

# APPENDIX 2 – Strategic Commissioner Detailed Analysis

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# Local Authority Savings Progress

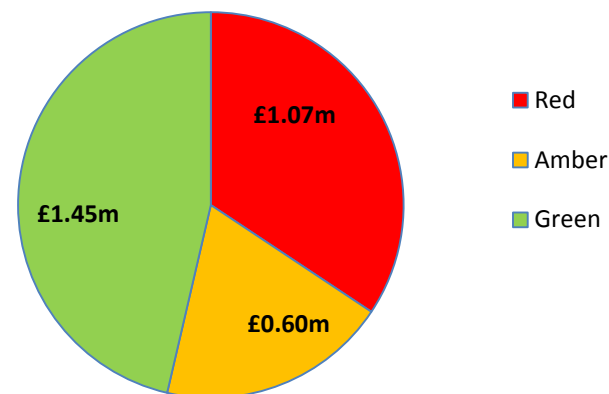
## SAVINGS PROGRESS - HEADLINES

The 2018/19 budget included £3,119m of savings to be delivered by management during the financial year. As at the end of period 3 a significant number of risks to the delivery of savings have been identified, resulting in a number of budget pressures.

- **£1.45m** (46%) of the savings target is rated '**green**' and has been delivered or is on track for delivery in the year.
- **£0.60m** (19%) of the savings target is rated '**amber**' with some risks or delays to delivery identified.
- **£1.07m** (34%) of the savings target is rated '**red**' due to significant risks or delays which means some or all of the savings amount is not expected to be delivered in year. This is resulting in budget pressures in a number of service areas.

- Adults savings are at risk of delay or non-delivery in a number of areas, although other savings are being identified elsewhere in the service to offset these pressures.
- Within Operations and Neighbourhoods the new Car parking provision at Darnton Road was expected to generate additional income of £0.500m per annum. Delays in the construction of the spaces has resulted in the non delivery of the saving in 2018/19 of £0.275m.
- Growth savings of £0.533m will not be delivered in 2018/19. These included forecast savings from the re-provision of the Additional Services contract with the Local Education Partnership (LEP) which has been extended as a result of the collapse of Carillion, and additional income from the purchase of the Plantation Industrial Estate which is no longer proceeding.

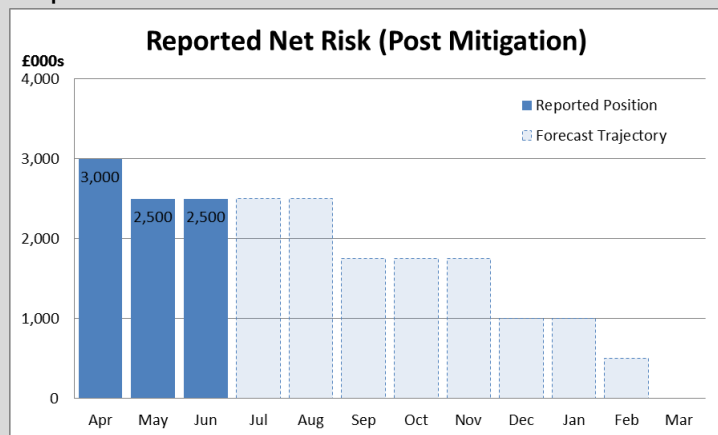
### Savings 18/19



SAVINGS	RED	AMBER	GREEN	TOTAL
Adults	213	272	212	697
Childrens (Learning)	0	0	90	90
Population Health	0	0	528	528
Operations and Neighbourhoods	275	305	0	580
Growth	533	25	340	898
Governance	0	0	154	154
Finance & IT	50	0	0	50
Corporate	0	0	122	122
<b>Total</b>	<b>1,071</b>	<b>602</b>	<b>1,446</b>	<b>3,119</b>

# CCG Recovery Plan & TEP Update: June 2018 (M3)

- The CCG has a Targeted Efficiency Plan (TEP, also known as QIPP) target for 2018/19 of £19.8m.
- In our submitted plans, the CCG has reported that financial control totals will be met. However we have also reported a net risk against achieving this.
- Because of the size of the QIPP target and the reported risk against our overall financial position, an improvement plan has been requested by GMHSCP. These slides update on our progress.
- In the M3 position, a net risk of £2.5m has been reported, which is consistent with the position reported last month:



- The CCG has entered into a risk share agreement with the Local Authority as part of a wider ICF (Integrated Commissioning Fund). While there is scope to use the ICF to balance the CCG position on a non recurrent basis, any increase in council contribution in 18/19 would result in an increase in the CCG contribution in future years.

