

Overview of GMCA Budgets

*Bolton MBC - Scrutiny
April 2023*

2023/24 Budget

In February 2023 the GMCA approved the 2023/24 revenue budget including:

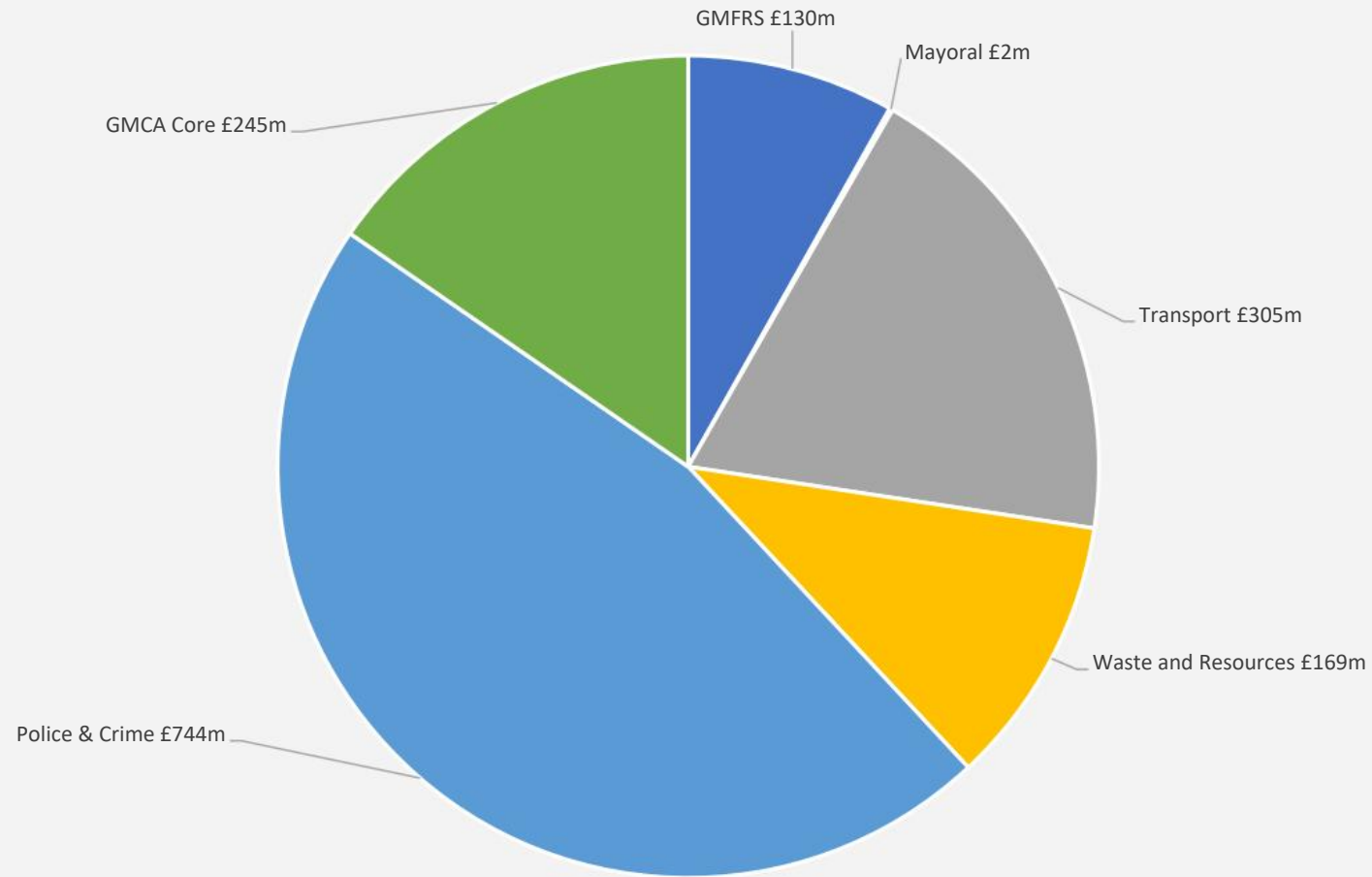
- **Mayoral General Budget** – Funded from the Mayoral precept, transport statutory charge on GM local authorities and government grants mainly for Greater Manchester Fire and Rescue (GMFRS) which is part of the Mayoral precept but also receives a revenue support grant, business rates income and a top up grant.
- **GMCA Transport Revenue Budget** – Funded from a contribution from the mayoral budget for statutory mayoral functions including Bus services and from a levy on GM local authorities for non-mayoral functions in relation to public transport and a contribution to Metrolink financing costs. The budget also includes a number of other grants received in relation to specific activities.
- **GMCA General Revenue Budget** – This includes corporate, devolved and programme funded activities of the Combined Authority. The budget is made up of a number of specific government grants, including the Adult Education Budget, retained business rates, GM local authority contributions, earmarked reserves, internal recharges to other GMCA budgets and external income.
- **Greater Manchester Waste and Resources** – This is funded from a levy to the nine GM local authorities (excluding Wigan) that participate in the GM waste service with contributions on the basis of an agreed funding mechanism.

