the buses.

6.6 Following the DfT announcement on 20 March 2012, this capital grant is now included in the CA capital programme for 2012/13.

7 Better Bus Area Fund

7.1 TfGM in partnership with local bus operators, the ten highways authorities of Greater Manchester and St. Helens & Warrington councils, submitted an application to the Department for Transport’s Better Bus Area Fund on 24 February 2012 for a capital grant totalling £3.5 million; £2.7 million in 2012/13 and £0.8 million in 2013/14.

7.2 The bid comprised a package of measures aimed at increasing bus patronage, with the joint objectives of promoting economic growth and reducing carbon emissions. The DfT announced on 23 March 2012 that the bid was successful and this is now included in the CA capital programme.

7.3 The current forecast expenditure for 2012/13 is £0.8 million. The forecast positive variance in 2012/13, compared to budget, will be expended in 2013/14, in line with the funding requirement.

7.4 The 2013/14 forecast expenditure is £2.7 million.

7.5 The forecast outturn cost is in line with the budget of £3.5 million.

8 Local Sustainable Transport Fund

8.1 As outlined to the CA at the 29 June meeting, the DfT announced on 27 June 2012 that the bid had been successful for £19.5 million of capital funding for the Local Sustainable Transport Fund. The timing of expenditure is currently being reviewed following the mobilisation and receipt of the grant from the DfT in full.

8.2 The current 2013/14 DfT funded forecast expenditure is £9.1 million.

8.3 The forecast outturn cost is in line with the DfT funded budget of £19.5 million
9 Smart Ticketing

9.1 The scheme includes for the roll-out of a Smart Ticketing solution initially on the Metrolink network, and subject to funding, subsequently on the bus and rail networks.

9.2 The programme is funded from a combination of a £2.2 million grant from the DfT; £1.0 million of previously released Capital Minor Works funding; and £13.2 million of prudential borrowings.

9.3 The costs and repayment of the prudential borrowings associated with this scheme will be repaid from the additional farebox net revenues that the scheme is expected to deliver, based on the experience following the implementation of similar schemes in other locations.

9.4 Following the completion of a comprehensive procurement process, TfGM has, engaged a supplier for the provision of the smart ticketing solution and the implementation project commenced in early September 2012.

9.5 The current forecast expenditure for 2012/13 is £4 million compared to the budget for the year of £7.2 million. The variance is due primarily to the actual, compared to the budgeted, phasing of contractual milestones. The forecast positive variance in 2012/13, compared to the budget, will be expended in 2013/14.

9.6 The 2013/14 forecast expenditure is £5.7 million.

9.7 The forecast outturn cost for the project is in line with the budget of £16.4 million.

10 Other Committed Capital Schemes

Transport Infrastructure Fund

10.1 The Transport Infrastructure Fund was established in 2001/02 as part of a funding package agreed with Government, with the intention of providing financial support to transport projects for those parts of the Greater Manchester conurbation which would not receive a direct benefit from the Metrolink.

10.2 The Fund was originally scheduled to last for ten years, with 2010/11 being the final year of funding. The expenditure in 2012/13 represents the utilisation of the brought forward balance of unspent funding at 31 March 2012.

10.3 The budget for 2012/13 included £1.9 million of prior years’ funding for Bolton MBC and £1.1 million of prior years’ funding for Wigan MBC.

10.4 The current forecast expenditure for 2012/13 is in line with the budget.
11 Other Committed Capital Schemes

Victoria Station Roof

11.1 TfGM has a contractual obligation to part fund the replacement of the roof that spans the Metrolink platform at Victoria Station. The commitment is £4 million and the phasing of the expenditure is based upon milestone payments.

11.2 The latest forecast expenditure in 2012/13 is £2 million.

11.3 The 2013/14 forecast expenditure is £1.6 million.

11.4 The forecast outturn cost is in line with the budget of £4 million.

Wythenshawe Interchange

11.5 A preferred solution for the Wythenshawe scheme is now progressing for a Multi-Modal Transport Interchange and significant work has been carried out in recent months to bring the new scheme forward. This has included work to maximise opportunities for integration between the bus station and the adjacent Metrolink stop.

11.6 Following a period of stakeholder engagement, the conclusion of the public consultation exercise and the progression of design development work, a planning application for the Interchange was submitted to Manchester City Council in October 2012 and approved in November 2012.

11.7 Subsequent to the receipt of Planning Consent, detailed design work for the scheme has continued, in conjunction with Manchester City Council’s highways team and other key stakeholders.

11.8 Work to progress the procurement strategy for the main construction works has continued, and it is intended that a Preferred Bidder for the scheme will be identified imminently. TfGM will work with the Preferred Bidder over the coming months in order to develop the scheme, finalise the design and agree an appropriate Target Cost. As part of this process, TfGM will be seeking to maximise the benefit of early contractor involvement in relation to such areas of development as value engineering and buildability.

11.9 The scheme will be funded from a combination of contributions from Manchester City Council and from borrowings.

11.10 The current forecast expenditure for 2012/13 is £0.4 million compared to the budget of £0.6 million. The forecast positive variance, compared to budget, will be expended in future years, primarily 2013/14.

11.11 The 2013/14 forecast expenditure is £4 million.

11.12 The forecast outturn cost is in line with the budget of £6.7 million.
Rochdale Interchange

11.13 The Rochdale Interchange scheme involves the relocation of the existing town centre bus station to an alternative site adjacent to the River Roch. This scheme will deliver a step change in public transport facilities in the town; will allow the bus and Metrolink facilities to be integrated; and will facilitate the wider town centre re-development proposals being led by Rochdale Council.