- As such, it is not appropriate to use the ICF risk share as justification to reduce reported net risk in 18/19 - an approach would ignore the true underlying position. That said the chart to the left includes an aspirational high level trajectory showing how we hope our reported risk will reduce in the months to come.
- Key to reducing the CCGs financial risk is achievement of the £19.8m QIPP target (internally branded as TEP). The table below summarises expected achievement at the end of June, together with a comparison to the position reported last month:

## Planned Savings (before application of optimism bias)

	Recurrent	Non Recurrent	Total	Prior Month	Movement
High Risk	2,330,000	0	2,330,000	2,365,000	-35,000
Medium Risk	3,674,552	3,996,968	7,671,520	8,136,953	-465,433
Low Risk	2,547,051	3,048,000	5,595,051	7,311,967	-1,716,916
Saving Posted	2,234,949	5,364,487	7,599,436	4,442,087	3,157,349
<b>Total</b>	<b>10,786,552</b>	<b>12,409,455</b>	<b>23,196,008</b>	<b>22,256,007</b>	<b>940,001</b>

## Expected Savings (after application of optimism bias)

	Recurrent	Non Recurrent	Total	Prior Month	Movement
High Risk	233,000	0	233,000	236,500	-3,500
Medium Risk	1,837,276	1,998,484	3,835,760	4,068,477	-232,717
Low Risk	2,547,051	3,048,000	5,595,051	7,311,967	-1,716,916
Saving Posted	2,234,949	5,364,487	7,599,436	4,442,087	3,157,349
<b>Total</b>	<b>6,852,276</b>	<b>10,410,971</b>	<b>17,263,248</b>	<b>16,059,031</b>	<b>1,204,217</b>

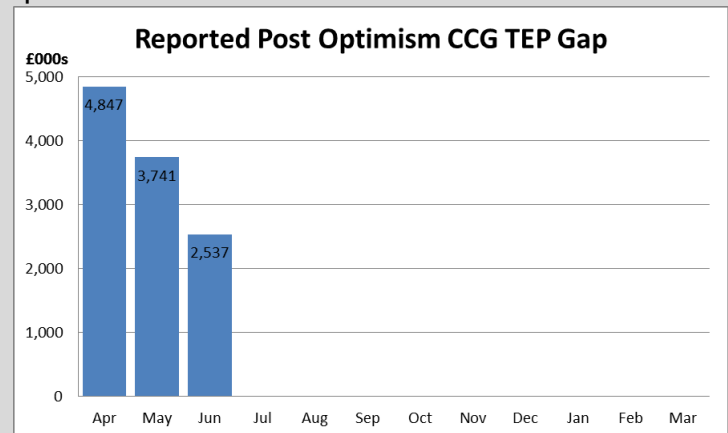
QIPP Target	19,800,000	19,800,000	0
Savings Still to Find	2,536,753	3,740,969	1,204,217

Value of savings about which we are certain (i.e. blue & green schemes)

13,194,487

- Against an annual CCG target of £19,800k, £7,599k (38%) of the required savings have been banked in the first three months of the year.
- In addition to this there is a further £5,595k, which we are completely confident of realising in future months. This leaves savings of £6,606k still to find.
- After application of optimism bias, we anticipate making further savings of £4,069k from schemes currently rated as amber or red. Reducing the TEP gap to £2,537k.
- £6,852k (35%) of the expected savings will be delivered on a recurrent basis, contributing toward closing the recurrent economy wide gap.
- Overall the value of planned savings has increased by £940k since last month. The main drivers of this are:
  - **+£1,240k Cross Year Benefit.** Cross year impacts from 2017/18 have now been fully calculated and transacted. There have been a combination of both pressures and benefits, but the net effect is positive for the CCG position and this benefit has been released to QIPP on a non recurrent basis. Areas where we have taken a benefit include prescribing, continuing care, mental health and acute providers (both NHS and independent sector). These were offset by estates and some other NHS/independent sector acute contracts.
  - **-£300k Associate Providers.** Targets were set on the basis of stopping all growth. Only two months of activity data is currently available, so it is difficult to establish a trend. But there is some overspend in these early months (particularly on critical care and outpatients). We have reduced the QIPP forecast in response to this and will continue to monitor and re-assess risk as more data becomes available.

