

Greater Manchester Combined Authority Integrated Settlement 2025/26

Functional Responsibility	Fund	Home Department	Allocation Mechanism	Funding totals for 2025/26
Local growth and Place	UK Shared Prosperity Fund	Ministry of Housing Communities & Local Government (MHCLG)	National formula	£30,349,418 RDEL £12,866,197 CDEL
Local growth and Place	Investment Zones	MHCLG	Existing allocation	£6,960,000 RDEL £12,115,000 CDEL
Local growth and Place	Made Smarter	Department for Business and Trade (DBT)	National formula - RDEL funding for Made Smarter Adoption is allocated based on the latest NOMIS data on the numbers of manufacturing small and medium sized enterprises (SMEs) in a region.	£947,500 RDEL
Local growth and Place	Growth Hubs	DBT	National formula - The DBT RDEL Core Growth Hub funding for MCA areas is allocated according to business population bandings, with dampener and allocation cap (at highest level of business population) applied to ensure network stability.	£504,200 RDEL
Local growth and place	Create Growth Programme	Department for Culture, Media & Sport (DCMS)	National formula - CGP RDEL was split equally between all 12 regions participating in the programme (i.e. Regional budget = programme budget / number of regions.	£425,000 RDEL
Local transport	City Region Sustainable Transport Settlement	Department for Transport (DfT)	Existing Allocation - Five year CRSTS1 CDEL funding allocations were agreed in 2022 following a semi-competitive process. All eligible mayoral combined authorities were allocated a funding range based on growth, population and congestion. Based on the assessment of investment proposals, a settlement and five-year funding profile was agreed for each MCA within its range.	£226,576,000 CDEL* £11,790,000 RDEL

Greater Manchester's CRSTS allocation for 2025/26 is the baseline CDEL allocation agreed in 2022 plus a small increase, which is a proportion of the CDEL uplift secured at Budget.

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			RDEL funding has been allocated by formula, which takes into account population of city regions, with funding provided to Greater Manchester and other MCAs in receipt of CRSTS.	
Local transport		DfT	National formula	£14,806,000 CDEL*
Local transport	Bus Service Improvement Plan	DfT	National formula - BSIP funding was allocated using a combination of population , tendered bus distance and deprivation all weighted equally. This formula also includes a mechanism to recognise the need to protect current service levels.	£43,664,250 RDEL
Local transport	Bus Service Improvement Plan Capacity and Capability	DfT	National formula - BSIP Capacity and Capability funding was allocated to LTAs by ranking on total bus distance and population with set bands of £63,000, £94,000 and £125,000. The bands were defined based on the estimated cost of hiring an EP officer and average funding available to LTAs.	£125,000 RDEL
Local transport	Bus Service Operators Grant	DfT	National formula - Amounts were calculated based on tendered mileage in 2013 and have remained static since.	£2,953,691 RDEL
			The Government will continue to work closely with Local Transport Authorities when considering options for reform of the allocation methodology of BSOG.	
Local transport	Commercial Bus Service Operators Grant	DfT	National formula - Amount calculated based on commercial mileage in 2016-2017 and has remained static since. The Government will continue to work closely with Local Transport Authorities when considering options for reform of the allocation methodology of BSOG.	£13,150,811 RDEL
Local transport	Bus Service Operators Grant Plus	DfT	National formula - Calculated on mileage run in 2022. Has remained static since.	£6,500,000 RDEL

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Local transport	Active Travel Fund	DfT	<p>National formula - The capability ratings are used to calculate funding allocations for local authorities. This includes revenue funding to local authorities to boost technical capability to deliver high quality schemes as well as capital to develop and construct schemes. Ratings are used to guide indicative allocations for active travel funding. Higher rated authorities are eligible to access more funding, ensuring that investment is appropriate to the level of capability.</p> <p>Allocations are based on population level and capability level, with more favourable weightings for lower levels of capability for revenue funding in order to accelerate capability building, as follows:</p> <p>Funding weighting by Capability Rating Level 1 = (CDEL) 1 x population / (RDEL) 1.5 x population Level 2 = (CDEL) 2 x population / (RDEL) 2 x population Level 3 = (CDEL) 3 x population / (RDEL) 3 x population</p>	£12,139,184 CDEL
Local transport	Active Travel Capability Fund	DfT	As above.	£3,556,025 RDEL
Local transport	Local Electric Vehicle Infrastructure Fund	DfT	National formula - FY25/26 local EV charging RDEL allocations will be a rollover of FY24/25 LEVI RDEL allocations, which were calculated using the existing published formula.	£590,400 RDEL
Local transport	Rail Admin Grant	DfT	Existing allocation	£1,560,000 RDEL
Local transport	Cross Manchester Ticketing	DfT	Existing allocation	£340,000 RDEL

