

Draft Statement of Accounts

For year ending 31 March 2025

(Subject to audit)



Contents

Directors' Report and Narrative Report

About Transport for Greater Manchester	4
Year at a glance.....	6
Business at a glance	9
Our structure.....	10
Bee Network: Connecting people with places.....	12
Strategic context.....	14
A green and healthy city region	16
Financial summary	18
Spend at a glance	19
Putting the customer first.....	20
Better buses through local control.....	24
A record year for Metrolink.....	28
Reimagining roads.....	30
A vision for Bee Network rail	32
Getting active: Walking, wheeling and cycling ...	36
Working with communities, partners and stakeholders.....	40
Our people.....	42
Our performance	45
Outlook	50

Statement of Accounts

Statement of Responsibilities for the Statement of Accounts	55
Annual Governance Statement	56
Independent Auditor's Report to Transport for Greater Manchester.....	76
Comprehensive Income and Expenditure Statement for the year ended 31 March 2025.....	78
Movement in Reserves Statement for the year ended 31 March 2025.....	80
Balance Sheet at 31 March 2025.....	82
Cash Flow Statement for the year ended 31 March 2025	84
Notes to the Accounts	86

Directors' Report and Narrative Report



About Transport for Greater Manchester

What is our vision?

Our vision is the same as the Greater Manchester vision.

We want Greater Manchester to be a thriving city region where everyone can live a good life.

What is our purpose?

Our purpose outlines why we exist.

Both TfGM and the Bee Network exist for the same reason: to improve lives by connecting people and places. Everything we do should stay true to this purpose.

What is our mission?

Our mission is what we're setting out to do.

For TfGM, that's to be the enabling force behind all journeys. For the Bee Network, it's to deliver seamless, affordable, safe and sustainable journeys for all.

What are our values?

Our values are the fundamental things we believe in.

They help us prioritise and make decisions. If something doesn't match our values, we don't do it. Our values are:

- **Deliver.** We do the right thing and stick to our commitments.
- **Adapt.** When we move forward, so does Greater Manchester.
- **Care.** We look after each other, our customers, our great city region and our planet.



Our Business Plan

As the Bee Network grows, we need to be able to adapt and make sure we're set up to deliver for Greater Manchester. Our Business Plan provides a focus for the year ahead, with clear measures of success. It sets out our five strategic objectives:

1. Ensure transport is an enabler to achieve city region outcomes.
2. Operate and sustain a safe, green, customer-centric, integrated transport system.
3. Grow and transform the transport network in Greater Manchester.
4. Build an inclusive, high-performing organisation with a skilled and engaged workforce.
5. Secure financial sustainability and efficient resource management.

We monitor our performance against the Business Plan closely throughout the year. You can see some of our key achievements for 2024/25 throughout this document.



Year at a glance

Over the past year we've worked with our partners to transform transport in Greater Manchester.

Through the Bee Network we've worked to improve the way millions of people travel for work, leisure and other essential trips in our thriving city region.

Here's a snapshot of some of our successes and key achievements for passengers.

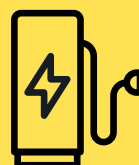


Over **100 million** bus journeys and annual patronage growth of c.14% since bus services were franchised.

All **577 bus routes** and **1,600 buses** brought back under public control.



Around **300 zero emission buses** serving local communities.



Two new **round the clock night bus services**



launched connecting Manchester with Leigh and Bolton via Salford.



1.2 million rides on Starling Bank Bike hire scheme.



20km of new Bee Network standard walking, wheeling and cycling routes, making **133km now in use.**



More than **50,000** 16–18-yr olds now using 'Our Pass' to get free travel to college, work and leisure.



Customer satisfaction up from **76% to 85%**



Eight key rail routes by 2028

to join the Bee Network
and the rest by 2030,
outlined in a new plan.

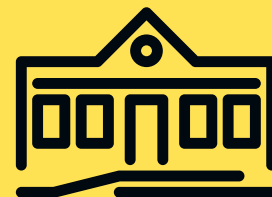


Step-free access works at
Daisy Hill & Irlam rail stations.



New rail station

for Golborne, Wigan,
on track, with a
successful business
case and planning
application.



A record breaking
46 million
tram journeys in 2024.



**£24 million Metrolink
improvement works,**
including replacing around 5km of track.

Plans on track to further
**extend the
Metrolink
network.**



24/7 Operational Control Centre

dealt with 6,000+
incidents on our roads
affecting the wider
transport network.



Vision Zero

strategy and
action plan
launched to
improve road
safety.



460,000
people using the
Bee Network
app, with close to
**1 million
downloads.**



113-strong TravelSafe officer unit patrolling 3,750+

hours a week across
Bee Network buses
and interchanges.



2.1 million
journeys made in
the first 4 weeks of
contactless 'tap and
go' launching across
bus and tram.





Business at a glance

1,600

Bee Network buses.



577

Bee Network
bus routes.

4,200

bus shelters.

12,000

bus stops.



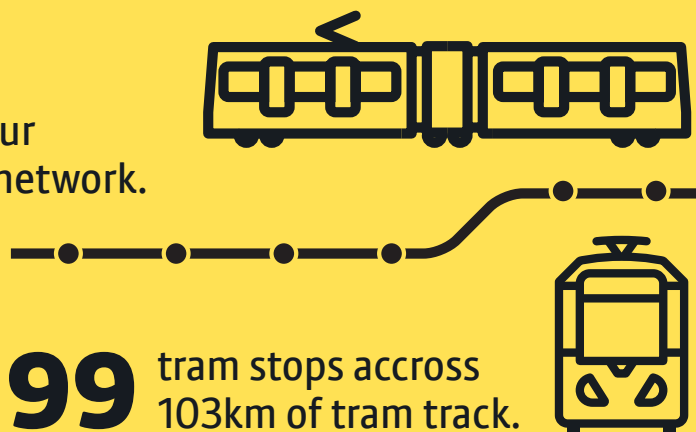
1,200

Starling Bank Bikes
running from 200 stations.



147

trams on our
Metrolink network.



99

tram stops accross
103km of tram track.

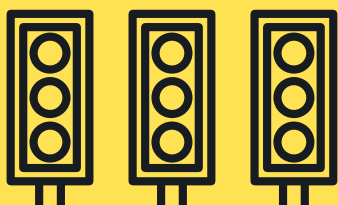


650km

Key Route Network that
we oversee and manage.

2,500

traffic signals
that we operate.



£77 million

supporting affordable
fares for younger, older
and disabled people.



19

transport interchanges
and bus stations.



14

Information and
Ticket offices that
we manage.



Our structure

Transport for Greater Manchester (TfGM) is the local government body responsible for transport. Whether it's working with bus, tram and train operators to keep your journeys on track – or delivering our local transport strategy and commitments.

We develop and deliver Greater Manchester's transport vision, strategic plans and policies on behalf of the Greater Manchester Combined Authority (GMCA), which is made up of the Greater Manchester Mayor and the ten Greater Manchester local authorities.

GMCA is the city region's primary decision-making body responsible for economic development, regeneration and housing, environment, strategic spatial planning, skills and training, police and crime, and fire and rescue.

Group Chief Executive Caroline Simpson is CEO of TfGM, GMCA and GM Fire and Rescue Service.

Greater Manchester Mayor and Commissioners

The Greater Manchester Mayor, Andy Burnham, holds some transport powers (including powers relating to bus franchising) which must be exercised individually.

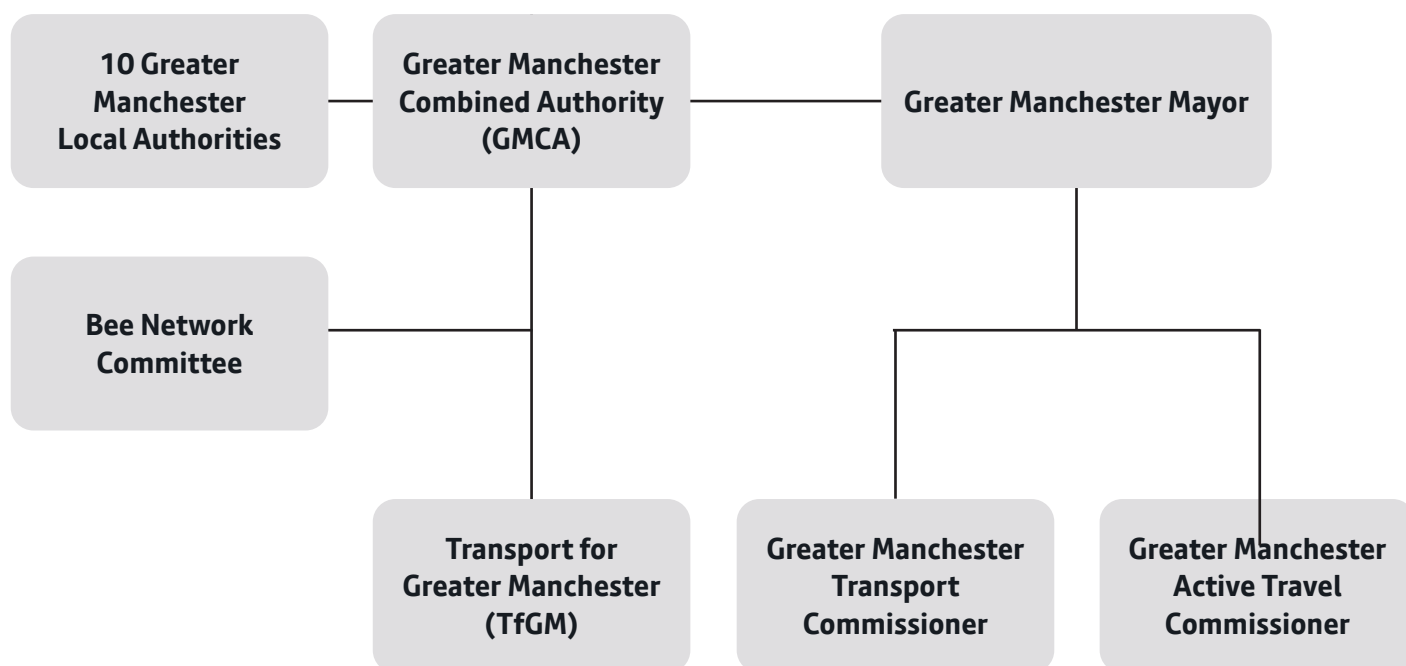
The Mayor has appointed a Transport Commissioner, Vernon Everitt, and an Active Travel Commissioner, Dame Sarah Storey, to oversee and help drive delivery of Greater Manchester's transport commitments.

GMCA has appointed both commissioners to the TfGM Executive Board, and the Transport Commissioner currently chairs the TfGM Executive Board.

The Bee Network Committee

Some transport powers are delegated to a Bee Network Committee made up of members of the ten Greater Manchester local authorities. This Committee makes decisions, monitors the performance of the transport network, develops policy and supports local coordination of the Greater Manchester highway authorities (ten GM local authorities).





TfGM's Directors

The following directors held offices of statutory membership during the year, in accordance with Section 9 (2) of the Transport Act 1968.

Caroline Simpson

Chief Executive

(Appointed 25 June 2024 following the departure of Chief Executive Eamonn Boyle on 23 June 2024).

Steve Warrener

Managing Director and Finance
and Corporate Services Director

(Left Finance and Corporate Services Director role on 31 October 2024).

Danny Vaughan

Chief Network Officer

(Appointed 1 May 2024, role replaced Chief Operating Officer).

Non-Executive Directors:

Steve Wilson

(Ex Officio Position for GMCA Treasurer.
Appointed as a Board Advisor July 2024.)

Jo Kaye

Tracey Matthews

Mike Blackburn

The Annual Governance Statement later in this document provides further details regarding about our directors, information on TfGM's governance systems and processes, and how TfGM complies with the local government governance framework.

Bee Network: Connecting people with places



Way out



- Stand P
- Stand AA Wellington Rd N
- Stand BB Wellington Rd S
- Taxis
- Lift Public park/Train station



Bee Network Mission: To deliver seamless, affordable, safe and sustainable journeys for all.

We're all about keeping Greater Manchester moving and growing. We're doing that through the Bee Network, Greater Manchester's vision for a world-class, joined-up public transport and active travel network – under local control and accountable to local people.

2024/25 was a landmark year for local transport as we brought the final local bus services back under local control and rolled out transformational improvements under the trusted yellow Bee Network brand, now a common sight across our city region.

Transforming travel

The Bee Network is starting to transform the way people travel, making it easier and more affordable for people to get where they need to go – for work, training or education, leisure or for daily activities such as doing the food shop or the school run.

We're already making journeys easier, safer and more affordable, with services you can rely on. But the Bee Network is about more than just buses, trams, bikes and roads. It also includes our facilities, services, systems and travel information that sit alongside them.

Managing and operating the Bee Network

TfGM manages the Bee Network, Greater Manchester's world-class, joined-up transport network under local control. We work closely with operators to coordinate services, help put passengers first and improve the journey experience.

- Bee Network bus services are run under franchise by commercial bus companies: Diamond, First, Go North West, Metrolink and Stagecoach.
- Bee Network tram services are run under contract by KeolisAmey Metrolink (KAM).
- Bee Network cycle hire, the Starling Bank Bike scheme, is powered by Beryl.

We make sure that our 19 interchanges and bus stations, 14 Information and Ticket offices, and approximately 12,000 bus stops and 4,200 bus shelters are safe, accessible, clean and well-run.

We're also working to make travel easier and more affordable through better information, the Bee Network app and joined-up ticketing.

Seamless travel: Customers can now make seamless journeys across buses, trams and cycling, walking and wheeling, made possible through a fully franchised bus network, introduced in phases and completed in January 2025.

Quick and easy payments: Within months of buses coming under local control, contactless 'tap and go' payments launched across bus and tram, making travel more flexible across modes and opening up new journey opportunities.

Getting active: We're delivering the largest active travel network (walking, wheeling and cycling) in the UK at pace, with 133km of routes now completed. Pedal power is seeing around 1,600 rides a day made on our Starling Bank Bikes, with the hire scheme planned to expand and 300 new e-bikes now available.

A vision for Bee Network rail: Next stop is rail, with eight local commuter train services planned to join the Bee Network in three phases by 2028, offering improved services, stations and a better journey experience.



Strategic context

Greater Manchester has a long tradition of working in partnership to achieve great things for the city region.

As part of the Greater Manchester family, TfGM has a key role to play in delivering the vision and ambitions set out in the Greater Manchester Strategy and delivery plan:

“To make Greater Manchester a thriving city region where everyone can live a good life.”

A strategy for a world-class transport network

The Greater Manchester Transport Strategy 2040 (GMTS 2040) sets out our long-term ambitions for transport to help shape and create a successful, resilient city region.

Our vision is for Greater Manchester to have:

“World-class connections that support long-term, sustainable economic growth and access to opportunity for all.”

The GMTS 2040 is aligned with a range of strategies to deliver the city region’s priorities, from the Greater Manchester Clean Air Plan to the Places for Everyone Plan.



Supporting sustainable economic growth



Protecting our environment



Improving quality of life for all

Transport Vision

World-class connections that support long-term, sustainable economic growth and access to opportunity for all.



Developing an innovative city region

Delivering the strategy

The GMTS 2040 is updated through a series of five-year delivery plans, the latest covering 2021-2026.

In turn, the 2040 Transport Strategy continues to set the framework for a range of sub-strategies, policies and delivery plans, all published at tfgm.com/strategy

That includes the **Electric Vehicle Charging Infrastructure, Streets for All, Freight and Logistics, GM Rapid Transit, Shared Mobility and Greater Manchester Bus strategies.**

People, from residents and businesses to visitors to our city region, are at the heart of the 2040 Transport Strategy.

Seven key customer-focused principles underpin our work and guide the development of the transport network, as shown in the diagram below.



A green and healthy city region

Everything we do is part of the Greater Manchester Green City Region ambition to ensure everyone has a healthy, low-carbon, nature-rich environment in which to live well, prosper and grow.

By connecting communities and encouraging more people to walk and wheel for shorter journeys, we want to clean up the air we breathe and have a healthier and happier population.

Going carbon neutral

Transport makes up 30% of the city region's total carbon emissions. So, encouraging sustainable travel is key to meeting Greater Manchester's ambition to be carbon neutral by 2038. We're also supporting the city region's ambitions to have a fully decarbonised bus and tram network by 2030.

By 2040 we want to see 50% of all journeys in Greater Manchester made by walking, wheeling, cycling and public transport – that means one million more sustainable journeys every day.

What we're doing

- Delivering the low-carbon Bee Network, including the UK's largest network of green and safe walking and cycle routes.
- Coordinating the Greater Manchester Clean Air Plan to tackle nitrogen dioxide exceedances on some local roads.
- Working with the ten Greater Manchester local authorities to deliver more Electric Vehicle (EV) chargers, with more than £16 million government funding.
- Delivering the actions in our Corporate Environment Plan.

Clean Air Plan proposals approved

Through the transformational Bee Network we're already cleaning up our air with investment in cleaner buses and active travel.