- The post optimism savings gap has reduced by £1,240k since last month. This improvement was driven through the changes already discussed (note the associate provider scheme is amber rated so only a £150k impact post optimism bias). Plus a re-assessment of risk for 'running costs' and 'budget management'.
- The post optimism TEP gap has reduced from £4,847k at the start of the year to £2,537k today (a reduction of £2,310k over 3 months).
- This reduction is a result of non recurrent quick wins in Q1 (cross year benefit, mental health slippage and release of reserves). The pace of improvement is expected to be slower in Q2 and Q3:



- We will continue to closely monitor our TEP schemes, with an aspiration of closing some of this gap as amber and red schemes are converted to green.
- Our detailed TEP database includes a number of 'Emerging Pipeline Schemes', some of which are unquantified. But these, together with any new schemes identified through our financial savings programme will be used to further reduce the gap in forthcoming months

ADULTS	Gross Expenditure Budget £000's	Gross Income Budget £000's	Net Budget £000's	Actual to date £000's	Forecast Outturn £000's	Variance £000's
Adults Senior Management	544	0	544	143	536	9
Joint Commissioning & Performance	1,474	(132)	1,342	204	1,300	43
Improved Better Care Fund	3,299	(3,299)	0	(1,201)	0	(0)
Long Term Support	70,200	(37,510)	32,690	11,221	32,892	(203)
Mental Health	3,160	(288)	2,872	707	2,860	12
Urgent Integrated Care	3,913	(869)	3,044	499	2,960	84
<b>TOTAL</b>	<b>82,590</b>	<b>(42,098)</b>	<b>40,492</b>	<b>11,573</b>	<b>40,548</b>	<b>(56)</b>

## BUDGET VARIATIONS

The net variance reflects a number of underspends and pressures including:

### Underspends:

- £0.115m - Vacant posts in Learning Disabilities Day Services expected to be filled part year
- £0.071m – Vacant posts in the Integrated Urgent Care Team expected to be filled part year.
- £0.100m - Independent Living Fund (ILF) expenditure forecast to be under budget due to hours being delivered by in-house service (Homemakers)

### Pressures:

- (£0.141m) - Increase in Direct Payments in line with Government expectations.

## SAVINGS

The 2018/19 budget included £0.697m of savings to be delivered by management during the financial year.

- **£0.212m** is rated '**green**' and has been delivered or is on track for delivery in the year.
- The remaining £0.485m of the savings target is rated '**red**' or '**amber**' with some risks or delays to delivery identified.
- Other savings are being identified across the service which it is expected will compensate for non-delivery of the planned savings.

	RED	AMBER	GREEN	TOTAL
Savings	213	272	212	697

CHILDREN'S SERVICES	Gross Expenditure Budget £000's	Gross Income Budget £000's	Net Budget £000's	Actual to date £000's	Forecast Outturn £000's	Variance £000's
<b>CHILDREN'S SOCIAL CARE</b>						
Assistant Executive Director - Children's Specialist Services	1,066	0	1,066	241	1,099	(33)
Children's Safeguarding	27,620	(755)	26,865	5,392	30,159	(3,295)
Early Intervention & Youth Justice	1,589	0	1,589	285	1,469	120
Looked After Children	4,272	(1,993)	2,280	256	1,932	347
Performance and Development	4,385	(300)	4,085	897	4,153	(68)
Child Protection & Children In Need	0	0	0	(0)	0	(0)
	7,534	0	7,534	1,758	7,420	114
	<b>46,466</b>	<b>(3,048)</b>	<b>43,418</b>	<b>8,829</b>	<b>46,233</b>	<b>(2,816)</b>

## BUDGET VARIATIONS

The net variance reflects a number of underspends and pressures including:

### Underspends:

- Vacant posts within the structure that are not currently filled are resulting in projected underspends in some areas.

### Pressures:

- The Council continues to experience extraordinary increases in demand for Children's Social Care Services, placing significant pressures on staff and resources. The number of Looked after Children has gradually increased from 612 at 31 March 2018 to 640 at 30 June 2018.
- Despite the additional financial investment in the service in 2017/18 and 2018/19, the service is projecting to exceed the approved budget mainly due to additional placement costs £3.012m and other minor variations across the service below £0.050m .
- It should be noted that the 2018/19 placements budget was based on the level of Looked After Children at December 2017 (585) ; the current level at 30 June 2018 is 640; a resulting increase of 55 (9.4%). This should also be considered alongside the current average weekly cost of placements in the independent sector with residential at £3,628 and foster care £765.

CHILDREN'S SERVICES	Gross Expenditure Budget £000's	Gross Income Budget £000's	Net Budget £000's	Actual to date £000's	Forecast Outturn £000's	Variance £000's
<b>EDUCATION</b>						
Access & Inclusion	11,877	(9,638)	2,238	4,777	2,464	(225)
Assistant Executive Director - Education	239	0	239	12	108	131
Schools Centrally Managed	205	(217)	(12)	(248)	(12)	1
Schools Centrally Managed - DSG Funded	9,457	(9,457)	0	2	0	0
School Performance and Standards	417	(178)	240	(36)	223	17
Pupil Support Services	7,463	(6,573)	890	715	1,239	(349)
	<b>29,659</b>	<b>(26,064)</b>	<b>3,596</b>	<b>5,221</b>	<b>4,021</b>	<b>(426)</b>

## BUDGET VARIATIONS

The variance is a net position and reflects a number of underspends and pressures including:

### Underspends:

- £0.345m - Vacant posts across the whole service.
- £0.110m - budgetary saving to be utilized to offset overspending in other areas of Education

### Pressures:

- (£0.346m) - Special Educational Needs Transport due to increase in children eligible for statutory support, and other minor variations .
- (0.338m) - Increase in statutory work regarding Education Healthcare Plans (EHCP) Assessments, and other minor variations less than 50k.