The Police Fund budget for 2023/24 was reported to Police, Fire and Crime Panel on 23rd March 2023:

- The Mayor (PCC) is the recipient of funding relating to policing and crime reduction, including government grants, the council tax precept and other sources of income. How this money is allocated is a matter for the Mayor (PCC) in consultation with the Chief Constable..

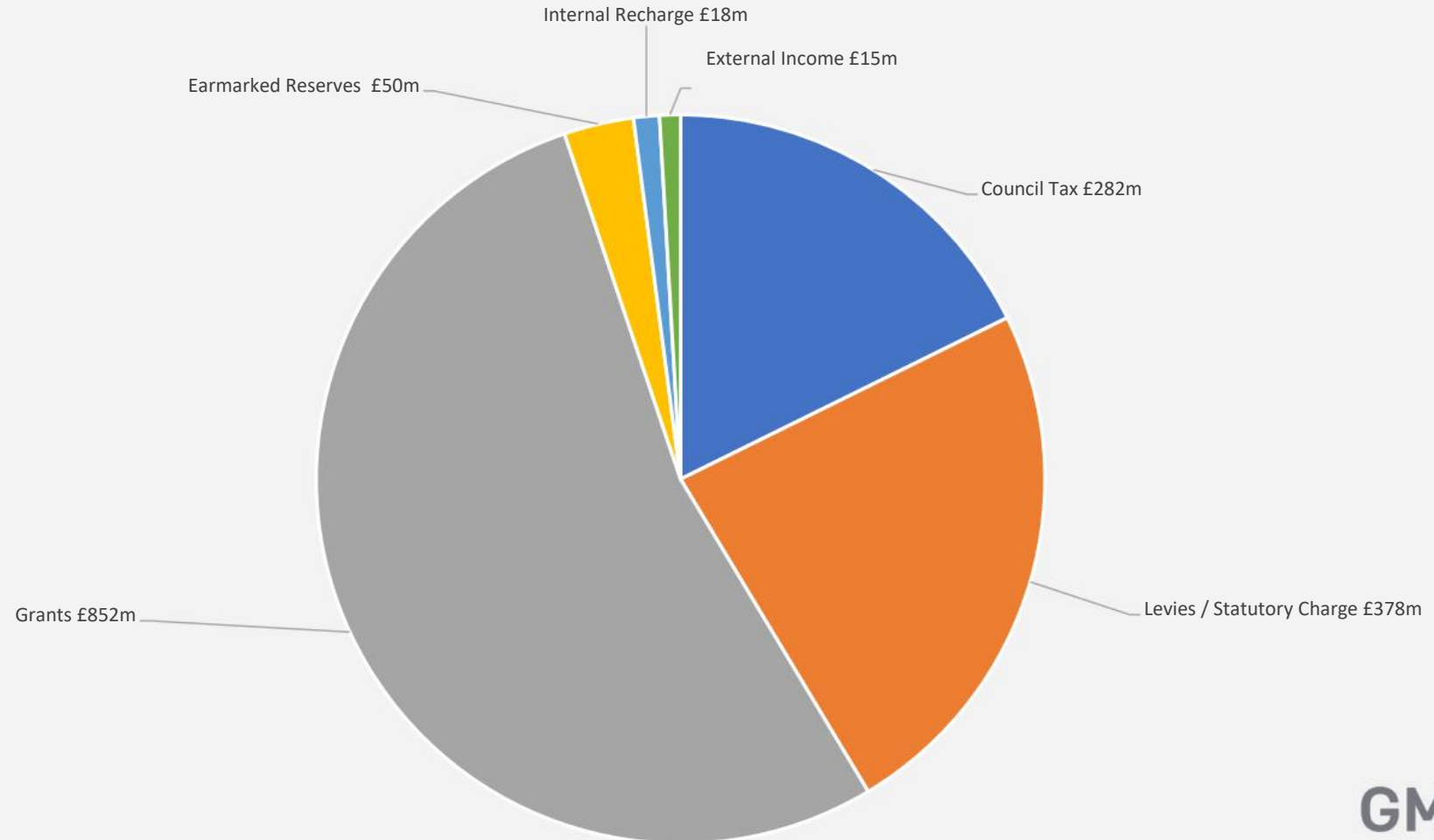
GMCA Revenue Expenditure Budget 2023/24

£1.595 billion



GMCA Funding 2023/24

£1.595 billion



Overview of GM Budgets (2023/24 Values)

- 1. GMCA Core (£245m)** – Funded by Government Grants (£190m), a small district levy (£8.6m) and other income and recharges (£46m)
- 2. Waste (£169m)** – Funded by a levy to the 9 GM Waste Authorities
- 3. Transport (£305m)**– Funded by a combination of:
 - Transport levy to Districts for non-mayoral functions inc Metrolink (**c. £113.5m**)
 - Statutory charge to Districts for Mayoral functions inc Bus (**c. £86.7m**)
 - Mayoral precept
 - Government grants (variable)
- 4. Mayoral General budget (£139m)** - £2m once Transport and GMCA funding included above has been removed – Funded from precept (£31.75 Band D) and Government grant
- 5. GM Fire and Rescue (£130m)**– Funded by Government grant (54%) and council tax (46%) precept (£76.20 Band D)
- 6. Police and Crime (£744m)**– Funded by Government grant (74%) & council tax precept (24%) (£243.30 Band D)
- 7. GMCA Capital (£591m)** – Funded by Grants and borrowing (£157m) (Excluding CRSTS)

1. GMCA General Budget

- **GMCA General budgets (£245m)** – Funded by Government Grants and small district levy (£8.6m)
- Levy funds MIDAS (£1m), Marketing Manchester (350k), Culture fund (£3.3m) and Core GMCA costs (£3.9m)
- ***Bolton Levy 2023/24 - £861k***
- Apportionment basis is different for different elements, including equal share and population weighted elements