In January 2025 government approved the investment-led Greater Manchester Clean Air Plan and a further £86 million investment towards cleaner buses, taxis and targeted local traffic management measures.

The approved Clean Air Plan will allow the city region to meet legal limits for nitrogen dioxide on local roads in the shortest possible time, without the need for a Clean Air Zone.

Find out more at cleanairgm.com



Case study: Renewable power for the Bee Network

Greater Manchester is taking huge steps towards having the first carbon neutral public transport system in the UK. We've made plans to invest significantly in home grown clean energy to power the Bee Network.

In February 2025, we launched the tender process for a long-term renewable energy deal (Power Purchase Agreement) with an estimated value of £57 million over 15 years. This would give enough power for the Metrolink tram network – and act as a model to power a future electrified bus network, which is expected to almost quadruple annual energy use.

Using a long-term contract to buy energy at an agreed price is expected to both help reduce running costs and protect against spikes in energy prices.

Financial summary

TfGM's financial performance has been robust in 2024/25. This has been achieved against a challenging backdrop as local transport finances continue to be significantly affected by the COVID-19 pandemic and inflation, costing us more to run our network and services than it has done previously.

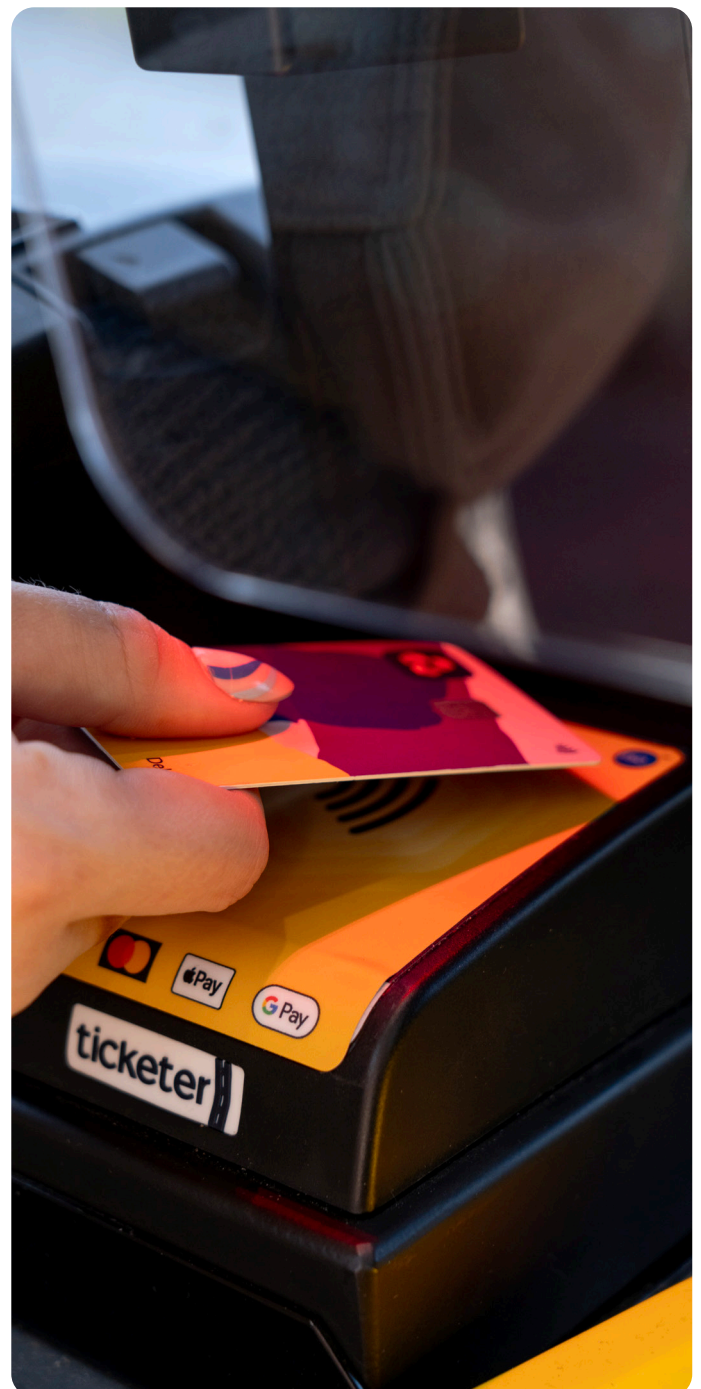
Our income from local and national government funding, fares and other commercial revenue hasn't increased at the same rate as our costs. At the same time, we've also taken on more financial risk and reward as we brought buses back under local control.

The Bee Network would not have been possible without the financial support of the ten GM local authorities. Their funding through the Mayoral Precept and additional contributions was vital to meet the costs of moving to the bus franchising model.

And, since April 2024, the transport levy has increased by around 4% to meet the ongoing costs of running the Bee Network.

Staying on track to deliver the Bee Network has required a continual organisational focus on financial sustainability. As a result, we have seen one of the strongest post-covid recoveries in the UK.

We're working more effectively and efficiently to deliver cost savings to try and achieve a balanced budget.



Spend at a glance

Revenue

£329m

Revenue spend

£151m

Franchised bus services
– net expenditure



£72m

Non-franchised bus
services – net expenditure



£42m

Operational
costs



£24m

Bus franchising
implementation



£14m

Metrolink net cost



£12m

Scheme pipeline
development



£6m

Financing



£4m

Traffic signals



£4m

Accessible transport



Capital

£284m

Capital spend



£169m

Bus franchising



£32m

Metrolink



£30m

Active travel



£27m

Bus infrastructure



£15m

Rail



£7m

Interchanges



£3m

Clean air schemes



£1m

Other

Total spend in 2024/25

Putting the customer first

Greater Manchester has a diverse population and an increasing visitor economy, with 5.6 million trips a day made by residents alone.

We've put the customer experience at the heart of the Bee Network, listening to what people want and need to choose public transport or active travel.

Over the last year we've made improvements across every aspect of the customer experience – guided by our six customer commitments. That includes more reliable services, improving safety and the perception of safety, and making services more accessible for everyone.

We've also made huge strides towards making travel easier and more affordable through lower fares, smart, integrated ticket systems, and smarter travel information.

Our work to better understand the challenges people face when using public transport has also improved accessibility and the passenger experience.

Our customer commitments

We've worked with local people to develop a clear set of customer commitments. So that people know what to expect and can let us know if we're not up to scratch.

We're committed to delivering a Bee Network that is:

- **Safe:** We will create a safe and secure network.
- **Accessible:** Everyone can use us.
- **Affordable:** We will keep the cost of travel as low as possible.
- **Reliable:** We will deliver a reliable network.
- **Sustainable:** We will take the lead in creating a greener, healthier Greater Manchester.
- **Accountable:** We will use your feedback.

We actively seek customer feedback to help improve services and the customer experience. It's easy to quickly 'Rate your journey' with a quick survey on the Bee Network app or website.



5.6 million
trips a day made by
Greater Manchester
residents alone.

450,000 customers

using tap and go
to make 2.1 million
journeys in the first
four weeks.



£2/£1 single bus fare



became a 'hopper'
ticket, allowing
further travel within
one hour of purchase.

594,000 customer contacts

27% annual increase
in contact to our Bee
Network Contact
Centre.



2024/25 achievements

- Launched a cheaper and simpler range of Bee Network bus tickets and kept £2/£1 (adult/child) single bus fare.
- Launched contactless 'tap and go' payments across bus and tram – with 450,000 individual customers using it to make 2.1 million journeys in the first four weeks of operation.
- Introduced new Annual Bus and Annual Bus and Tram tickets and made all annual tickets available through a Credit Union loan scheme.
- Further recruitment to the now 113-strong team of TravelSafe Support and Engagement Officers, patrolling 3,750 hours a week to provide a reassuring presence across the bus network.
- Supported safety on the network through antisocial behaviour and 'active bystander' campaigns.
- Improved customer perceptions of safety on the network, up from 74% of people surveyed in 2023, to 78% in 2024.
- Improved customer satisfaction and loyalty, with customer satisfaction survey scores up from 76% to 85%, and our customer loyalty Net Promoter Score rising from +21 to +34.
- Handled a 27% annual increase in the volume of contacts to our Bee Network Contact Centre, with 594,000 customer contacts.
- Improved bus service accessibility through network changes, new state-of-the-art buses, and a trial of the GoodMaps inclusive navigation app at Shudehill and Bolton interchanges.
- Improved travel information, including real time information:
 - Bee Network app: Improving the journey planner and disruption information, travel alert push notifications, and TravelSafe LiveChat.
 - Audio visual announcements on buses.
- Supported events at the new Co-op Live arena with an integrated event and tram ticket offer for launch (funded by Co-op and supported by Manchester City F.C.), and an Etihad Stadium shuttle bus service network, resulting in a 3% shift away from cars in the 2024/25 football season.





Case study: Fare's fair

Making travel payments easier – and offering value for money fares – has been key to the Bee Network's early success and will continue to unlock passenger growth.

As Greater Manchester's buses have come under local control, we've introduced an affordable, simple, flat fare structure. We've kept the £2/£1 (adult/child) single fare while the national bus cap has risen to £3 – and made it even better value as a hopper ticket, allowing multiple bus journeys in the first hour of travel.

In March 2025 we introduced contactless 'tap and go' payments across bus and tram, with a daily and weekly cap offering more flexible travel. In its four weeks alone, we saw 2.1 million tap and go journeys on buses.

To keeping travel affordable and help with the cost of living, we also introduced unlimited travel through new Annual Bus, and Annual Bus and Tram tickets, to complement the existing Annual Tram ticket. The tickets offer great savings for regular passengers, and we've also worked with local credit unions to give customers the choice to spread the cost instead of paying up front.

Case study: Making travel safer

The TravelSafe Partnership (led by TfGM and Greater Manchester Police with support from British Transport Police, transport operators, local authorities and charities) takes a zero-tolerance approach to crime and antisocial behaviour.

As well as targeted operations to reduce antisocial behaviour and fare evasion at key hotspots, around 15,000 hours per week are spent patrolling the Metrolink and bus networks, 24/7.

As well as our work on the ground, high-profile campaigns are proving effective in reducing crime and antisocial behaviour and improving perceptions of safety on public transport. The 'Don't Get Ghosted' campaign showed young people how they could be "ghosted" and unable to socialise with their peers if they are banned or have their travel pass removed.

Our 'Help the scene. Intervene' campaign built on previous work to tackle gender-based discrimination by encouraging passengers to look out for and challenge harassment and unwanted sexual behaviours on public transport.

TravelSafe Support
and Enforcement

Better buses through local control

On 6 January 2025 Greater Manchester made history as the first city region outside London to take its bus network back into local control in around 40 years. Franchising bus services is a major step on our journey to a fully joined-up travel experience.

Buses are at the heart of the Bee Network as they carry the most people – around 75% of trips by public transport – reducing car journeys and easing congestion. Record numbers of people in Greater Manchester are now using cheaper, cleaner, more reliable bus services, helping connect more people to jobs, education and leisure opportunities.

The local bus network is now easier for everyone to use, with improved services, state-of-the-art new buses, and improved access at TfGM bus stops and our 19 transport interchanges and stations.

We're already seeing the results with rising passenger numbers bringing in higher fares revenue than budgeted – and increased customer satisfaction ratings.

The new-look bus network

Through bus franchising, TfGM now contracts bus operators to run high quality bus services, while taking charge of planning a joined-up network.

We decide where buses run, how often and at what times, setting affordable fares, targets for buses to be reliable, run on time, and meet high standards.

The focus is on buses arriving on time, at convenient locations and offering the best value for money.



2024/25 achievements

- Completed phase three of bus franchising with all 577 routes and 1,600 buses under local control as part of the Bee Network.
- Increased patronage, with more people getting on board. Passenger bus journeys hit 100 million by February 2025, with an annual patronage increase of c.14% since the first bus services were franchised in September 2023. Around 160 million bus journeys a year will be made on the Bee Network.
- Improved satisfaction with fares, jumping from 63% in 2022 to a record high of 82% in 2024.
- Bee Network buses are more reliable and better joined up than the services they replaced:
 - Punctuality for phase 1 franchised bus services (introduced September 2023) is now consistently above 80% (up from c.66% on the pre-franchised network).
 - Reliability of the phase 2 (launched March 2024) and phase 3 (launched January 2025) franchised bus services is better than before. And both phase 1 and 2 services have been consistently above 70% punctuality since the beginning of March 2024. Work is ongoing to improve performance across the whole network.
- Higher than expected patronage growth and passenger revenues are allowing us to make improvements to services:
 - Changed around 75 bus routes to provide earlier, later, more frequent and better-connected services, in many cases linking up with tram and train times for seamless onward journeys.
 - Launched the first new bus service, 615, connecting Wigan with Middlebrook Retail Park, restoring a link lost years ago.
 - Launched a night bus trial on the V1 and 36 bus services, connecting Manchester with Leigh and Bolton via Salford at least every hour both ways, 24 hours a day, seven days a week.
- Introduced more than 550 newer, cleaner buses, with nearly 300 zero emission buses now operating on routes serving our communities.
- Introduced a matchday bus network for all Manchester City FC men's fixtures, with over 34,000 journeys during the current football season (through to 20 May 2025) and 23 buses now serving 82 locations.
- Introduced a new, modern, smart booking system for long-standing door-to-door transport services Ring & Ride and Local Link, making travel more convenient for disabled and older people.

100 million

passenger bus
journeys by
February 2025.

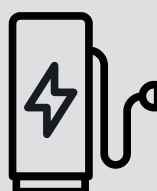


1,600

buses under local
control.

577

bus routes under
local control.



300

new zero emission
buses serving local
communities.

Case study: Moving to a zero-emission bus fleet

Through the newly franchised Bee Network we're making rapid progress to electrify our bus fleet and our depots – and are on track to have a full electric network by 2030.

Hundreds of new, greener and more accessible vehicles are now on Greater Manchester's roads. By spring 2025, more than half of Bee Network buses were brand new, and 75% of the fleet is now less than four years old (compared to an average fleet age of 9.5 years in 2019).

The Bee Network now has 17% electric vehicles (compared to 2% before franchising), expected to

rise to 25% in 2025/26. We're also working with operator Go North West to trial a first-of-its-kind conversion – testing the feasibility of re-powering existing diesel buses into fully electric vehicles.

The programme is being funded with Department for Transport Zero Emission Bus (ZEBRA) funding and locally-funded prudential borrowings. A further £51.1m Clean Air Plan funding was approved in January 2025 for more zero emission and Euro VI buses and EV charging infrastructure, helping us to reach our goal of a decarbonised bus fleet by 2030.





A record year for Metrolink

With 99 stops, 147 trams and a 103km network of lines across Greater Manchester, our Metrolink tram system is a key part of the Bee Network.

Metrolink began running in 1992 and, following a multi-billion-pound expansion has grown to become the largest light rail network in the UK. The network is fully accessible, with step-free access at all stops and level access from the platform to the tram.

Our trams are low-emission, producing very little air pollution at street level – and powered entirely by electricity produced from modern, cleaner, greener energy sources.

Over the last year Metrolink has gone from strength to strength, seeing one of the strongest post-covid recoveries in the UK. Frequent, reliable services made sustainable travel a convenient choice for a record-breaking 46 million passengers in 2024.

We've been working hard to keep the tram network as reliable and resilient as possible through a programme of investments. And we continue to make operational improvements and plan for Metrolink's future, with work ongoing to assess options for new, extended and converted lines, including tram-train services that join up the light and heavy rail networks.

On the right track: Who does what

TfGM owns the Metrolink network, and we are responsible for setting fare levels, investing in and expanding the network, planning for future developments and overseeing the operations and maintenance contract.

KeolisAmey Metrolink (KAM) operates and maintains the network on a 10-year contract through to 2027.

Together we work to make sure the tram network is reliable, safe and easy to use.

2024/25 achievements

- 98.5% of scheduled miles operated and 88% of trams arriving on time.
- Delivered a new back office 'tap and go' system.
- Introduced 'tap and go' payments with daily and weekly fare caps across bus and tram services.
- Completed a £24m Metrolink improvement programme, including a major city centre track renewals project.
- Achieved a 7% point drop in fare evasion with 90,320 penalty fares issued.
- Ongoing prioritisation of potential Metrolink extensions, moving to Strategic Outline Business Case stage.
- Completed market sounding and benchmarking for the future Metrolink contracting model.



Case study: Investing in a safe and reliable tram network

We're working to keep the tram network as reliable and resilient as possible, investing £147 million between 2022 and 2027 to maintain, upgrade and improve the Metrolink network, including crucial work to renew the city centre tracks.

In 2024, more than £24 million was invested in tram network renewal works across Greater Manchester, including replacing track in Manchester city centre at Piccadilly Gardens, London Road and Market Street.

This critical safety and operational renewal work in the city centre took place during summer 2024 and included replacing around 25,000m of track length (5km of rail) across 86 days, working 24/7.

Whilst limited, temporary closures were needed, we successfully delivered the project on time and on budget while minimising as far as possible the impact on customers and businesses.