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Adult skills	Adult Skills Fund (Previously Adult Education Budget and Free Courses for Jobs)	Department for Education (DfE)	National formula - Adult Skills Fund devolved distribution formula which is based on historic delivery (in AY 2017/18) to learners resident in the local authorities that now make up the MCA area.	£102,019,920 RDEL
Adult skills	Skills Bootcamps	DfE	<p>New Integrated Settlement formula - Allocations were calculated based on expected spend using the programme's local funding methodology which takes into account local areas' FY 25-26 bids and converts them into expected actual expenditure, using the % of previously allocated local funding that was not spent by all areas. This reflects prior performance achieved across local delivery.</p> <p>DfE are considering options for determining devolved areas' allocations in future financial years.</p>	£6,000,000 RDEL
Housing and regeneration	Brownfield Infrastructure and Land Fund	MHCLG	Existing allocation	£57,500,000 CDEL
Housing and regeneration	Brownfield Housing Fund	MHCLG	National formula – allocated using the fund's existing formula - amounts were allocated based on the population of mayoral combined authorities eligible for the fund.	£25,831,335 CDEL
Housing and regeneration	Brownfield Land Release Fund	MHCLG	New Integrated Settlement formula - BLRF CDEL amounts were calculated according to the MCA's population as a percentage of England's population. MHCLG is engaging with combined authorities on the formula that will be used for 2026/27 onwards.	£2,555,570 CDEL
Buildings' retrofit	Warm Homes: Social Housing Fund **	Department for Energy Security & Net Zero (DESNZ)	New Integrated Settlement formula - Office for National Statistics (ONS) subnational estimates of dwelling by tenure to calculate proportion of social homes within the combined authority that are an Energy Performance Certificate (EPC) D or below, divided by	£21,318,000 CDEL

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			<p>the total number of social homes with an EPC D or below in England.</p> <p>Quantum Multipliers for GMCA = 5.7%</p> <p>More information is available here.</p>	
Buildings' retrofit	Public Sector Decarbonisation Scheme **	DESNZ	<p>New Integrated Settlement formula - England-only public sector floorspace pro-rated to each MCA using Display Energy Certificates data. Acute & cancer NHS trusts and universities were reserved using a combination of Building Energy Efficiency Survey (BEES) data and sector specific datasets containing floorspace – Estates Returns Information Collection (ERIC) and Higher Education Statistics Agency (HESA) data. Central government buildings were also reserved but floorspace was proxied using regional civil service employment data on headcount.</p> <p>Public Sector Employment Data: Public sector employment - Office for National Statistics (ons.gov.uk), Civil Service statistics: 2024 - GOV.UK (www.gov.uk) Public sector employment - Office for National Statistics (ons.gov.uk)</p> <p>Quantum Multiplier = 3.1% for GMCA</p>	£2,883,000 CDEL
Buildings' retrofit	Warm Homes: Local Grant **	DESNZ	<p>New Integrated Settlement formula - ONS subnational estimates of dwelling by tenure to provide the proportion of regional owner occupied / private rented sector stock in the combined authority. This is divided by the estimated number of Owner Occupied (OO)/Private Rented Sector (PRS) households with EPC D-G and income less than £36k in the region (English Household Survey data).</p>	£5,280,000 CDEL

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Quantum Multipliers for GMCA = 6.0%				
More information is available here .				
Employment support	Connect to Work	Department for Work & Pensions (DWP)	National formula	£5,570,000 RDEL
Total Quantum				£630,876,501

*CRSTS allocation inclusive of Local Capital Transport Block Funding (Integrated Transport Block and Highways Maintenance Block funding) consolidated in settlements 2022-23 to 2026-27. GMCA has agreed to forego equivalent funding as part of the Business Rates Retention Trial. GMCA has agreed to forego funding equivalent to its Highways Maintenance & Integrated transport block allocations as part of its Business Rates Retention arrangements.

**The 3-year funding profile for the Buildings' Retrofit funds are as follows:

	2025/26	2026/27	2027/28	Total
Warm Homes: Social Housing Fund	£21,318,000	£26,163,000	£26,163,000	£73,644,000 CDEL
Warm Homes: Local Grant	£5,280,000	£12,360,000	£12,360,000	£30,000,000 CDEL
Public Sector Decarbonisation Scheme	£2,883,000	£14,198,000	£14,198,000	£31,279,000 CDEL

More information on the approach to formulae in the integrated settlements is set out in the [MoU technical annex](#).