- Levy has been flat cash since 2018/19 with a recurrent 10% reduction in 2021/22
- £1m set aside in 2022/23 for Gm wide efficiency initiatives
- CA absorb inflationary and other pressures
- ***Key Issues***
 - Pay and price inflation
 - Development of MTFP
 - Sustainability of core functions given reliance on short term funding
 - Impact of Trailblazer outcome
 - Approach to overhead charging
 - Capacity to deliver complex agenda

2. Waste Budgets

- 2023/24 Budget £169m fully funded by Levy and external income
- Levy funding from the 9 waste authorities (excludes Wigan)
- Bolton Levy 2023/24 - £19.7m
- Service delivered by Suez since June 2019
- Levy apportioned on fixed element, variable (tonnage) element, and split of HWRC costs (50:50 car ownership and CTB)
- Significant savings since end of previous PFI contract
- Reserves of over £65m returned since Suez contract began
- **Key Issues**
 - Impact of inflation (c13%) – Suez contract is RPI linked
 - High but uncertain levels of income from energy from waste and recylates
 - Future of Suez contract (consolidation in market including Suez acquisition)
 - Future impact of National Waste Strategy
 - Return of further £27m of reserves

3. Transport Budget

- Total budget of **£305m** funded by a combination of:
 - Transport levy to Districts for non-mayoral functions inc Metrolink (**c. £113.5m**) (**Bolton £11.5m**)
 - Statutory charge to Districts for Mayoral functions inc Bus (**c. £86.7m**) (**Bolton £8.8m**)
 - Mayoral precept **£21m**
 - Government grants & Reserves **£56m**
- Levy increased in 23/24 (4%) for the first time in 11 years
- Cost Drivers – Bus services and concessions (£90m), Capital Financing (£89m), Our Pass (£16m), Bus Reform (£16m), scheme development (£16m)
- **Key issues**
 - Metrolink and Bus Recovery
 - Inflation and energy costs for Metrolink
 - BSIP – Fare Capping
 - Bus Reform
 - Medium and longer term investment to deliver 2040 strategy