The rolling programme of improvements – funded from the government's City Region Sustainable Transport Settlement – will ensure our tram network keeps on delivering safe, reliable and accessible services for millions more people into the future.



Reimagining roads

Greater Manchester's roads are the city region's arteries, carrying some 1.8 billion individual trips every year.

Our highways network is crucial to delivering reliable Bee Network bus and tram services, emergency services, supporting freight, business, visitors and commuters – and increasingly, active travel.

We have a key role working with our partners to keep Greater Manchester's roads moving – ensuring they have the capacity to support continued growth.

To achieve the ambitions in the 2040 Greater Manchester Transport Strategy, we are changing our roads – making them safer and easier to use for walking and cycling and giving greater priority to buses. This reimagining of road space will be key to continued growth and becoming a greener city region with cleaner air for us all to breathe.

Improving road safety remains a key area of work, and in November 2024, Greater Manchester leaders unanimously approved the partnership-led Vision Zero Strategy and Action Plan, setting out how to eradicate deaths and life-changing injuries on our roads by 2040.

The Key Route Network

While the ten Greater Manchester local authorities are responsible for roads in their area, including general maintenance, TfGM has strategic oversight of the Key Route Network making up over 650km of Greater Manchester's busiest roads. While this is just 7% of the total length of the highways network, it carries some two-thirds of peak-time traffic.

We work closely with local authorities and National Highways to coordinate day-to-day operations – and deal with incidents and events on local roads and motorways.



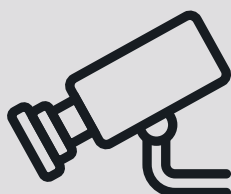
2024/25 achievements

- Published a Vision Zero Strategy and Action Plan in November 2024, aiming to eliminate road death and life-changing injuries on our roads by 2040, with a target to achieve a 50% reduction by 2030.
- Continued work to develop a new speed management policy with the ten Greater Manchester local authorities.
- Upgraded Greater Manchester's network of safety cameras, with 88 of the 91 completed.
- Installed 23 new signalised junctions or pedestrian crossings and upgraded 44 existing signalised junctions or pedestrian crossings.
- Improved the pedestrian wait time at over 220 pedestrian crossings across Greater Manchester.
- Expanded the 24/7, 365 days a year Operational Control Centre to accommodate more bus operator colleagues (from newly franchised bus service areas) and internal teams.
- Safer Roads Greater Manchester successfully ran six campaigns, including non-seat belt use, driving distractions, summer and winter Don't Drink or Drug Drive, improved pedestrian safety, and mobile phone use campaigns.
- Ran a state-of-the-art AI camera trial to detect drivers using mobile phones or not wearing a seatbelt.
- 11 'In Car Child Seat Safety' clinics successfully delivered throughout Greater Manchester.
- 121,000 drivers attended a DriveSafe educational course as an alternative to prosecution.
- 82 older drivers successfully completed the Safer Roads Greater Manchester funded 'Safer Driving for Longer' course, which is provided by DriveSafe.



**88 safety
cameras
upgraded.**

**24/7, 365
Operational
Control Centre**



expanded to support
new bus operators and
more TfGM colleagues.

**11 'In Car Child
Safety' clinics**

delivered throughout
Greater Manchester.



**82 older
drivers**



successfully completed 'Safer
Driving for Longer' course.



**23 new and
upgraded**
signalised junctions/
pedestrian crossings.

121,000 drivers

attended a DriveSafe
educational course
as an alternative to
prosecution.



A vision for Bee Network rail

Rail plays a crucial role in connecting large numbers of people to and around the regional centre and is key to Greater Manchester's ambitious plans for sustainable growth and economic prosperity. In 2022/23, over 20.8 million rail trips were made to Manchester central stations, making it a vital part of Greater Manchester's transport network.

In January 2025 the Mayor of Greater Manchester set out a three-phase plan, working with the rail industry, to bring rail services and stations into the Bee Network.

Building on the successful approach to buses, we'll encourage even more people to make the switch to public transport by making rail services more reliable, affordable, simpler, flexible, and accessible to everyone. We'll put passengers first so they can expect improved services, stations and a better journey experience.

TfGM will also deliver step-free upgrades at 10 stations over the next three years – twice as many as the past decade – to build a more inclusive and accessible network. As a result, 63% of Greater Manchester's stations will be accessible by March 2028, up from 43%.

Future rail capacity

Greater Manchester is also spearheading the charge for improved rail capacity north-south, and east-west. This includes the launch of the Liverpool-Manchester Railway Board to maximise the economic and social benefits of a potential new railway between the north west's two largest city regions. The new line would be a key component of the Northern Arc vision – an emerging economic corridor stretching from the Mersey to the Pennines and beyond – to generate £90bn in economic growth in the North West by 2040.

The Mayors of Greater Manchester and the West Midlands also commissioned a private sector report to set out plans for a rail link between the Midlands and the North-West, after the previous government scrapped the northern leg of HS2.





Bringing rail into the Bee Network

We're planning to bring eight commuter rail lines into the Bee Network in phases through to 2028 – so passengers can enjoy all the benefits of joined-up buses, trams, trains and active travel.

64 stations will join the Bee Network over the next three years to 2028, with the remaining 32 stations joining by 2030.

The Bee Network aims to transform local rail services and the journey experience.

That includes train stations, trains services, customer information, and plans to introduce 'tap and go' fares, as well as better links with bus and tram services.

Our phased plans have the backing of the rail industry and aim to bring improvements to many local rail commuters as soon as possible, boosting passenger numbers, helping drive growth and deliver new homes.



2024/25 achievements

- Published Bee Network rail network integration vision to bring eight key rail routes on board by 2028.
- Outline business case approval and planning permission submitted for Golborne station – Greater Manchester’s first new rail station in over 20 years.
- Access for All work completed at Daisy Hill and Irlam stations, providing step-free access to customers.
- Drove forward the prioritised pipeline of work for future Access for All station projects, including Swinton, Hindley, Bryn and Reddish North, which are all scheduled for delivery in 2026.
- Invested £10 million to deliver accessibility and customer upgrades at Salford Central station, completed in spring 2025.
- Made a submission to the government’s ‘A Railway Fit for Britain’s Future’ national consultation, outlining longer-term opportunities for rail improvements through greater devolution (including setting local fares, planning local services and developing underused land around stations).
- Liverpool-Manchester Railway Board launched in May 2024 to maximise the economic and social benefits of a new railway between the North West’s two largest city regions. The proposed line is a key component of the Northern Arc initiative outlined in the ‘Connecting the North West to Drive National Prosperity’ report.
- Plans for a rail link between the Midlands and the North-West set out in a new report published in September 2024.

Case study: Step-free access at Daisy Hill and Irlam

In spring 2024, work started to install lifts and improve accessibility at two of Greater Manchester’s rail stations: Daisy Hill and Irlam.

At Daisy Hill, £4 million has been invested to provide step-free access to the platform for the first time. Works also included installing an accessible toilet, enhancing the station’s accessible car parking facilities, and upgrades to the ticket office and booking hall to create a new lift lobby area, which opened in spring 2025.

At Irlam, a £5.8 million programme included installing two new passenger lifts which opened in spring 2025, ensuring step-free access to and from the platforms.

The multi-million-pound upgrades at Irlam and Daisy Hill stations are part of a collaborative effort between TfGM, Northern and Network Rail, with funding provided by the Department for Transport’s Access for All Scheme.

Getting active: Walking, wheeling and cycling

We promote and invest in walking, wheeling and cycling as a healthy and sustainable way to get around. We want active travel to be the first choice for shorter journeys, or as part of a longer journey using buses, trams and trains.

Making it easier for people to move more actively around the city region – and improving access to public transport – is at the heart of the Bee Network and delivery of wider outcomes, particularly health.

We're delivering cycling and walking infrastructure at pace and at scale. The Bee Network now has 133km of compliant cycle routes and over 200 new crossings – and we expect the total delivered to exceed 176km by 2027. Our Starling Bank Bike hire scheme continues to help people get around by pedal power, with trips up by 26% year-on-year.

Our Active Travel Mission

Our long-term goal is for 95% of the population in Greater Manchester to live within 400 metres of a safe walking, wheeling and cycling route by 2040.

Our plans are guided by the Active Travel Mission for Greater Manchester developed by the Active Travel Commissioner, Dame Sarah Storey. The mission focuses on accessibility, behaviour change, and clear communications, including six priority areas:

- Providing access to everyone
- Infrastructure delivery
- Travel to school
- Access to active travel
- Integration with public transport
- Road danger reduction





Supporting community cycling improvements

We work closely with active travel organisations and community groups to promote cycling, walking and wheeling at a grassroots level, offering grants, training and supporting local schemes.

In 2024/25 we:

- Supported groups across 40 bike library hubs (including 13 new hubs) across Greater Manchester to allow people to borrow a bike and give cycling a go – and launched a new ‘borrow an e-bike’ scheme.
- Gave £500,000 in Community Access Grants to 75 organisations, to purchase 135 bikes, cargo

£500,000
in Community
Access Grants.



cycles and adaptive cycles and make community interventions such as greening, wayfinding, and offering public bike repair stand with pumps.

- Supported 65 community groups through the Cycle and Stride project so that more than 12,000 people could take part in led walks, bike rides, cycle maintenance sessions or school activities.
- Delivered over 1,500 cycle training client sessions with a range of courses to help people learn to ride or give them confidence to ride on the road.
- Supported delivery of 1,172 new community cycle parking spaces.

1,500
cycle training
sessions
provided.



2024/25 achievements

- A guided pilot to allow bikes on trams took place in spring 2024.
- The Starling Bank Bike hire scheme hit a landmark one million journeys in November 2024, and we undertook feasibility studies to underpin plans to expand it to more areas.
- Continued to develop a prioritised pipeline of over 250 active travel infrastructure projects to keep on rolling out new routes across Greater Manchester, with significant schemes delivered in Manchester, Oldham, Rochdale, Trafford and Wigan.
- Launched a new 'School Streets' programme, with an ambition to increase the number of existing schemes from 30 to 100 in the four years to 2028.
- Held a public consultation (in November 2024) to help inform our School Travel Strategy to encourage active travel to schools and further education.
- New spiral ramp completed at Stockport Interchange allowing walking, wheeling and cycling access to Stockport's riverfront for the first time in generations.
- Engaged with 19 schools across Greater Manchester as part of the Youth Travel Ambassador scheme, with 324 ambassadors appointed, allowing us to reach over 20,700 pupils.
- 121 teachers joined the Modeshift STARS platform bringing the total to 256 (representing 185 schools), meaning that 18% of all Greater Manchester schools are actively engaging with creating a school travel plan.



19 schools

engaged with as part of the Youth Travel Ambassador scheme.

324

Youth Travel Ambassadors appointed.



20,700 pupils

reached with the Youth Travel Ambassador scheme.



18%

of Greater Manchester schools creating a school travel plan.

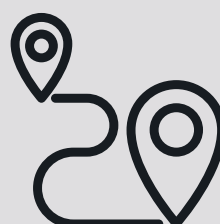
1 million journeys

taken on Starling Bank Bikes as of November 2024.



250

active travel infrastructure pipeline projects developed.



Working with communities, partners and stakeholders

We are committed to building strong and lasting relationships with a wide range of stakeholders, partners and the communities we serve.

That includes engagement with businesses, employers, community groups, education, the voluntary sector, residents, councils and those with protected characteristics.


We carry out statutory and non-statutory consultations and surveys throughout the year, making sure equalities considerations are embedded in planning and decision-making. That might mean co-designing activity with stakeholders, where appropriate.

We also build and maintain effective strategic partnerships, including working closely with central government officials in a range of departments to influence and develop policy, transport projects and other outcomes that benefit Greater Manchester.

All of this allows us to listen and influence across all aspects of transport and end-to-end journeys.

2024/25 achievements

- Appointment of the Bee Network Committee's first ever Disability Advocate.
- Ongoing work with equalities groups to review and develop the Bee Network app.
- Embedding a partnership approach to the refresh of Greater Manchester's Local Transport Plan through engagement with a wide range of sector representative groups and partners.
- Set up a business stakeholder forum to support the development of a night-time transport pilot.
- Worked with NHS Greater Manchester to review and update the transport elements of their new Green Plan.
- Worked with our Greater Manchester local authority partners to ensure data and feedback from local communities is used to inform and influence development of new transport infrastructure.



Case study: Making the Bee Network accessible and inclusive

The Bee Network's distinctive yellow buses have been designed with input from disability groups. The vehicles have enhanced accessibility features including two wheelchair spaces, priority seats, audio visual announcements, and a hearing induction loop on all services.

Nathaniel Yates, 31, who advocates for improved access across public transport, has welcomed the Bee Network bus services, saying: **"I have Cerebral Palsy, and it can take me longer to do things like find a seat on a bus. I also have a visual impairment so new features like the audio visual announcements and accessible signage make a big difference."**

"Now that Greater Manchester has taken control of bus services it means that public transport providers are more accountable and better understand the needs of people it serves."

Erik Matthies, 42, has a visual impairment and is also a member of TfGM's Disability Design Reference Group (DDRG).

Erik said: **"The big displays on the front of the buses showing the service number and its destination are helpful for someone like me, who has some sight, but not a lot. I'm also happy that on Bee Network buses the priority seats are clearly labelled."**

Our people

Our people are at the heart of what we do.

Our vision is for TfGM to be one of the best places to work in Greater Manchester, where people can thrive. We support our colleagues to succeed in every step of their journey with us, from well-being support to learning and development opportunities and career progression.

We work hard to reflect the diverse communities we serve and offer a collaborative and inclusive environment where everyone can bring their whole self to work.

Equality, diversity and inclusion

We have published our Equality, Diversity and Inclusion action plan (2024/25) following extensive consultation with colleagues, and the support of a specialist consultancy. Progress to date has been positive, with 23 out of 28 actions in progress or completed.

Listening to our people

We listen closely to our people and act on what they tell us. We've developed a new colleague-led People Plan, using feedback from colleagues through our annual Best Companies survey. We are currently a Best Companies 'one to watch' employer.

Once the results of each survey are published, all teams hold workshops and produce action plans to address and improve on colleagues' feedback.

Family-friendly policies

We've recently improved our family-friendly policies following work with trade unions and input from colleagues. Following consultation we have enhanced Maternity, Paternity and Adoption policies. This work also included the creation of new Fertility, Neonatal, Shared Parental Leave and Special Leave policies.

The new rates and allowances are amongst the most supportive anywhere in local public service and the transport sector.

Developing our skills

Developing our colleagues is a key priority and starts from day one. New starters can expect a 1-2-1 induction with their line manager or supervisor and varied learning opportunities. We've recently introduced a monthly corporate induction day so that all new colleagues can understand TfGM's structure, purpose, values and behaviours, and start to make connections.

The 'My Impact' performance review process then allows everyone to set personal objectives that are in line with business plan priorities. These are monitored through regular 1-2-1s and again an end of year review.

We continue to develop our learning and development offering to support colleagues to achieve their professional goals and organisational objectives, including:

- **Early talent:** Achieving gold membership of The 5% Club, recognising excellence in providing development through apprenticeships, and introduction of T Level placements to create new pathways into careers at TfGM.
- **Management development:** 'Leading, the TfGM way', our new in-house management development programme, launched in spring 2025, to help all people managers create positive working relationships with their teams and support them to reach their potential.
- **Annual training support:** This is prioritised around safety critical and compliance training, and organisational priorities. We also link training to career development through the 'My Impact' process.



Supporting wellbeing

Our vision is for a supportive culture where colleagues are valued, healthy and productive so they can reach their full potential in their roles and thrive in all areas of their lives.

Our colleagues' wellbeing is supported through our policies, a central hub of resources to empower our people to proactively improve their wellbeing, our Employee Assistance Programme and the recently launched Mental Health Champions Network.



Our performance

Financial performance

Accounts

TfGM is required to prepare an annual Statement of Accounts in accordance with the Accounts and Audit regulations 2015. These Regulations require accounts to be prepared in accordance with proper accounting practices. These practices primarily comprise the Code of Practice on Local Authority Accounting in the United Kingdom 2024/25, supported by International Financial Reporting Standards (IFRS).

Primary statements

The Statement of Accounts includes the following primary statements (a note on the purpose of each of these statements is also shown below):

Comprehensive Income and Expenditure Statement (CIES):

This shows the accounting receivable income and the costs incurred in the year for providing services. TfGM's Comprehensive Income and Expenditure Statement for the year shows a net income of £47.4 million (2023/24: net income of £55.0 million). However, this includes a number of statutory non-cash accounting adjustments that are required per the CIPFA code of Practice that TfGM is required to follow. These do not, however, align with TfGM's management accounts and the net impact on the useable revenue reserves within the Movement in Reserves Statement, which show the true net surplus or deficit in the year.

To help demonstrate this, the table below removes the required statutory adjustments to the accounts and highlights the actual trading position for TfGM. This shows a small net loss in the year of £0.25 million (2023/24: £2.2 million loss).