## SAVINGS

The 2018/19 budget included £90k of savings to be delivered by management during the financial year.

SAVINGS	RED	AMBER	GREEN	TOTAL
Savings	0	0	90	90

- **£0.090m** is rated 'green' and has been delivered or is on track for delivery in the year.

# Population Health

G

POPULATION HEALTH	Gross Expenditure Budget £000's	Gross Income Budget £000's	Net Budget £000's	Actual to date £000's	Forecast Outturn £000's	Variance £000's
Population Health	16,353	(121)	16,232	8,119	16,197	35
<b>TOTAL</b>	<b>16,353</b>	<b>(121)</b>	<b>16,232</b>	<b>8,119</b>	<b>16,197</b>	<b>35</b>

## SAVINGS

The 2018/19 budget included £0.528m of savings to be delivered by management during the financial year.

- **£0.528m** is rated 'green' and has been delivered or is on track for delivery in the year.

SAVINGS	RED	AMBER	GREEN	TOTAL
Savings	0	0	528	528

# Quality and Safeguarding

G

QUALITY AND SAFEGUARDING	Gross Expenditure Budget £000's	Gross Income Budget £000's	Net Budget £000's	Actual to date £000's	Forecast Outturn £000's	Variance £000's
Quality and Safeguarding	355	(288)	67	81	73	(6)
<b>TOTAL</b>	<b>355</b>	<b>(288)</b>	<b>67</b>	<b>81</b>	<b>73</b>	<b>(6)</b>



OPERATIONS & NEIGHBOURHOODS	Gross Expenditure Budget £000's	Gross Income Budget £000's	Net Budget £000's	Actual to date £000's	Forecast Outturn £000's	Variance £000's
Community Safety & Homelessness	5,011	(1,025)	3,986	292	3,961	25
Cultural and Customer Services	3,425	(264)	3,162	581	2,893	268
Design and Delivery	11,450	(9,438)	2,012	1,703	1,723	289
Environmental Services Management	30,339	(247)	30,093	10,685	30,771	(678)
Highways & Transport	7,997	(8,209)	(211)	631	108	(319)
Environmental Services (Management & Neighbourhood Services)	1,217	(2,442)	(1,225)	(452)	(1,203)	(22)
Operations and Greenspace	0	0	0	0	0	0
Poverty and Prevention	7,011	(2,006)	5,006	377	5,175	(169)
Environmental Services (Public Protection)	381	(381)	0	(42)	0	0
Waste Management	3,893	(830)	3,063	639	2,712	351
TOTAL	5,649	(1,156)	4,494	66	4,721	(227)
<b>TOTAL</b>	<b>76,377</b>	<b>(25,998)</b>	<b>50,379</b>	<b>14,480</b>	<b>50,861</b>	<b>(482)</b>

## BUDGET VARIATIONS

The net variation reflects a number of underspends and pressures across the service, including:

### Underspends:

- Part year vacancies due in part to retirements and difficulties in recruitment in Cultural and Customer Services, Design and Delivery, Environmental Services (Public Protection) are resulting in the forecast underspends in these areas.
- Vacancies in Operations & Greenspace, and in Highways & Transport are reducing the net pressures being reported in these areas.

### Pressures:

- Pressures in Environmental Services Management relate to the Waste Levy and Passenger Transport Levy due in part to a late notification of a final adjustment relating to 2017/18.

# Operations and Neighbourhoods

## BUDGET VARIATIONS

### Pressures (continued):

- Highways & Transport - Pressure of £0.275m relates to the Darnton Road Car park income, as it is unlikely the Council will be able to fully achieve the additional income forecast as a saving. Additional construction costs relating to Darnton Road have created a further pressure of £0.122m, and the car parking service is currently projecting a shortfall in income from car parks income of £0.156m.
- Operations & Greenspace are forecasting a continued shortfall in income from Ashton Market due to the ongoing development works in Ashton Town Centre. There are also additional waste disposal costs within the street cleansing service.
- Waste Management have incurred expenditure on caddy liners to encourage recycling of food waste, however there is no budget provision for this.

## SAVINGS

The 2018/19 budget included £580k of savings to be delivered by management during the financial year.

- The £0.580m savings target is rated '**red**' or '**amber**' with some risks or delays to delivery identified.
- Most of this savings target relates to the new Car parking provision at Darnton Road which was expected to generate additional income of £0.500m per annum. Delays in the construction of the spaces has resulted in the forecast additional income for this financial year being reduced to £0.225m.