11.14 DfT announced in November 2011 that the bid for the Rochdale Interchange had been successful. The package is be funded as follows; £7 million from DfT and £4.5 million from local contributions including ITB funding and contributions from Rochdale Council and the Single Regeneration Budget (SRB).

11.15 A contractor was appointed to undertake the construction of the new Interchange in July 2012 and work commenced on site in summer 2012. Subject to the satisfactory completion of works on site, it is intended that the new Interchange will be brought into operational use during 2013.

11.16 The forecast spend in 2012/13 is £5.0 million, which compares to the budget of £6.7 million. The variance relates to the phasing of the actual, compared to budget, contractual milestones.

11.17 The 2013/14 forecast expenditure is £2.2 million.

11.18 The forecast outturn cost is in line with the budget of £11.5 million.

Electric Vehicles

11.19 The Government has formulated a strategy to promote electric and plugged in hybrid vehicles and part of this strategy includes promoting the development of electric vehicle charging infrastructure across the country. The Plugged-in Places (PiP) programme, administered by the Office for Low Emission Vehicles (OLEV), is currently funding a range of projects across the country to support the implementation of electric vehicle charging infrastructure.

11.20 The CA scheme involves installing 160 posts across Greater Manchester along with the associated management and operation of the infrastructure. 140 posts will be installed and located at park & ride sites, on-street, in popular locations, other public sector sites and where landowners agree; with a further 20 posts being funded by the private sector.

11.21 The capital cost for the delivery of the scheme is forecast to be £2.7 million. The GMCA agreed in September 2012 that the £1 million of Integrated Transport Block funding should be utilised as match funding for OLEV grant and other local funding contributions of £1.7 million.

11.22 As the CA approved the 2012/13 capital programme in September 2012, it was not included in the 2012/13 budget that was approved by the Authority in February 2012.
12.3 The forecast outturn cost is in line with the budget of £24.5 million.

13 Funding Requirements

13.1 The capital programme set out above results in a potential long term borrowing requirement of £429.3 million over the next three years and provision is being made in the revenue budget for the associated financing costs.

13.2 The estimated funding profile for the forecast spend in financial year 2013/14 is as follows:

<table>
<thead>
<tr>
<th></th>
<th>£m</th>
</tr>
</thead>
<tbody>
<tr>
<td>Borrowing</td>
<td>241.9</td>
</tr>
<tr>
<td>Local Transport Plan (DfT Grant)</td>
<td>22.6</td>
</tr>
<tr>
<td>Regional Funding Allocation (DfT Grant)</td>
<td>34.6</td>
</tr>
<tr>
<td>Reserves</td>
<td>5</td>
</tr>
<tr>
<td>Other</td>
<td>5.3</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>309.4</strong></td>
</tr>
</tbody>
</table>

14 Conclusion

14.1 Approval of the recommendations contained in at the front of this report will authorise the capital programme detailed in Appendix A.
## Expenditure Profile

<table>
<thead>
<tr>
<th></th>
<th>Outturn Forecast 2012/13 £000</th>
<th>Outturn Forecast 2013/14 £000</th>
<th>Outturn Forecast 2014/15 £000</th>
<th>Outturn Forecast 2015/16 £000</th>
<th>Outturn Forecast Future Years £000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Greater Manchester Transport Fund Capital Programme</td>
<td>299,743</td>
<td>257,277</td>
<td>150,055</td>
<td>52,315</td>
<td>41,050</td>
</tr>
<tr>
<td>Other Metrolink Schemes</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Phase 3A</td>
<td>58,621</td>
<td>12,937</td>
<td>12,571</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Other Metrolink Projects</td>
<td>7,050</td>
<td>8,946</td>
<td>3,213</td>
<td>9,749</td>
<td>1,629</td>
</tr>
<tr>
<td>MRDL Renewals</td>
<td>1,803</td>
<td>1,528</td>
<td>880</td>
<td>610</td>
<td>1,350</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>67,474</td>
<td>23,411</td>
<td>16,664</td>
<td>10,359</td>
<td>3,979</td>
</tr>
<tr>
<td>Other Committed Capital Schemes</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bolton/Wigan TIF</td>
<td>2,998</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Victoria Roof</td>
<td>2,020</td>
<td>1,626</td>
<td>375</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Wythenshawe Interchange</td>
<td>360</td>
<td>3,959</td>
<td>498</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Rochdale Interchange</td>
<td>4,991</td>
<td>2,227</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Traffic Signals</td>
<td>3,743</td>
<td>3,410</td>
<td>115</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>SEMMMS Minor</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Green Bus</td>
<td>1,225</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Better Bus Area Fund</td>
<td>800</td>
<td>2,722</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>LSTF</td>
<td>654</td>
<td>9,073</td>
<td>9,813</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Electric Vehicles</td>
<td>2,700</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Smart Ticketing</td>
<td>4,000</td>
<td>5,692</td>
<td>3,940</td>
<td>114</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>23,491</td>
<td>28,710</td>
<td>14,741</td>
<td>114</td>
<td>-</td>
</tr>
<tr>
<td>Total Capital</td>
<td>390,708</td>
<td>309,397</td>
<td>181,461</td>
<td>62,788</td>
<td>45,029</td>
</tr>
</tbody>
</table>