	2024 /25	2023 /24
Actual revenue (deficit)/surplus for the year	(250)	(2,167)
Accounting adjustments to the statutory accounts		
Add capital grants received in the year	140,108	144,098
Less: capital grant amortisation recognised in management accounts		
Amount released to match depreciation of grand funded assets	(96,108)	(86,345)
Amount released on disposal of grant funded assets	(5,562)	(2,574)
IAS19 Pension accounting adjustments	1,528	(923)
Transfer to the deregulation reserve	3,015	3,200
Property revaluation adjustment	4,674	(309)
Revenue surplus (deficit)/ for the year per the statutory accounts	47,405	54,980

As shown above, there are a number of adjustments required to the statutory accounts to understand the true trading position of TfGM. The main adjustment is in relation to the timing of receipt of capital grants and recognition of grant amortisation.

TfGM is required, in the statutory accounts, to recognise capital grants once received, and these are therefore included in the CIES as income in the year. Capital grants, recognised in the year, are £140.1 million (2023/24: £144.1 million). However, the receipt of grants and recognition of income will not align to when the expenditure (future depreciation on the capital assets) will be charged and recognised in the CIES. To match funding with costs, the management accounts recognise grant income when depreciation is charged. The table above shows the movement in grants from the actual outturn to the statutory accounts.

The statutory accounts also reflect the current estimated valuation of the net pension liability. The estimated position often fluctuates each year-end depending on the current estimate of the long-term assumptions (salary increases, discount rate and inflation). A small change in any of these estimates results in a large change in the estimated net liability. As there is no current cost or gain for this forecasted position – and no cash impact – this is not taken into account in the management accounts and general reserve position. The year-end accounting entries for the current estimated net pension liability have therefore been removed in the adjustments below.

Both of these statutory account adjustments are ‘backed out’ in the MIRS within the revenue reserve along with the adjustment for the deregulation reserve and any revaluation of property assets. This then reflects the ‘true’ surplus or deficit position and aligns to the management accounts trading position.

After taking into account all sources of income and expenditure, TfGM’s net expenditure is financed primarily by way of a revenue grant from the Greater Manchester Combined Authority (GMCA). The GMCA makes a levy on the ten Greater Manchester local authorities to meet its own expenditure, which includes the revenue grant to TfGM. GMCA also receives other grants from central government to fund TfGM’s activities. Capital grants are also receivable from the GMCA in respect of approved expenditure on capital schemes.

The grants receivable from GMCA in the 2024/25 financial year were as follows:

	2025	2024
	£000	£000
Revenue grants		296,729
Capital grants		141,595
Passenger Transport Facilities Grants		30,816
Total grants receivable		(269,140)

Movement in Reserves Statement (MIRS)

This shows the year-on-year movement on different reserves held by TfGM. These are analysed further in note 19 into ‘Usable’ (those reserves that TfGM may use to provide services, subject to the need to maintain a prudent level of reserves and any statutory limitations on their use), and ‘Unusable’ (where reserves are those that TfGM is not able to use to provide services).

As of 31 March 2025, TfGM Usable reserves were £45.5 million (2023/24: £47.8 million) and the Unusable reserves were £2,030.8 million (2023/24: £1,981.1 million).

The main Unusable Reserve is the Deferred Capital Receipts Account, which holds the capital grants received by TfGM to fund its capital programme. As explained above, the Code requires TfGM to recognise capital grants when received in the CIES if these do not have conditions which may give rise to repayment. The majority of grants fall within this category and are held initially within the Deferred Capital Receipts Reserve. This reserve is used to fund the future costs of depreciation on the assets delivered by the programme. Each year the depreciation charged for assets that have been funded by the grants held in this reserve are transferred from the Deferred Capital Receipts Reserve to the general reserve to allow matching of capital costs and grants. This ensures the capital grants received are ring fenced to cover the future capital depreciation cost.

The Pension Reserve absorbs the timing differences arising from the different arrangements for accounting for post-employment benefits and for funding benefits in accordance with statutory provisions. TfGM accounts for post-employment benefits in the CIES as the benefits are earned by employees accruing years of service, updating the liabilities recognised to reflect inflation, changing assumptions and investment returns on any resources set aside to meet the costs. However, statutory arrangements require benefits earned to be financed as the authority makes employer’s contributions to pension funds, or eventually pays any pensions for which it is directly responsible.

The Deregulation Reserve represents the costs relating to the transfer of Greater Manchester Passenger Transport Executive’s (GMPTE) bus operations to Greater Manchester Buses Limited following the implementation of the Transport Act 1985. As required by the Act, and in accordance with the transfer scheme, which was approved by the Secretary of State for Transport, GMPTE transferred its bus operation

activities and certain of its assets and liabilities to this new company. The Deregulation Reserve represents payments and losses incurred by TfGM (formerly known as GMPTE) with respect to bus deregulation on 25 October 1986, which were not charged to profit and loss.

The Revaluation Reserve contains the gains made by TfGM arising from increases in the value of its Property, Plant and Equipment. The balance is reduced when assets with accumulated gains are:

- Revalued downwards or impaired and the gains are lost;
- used in the provision of services and the gains are consumed through depreciation; or
- disposed of and the gains are realised.

The Corporate Capital Reserve primarily relates to the reserves of the entities from which TfGM (then GMPTE) was formed.

Balance sheet:

This shows the value as at the balance sheet date of the assets and liabilities recognised by TfGM. The net assets are matched by reserves held, which are analysed into Usable and Unusable Reserves as described above. The net assets at 31 March 2025 were £2,076.3 million (31 March 2024: £2,028.9 million).

The key movements in the Balance Sheet are summarised below:

The value of assets held in Property, Plant and Equipment in the year has increased slightly due to capital spend in the year whilst also allowing for the annual depreciation charge. Expenditure in the year includes the following schemes:

- **Bus depot and electrification works:** £33.1 million expenditure has been spent through purchasing bus depots, along with electrification and renewal works to support charging the electric vehicles.
- **Bus purchases:** TfGM purchased 72 Euro VI vehicles.
- **Metrolink Renewals Programme:** £24 million expenditure has been spent on Metrolink renewals projects.
- **Metrolink trams and supporting infrastructure:** £4.8 million has been spent tram safety improvements and providing additional network capacity.

The Accounts reflect the outcome of the annual actuarial valuation for accounting purposes based on IAS19 of TfGM's pension fund assets and liabilities.

A full actuarial valuation on a 'funding' basis was undertaken at 31 March 2022. A 'desktop' valuation was then performed at 31 March 2025 to roll forward the balances from the full valuation, adjusting for changes in financial assumptions. The net position on the fund changed from a deficit position of £14.49 million to a deficit of £12.60 million (a movement of £1.89 million). The movement in the year shows an increase in pension assets of £19.8 million before the asset ceiling adjustment. Due to the surplus in the initial forecast position, an asset ceiling adjustment was required of £118.3 million (2023/24: £66.1 million) using the minimum funding requirement from past service calculations.

Cash flow statement:

This shows the change in cash and cash equivalents of TfGM during the year. The statement shows how TfGM has generated and used cash and cash equivalents; and classifies cashflows into operating, investing and financing activities. The net decrease in cash and cash equivalents during the year was £4.1 million (2023/24: net decrease of £34.6 million). The year-on-year change from cash outflow to cash inflow is due to the repayment of borrowings and timing of receipts and payments on the capital programme.

The majority of funding received by TfGM is capital and revenue grants from GMCA, which significantly reduces any risk over the recoverability of any future cash inflows. Capital and revenue budgets are strictly monitored to ensure spend is within the approved budget. There is on-going monitoring of the cashflow position and security over the majority of income received. However, TfGM continually reviews its cashflow position closely in conjunction with GMCA and this has been considered in the Going Concern statement made as part of finalising these Accounts.

Expenditure and funding analysis:

This note aims to provide a clear link between the in-year monitoring of the revenue budget and the final outturn position in the audited financial statements. The expenditure and funding analysis shows the net expenditure charged to revenue reserves as reported to management and reconciles this expenditure to the comprehensive income and expenditure statement.

The net expenditure in the year is summarised below:

	2025	2024	Increase/ Decrease
	£000	£000	£000
Concessionary fares scheme	33,382	54,449	21,067
Supported bus services	37,138	43,240	5,102
Bus franchising	102,381	29,819	(72,562)
Metrolink	26,587	11,757	(14,830)
Capped fares	(6,115)	-	6,115
Accessible transport	3,529	3,487	(42)
Highways activities	(586)	(698)	(112)
Road safety activities	(660)	(989)	(329)
Operational and other costs	75,024	91,367	16,343
	270,680	231,432	(39,248)

The funding for the net costs above is shown in the CIES with further details in note 5.

The key movements in the year have been reviewed below:

TfGM operates reimbursement schemes for the carriage of concessionary passengers. The English National Concessionary Travel Scheme (ENCTS) is mandated by government and provides for free off-peak bus travel for eligible older and eligible disabled passengers. TfGM also fulfils the GMCA provision of extensions to the concessions available to certain people, for example travel by children and older people at a discount. The aim of these schemes is to ensure that the commercial operators carrying concessionary passengers are no better or no worse off from the existence of the schemes.

The decrease in concessionary reimbursement expenditure in 2024/25 is primarily due to the gradual franchising of bus services over the period. Instead of reimbursing operators for carrying concessionary passengers, the reimbursement is now "due to TfGM" as "revenue foregone" for carrying concessionary

passengers for free. This carriage of concessionary passengers is funded via the GMCA levy, and the income is included within the non-specific grant income line in the CIES. Therefore, there are no revenue or costs for the reimbursement of concessionary passengers for TfGM franchised (Bee Network) services within the cost of services section of the CIES.

The 'Our Pass' scheme, which provides free bus travel for 16-18-year-olds throughout Greater Manchester, is funded from the Mayoral budget. The scheme saw an increase in numbers of passes issued, correlated with patronage growth, and an increase in reimbursement rates due to inflationary pressures on ticket prices. This scheme is outside the scope of DfT guidance regarding pre-Co rates of reimbursement. As above, on franchised (Bee Network) services, the reimbursement is now "due to TfGM" as revenue foregone.

TfGM provides financially supported bus services, to ensure that areas and services which operators deem commercially unviable receive adequate public transport provision. Costs of supported bus services have decreased, as noted above, due to the network being fully franchised in January 2025. Therefore, the costs for running the services which were commercially unviable are included within the bus franchising contract payments.

Bus franchising net expenditure in the year was £102.4m (2023/24: £29.8m) and relates to the net operational cost of running the TfGM franchised bus services, which commenced in 2023/24 (including the cost of supported bus services and lost revenue from concessions as noted above). Bus franchising in Greater Manchester was phased and introduced in three tranches. The first tranche (c25% of the total network) commenced in September 2023 and the second tranche (c25%) went live in March 2024, with the final tranche going live in January 2025. The net cost in 2023/24 therefore predominately relates to the operation of Tranche 1 only, whereas the cost in 2024/25 includes a full year of Tranche 1 and two and three months of Tranche 3. The net expenditure includes bus ticket revenues, bus specific grant income (e.g. Bus Services Operator Grant (BSOG)), direct contract costs, and overhead costs. This does not include the TfGM allocated income for concessionary fares and supported bus services revenue. This income is included in the non-specific grant income line within the CIES.

Metrolink net expenditure relates to the net operational cost of running the Metrolink service. The net expenditure reported in the CIES is after removing internal recharges. There has been an increase in net

expenditure in the year of £14.8 million (2024: net increase of £0.4 million).

Capped fares relates to funding received to cover the lost revenue for capping bus fares. The reduction of £6.1m in the year is due to expenditure in the statutory accounts only including payments to external operators before the network was fully franchised. The cost to TfGM is revenue forgone as a result of capping bus fares at £2 (single adult day ticket) and £5 (daily adult ticket) is significantly in excess of the £6.1m of additional revenue disclosed.

TfGM funds Ring and Ride, a door-to-door accessible transport service for people who find it difficult to use other public transport services. TfGM also provides travel vouchers for people not able to use ordinary buses, trains or trams, and who have serious walking difficulties or are registered blind. The vouchers can be used to pay for taxis, private hire vehicles, and for travel on accessible bus services such as Ring and Ride and community transport. The net expenditure is consistent with the prior year.

Highways activities include the management of traffic signals – including the design, installation and on-going maintenance of signals and the monitoring of the Key Route Network (nearly 400 miles of Greater Manchester's busiest roads). There has been a small decrease in net income in the year of £0.1 million.

The road safety activity net income relates to the Greater Manchester Casualty Reduction Partnership. Income is received for delivering speed awareness and other driver training courses. Any surplus income, after the costs of providing the courses, is invested into improving road safety in Greater Manchester. There has been a small decrease in net expenditure in the year.

Operational costs include the cost of bus station operations, TfGM Information and Ticket offices, safety and security, bus shelters, passenger information, consultation, depreciation and amortisation, support costs and spend on revenue funded projects, including scheme development. In 2024/25 TfGM have also purchased buses and disposed of these to bus operators. Bus purchases in the year were mainly in relation to the Tranche 3 franchising area and were made by TfGM to ensure they were available for the start of Tranche 3 Bee Network bus services. The costs are fully funded by either a revenue grant from GMCA or by a contribution from franchised operators to the vehicle costs. Spend of £75.962 million was incurred in the year. Also included within this line of the CIES is the operators' contribution of £75.732 million.

After adjusting for bus purchases there has been an increase of £10.8 million in the year. This is primarily due to a higher spend on revenue funded projects and programmes. The cost of work on a number of projects are funded from revenue streams outside of Levy and Precept funding and the income is included in the taxation and non-specific grant income line in the CIES. This included work on developing the next tranche of infrastructure investment schemes and continuing work to implement bus franchising. Additionally, there has been an increase in staff costs, along with general inflationary pressure.

Outlook

Revenue budget for 2025/26

On 7 February 2025 GMCA approved the revenue and capital budgets for TfGM for 2025/26. As in previous years, TfGM will be undertaking regular, ongoing updates to reforecast its financial position for the financial year 2025/26. Reports will be submitted to GMCA in July, October and February, which will include these reforecasts.

Financial sustainability plan

The Bee Network continues to be delivered against an extremely challenging financial background. Patronage and revenues on Metrolink and bus services have continued their very strong recovery during the current financial year, but are still below where they would have been if the pandemic had not occurred. This, combined with exceptional inflationary pressures in recent years, has led to a significant 'stepped' and recurrent increase in the net expenditure of running the transport network. These challenges, and the ending of pandemic-era government funding have, and will continue, to impact on the net costs of both the Metrolink and bus networks, alongside other risks as described below.

Additional pressures and risks

In addition to the risks relating to public transport patronage and revenues, and cost inflation, several other budget pressures and risks exist, including:

- The inflationary impact on TfGM's core operating costs (e.g. salary and other support costs and energy costs).
- Ongoing costs to operate, maintain and renew what is a growing asset base (e.g. depots, new interchanges etc).
- No medium to long-term certainty on current government funding streams, particularly bus funding streams (e.g. BSIP and BSOG). The 2025/26 settlement from government was positive, but against a backdrop of significant fiscal challenges there remains uncertainty on the quantum of central government funding for future years.
- Project preparation and scheme development costs to incorporate local rail services into the Bee Network.
- Increasing costs of compliance with recent national changes in law (e.g. the Procurement Act 2023, Terrorism Bill 2024).
- Contributing funding to Greater Manchester's Vision Zero initiative to reduce road-related serious injuries and deaths.
- Costs of operating and maintaining an expanding network of traffic signals, with no specific additional funding. The network continues to expand primarily due to the delivery of new highways / active travel schemes.
- Continuing costs to support the ongoing development of integrated ticketing initiatives (including introducing tap and go functionality between rail, tram and bus).
- Tranche 3 bus franchising started on 5 January, so finalisation of contractual costs for any contractual changes and compensation events for additional costs unknown at bid stage may crystallise in 2025/26.