SAVINGS	RED	AMBER	GREEN	TOTAL
Savings	275	305	0	580

GROWTH	Gross Expenditure Budget £000's	Gross Income Budget £000's	Net Budget £000's	Actual to date £000's	Forecast Outturn £000's	Variance £000's
School Catering	3,975	(3,970)	5	1,944	28	(23)
Corporate Landlord	8,011	(1,960)	6,052	1,616	7,408	(1,356)
Development Growth Investment	430	(161)	269	(307)	356	(87)
Ecology Unit	367	(367)	0	(132)	(156)	156
Employment & Skills	1,800	(882)	918	(52)	911	7
Environmental Development	510	(90)	419	107	422	(3)
Estates	1,431	(2,593)	(1,163)	(43)	(594)	(569)
Investment & Development	1,548	(863)	685	81	697	(12)
Planning	1,310	(1,084)	226	(11)	442	(217)
Strategic Infrastructure	608	(160)	448	58	447	0
BSF, PFI & Programme Delivery	25,165	(25,165)	0	1,651	0	0
<b>TOTAL</b>	<b>45,153</b>	<b>(37,295)</b>	<b>7,858</b>	<b>4,912</b>	<b>9,961</b>	<b>(2,103)</b>

## BUDGET VARIATIONS

The net variation reflects a number of underspends and pressures across the service, including:

### Underspends:

- The Ecology Unit is a GM wide hosted service funded by contributions from AGMA. The unit also receives income from Grants and Trading. Any surplus in 2018/19 will be taken to reserves to fund ongoing Ecology projects and ensure the service is self-funding.

### Pressures:

- Corporate Landlord pressures relate mainly to additional fees being charged by PwC and non delivery of savings. Following the liquidation of Carillion the appointed liquidator PwC has been managing the contracts to enable the smooth transfer to other providers. The costs of this service were not budgeted for, and will continue to be incurred until everything is finalised. Forecast savings from the re-provision of the Additional Services contract with the Local Education Partnership (LEP) will not be realised in 2018/19.

## BUDGET VARIATIONS

### Pressures (continued):

- Estates budget pressures relate to a shortfall in income due to a number of factors. Income is no longer being received on properties that have been sold and other income is not being realised because facilities are being used for Council purposes. Forecast savings following the purchase of the Plantation Industrial Estate will not be realised until the purchase is complete. The purchase is complex and expected to take several months to complete. Additional security costs are also being incurred following a fire.
- Within the Planning Service, Building Control income is forecast to be less than budget due to a reduction in the number of applications. Development and Control income is also forecast to be under budget.

## SAVINGS

The 2018/19 budget included £0.898m of savings to be delivered by management during the financial year.

- **£0.340m** is rated '**green**' and has been delivered or is on track for delivery in the year.
- The remaining £0.558m of the savings target is rated '**red**' or '**amber**' with some risks or delays to delivery identified.

Growth savings of £0.533m will not be delivered in 2018/19. These included forecast savings from the re-provision of the Additional Services contract with the Local Education Partnership (LEP) which has been extended as a result of the collapse of Carillion, and additional income from the purchase of the Plantation Industrial Estate which is no longer proceeding.

SAVINGS	RED	AMBER	GREEN	TOTAL
Savings	533	25	340	898

GOVERNANCE	Gross Expenditure Budget £000's	Gross Income Budget £000's	Net Budget £000's	Actual to date £000's	Forecast Outturn £000's	Variance £000's
<b>GOVERNANCE</b>						
Executive and Business Support	1,399	(2)	1,397	292	1,397	0
Democratic Services	750	(24)	726	467	726	0
Governance Management	909	(88)	822	42	822	0
Legal	1,086	(113)	972	206	972	0
	<b>4,145</b>	<b>(227)</b>	<b>3,917</b>	<b>1,008</b>	<b>3,917</b>	<b>0</b>
<b>EXCHEQUER</b>						
Assess & Pay	85,635	(85,299)	336	307	336	0
Exchequer Management	226	0	226	57	226	0
Income & Collection	2,727	(1,856)	872	520	872	0
	<b>88,588</b>	<b>(87,155)</b>	<b>1,434</b>	<b>884</b>	<b>1,434</b>	<b>0</b>
<b>PEOPLE &amp; WORKFORCE DEVELOPMENT</b>						
People & organisational development	3,368	(993)	2,375	614	2,375	0
	<b>3,368</b>	<b>(993)</b>	<b>2,375</b>	<b>614</b>	<b>2,375</b>	<b>0</b>
<b>MARKETING &amp; COMMUNICATIONS</b>						
Policy, performance & communications	1,578	(140)	1,438	247	1,438	0
	<b>1,578</b>	<b>(140)</b>	<b>1,438</b>	<b>247</b>	<b>1,438</b>	<b>0</b>
<b>TOTAL</b>	<b>97,679</b>	<b>(88,515)</b>	<b>9,164</b>	<b>2,752</b>	<b>9,164</b>	<b>0</b>

## SAVINGS

The 2018/19 budget included £0.154m of savings to be delivered by management during the financial year, which is all rated as 'green' and has been delivered or is on track for delivery in the year.