4. Mayoral General Budget

Mayoral Budget	2023/24 Budget
	£'000s
Mayoral General	
Employee Related	496
Supplies and Services	15
Travel Related	15
Corporate Recharge	826
Total Mayoral General	1,352
Mayoral Priorities	
A Bed Every Night	2,400
Care Leavers	550
Equality Panels	350
Good landlord scheme	300
Total Mayoral Priorities	3,600
Mayoral Transport	
Bus Reform	15,895
Our Pass	16,891
Bus Service Operators Grant	11,750
TfGM Revenue Grant	3,550
Total Mayoral Transport	48,086
Gross Expenditure	53,038
Funded by:	
Mayoral Precept	(25,193)
Collection Fund Surplus /-Deficit	(1,059)
Collection Fund Compensation	0
BSOG grant	(13,150)
Mayoral Capacity grant	(1,000)
Use of Reserves	(11,786)
External Income	(850)
Gross Income	(53,038)

- Funded from precept (£31.75 Band D) and Government grants
- Precept Frozen in 23/24 (Increased £5 (Band D) in 2022/23 (£0 in 21/22))
- Funds Our Pass, ABEN & Bus Reform plus smaller Mayoral priorities
- Future Precept increases required for Bus Reform and Our Pass plus potential other initiatives
- ABEN also funded from NHS £2m
- Transport Statutory Charge (£86.7m) also flows through mayoral budget (not shown)

5. Fire and Rescue Budget

- **£130m** budget, funded by Government grant (54%) and council tax precept (46%) (£76.20 Band D)
- Precept Increased £5 (Band D) in 2023/24 (£7 in 22/23)
- Key cost drivers – Staffing £100m (78%) , Non pay £28m, financing costs £2m
- 2023/24 Key Issues
 - Pay dispute
 - Current 22/23 pay offer 7%
 - 23/24 offer 5%
 - No additional Government funding for pay increases
 - Impact of inflation including energy prices
 - Ongoing impact of industrial action

6. Police & Crime Budget

- £744m budget - Funded by Government grant (74%) & council tax precept (24%) (£243.30 Band D)
- Precept increased £15 in 23/24 (max allowed) and £10 in 22/23 (max)
- GM remains one of lowest precepts in the country
- 2022/23 Final year of Police officer uplift programme – Further 438 new officers in 22/23
- Significant investment in Chief Constables Plan on a Page (POAP)
 - Force Contact Centre (999 & 101)
 - Detective Resilience
 - Corporate Support
- Financial pressures 22/23 – police staff pay award, utilities prices & officer overtime

7. GMCA Capital Budget

- **2023/24 opening budget £591m** – Funded by Grants (£230m), Capital receipts (£176m), borrowing (£141m) and external income (£45m)
- City Region Sustainable Transport Scheme Allocation (CRSTS) £1,070m over 5 years (£208m in 22/23, £215m thereafter)
- Main elements of Capital programme
 - **Transport - £346m**
 - GMTF - £22m (£21m Metrolink renewals)
 - Clean Air - £20m
 - Growth Deal - £50m
 - Transforming Cities Fund - £28m
 - Bus Reform - £70m
 - Zero Emission Buses (ZEBRA) - £23m
 - **Economic - £215m** (HIF £123m, Brownfield land £36m, City deal £30m)
 - **Fire & Rescue - £23m**
 - **Waste - £7m**

What's Bolton's share?

- GMCA resources for Police, Fire, Transport, Waste, Adult Education and other GMCA functions are deployed in all Greater Manchester local authority areas, with budgets managed at city region level;
- Examples of specific funding provided from GMCA directly to Bolton MBC include:
 - Annual funding for highways maintenance and minor works / road safety of c£4.7 in 2022/23 and City Region Sustainable Transport Fund for strategic maintenance of £4.5m over five years;
 - UK Shared Prosperity Fund – The Bolton UKSPF Communities and Place allocation includes seven proposed projects that have been developed to support the Bolton Vision and objectives of the 2020 Bolton Blueprint, the masterplan for Bolton town centre (£0.8m in 2022/23 part of £2.7m by March 2025);
 - Supporting Families - GMCA receives funding through the GM Reform Investment Fund working with Districts towards a collective number of families to access family support services, whilst also freeing up funding to contribute to transformation of services at neighbourhood level (c£1.5m part of £5.4m by March 2025);
 - Homelessness Prevention - A Bed Every Night, Rough Sleeper Initiative, Community Accommodation Service (c£0.9m in 2022/23 part of £2.6m by March 2025);
 - Police and Crime Commissioner funding to Community Safety Partnerships, Domestic Abuse, Youth Justice , Hate Crime, Safeguarding Boards (c£1m annual funding in 2022/23).