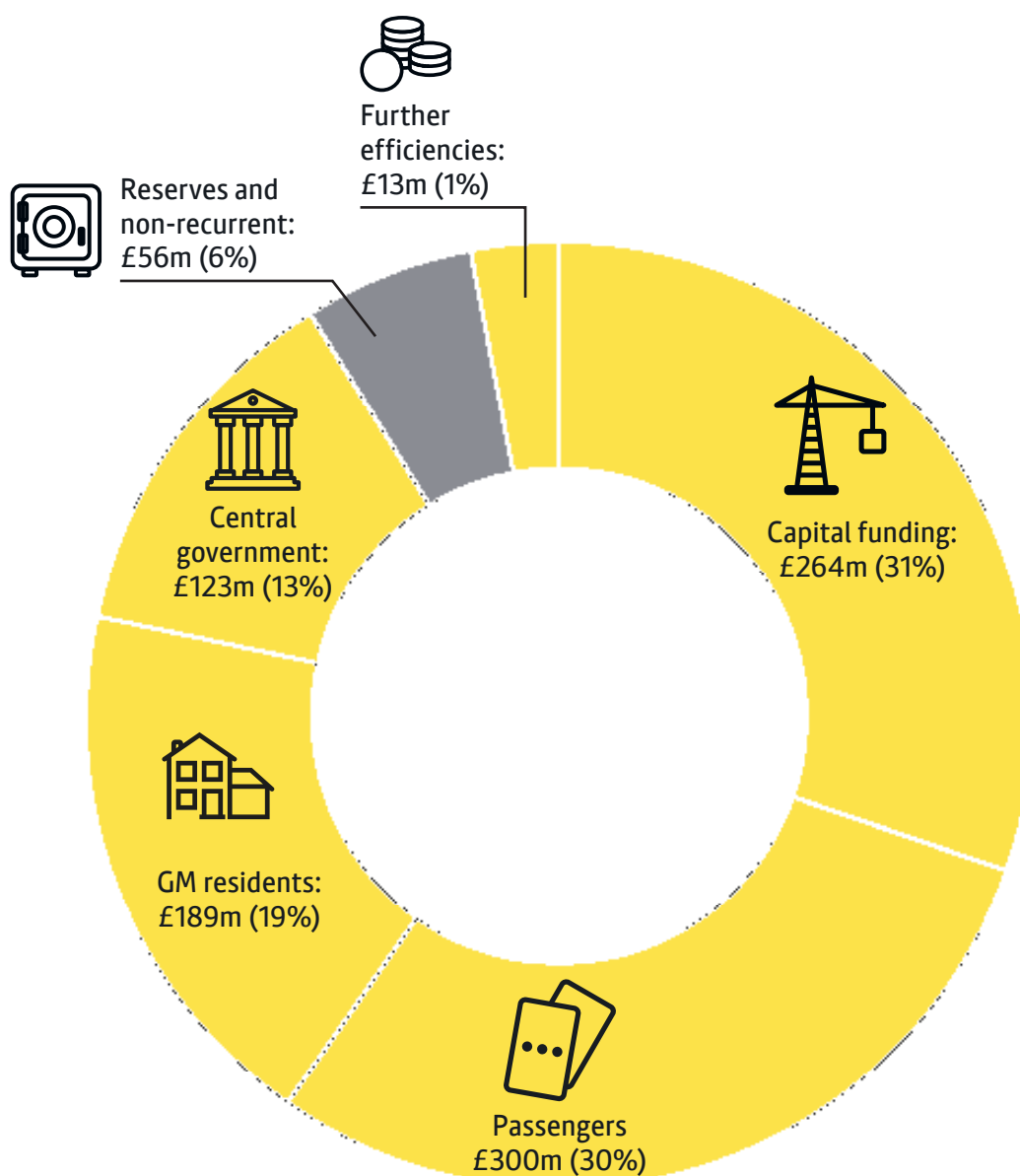
During the current financial year, GMCA and the government agreed the Integrated Settlement for 2025/26. This devolves funding to GMCA and, in turn, TfGM from the government for five different GMCA business areas (pillars), including local transport. This means that certain individual transport grant funding streams across government departments (capital and revenue grants) will be replaced by an individual grant.

This will give GMCA greater flexibility to plan and fund local priorities over the longer term. The settlement will also give GMCA a greater flexibility, with the ability to move funding between the five different pillars of the Integrated Settlement in order to achieve the outcomes agreed with the government.

GMCA has therefore received funding certainty for key local government transport grants (including bus

related grants such as the BSIP grant) and will have greater flexibility over the use of these grants.

In addition, TfGM continues to deliver on the Financial Stability Plan (FSP), and this will continue through 2025/26 as part of working to ensure the long-term financial sustainability of the transport network and provide the foundation for the continued delivery of the Bee Network. The Budget report to GMCA in February 2025 set out the various initiatives underpinning the FSP. Whilst the FSP delivers financial benefits, discussions still need to continue with government, particularly in advance of the Comprehensive Spending Review, to make the case that ongoing and increasing government funding (e.g. BSIP) is required to keep improving public transport and driving economic growth in GM and in other regions.



Key points to note from the budget are:

Income

- The transport levy, which is raised from the ten GM local authorities, represents the largest source of grant funding for TfGM's operational costs. This will increase by £6 million in 2025/26.
- The Mayoral Transport Budget of £133.3 million, which is a decrease of £2.4 million compared to the 2024/25 revised budget. This funding is made up of the Statutory Charge (for bus franchising), Bus Service Operator Grant and Mayoral Precept.
- Government grants include funding for bus costs, scheme development costs and other smaller grants, including the Rail Administration Grant.
- Funding from reserves includes contributions from Capital Programme reserves and Earnback grant funding.

Expenditure

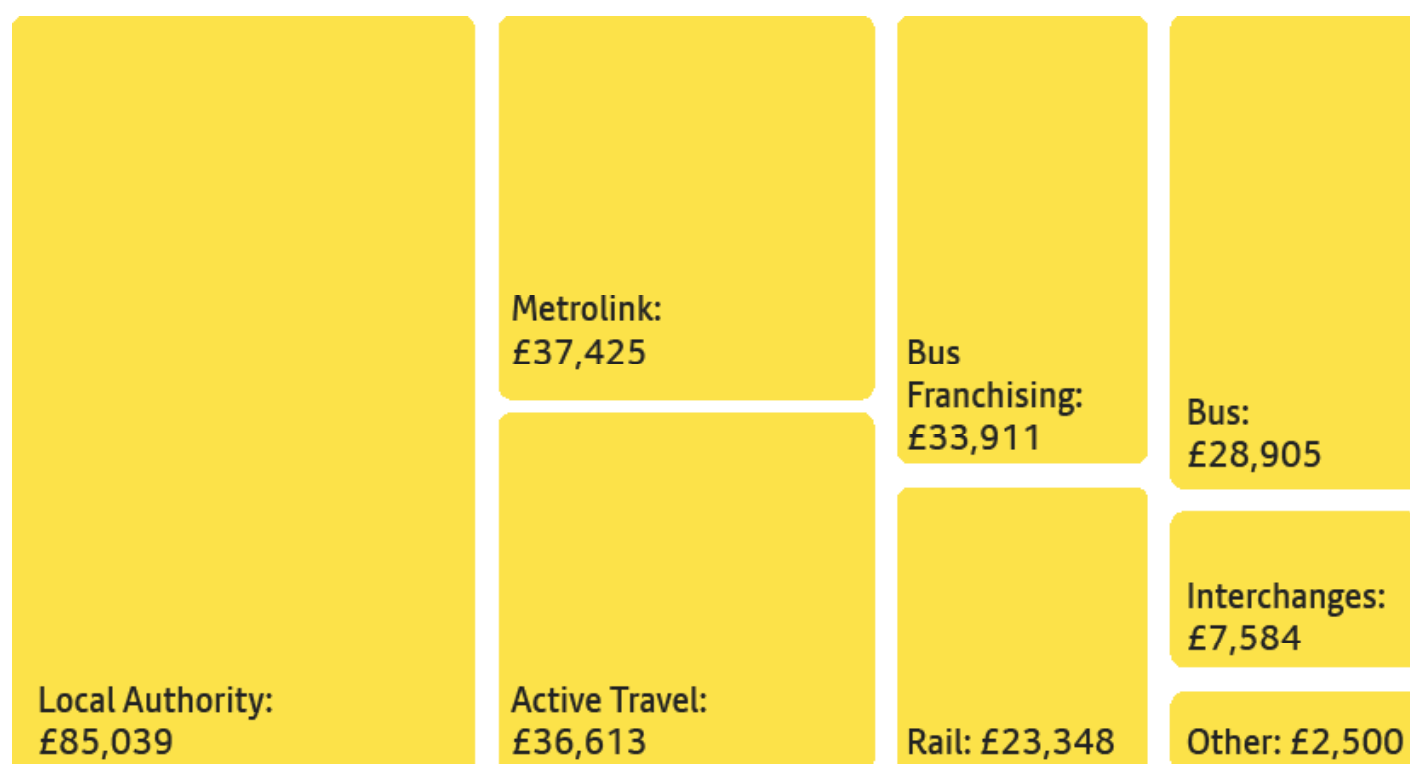
- Bus franchising was fully implemented in 2024/25 and as a result, a number of payments are no longer required or have been significantly reduced (e.g. concessionary reimbursement, capped fares, financially supported services and the devolved BSOG grant).
- There are increased net costs to taking on the final, third tranche of the franchised bus network, and there is also an increased 'lost revenue' element of the budget. This is due to items stated above, such as concessionary reimbursement, capped fares and financially supported services funding coming through as GMCA grant funding and not being netted off operational costs.

- The finance costs for Metrolink capital schemes funded via GMCA borrowings are included in the 2025/26 net Metrolink budget, whereas in 2024/25, the finance costs incurred were not passed onto TfGM and were retained by the GMCA due to TfGM budgetary pressures. The reinstatement of these finance costs in 2025/26 is the main reason for the budgeted increase in Metrolink net costs.
- Operational costs include the costs of operating and maintaining the TfGM owned bus stations, Information and Ticket Offices and other infrastructure, and the costs of support functions and other specific grant funded costs. The underlying costs are forecast to decrease by c£2 million from the expected outturn costs in 2024/25. It has been assumed that efficiency savings will need to be delivered through the Financial Sustainability Plan to ensure the most effective and efficient delivery models; and to reduce the core operating costs of TfGM (including by reductions in external expenditure); and an ongoing focus on increasing commercial income from the existing TfGM asset base.

Capital budget for 2025/26

The Capital programme approved by GMCA in February 2025 includes £255.3 million of expenditure on transport related capital projects across Greater Manchester, being delivered by both TfGM and the ten Greater Manchester local authorities. The main areas of spend are shown below:

2025/6 Transport capital programme £'000



A description of the main elements and key outputs of the 2025/26 Transport Capital Programme is set out below:

- Local authority-led works, including Streets for All schemes, Key Route Network and road improvements, and other highways initiatives.
- Active Travel initiatives including cycling and walking infrastructure schemes, to be predominantly delivered by the ten Greater Manchester local authorities.
- Further electric bus purchases, (along with associated depot electrification and renewal works), as well as implementing and upgrading ticketing and IS infrastructure to support the continued

electrification of the Greater Manchester bus network, and continued progress on Bury Interchange and associated residential developments.

- Further enhancements and improvements to Greater Manchester bus routes.
- The start of Rail Reform and Integration, along with further design and delivery of rail station accessibility works at Swinton, Bryn, Hindley, Reddish, Flowery Fields, Newton for Hyde, & Levenshulme and continued development of the new Golborne Station scheme.
- Continuation of the Metrolink Renewals and Tram Safety Improvement programmes.

Basis of preparation of Statement of Accounts

This Statement of Accounts includes the individual financial statements for TfGM only. Due to the size of its subsidiary entities, it is considered that they are not material in the context of TfGM and therefore group accounts have not been presented.

There are no changes in accounting standards which are considered to have a material impact on the financial statements for TfGM.

The Statement of Accounts is prepared under an accounting regime adopting the International Financial Reporting Standards (IFRS). TfGM implements IFRS by adopting the IFRS-based 'Code of Practice on Local Authority Accounting' ('the Code'), which is the 'version' of IFRS adopted by local authorities.

SG WARRENER
Director
[Date]

DM BULL
Director

Statement of Accounts

Statement of Responsibilities for the Statement of Accounts

TfGM's responsibilities

TfGM is required to:

- Make arrangements for the proper administration of its financial affairs and to secure that one of its officers has the responsibility for the administration of those affairs. That officer is the Finance and Corporate Services Director.
- Manage its affairs to secure economic, efficient and effective use of resources and safeguard its assets.
- Approve the Statement of Accounts.

The Finance and Corporate Services Director 's responsibilities

The Finance and Corporate Services Director is responsible for the preparation of TfGM's Statement of Accounts, in accordance with proper practices as set out in CIPFA/LASAAC *Code of Practice on Local Authority Accounting in the United Kingdom* (The Code).

In preparing this Statement of Accounts, the Finance and Corporate Services Director has:

- Selected suitable accounting policies and then applied them consistently.
- Made judgements and estimates that were reasonable and prudent.
- Complied with The Code, so far as was appropriate for a Passenger Transport Executive.

The Finance and Corporate Services Director has also:

- Kept proper accounting records which were up to date.
- Taken reasonable steps for the prevention and detection of fraud and other irregularities.

Responsible Financial Officer's certificate

I hereby certify that the Statement of Accounts gives a true and fair view of the financial position of TfGM as at 31 March 2025 and of its income and expenditure for the year ended 31 March 2025.

DM BULL

Director of Finance, Commercial and Corporate Services

[Date]

Annual Governance Statement

The Annual Governance Statement forms part of TfGM's Governance Framework and results from the requirement to conduct a review at least once a year of the effectiveness of its system of internal control, and to prepare a statement which forms part of the Annual Accounts. This statement covers the period from 1 April 2024 to the date the accounts are signed.

TfGM follows the principles of the CIPFA/SOLACE Framework *Delivering Good Governance in Local Government* which defines governance as comprising 'the arrangements put in place to ensure that the intended outcomes for stakeholders are defined and achieved.' It further states that 'To deliver good governance in the public sector, both governing bodies and individuals working for public sector entities must try to achieve their entity's objectives while acting in the public interest at all times. Acting in the public interest implies primary consideration of the benefits for society, which should result in positive outcomes for service users and other stakeholders.'

This Annual Governance Statement describes how effective TfGM's governance systems and processes are, and where further improvement activity is planned.

Scope of responsibility

TfGM is a body established by the South East Lancashire and North East Cheshire Passenger Transport Area (Designation) Order 1969 (SELNEC Order) that was made under the Transport Act 1968. It is:

- a Passenger Transport Executive under the Transport Act 1968;
- an executive body of the Greater Manchester Combined Authority (GMCA) for the purposes of the strategic functions referred to in Article 9(2) of the Greater Manchester Combined Authority Order 2011 (the GMCA Order); and
- to be treated as an officer of the GMCA for the discharge of functions delegated to the GMCA by other Local Authorities.

In discharging its functions, TfGM is responsible for putting in place proper arrangements for the governance of its affairs; and facilitating the effective exercise of its functions.

TfGM has followed the principles of the CIPFA/SOLACE Framework *Delivering Good Governance in Local Government: Framework* (2016) in preparing this statement. This Statement explains how TfGM has complied with the Framework and also meets the requirements of regulation 6(1) of the Accounts and Audit Regulations 2015, which require TfGM to publish a statement on internal control.

The Combined Authority and the Mayor

Greater Manchester Combined Authority (GMCA) and the Greater Manchester Mayor are the public entities that are responsible for the co-ordination of transport, regeneration and economic development functions for the Greater Manchester region. The creation of the Combined Authority in April 2011 saw a transfer of powers from central government to Greater Manchester. In November 2014 central Government and GMCA agreed plans for the further devolution of specific powers to Greater Manchester, including on a number of transport matters, and work has been carried out since, and will continue on implementing this Agreement. In May 2017 the Greater Manchester Mayor was elected pursuant to the GMCA (Election of Mayor with Police and Crime Commissioner Functions) Order 2016. The current Greater Manchester Mayor is Andy Burnham. He was first elected in 2017 and was subsequently re-elected in 2021 and 2024 with his current term due to end in 2028.

Greater Manchester has new responsibilities over transport as part of the city-region's most significant devolution deal with Government. The Trailblazer Deal announced in March 2023 included more influence on regional rail services to deliver a London-style integrated public transport system - the Bee Network - by 2030.

In January 2025, Government announced that as part of the trailblazer devolution deal Greater Manchester will receive a new £630 million funding settlement. The new integrated settlement replaces a system of separate funding pots from different Government departments, including the Department for Transport, and gives Greater Manchester more freedom and flexibility

to fund local services and invest in its priorities. GMCA and TfGM governance frameworks are being reviewed in light of this significant change.

The following GMCA functions are reserved to the GM Mayor, provided that any exercise of the Mayor of these functions requires a vote in favour by at least eight members of the GMCA:

- developing policies for the promotion and encouragement of safe, integrated, efficient and economic transport to, from and within Greater Manchester under s108(1)(a) of the Transport Act 2000;
- the adoption, approval, amendment, modification, revision, variation, withdrawal or revocation of a local transport plan (LTP) under s108(3) of the Transport Act 2000; and
- the duty to keep the local transport plan under review and alter it if considered appropriate to do so including replacing the plan under s109(1) or (2) of the Transport Act 2000.

GMCA and the constituent councils are party to joint arrangements under Section 101(5) of the Local Government Act 1972, Section 20 of the Local Government Act 2000 and Regulations 4, 11 and 12 of the Local Authorities (Arrangements for Discharge of Functions) (England) Regulations 2000 for the discharge of specified transport functions. This includes through a joint committee which until 4 April 2019 was the Transport for Greater Manchester Committee (TfGMC). On 4 April 2019 the GMCA (Functions and Amendment) Order 2019 (Order 3) came into force. It dissolved TfGMC and made provision for the establishment of a joint committee of the GMCA, the constituent councils, and the GM Mayor. This committee is the Bee Network Committee (BNC). The majority of the functions that were delegated to the TfGMC from the GMCA and the Mayor have been delegated to BNC, with some being directly delegated to TfGM.