SAVINGS	RED	AMBER	GREEN	TOTAL
Savings	0	0	154	154

FINANCE AND IT	Gross Expenditure Budget £000's	Gross Income Budget £000's	Net Budget £000's	Actual to date £000's	Forecast Outturn £000's	Variance £000's
<b>FINANCE</b>						
Financial Management	2,510	(399)	2,111	411	2,111	0
Risk Management & Audit Services	587	(221)	366	96	366	0
	<b>3,097</b>	<b>(620)</b>	<b>2,477</b>	<b>507</b>	<b>2,477</b>	<b>0</b>
<b>IT</b>						
Digital Tameside	2,742	(731)	2,011	1,004	2,112	(101)
	<b>2,742</b>	<b>(731)</b>	<b>2,011</b>	<b>1,004</b>	<b>2,112</b>	<b>(101)</b>
<b>TOTAL</b>	<b>5,839</b>	<b>(1,351)</b>	<b>4,488</b>	<b>1,511</b>	<b>4,589</b>	<b>(101)</b>

## BUDGET VARIATIONS

The net variance reflects a number of underspends and pressures including:

### Underspends:

- £0.044m - Staffing Vacancies and staff having not taken up the pension option.
- £0.089m – Additional MFD Income to the service. This is subject to a review that will be carried out.

### Pressures:

- (£0.036m) - School Income target - underachieved due to academy conversions.
- (£0.198m) - Additional year on year Corporate Costs increasing including additional Microsoft Licenses, Increase of back up costs, Wireless access point maintenance and increased security products.

## SAVINGS

### Savings

The 2018/19 budget included £0.050m of savings to be delivered by management during the financial year.

- **£0.050m** is rated 'red' with some risks or delays to delivery identified. The saving relates to forecast procurement savings which are not expected to be delivered until future years.

SAVINGS	RED	AMBER	GREEN	TOTAL
Savings	50	0	0	50

CAPITAL FINANCING, CONTINGENCY & CORPORATE COSTS	Gross Expenditure Budget £000's	Gross Income Budget £000's	Net Budget £000's	Actual to date £000's	Forecast Outturn £000's	Variance £000's
Capital and Financing	10,998	(1,360)	9,638	0	9,225	413
Contingency	4,163	(6,823)	(2,660)	1,027	(3,388)	728
Corporate Costs	10,698	(6,857)	3,841	2,022	2,339	1,502
<b>TOTAL</b>	<b>25,859</b>	<b>(15,040)</b>	<b>10,820</b>	<b>3,049</b>	<b>8,176</b>	<b>2,643</b>

## BUDGET VARIATIONS

### Underspends:

- The 2018/19 budget for capital and financing costs did not include any amounts for investment income on the Manchester Airport Shareholder Loan. The first installment of the Manchester Airport Investment took place in July 2018 with a second installment due in December. Net additional investment income of £0.413m is now expected in 2018/19 in respect of this investment.
- Additional Adult Social Care grant of £0.413m was notified after the 2018/19 budget was set. The grant has been allocated to contingency pending decisions regarding utilisation.
- Savings and additional income in corporate costs includes an additional £0.813m of dividends from Manchester airport following receipt of the final dividend for 2017/18. The dividend income is not guaranteed and will be reviewed again on receipt of the interim dividend in December 2018. Also included within corporate costs are forecast savings of £0.366m in respect of contributions to AGMA and £0.276m of savings relating to Pension Increase Act Contributions.

## SAVINGS

The 2018/19 budget included £0.122m of savings to be delivered by management during the financial year.

- The **£0.122m** is rated '**green**' and has been delivered or is on track for delivery in the year.