Order 3 also provided for the transfer of certain functions from TfGM to the GMCA and the GM Mayor. These functions are primarily related to TfGM's duties to contract with and reimburse public transport operators to provide subsidised services and concessionary travel; and is intended to align with the Bus Services Act 2017. The GMCA and the Mayor have delegated back to TfGM those functions that TfGM previously exercised.

Over the last few years TfGM has led on implementing bus reform on behalf of the GMCA, which has been carried out in accordance with The Transport Act 2000 (as amended by the Bus Services Act 2017). In March 2021 the GM Mayor made a decision to introduce bus franchising in Greater Manchester. The first franchised services commenced operation in September 2023, the second tranche went live in March 2024, and the final tranche commenced operation in January 2025.

TfGM's Governance Framework

TfGM's Governance Framework comprises the systems and processes, and the culture and values, by which TfGM is directed and controlled, and the activities through which it is made accountable to, engages with, and supports the community. The Governance Framework enables TfGM to monitor the achievement of its corporate objectives, as set out in the TfGM Business Plan, and to consider whether those objectives have led to the delivery of appropriate, cost effective services.

The system of internal control is a significant part of the Governance Framework and is designed to manage risk to a reasonable level. It cannot eliminate all risk of failure to achieve policies, aims and objectives and can therefore only provide reasonable assurance and not absolute assurance of effectiveness. Internal control is an ongoing process, designed to identify and prioritise the risks to the achievement of TfGM's policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.

The internal control environment includes TfGM's policies, procedures and operations that are in place to:

- establish and monitor the achievement of TfGM's objectives;
- identify, assess and manage risks to achieving these objectives;
- facilitate policy and decision making;

- ensure value for money;
- ensure compliance with established policies (including ethical expectations), procedures, laws and regulations;
- safeguard its assets and interests from losses such as those arising from fraud, irregularity or corruption; and
- ensure the integrity and reliability of information, accounts and data including internal and external reporting and accountability processes.

The Governance Framework forms part of TfGM's Constitution, which is reviewed and updated regularly. The latest review was undertaken in late 2024 and is in the process of being implemented, with a target to fully implement the review recommendations by the end of 2025. The review recommended changes in response to:

- TfGM's expanding role and remit, including the significant growth in the scale of TfGM's operations following the implementation of bus franchising and as a result of the ongoing capital programme;
- Greater Manchester's Integrated Settlement which will provide greater funding flexibility, allowing for a more integrated approach to policy development and delivery with a focus on delivering agreed outcomes;
- Changes to GM's Group arrangements to improve engagement and alignment between TfGM and the Mayor, the GM Transport Commissioners, GM Local Authorities, GMCA, and the wider GM Group; and
- The acute financial pressure being faced by Local Authorities, and the increase in TfGM's financial risk and exposure following its expanded role and remit.

The leadership and decision-making functions within TfGM are exercised by the Executive Board, which is the ultimate decision-making body within TfGM and is responsible for determining strategic issues and policy on the exercise of its powers and the conduct of its business.

In July 2024, the GMCA made new appointments to TfGM's Executive Board to ensure that TfGM remains, and becomes more, accountable and responsive to the GMCA and GM Local Authorities. The new appointments were the GM Transport Commissioner, the GM Active Travel Commissioner and a GM Local Authority Chief Executive, currently Tom Stannard the Chief Executive of Manchester City Council. The Executive Board now consists of nine Statutory Directors appointed in accordance with s9(2) Transport Act 1968, including the Group Chief Executive, who is the Director General of the Executive, the TfGM Managing Director the Chief Network Director and three independent Non-Executive Directors.

The Executive Board as a whole is collectively responsible for the success of TfGM. The Board's role is to:

- contribute to strategic planning and structured decision-making;
- set challenging goals and objectives for the organisation;
- monitor the performance of the Executive in meeting its strategic objectives; and
- offer constructive criticism and challenge to the Executive Directors.

The Executive Board has appointed a number of sub-committees to support the Board in discharging its responsibilities, namely an Audit, Risk and Assurance Committee and a People Committee which are long standing. Establishment of a new Major Projects Committee has recently been approved and consideration is being given to a new Health, Safety and Environment Committee, both of which will aid the Board in overseeing two priority areas identified by the Board.

Executive level decision making is supported by a governance framework including the Chief Executive Leadership Team, the Performance Board, and the Infrastructure Pipeline Board. The responsibilities of these bodies are set out in TfGM's Governance Framework and Constitution. Further changes to the framework are currently being considered in line with the recommendations from the recent governance review.

A review of the effectiveness of the Executive Board is undertaken annually, with the most recent review undertaken as part of the recent governance review.

The CIPFA/SOLACE Framework

The overall aim of the CIPFA/SOLACE Framework ('the Framework') is to ensure that resources are directed in accordance with agreed policy and according to priorities; that there is sound and inclusive decision making; and that there is clear accountability for the use of resources in order to achieve desired outcomes for service users and communities. The Framework positions the attainment of sustainable economic, societal and environmental outcomes as a key focus of governance processes and structures.

Defining the Core Principles and Sub-Principles of Good Governance

The fundamental function of good governance in the public sector is to ensure that public bodies achieve their intended outcomes while acting in the public interest at all times. The CIPFA/SOLACE Framework defines seven core principles of good governance in the public sector and how they relate to each other.

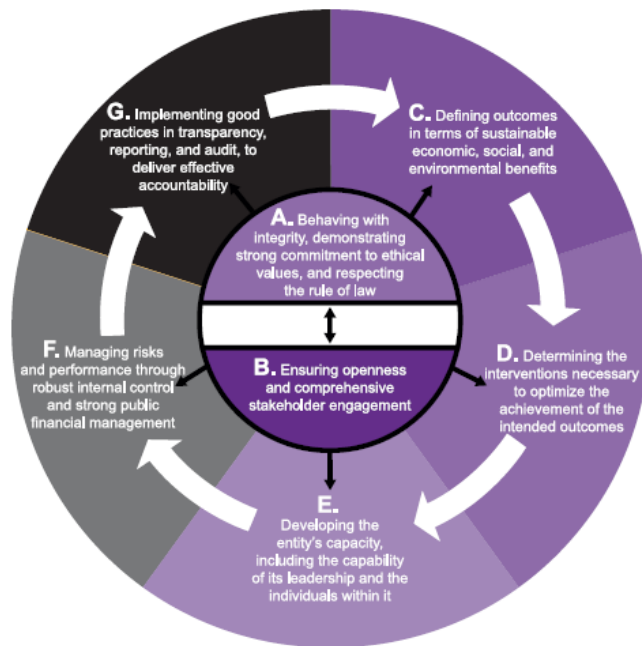
Acting in the public interest requires a commitment to and effective arrangements for:

- A: Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law.
- B: Ensuring openness and comprehensive stakeholder engagement.

Achieving good governance in the public sector also requires effective arrangements for:

- C: Defining outcomes in terms of sustainable economic, social, and environmental benefits.
- D: Determining the interventions necessary to optimise the achievement of the intended outcomes.
- E: Developing the entity's capacity, including the capability of its leadership and the individuals within it.
- F: Managing risks and performance through robust internal control and strong public financial management.
- G: Implementing good practices in transparency, reporting, and audit, to deliver effective accountability.

The Framework illustrates the principles using the diagram below, taken from the International Framework: Good Governance in the Public Sector (CIPFA/IFAC, 2014) (the 'International Framework').



The International Framework notes that 'Principles A and B permeate implementation of principles C to G'. The diagram also illustrates that good governance is dynamic, and that an entity as a whole should be committed to improving governance on a continuing basis through a process of evaluation and review.

TfGM's alignment with the CIPFA/Solace Principles

Principle A: Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law.

TfGM has the power to implement the decisions of the GMCA and the Bee Network Committee, and the Mayor; and is particularly responsible for implementing the transport and traffic functions of the Combined Authority.

In fulfilling this role, TfGM is responsible for ensuring that its activities are conducted in accordance with the law and proper standards, that public money is safeguarded and properly accounted for, and used economically, efficiently and effectively.

Sub-Principle: Behaving with integrity

The Executive Board is fully committed, through its policies and actions, to maintaining high standards of conduct and behaviour and to promoting a culture in which these can be openly practised. This is supported by a set of Values which are reviewed regularly including through engagement with staff. The latest review took place during 2022/23 and an updated set of Values was published in the Business Plan for 2024/25.

The updated Values are 'Deliver'; 'Adapt' and 'Care' and these new Values support an updated Vision, Purpose and Mission for TfGM; all of these are described in the Narrative Report within this set of Accounts.

In order to maintain awareness, the Values are re-iterated in key corporate documents, and they underpin the performance management and business planning processes. The Values are an integral part of the induction process for all new staff. TfGM has implemented a Code of Conduct which consolidates a number of existing policies and procedures into a single Code and which underpins the Values.

TfGM has adopted the Guidance entitled "Openness and transparency on personal interests" as published by DCLG. All staff with responsibility for specification, evaluation or procurement, and those who attend and contribute to decision making at the

Executive Board meetings, or any meetings of its delegated Boards or Committees, are required to declare their interests in a centrally held register, which is reviewed annually or updated as required on any notifiable changes in interests.

In addition, attendees at each meeting of a decision-making Board or Committee are asked to confirm their registered declarations of interest and declare in addition any interest in any contract or matter to be discussed at the meeting.

TfGM takes fraud, corruption and maladministration very seriously. The following Policies and Procedures are in place:

- a Whistleblowing Policy;
- A Counter Fraud and Corruption Policy;
- Fraud Response Procedures;
- An Anti-Bribery Policy;
- An Anti-Money Laundering Policy and Procedure.

All of these policies are reviewed, and where appropriate updated, in line with an agreed review cycle where appropriate and in line with an agreed review cycle. Whilst the above policies and procedures last underwent a comprehensive review during 2021, and are overdue for review, they are considered to be fit for purpose. There is also a Counter Fraud Strategy and supporting work programme to direct counter fraud activities and any necessary improvements to the design or operation of the counter-fraud framework.

Staff awareness and understanding of the policies is supported by a mandatory e-learning programme and periodic communications and exercises in relation to online threats. Every two years TfGM participates in the National Fraud Initiative programme which is carried out by the Cabinet Office.

Sub-Principle: Demonstrating strong commitment to ethical values

TfGM has robust policies and procedures for ensuring integrity and compliance with ethical standards, both by TfGM staff and external providers of goods and services.

TfGM's Constitution includes the Financial Regulations and Procurement Rules which are binding on all staff.

Major procurements require suppliers to submit information regarding their organisations (or where appropriate, their Directors') including:

- confirming non-participation in criminal organisations, corruption, fraud, terrorist or related activities, money laundering, child labour or trafficking in human beings;
- compliance with the Modern Slavery Act 2015;
- the health and safety performance of the organisation and their supply chain;
- compliance with equality legislation;
- compliance with environmental legislation;
- Payment of Real Living Wage; and
- where applicable, contracts include a commitment to the economic and social regeneration of Greater Manchester as part of our social value commitments against applicable regulations and the National Procurement Policy Statement (NPPS). in a reasonable and proportionate manner.

Work has been undertaken, and will continue, to strengthen TfGM's identification and mitigation of the risks of modern slavery and human trafficking in the supply chain, including developing strengthened clauses and wording in all relevant documents. TfGM's Modern Slavery policy has been published on the TfGM web site.

As an anchor institution within Greater Manchester, TfGM also places emphasis on suppliers' social value as part of its commitment to social and ethical values within procurement, in line with the National Procurement Policy Statement released by Cabinet Office in 2021. As part of this, where applicable, supplier commitment to the Greater Manchester Good Employment Charter is gathered, along with their commitments against the Greater Manchester Social Value Framework themes to promote a cleaner, greener, and more prosperous Greater Manchester.

TfGM has embedded the new Procurement Act 2023. The Procurement Act intends to increase transparency across public procurement, to ensure that public bodies 'act, and are seen to act, with integrity'. Training has been undertaken by all members of the Procurement Department on the Act, and, to support our existing and potential supply chains, guidance on the Act and its implications for suppliers has been provided, to all existing suppliers, and on TfGM.com.

Finally, the TfGM Procurement Department has launched 'Procurement Self-Serve' for lower value requirements, which includes procurement guidance and templates for the organisation that explain the importance of ethical sourcing and social value.

Sub-Principle: Respecting the rule of law

TfGM's Constitution sets out the statutory framework of TfGM and documents procedures including financial regulations and procurement rules. This is compliant with the duties and responsibilities of TfGM provided under the Transport Acts 1968, 1983, 1985 and 2000, the Local Government Act 1972, the Transport Works Act 1992, the Greater Manchester Combined Authority Order 2011.

Officers in exercise of delegated powers under the Scheme of Delegation must ensure decisions are taken in accordance with legal requirements; the provisions of the Constitution; capital and revenue budgets; and established policies, plans and procedures. These have been communicated to all staff.

TfGM is not subject to legislation requiring the discharge of the statutory duties of a Monitoring Officer, however, the Head of Legal Services carries out the equivalent duties, where appropriate, with overall responsibility for legal issues.

Principle B: Ensuring openness and comprehensive stakeholder engagement

The Executive Board is the ultimate decision-making body within TfGM and is responsible in particular for determining strategic issues consistent with GMCA policies.

TfGM carries out a range of engagement and consultation activities with wide ranging stakeholders throughout the year.

TfGM's Partnerships, Engagement and Inclusion team aims to build and maintain effective strategic partnerships to ensure that the organisation understands, listens to and influences appropriately across all aspects of transport and end-to-end journeys. This includes engagement with businesses, employers, community groups, education, voluntary sector, residents, councils and those with protected characteristics. The team also designs and delivers statutory and non-statutory consultations and surveys, working closely with functions across the organisation to embed equalities considerations into planning and decision-making, whilst co-designing any activity with stakeholders where appropriate.

Key activity during 24/25 has included consultation and engagement on new strategies for Rapid Transit and School Travel, a Vision Zero Strategy to reduce the number of deaths and serious injuries on GM roads, reviews of the bus network, piloting new 24hr bus services, the future integration of rail services into the Bee Network, and allowing bikes on the tram network.

TfGM also continues to support local authorities in the development and delivery of their cycling and walking consultation activity. Additionally, TfGM has acted on behalf of the ten Greater Manchester local authorities to undertake consultation activity on a number of new/upgraded crossings and junction improvements to enable more walking and cycling by making the roads safer.

Sub-Principle: Openness

TfGM is committed to open governance and to meeting its legal responsibilities under the Freedom of Information Act 2000.

The Local Government Transparency Code (2015) applies to all Local Authorities, including Integrated Transport Authorities and Combined Authorities, but does not apply to Passenger Transport Executives. However, TfGM is committed to transparency and as such voluntarily complies with the Transparency Code, publishing as much information as possible and practicable.

TfGM publishes a substantial amount of public information through the GMCA and the Bee Network Committee. This includes regular financial updates, and updates on the status of the capital programme delivery and the performance of the modes of transport. All decisions which require the approval of the GMCA or the Bee Network Committee are put before a public meeting prior to a resolution being reached, with the exception of those decisions that under section 100 (A) (4) of the Local Government Act 1972 would involve the likely disclosure of exempt information.

All decisions that TfGM requests of the GMCA, the Bee Network Committee or the Mayor, which are considered to be a Key Decision under The Combined Authorities (Overview and Scrutiny Committees, Access to Information and Audit Committees) Order 2017 are published on the GMCA's Key Decision Register a minimum of 30 days in advance of the decision being taken. This gives notice to the public and GMCA's Overview and Scrutiny Committees of forthcoming decisions which are over £500,000 in value, or that are significant in terms of its effects on persons living or working in an area comprising two or more wards or electoral divisions in the area of the Combined Authority.

Sub-Principle: Engaging comprehensively with institutional stakeholders

Greater Manchester has a long tradition of working in partnership to achieve its objectives. The partners in the 'GM Family' include the GM Mayor, ten Local Authorities and their Leaders, and the Greater Manchester Business Board, reflecting the voice of local businesses. The 'GM Family' work closely together to ensure the provision of joined-up, coordinated services that provide value for money for local residents and businesses and realise the shared vision for the area.

The Mayor's Transport Board brings together decision makers from key agencies involved in the operation of, and strategic planning for, GM's transport network. Its objective is to drive continuous customer-focused improvement across the GM transport system; promote integrated and efficient service delivery; and establish a forum for integrated strategic planning for, and investment in, GM's transport network. TfGM continues to participate in the forum, providing regular transport performance reports.

Supporting the Mayor is the Transport Commissioner, Vernon Everitt, who was appointed in April 2022 to play a leading role in the delivery of the Bee Network. In addition the Mayor is supported by an Active Travel Commissioner, Dame Sarah Storey, Dame Sarah will advise the Mayor on the delivery of the Bee Network active travel vision.

The Memorandum of Understanding signed with Highways England continues to facilitate working in partnership towards a long-term vision for motorways and key roads across Greater Manchester.

The process of developing the Transport Delivery Plan (described in detail under Principle D below) involved: district planning and transport officers; Highways England; TfGM and other partners.

Sub-Principle: Engaging with individual citizens and service users effectively

The functions of the Executive Board reflect TfGM's key responsibilities, which includes providing a high-quality customer service to people using the Greater Manchester transport networks.

Putting the customer experience at the heart of how we design and deliver services is a key priority for TfGM as we make progress towards implementing the Bee Network.

In response to listening to customers, we have adopted a collaborative approach across all our frontline operations to reassure people in using the public transport network. This has been in partnership with our Travelsafe initiative that has undertaken targeted operations to reduce anti-social behaviour and fare evasion at key hotspots across the network.

We recognise that providing an integrated ticketing and information customer proposition is going to be fundamental in our future success. Over the last 12 months we have continued to make progress across our ticketing and information services. This has included the continuation of single, daily and weekly capped fares on bus across Greater Manchester. A new integrated ticketing and information Mobile Application has also been developed and was launched in September 2023 that allows customers to plan and pay for their travel. Also, on bus Electronic Ticket Machines and an Automated Vehicle Location capability was introduced to support Bus Performance and Real time tracking was launched to support go live of Bus Franchising. This laid the ground for PayGo Capping (Bus and Tram) which launched in March 2025. In addition to the key retail channels, the wider ticket estate was also uplifted to present the new brand and to make available the simplified product set to all travelling across Greater Manchester

Principle C: Determining outcomes in terms of sustainable economic, social, and environmental benefits

Our Local Transport Plan (LTP) is a statutory document that sets out our long-term ambitions for transport. Greater Manchester's current LTP is the Greater Manchester Transport Strategy 2040 (GMTS 2040) and was prepared in collaboration with the ten Greater Manchester (GM) Local Authorities.

GMTS 2040 was adopted in 2017, with a light refresh undertaken in 2021. The LTP guides future investment and strategic policy decisions for transport across GM by demonstrating a clear rationale for intervention, high-level government funding and local investment for transport.

It was agreed that an approach would be taken to develop a new Greater Manchester transport strategy, comprising two key statutory LTP documents, rather than a single LTP document. These will cover different priorities and time horizons in a more integrated, multi-modal way, enabling a greater degree of flexibility and focus, and allowing documents to be reviewed and updated on a more regular basis in response to significant changes in context.

The main statutory documents comprising Greater Manchester's current LTP are:

- **Greater Manchester Transport Strategy 2040** - a document setting out our strategy giving details of policies, interventions and schemes to support delivery of a vision for transport in 2040. This was published in 2017 and updated in 2021. A link to the latest version of the 2040 Strategy is included [here](#); and
- **Our Five-Year Transport Delivery Plan 2021-2026** – setting out more detailed delivery proposals, a spending plan and monitoring of the performance of transport delivery programmes for 2021-26. This was published in January 2021 and a link to the document is included [here](#)

These documents are supported by an Integrated Assessment (covering environmental, health and equalities issues) and a travel and transport Evidence Digest that is refreshed on a regular basis to provide an up-to-date evidence base and to support the ongoing development and review of the Transport Strategy.

Sub-Principle: Defining Outcomes

The Five Year Transport Delivery Plan was published in January 2021 and forms part of the Greater Manchester Transport Strategy 2040. The plan is structured around five themes:



The Transport Strategy Vision is for Greater Manchester to have **“World class connections that support long-term, sustainable economic growth and access to opportunity for all”**.

Greater Manchester’s transport system needs to help the local economy to prosper. It needs to allow residents to more fully contribute to and benefit from that prosperity. It also needs to play a part in creating better places and a better natural environment, and in improving people’s quality of life. The role of technology and innovation will be even more important in the period up to 2040, enabling GM to improve transport performance and quality of life, to reduce costs and resource consumption, and to provide tailored information and pricing to transport users, providing a much better customer experience.

The four key elements of GM’s Transport Strategy Vision are:



Sub-Principle: Sustainable economic, social and environmental benefits

To support sustainable economic growth and tackle congestion we need to: support the Greater Manchester Strategy, Places for Everyone Joint Development Plan and the refreshed Local Industrial Strategy; develop an increasingly successful Northern Powerhouse economy, with Greater Manchester as a major player at its heart; tackle congestion and enable the efficient

and effective movement of people and goods; and ensure transport contributes to high-quality, liveable and healthy neighbourhoods, town and city centres.

To improve quality of life we need to: create an inclusive and accessible transport network that enables access to opportunities; improve the connectivity, reliability and affordability of our networks for all; and encourage and support greater levels of walking and cycling.

To protect our environment and improve air quality we need to: reduce the impact of transport on the environment – particularly in terms of clean air and carbon reduction; and increase the use of sustainable transport to reduce the negative impacts of car use.

To capitalise on new technology and innovation we need to: embrace and champion innovation in the transport sector; and pilot new transport and travel technologies that support our 2040 priorities in line with the Local Industrial Strategy.

All appropriate schemes that are proposed, developed and delivered by TfGM are subject to an Equalities Impact Assessment to ensure fair access to services.

Principle D: Determining the interventions necessary to optimise the achievement of the intended outcomes

TfGM and Greater Manchester have a strong track record for delivery, built on a clear sense of direction and a strong system of governance that allows for development and refinement of priorities over time in support of the Greater Manchester Strategy. TfGM will ensure that there are robust delivery arrangements for investment schemes and programmes as they are confirmed. This will include collaborative working between TfGM, local authorities, national transport agencies and private sector partners wherever required.

The specific schemes to be delivered are, and will be, set out in a series of five-year Delivery Plans. In January 2021 the Joint GMCA/AGMA Executive Board approved the latest Five Year Transport Delivery Plan, running from 2021-2026. It sets out the planned interventions to deliver the Greater Manchester Transport Strategy 2040 and the Greater Manchester Strategy, and to enable a coordinated approach to transport investment. It contains the schemes and interventions necessary to begin to address the existing reliability and capacity issues on our transport network, to deliver a more sustainable and integrated transport system, and to deliver housing and employment growth.

The Five Year Transport Delivery Plan (2021-2026) was prepared in alignment with the Places for Everyone Joint Development Plan and along with GMTS 2040. are critical parts of the evidence base underpinning the Plan. All strategically significant infrastructure is included in Five Year Transport Delivery Plan.

Sub-Principle: Determining interventions

The GMTS 2040 focuses on creating an integrated, sustainable, and well co-ordinated transport system which supports a wide range of different travel needs. The GM Transport Strategy 2040 sets out key principles that will be applied consistently across the networks over the period to 2040 to ensure that the entire transport system is more customer-focused and able to respond effectively to the challenges that lie ahead.

Customers are at the heart of the 2040 Transport Strategy, including residents, businesses and visitors to Greater Manchester. GM is also mindful of the different needs of passengers and freight as it plans and delivers the transport system. GM has therefore established seven core principles, set out below, together with the ambition for each, which will be applied across the transport network.



On an on-going basis TfGM assesses many areas and routes across Greater Manchester where improvements to transport provision may be required. This may be for many reasons. Typical examples are:

- an increase in population or growth in local economic activity leading to congestion and overcrowding on existing infrastructure, or a forecast that the capacity of existing infrastructure will soon be overwhelmed by the travel and transport needs of the people and businesses of an area;
- new housing, commercial or industrial developments requiring new infrastructure;
- a change to essential services, such as hospital provision, which can significantly change the direction in which many thousands of people need to travel, and goods and services need to be delivered;
- ageing infrastructure in need of replacement as it reaches the end of its economic life; or
- an increase in the understanding of the negative impacts of transport on local people, such as pollution, or conversely the impacts of isolation, requiring a reconsideration of transport policy nationally and transport provision locally.

When a need is identified, TfGM carries out studies, looking at local and strategic impacts, to investigate which mix of interventions is likely to provide the greatest benefits for customers and return best value for money for taxpayers, considering whole life cost.

TfGM aims to act as quickly as possible to improve services for its customers. Where major expenditure is needed, TfGM seeks to demonstrate a good balance of sustainable economic and social benefits at an appropriate cost. This facilitates the prioritisation of existing resources and bids for funding from government.

TfGM has been commissioned by GMCA to refresh the GMTS 2040 and develop the next Five Year Transport Delivery Plan. Preparing a refreshed LTP will be a collaborative exercise. TfGM will lead its development, but the plan will need to be formally

adopted by each Local Authority, and input is required from partners and stakeholders to ensure our next LTP captures our Greater Manchester's ambitions to be a fairer, greener and more prosperous city region.

Sub-Principle: Planning interventions

The functions of the Executive Board reflect TfGM's key responsibilities, which include leading the development of transport strategy for Greater Manchester, shaping and influencing policy.

The Executive Board approves detailed revenue and capital budgets each year following determination by the GMCA of the Levy and other funding available to TfGM. TfGM undertakes a detailed 'bottom up' annual budget setting process whereby all budget holders are required to provide detailed budgets for all cost and income headings within their control.

TfGM's budgeting and business planning processes are integrated and aligned with the medium term financial strategy.

As has been noted in previous Annual Reports, TfGM's revenues and operating costs have been significantly impacted by a combination of factors including the pandemic and certain supply side shocks due to geo-political factors including the war in Ukraine. TfGM has been further developing its Financial Sustainability Plan and this has been a key part of the budget process for 2025/26.

Whilst patronage is now recovering strongly, reflecting the region's population growth and our marketing campaigns to offer affordable alternatives to car travel, the recurrent impacts of the pandemic and the subsequent exceptional inflationary pressures means that the public transport network continues to face financial challenges in 2025/26 and beyond. TfGM continues to consider options, for subsequent consideration by GMCA, for longer term financial sustainability. TfGM have also continued a dialogue with DfT officials with a view to securing a continuation of financial support for the Metrolink and Bus networks.

The oversight of day-to-day performance against the budget and business plan is delegated to the Performance Board, which receives detailed monthly performance reports.

Following approval of the budget, progress against targets is monitored on a regular basis including the preparation of monthly management accounts which includes a review of key variances to agreed budgets. Budget monitoring reports are presented monthly to the TfGM Executive Board and quarterly to GMCA.

The Executive Board has delegated to the Infrastructure Pipeline Board the authority to:

- approve funding for capital and revenue schemes not already included within an approved budget, subject to appropriate approvals from GMCA;
- approve the release of funding from budgeted contingency allowances;
- scrutinise investment decisions which are not the responsibility of any other part of the organisation under the terms of the Constitution;
- monitor the progress of capital programmes and associated projects with respect to funding and schedule parameters and reviewing performance indicator data;
- ensure that projects and programmes are managed to budget, time and quality and are focused on the successful delivery of identified benefits; and
- review proposals for new programmes and constituent projects where funding is not yet identified and subsequently make recommendations to the Executive Board / GMCA for approval.

TfGM has a well-developed Procurement Strategy and approach which ensures that it complies with all legal and regulatory requirements as well as achieving best value in procurement processes. A Procurement Policy is in place which is available to all staff via the Intranet.

Sub-Principle: Optimising achievement of intended outcomes

TfGM has a strong history of successfully securing funding and delivering major transport schemes, including the Metrolink expansion, the first guided busway in the North West and the recently opened new transport interchange and mixed use development in Stockport. TfGM is fully committed to building on its successes to date and ensuring the delivery of the Greater Manchester Transport Strategy.

TfGM has put in place proper arrangements to ensure economy, efficiency and effectiveness in its use of resources and regularly reviews the adequacy and effectiveness of those arrangements. As noted above TfGM is currently re-reviewing its medium to long term financial strategy in the context of the recovery for the Covid-19 pandemic and current cost inflationary challenges and the significant impacts these are having on revenues and costs.

A risk-based assurance approach is enhanced through the use of a risk complexity tool to assess risk and complexity early in the project lifecycle. The "CIFTER" toolset forms part of the Global Alliance for Project Performance Standards (GAPPS) which enables an organisation to categorise and evaluate projects in terms of risk and complexity against seven key factors and align that complexity to the Project Manager competence level as defined by the International Project Management Association (IPMA). The use of the CIFTER tool is strengthening the assurance approach, to help focus on deployment of the right resources to support successful delivery.

The Gateway Review Process continues to provide independent review of higher risk and major projects, at key stages in the project and programme lifecycle. These processes have operated successfully during the period.

Principle E: Developing the entity's capacity, including the capability of its leadership and the individuals within it

Whilst TfGM does not have a statutory duty under the Local Government Act 1999, it is nevertheless committed to achieving continuous improvement in the way its functions are exercised, having regard to a combination of economy, efficiency and effectiveness, with particular emphasis placed on achieving value for money. The organisation continues to ensure that its governance and processes are fit for purpose to reflect delivery and service quality priorities and to meet the challenges of the operating environment.

Sub-Principle: Developing the entity's capacity

Effective local government relies on public confidence in organisations and their officers. Good governance strengthens credibility and confidence in public services. Public Bodies need people with the right skills to direct and control them effectively. Governance roles and responsibilities are challenging and demanding and TfGM needs people with the right skills to direct and control them effectively. In addition, governance is strengthened by the participation of people with many different types of knowledge.

TfGM's People Strategy sets out a number of strategic priorities including Leadership and Performance, Building Capability, Productivity and Cost-Effectiveness and a Values-Driven Organisational Culture.

Sub-Principle: Developing the capability of the entity's leadership and other individuals

There is a corporate induction programme for all new starters. In conjunction with a local induction delivered by the individual's line manager or supervisor, the induction process includes an eLearning module which provides an introductory overview of the structure of the transport networks across Greater Manchester and background information explaining TfGM's activities. The eLearning module also introduces new starters to key policies, procedures and processes.

During 2024/25 TfGM has been reviewing its processes whereby employees are set objectives. Regular 1-2-1s take place with line managers, along with regular health and wellbeing 'check-ins'. A performance review process 'My Impact' is in place which aligns with the business plan and to strategic and functional objectives.

In addition, the Learning and Development team at TfGM has established Learning Champions across the organisation to facilitate the collation, consolidation and prioritisation of training requirements across departments. Training solutions are provided by a combination of in-house, online and external resources.

All staff have role profiles which clearly set out their roles and responsibilities. Role profiles are prepared in advance of the recruitment and selection process and assist TfGM in ensuring that all staff possess the necessary skills to undertake their roles.

TfGM has a Scheme of Delegation, as part of its Constitution, which is reviewed regularly. TfGM's Scheme of Delegation sets out details on levels of authority to approve expenditure. These have been communicated to all staff. In determining a Scheme of Delegation, TfGM has reserved powers within its Constitution in respect of those matters reserved for collective decision making. The Scheme of Delegation sets out the authorities of individuals and the authorities delegated to the committees of the Board. TfGM are currently undertaking a review and update of the scheme of delegation which will be implemented in 2025/26.

These governance processes give focus to decision making and make a clear distinction between the duties delegated for the day to day management of TfGM and those with respect to decisions on future activities or new ways of delivering its activities.

During the year TfGM again took part in the Best Companies survey, an independent research organisation that compiles and publishes the Sunday Times' 'Top Employers to Work For' staff survey. The latest full survey took place in April 2024 and TfGM is currently ranked as a 'one to watch' organisation¹. A Pulse survey was undertaken in April / May 25 for just over two weeks, with a 70% response rate. TfGM has increased back to a One Star Organisation.

The People Committee of the Executive Board, composed of Non-Executive Directors has delegated responsibility from the Board to oversee remuneration policies and the remuneration of senior managers.

TfGM's emphasis on Wellbeing has continued with the roll out of an updated Wellbeing Plan

TfGM is a member of the Greater Manchester Good Employment Charter.

Principle F: Managing risks and performance through robust internal control and strong public financial management

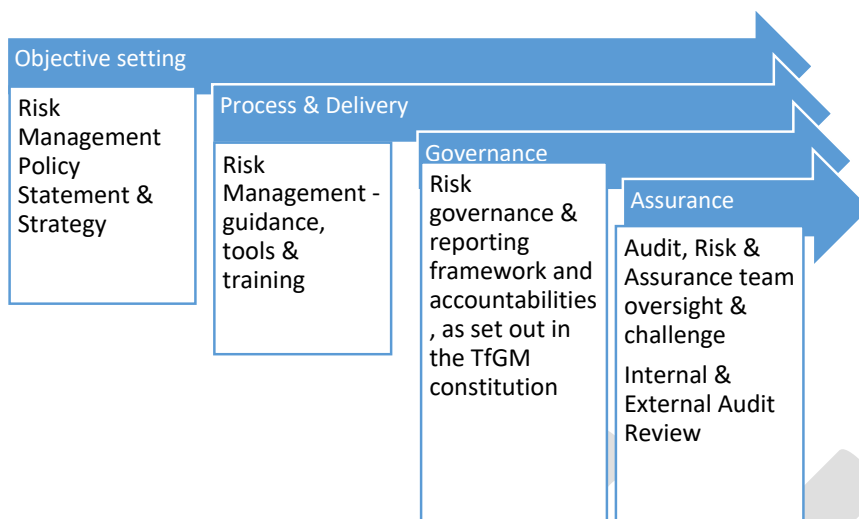
Sub-Principle: Managing risk

TfGM's Risk Management Strategy sets out best practice drawing principally on guidance and standards in the International Standard in Risk Management – ISO 31000: 2018, The Orange Book, Management of Risk, and Management of Risk: Guidance for Practitioners issued by HM Treasury. TfGM's risk management arrangements are compliant with the UK Corporate Governance Code (2018), as applicable for a non-listed organisation.