SAVINGS	RED	AMBER	GREEN	TOTAL
Savings	0	0	122	122

# Capital Expenditure

	2018/19 Budget	Actual to Date	Projected Outturn	Projected Outturn Variation
	£000s	£000s	£000s	£000s
<b>Growth</b>				
Estates	716	0	716	0
Vision Tameside	20,922	2,245	17,343	3,579
Development & Investment	5,768	353	4,415	1,353
<b>Operations and Neighbourhoods</b>				0
Engineering Services	15,269	1,468	15,269	0
Transport	362	0	260	102
Environmental Health	535	17	535	0
Corporate Landlords	86	31	97	-11
Stronger Communities	35	0	35	0
<b>Children's Services</b>				0
Education	14,505	0	14,148	357
Children	0	0	0	0
<b>Finance &amp; IT</b>				0
Finance	11,300	0	11,300	0
Digital Tameside	4,607	236	4,535	72
<b>Population Health</b>				0
Active Tameside	17,667	373	8,588	9,079
Adults	605	0	605	0
<b>Governance</b>				0
Exchequer	10	0	0	10
<b>Total</b>	<b>92,387</b>	<b>4,723</b>	<b>77,846</b>	<b>14,541</b>



	2018/19 Budget	Outturn	Outturn Variation
	£000s	£000s	£000s
Vision Tameside	20,922	17,343	3,579
Development & Investment	5,768	4,415	1,353
Education	14,505	14,148	357
Active Tameside	17,667	8,588	9,079
Transport	362	260	102

## SIGNIFICANT SCHEMES AND BUDGET VARIATIONS

Progress reports on major projects and significant areas of capital expenditure are provided to the Strategic Planning and Capital Monitoring Panel (SPCMP). A detailed capital expenditure monitoring report will be produced at month 4 and presented to the SPCMP in September 2018.

### VISION TAMESIDE

- **Public Realm** - As a result of a delay in the completion of the Tameside One building, the Public Realms works will not be complete until 2019/20. Plans are being developed to give detailed proposals. The projected Outturn is £0.2m in 18/19 and £3.579m has been rephased into 19/20.

### EDUCATION

- No individually significant variations over £0.100m.

### TRANSPORT

- **Procurement of 58 fleet** - The vehicles now being procured have had a change to the original specification as no one could supply what was requested previously. The tender is still out so the exact cost cannot be confirmed however delivery should be before the end of the financial year.

### DEVELOPMENT & INVESTMENT

- **Ashton Town Centre and Civic Square** - Works on this project cannot be completed until we have a confirmed programme for the Vision Tameside project. The projected outturn of £0.200m is based on the assumption we will be in a position to order materials within this financial year. The budget variation will need to be slipped into 2019/20.

### ACTIVE TAMESIDE

- **Denton Wellness Centre** - Denton Wellness Centre : This scheme has been delayed to October 2018 and £9.079m will need to be re-phased in 19/20. Subject to Planning permission, the land purchase of £1.5m will take place in October 2018 before the build starts. The estimated development spend is £5.500m in 18/19.

	YTD Budget £000's	YTD Actual £000's	YTD Variance £000's	Annual Budget £000's	Forecast Outturn £000's	Forecast Variance £000's
<b>Acute Commissioning</b>	<b>47,253</b>	<b>47,933</b>	<b>-679</b>	<b>191,785</b>	<b>191,698</b>	<b>87</b>
Tameside & Glossop ICFT	31,910	32,351	-441	129,501	129,501	0
Manchester FT	7,683	7,984	-300	31,288	31,588	-300
Stockport FT	2,596	2,618	-22	10,385	10,385	0
Salford Royal FT	1,327	1,327	-1	5,340	5,340	0
Pennine Acute	920	920	-0	3,561	3,561	0
The Christie	459	503	-44	1,837	1,837	0
BMI Healthcare	372	399	-27	1,703	1,703	0
Wrightington, Wigan & Leigh	306	332	-26	1,154	1,154	-0
Spamedica	285	237	48	1,138	1,080	58
Other Providers	1,395	1,262	133	5,877	5,549	328
<b>Ambulance Services</b>	<b>2,061</b>	<b>2,094</b>	<b>-34</b>	<b>8,243</b>	<b>8,378</b>	<b>-135</b>
<b>NCAS/OATS</b>	<b>411</b>	<b>411</b>	<b>-0</b>	<b>2,060</b>	<b>2,060</b>	<b>0</b>
<b>Winter Resilience</b>	<b>399</b>	<b>399</b>	<b>-0</b>	<b>1,598</b>	<b>1,598</b>	<b>0</b>
<b>Clinical Assessment &amp; Treatment Centres</b>	<b>309</b>	<b>296</b>	<b>12</b>	<b>1,481</b>	<b>1,481</b>	<b>0</b>
<b>High Cost Drugs</b>	<b>52</b>	<b>52</b>	<b>-0</b>	<b>206</b>	<b>206</b>	<b>0</b>
<b>Collaborative Commissioning</b>	<b>4</b>	<b>4</b>	<b>0</b>	<b>15</b>	<b>15</b>	<b>0</b>
<b>Total - Acute</b>	<b>50,489</b>	<b>51,189</b>	<b>-701</b>	<b>205,388</b>	<b>205,436</b>	<b>-48</b>