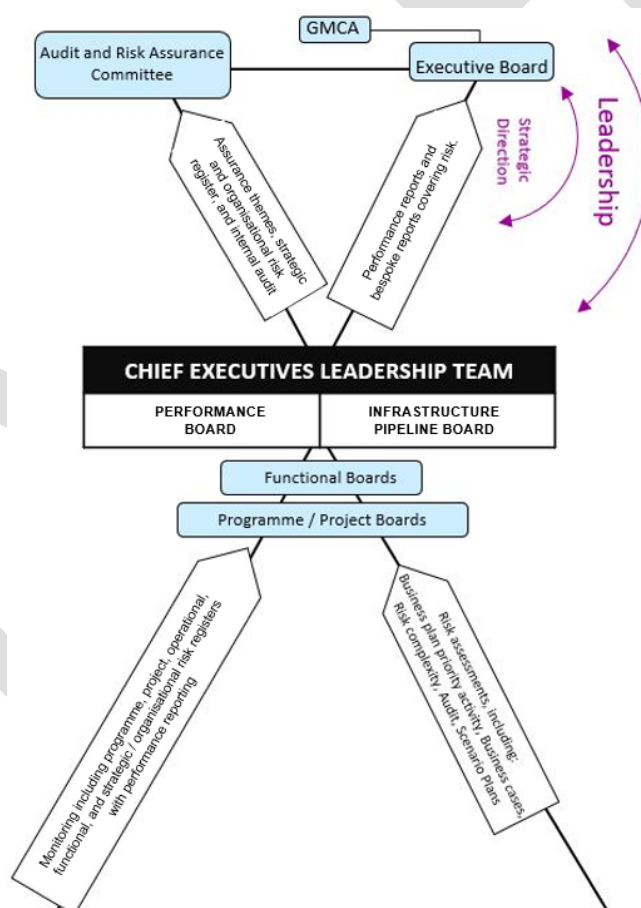
As part of TfGM's corporate governance framework, the Executive Board has overall responsibility for the risk management framework and the Audit and Risk Assurance Committee has the responsibility for providing the Board with assurance that the risk management process in place is effective. The Audit and Risk Assurance Committee ensures quarterly oversight and review of the framework. Progress updates on risk management activities and any changes to the strategic risk profile are presented to each meeting of the Audit and Risk Assurance Committee.

Continued overview and oversight of the risk management framework is also provided across the organisation by the Audit, Risk and Assurance team, working with Functional Risk Champions and senior management, as shown in the diagram below. The framework ensures that risk at all levels of the organisation are appropriately and effectively managed.

¹ "One to watch" refers to a designation given by the "Best Companies" organisation to companies that demonstrate promising levels of employee engagement, signifying they are on the right track to becoming a top workplace, but haven't yet reached the level to receive a full star accreditation (like a 1-star or 2-star rating) based on their employee feedback scores



TfGM's risk management framework incorporates both a 'bottom up' and 'top down' approach, as set out in the diagram below.



The Functional Boards, Infrastructure Pipeline Board, and Performance Board are actively involved in the management and ownership of risk, in accordance with TfGM's Risk Management Strategy, in line with their terms of reference.

TfGM has a project risk management system and a corporate SharePoint site where all risk information is held and maintained centrally. A risk management system also provides the functionality to run quantitative risk analysis.

Robust and established risk processes are in place to ensure that risks at all levels (Strategic & organisational, functional, operational, project and programme) are well managed. Each risk is assigned an owner and actions designed to mitigate each risk are also assigned owners. Risks are regularly reviewed and reported in line with the TfGM Risk Management Strategy. This includes monthly reporting to Functional Boards and the Performance and Executive Boards. With reporting to the Audit and Risk Assurance Committee. In addition, risk is considered in all reports presented to the Executive Board, Performance Board, and Infrastructure Pipeline Board. Arrangements for the management of project and programme risks are also embedded in project and programme procedures.

The Audit and Risk Assurance Committee, the Executive Board and the GMCA provide strategic direction and leadership, including determining TfGM's risk appetite.

During 2024/25, as part of regular updates, quarterly reviews of the strategic and organisational risk register were undertaken with the Chief Executives Leadership Team throughout the year.

The continuous improvement work during 2024/25 year focussed on:-

- mapping (and reporting progress of) strategic and organisational risks to strategic objectives and Business Plan activity;
- continued monitoring of performance against 12 Risk Appetite Statements and their target levels as laid out in the Risk Management Strategy to help the organisation and staff members to make better risk informed decisions; and
- continuing to strengthen key supplier contract management arrangements, including enhanced reporting.

TfGM will continue to review and improve its risk management arrangements.

Resilience

TfGM maintains robust organisational Resilience arrangements; the Resilience Management System (RMS) sets out our approach to Incident Management & Response and Business Continuity. A Resilience Steering Group oversees an annual work programme of activity to ensure our contingency plans remain up to date, are tested regularly and we are considering new and emerging hazard and threats to the business. Learning is collated from each exercise and incident which then feeds into plan reviews to ensure the continuous improvement of TfGM's Resilience.

TfGM is a Category 2 Responder under the Civil Contingencies Act 2004, and so participates in the Greater Manchester Forum to support and contribute to GM multi-agency preparedness and major incident response.

TfGM also falls within scope of increasing Counter Terrorism Security Regulation including the National Railways Security Programme, Light Rail Security Programme and the Terrorism (Protection of Premises) Bill (aka Martyn's Law). Organisational compliance to these are coordinated by the Resilience Team reporting into the Director Responsible for Security (Chief Network Officer).

Sub-Principle: Managing performance

Co-ordination of TfGM's business planning and performance management processes are delegated to the Performance Board, including:

- monitoring key performance indicators and the priority tasks being undertaken and reporting key performance indicators and the priority tasks to the Executive Board; and
- monitoring the performance of transport networks and transport providers and ensuring the integration of activities, including events planning and incident management, across the modal networks;

Effective scrutiny of decisions and business performance is provided in a number of ways. Minutes of the business of the Performance Board and Infrastructure Pipeline Board are considered by the Executive Board. The Executive Board membership includes Non-Executive Directors to provide independent challenge and scrutinise both proposed decisions and the performance of TfGM Directorates and functions.

In support of the activities of the Performance Board and Infrastructure Pipeline Board, a number of Functional Boards meet at least monthly to review the Functional performance and progress in relation to implementation of programmes and projects. The number and terms of reference of such Boards are determined by the Performance Board.

Performance updates are reported to the Executive Board monthly. Regular performance updates are also presented to the GMCA, the Bee Network Committee and the Mayor's Transport Board.

Sub-Principle: Robust internal control

TfGM is responsible for conducting, on a regular basis, a review of the effectiveness of its governance framework including the system of internal control. The review of effectiveness is a responsibility administered by the Audit and Risk Assurance Committee and informed by the work of the Audit, Risk and Assurance team and also by comments made by the external auditors and other assurance providers.

TfGM is compliant with the CIPFA Code of Practice on Managing the Risk of Fraud and Corruption.

Sub-Principle: Managing data

TfGM is committed to safeguarding of all data including any personal data it holds and complies with current Data Protection legislation. The Assistant Director of Information and Data Governance holds the role of Statutory Data Protection Officer. The Head of Legal Services holds the role of the Senior Information Risk Owner (SIRO). There is an IG Change programme underway overseen by the Information and Data Governance Board and biannually Information & Governance reports are submitted to the Audit and Risk Assurance Committee.

The UK General Data Protection Regulation (GDPR) came into effect on 25 May 2018. This, along with the Data Protection Act 2018 which gives effect to the EU Law Enforcement Directive and derogations to the UK GDPR, changed the UK data protection legislation.

TfGM has been focusing on UK GDPR compliance since the Regulation came into effect. An implementation plan for TfGM was developed and continues to be implemented. In particular, significant work has been undertaken to ensure that working practices meet the requirements regarding transparency and accountability under the Data Protection Act 2018. This has included development of TfGM's Information Asset Management Register and assurances that have been developed through the establishment of Information Asset Owners (IAOs) and Information Asset Administrators (IAA). This work will be further enriched through an information and Records Management project.

Systems (internal or external) that are used to process card payments for TfGM operate to the Payment Card Industry Data Security Standard (PCI DSS). TfGM's PCI Accreditation is audited annually. All staff must complete a PCI DSS online training course as part of their induction process.

Sub-Principle: Strong public financial management

The functions of the Executive Board reflect TfGM's key responsibilities, which includes:

- stewardship of Greater Manchester's transport assets, including the maintenance and renewal of assets, and identifying and delivering enhancements; and
- ensuring effectiveness and efficiency in the discharge of TfGM business, securing value for money for the Greater Manchester public purse.

The system of internal financial control is based on a framework of regular management information, financial regulations, administrative procedures (including segregation of duties), management supervision, and a system of delegation and accountability. In particular, the system includes:

- comprehensive budgeting and forecasting systems;

- regular reviews of periodic and annual financial reports which compare financial performance against the budget and forecasts;
- setting targets to measure financial and other performance;
- clearly-defined capital expenditure guidelines; and
- formal programme and project management disciplines.

The proceedings of the Executive Board, Investment Pipeline Board and Performance Board and the decisions taken are formally minuted. The minutes of the Executive Board are signed by the Chief Executive Officer and approved by the Executive Board. Mechanisms are in place to ensure that any conflicts of interest are declared and recorded.

Principle G: Implementing good practices in transparency, reporting, and audit, to deliver effective accountability

TfGM has a requirement under the Transport Act 1968 to seek the authorisation of the GMCA, or the Transport Committee where delegated, of specified decisions that TfGM may take while discharging its duties or exercising its powers. Where TfGM is acting on behalf of the GM Mayor or the GMCA, decisions to be taken are made by the Mayor or the GMCA, as appropriate.

Pursuant to the Combined Authorities (Overview and Scrutiny Committees, Access to Information and Audit Committees) Order 2017, TfGM provides the GMCA with timely and suitable information regarding the decisions that TfGM will ask the Mayor, the GMCA or the Transport Committee to authorise or take. The information is provided at least 30 days in advance and published on the GMCA's website within its 'Key Decisions Register'.

Sub-Principle: Implementing good practice in transparency

TfGM published the Greater Manchester Transport Vision and Strategy, and each year publishes its Annual Accounts on its website. In addition, TfGM produces status reports, reports consulting on decisions, and performance reports to the GMCA and the LEP and also provides reports to meetings of the Transport Committee, which is a public committee focused on providing political oversight of TfGM's activities.

TfGM also provides reports and information to the GMCA's Overview and Scrutiny Committees to support understanding of GMCA's policy development, decisions, and activities in relation to transport.

Sub-Principle: Implementing good practices in reporting

TfGM is committed to reporting on its activities in a manner which is accessible to the intended audience. Reports are prepared such that they are easily understood and provide appropriate and timely information. TfGM's Annual Accounts are reported in compliance with the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom. Reporting to TfGM's Executive Board complies with the UK Corporate Governance Code.

Sub-Principle: Assurance and effective accountability

TfGM has an Audit and Risk Assurance Committee, which meets quarterly, chaired by an independent Non-Executive Director of the Executive Board, to support the Board in discharging its responsibilities with regard to risk, control and governance and associated assurance. In particular, the Audit and Risk Assurance Committee advises the TfGM Board on:

- the overall adequacy and effectiveness of the strategic processes for risk management, internal control and the Annual Governance Statement;
- the robustness of financial controls, including the financial reporting process, accounting policies, and the Annual Report and Accounts of TfGM, to ensure that published financial information has integrity, is well balanced, and transparent; and also, the extent to which assets are safeguarded against fraud and irregularity;

- the adequacy of management responses to recommendations made by the internal and external auditors in their reports;
- progress against planned activity and results of both internal and external audit work; and
- the assurances obtained regarding the adequacy and effectiveness of TfGM's arrangements to satisfy the requirements of the CIPFA/SOLACE framework of corporate governance.

The governance arrangements for TfGM's Audit and Risk Assurance Committee reflect best practice guidance for corporate governance, adapted for TfGM's specific circumstances, including the CIPFA's Audit Committees: Practical Guidance for Local Authorities and Police (2013) and the Financial Reporting Council's Guidance on Audit Committees (which is intended for limited companies).

The Audit and Risk Assurance Committee's membership comprises three Members, who are independent Non-Executive Directors of TfGM's Board, and a fourth Member who is the Treasurer of the GMCA, bringing significant experience from both the public and private sector. The Executive Directors, Head of Audit and Assurance and other managers also attend, as required, at the invitation of the Chair.

The Audit and Risk Assurance Committee is responsible for reviewing the activity of internal and external audit in providing assurance over the effectiveness of internal controls. The Committee also meets at least annually in private with both the external auditors and the Head of Internal Audit, without the presence of executive management.

A review of the Committee's effectiveness is underway as part of the Executive Board effectiveness review. Previous ARAC effectiveness reviews found that the Committee was functioning effectively and had fulfilled its role.

Audit, Risk and Assurance

The Audit, Risk and Assurance team provide a fully integrated approach to the provision of line 2 and line 3 assurance to TfGM. The team is structured with separate teams reporting independently to the Head of Audit, Risk and Assurance, with clear separation between line 2 & 3 activities.

The Head of Audit, Risk and Assurance reports quarterly to the Audit and Risk Assurance Committee, providing updates on Internal Audit, assurance and risk management activities.

The Risk and Assurance team provide an assurance service to SROs and the Executive across projects and programmes. This includes undertaking Gateway Reviews and 'Health Checks' at key stages in project and programme lifecycles and the subsequent reporting of recommendations to the relevant Boards.

The team are also responsible for leading on the implementation of the Risk Management framework, including providing challenge on the effectiveness of risk management controls across the organisation.

Internal audit

The Internal Audit service that objectively examines, evaluates, and reports on the adequacy of internal control as a contribution to the proper, economic, efficient and effective use of resources.

The function operates in accordance with the Public Sector Internal Audit Standards (PSIAS). The work of internal audit is primarily informed by the Internal Audit Strategy which is a three-year strategy based on the assessment of risk faced by TfGM. The risk assessment is kept under regular review and is refreshed in line with changes in the internal or external risk landscape. An annual internal audit plan is then developed based on the three-year strategy. Both the Strategy and the Internal Audit Plan are approved by the Audit and Risk Assurance Committee. Regular progress updates are provided to management and the Audit and Risk Assurance Committee.

The Head of Audit, Risk and Assurance has access to all Executive Officers, Non-Executive Directors and Members and also meets privately with the Audit and Risk Assurance Committee at least annually.

The Head of Audit, Risk and Assurance is required to provide an annual Head of Internal Audit opinion on the effectiveness of the arrangements in place for governance, risk management and internal control. The opinion is based upon and limited to the work performed during the financial year, as well as consideration of other sources of assurance. For 2024/25 a xxxxx [likely to be "reasonable level of assurance"] opinion was given

On the basis of the audits undertaken during this reporting period, and other sources of assurance available, reasonable assurance can be given over the arrangements in place for governance, risk management and internal control.

An external quality assessment of the effectiveness of the Internal Audit function was last performed in 2019/20 with a further assessment scheduled for early 2025. The key conclusion from the 2019/20 assessment was that the function was compliant with Public Sector Internal Audit Standards (PSIAS). Some improvements were identified to further improve its effectiveness which have since been implemented. In line with good practice, a self-assessment of the effectiveness of the internal audit function has been undertaken by the Head of Audit, Risk and Assurance in 2023/24 and has concluded that the function has operated in conformance with PSIAS.

External audit

The external auditors will issue the following reports in respect of the 2024/25 financial year:

- Audit Strategy Memorandum;
- Audit Completion Report; and
- Auditor's Annual report including a commentary on the Value for Money arrangements.

Review of Effectiveness

TfGM is committed to a culture of continuous improvement and ensuring value for money. The Annual Governance Statement identifies areas where improvements have been and are continuing to be made. As part of the drive for continuous improvement and value for money TfGM will continue to focus its efforts on these and other areas during 2024/25. The Audit and Risk Assurance Committee and TfGM Executive Board will closely monitor these improvements.

Conclusion

On the basis of the review of the sources of assurance set out in this statement, the Directors are satisfied that, throughout the year and up to the date of the approval of the accounts, TfGM had in place satisfactory systems of internal control which facilitate the effective exercise of the organisation's functions.

SG WARRENER

Director

[Date]

DM BULL

Director

Independent Auditor's Report to Transport for Greater Manchester

To follow

Comprehensive Income and Expenditure Statement for the year ended 31 March 2025

To follow

Movement in Reserves Statement for the year ended 31 March 2025

To follow

Balance Sheet at 31 March 2025

To follow

Cash Flow Statement for the year ended 31 March 2025

To follow

Notes to the Accounts

To follow



beenetwork.com
0161 244 1000