## Notes:

- Acute healthcare contract performance is based on only 2 months of 18/19 activity data, making it difficult to establish trends in activity. We are seeing small pressures emerge at some of the associate providers, but these do not pose a significant concern at this stage in the year.
- However overspend at Manchester FT is of more concern. £169k of the £300k YTD pressure relates to excess bed days and critical care, both areas where spend can be very volatile, driven by the discharge of high cost long length of stay patients. Other areas contributing to the pressures on the Manchester FT contract include macular (£86k pressure) and outpatients with an overspend of £115k. Time will tell if this is a non recurrent anomaly or part of a sustained trend, but in response to the YTD pressure the QIPP forecast for associate providers has been reduced by £300k to £1,000k. There is a risk that the adverse variance will increase if the level of activity at M2 persists.
- Budgets for ambulances were set based on advice received from lead commissioner for this service. Budgets did not include any allowance for settlement of an ongoing dispute around price. This dispute was settled in mediation and resulted in a £135k pressure for the CCG.
- Underspend on independent sector contracts (mainly cataracts and musculoskeletal) offsets much of the associate provider/ambulance pressure.

	YTD Budget £000's	YTD Actual £000's	YTD Variance £000's	Annual Budget £000's	Forecast Outturn £000's	Forecast Variance £000's
Mental Health Contracts	6,046	6,046	-0	23,966	23,966	0
Mental Health Services - Adults	1,242	1,242	-0	4,967	4,967	0
Mental Health Services - Other	680	681	-1	2,526	2,526	0
Learning Disabilities	150	150	-0	647	647	-0
MH - Specialist Services	147	147	0	587	587	0
Improving Access To Psychological Therapies	46	46	0	183	183	0
Mental Capacity Act	-1	-1	-0	120	120	-1
MH - Non Contracted Activity	18	18	0	71	71	0
MH - Collaborative Commissioning	-0	-0	-0	0	0	0
Child & Adolescent Mental Health	-356	-357	1	-241	-241	0
<b>Total - Mental Health</b>	<b>7,971</b>	<b>7,972</b>	<b>-1</b>	<b>32,827</b>	<b>32,827</b>	<b>-1</b>

## Notes:

- In January 2018 the MH investment plan went to SCB for approval to close the funding gap in order to meet the 5YFV and MHIS. The gap in 18/19 started at £1.7m which took the total additional recurrent investment into Mental Health to be £2.5m. Since then there has been significant delays in recruitment and delivery of service plans.
- As a result, the refreshed plans identify an in-year non-recurrent slippage of £0.6m. This was moved to QIPP in Month 2 and is showing as banked savings. A further £0.4m towards QIPP is expected over the next couple of months on a non-recurrent basis and will be green rag rated with a further £1m QIPP in MH as amber.
- All assumptions around QIPP are built into the reported position above

	YTD Budget £000's	YTD Actual £000's	YTD Variance £000's	Annual Budget £000's	Forecast Outturn £000's	Forecast Variance £000's
Prescribing	9,875	9,875	0	42,583	42,583	0
Delegated Co-commissioning	8,072	8,057	15	33,041	32,919	121
Out of Hours	650	638	12	2,599	2,551	48
Local Enhanced Services	379	371	7	1,515	1,515	0
Primary Care IT	298	207	91	1,454	1,457	-3
Central Drugs	290	290	0	1,201	1,201	0
Primary Care Investments	219	217	2	875	875	0
Oxygen	95	82	13	514	514	0
Medicines Management - Clinical	91	90	2	432	426	6
Commissioning Schemes	80	78	2	319	319	0
<b>Total - Primary Care</b>	<b>20,050</b>	<b>19,906</b>	<b>143</b>	<b>84,534</b>	<b>84,361</b>	<b>173</b>

## Notes:

- At time of writing we only have April prescribing data available. Because of this we want to be cautious about establishing trends or reading too much into a reported underspend via PMD. Consequently we have set forecast to equal budget.
- However early indications are encouraging and on the assumption the trend continues we will be in a strong position to bank further QIPP savings at month 4. £590k of TEP has been posted this month for prescribing, which relates to cross year benefit from higher than expected achievement against schemes in February and March.
- In delegated Co-Commissioning the latest data relating to QOF (Quality Outcomes Framework) suggests that practices will not earn the originally anticipated quality payment in 2018/19.
- The forecast for Out of Hours has reduced, as charges for central infrastructure to support the IM&T hub are no longer being funded via CCG budgets.

	YTD Budget £000's	YTD Actual £000's	YTD Variance £000's	Annual Budget £000's	Forecast Outturn £000's	Forecast Variance £000's
CHC Adult Fully Funded	2,267	2,580	-313	10,535	13,463	-2,928
Funded Nursing Care	424	450	-26	1,697	1,765	-68
CHC Assessment & Support	241	224	18	965	952	14
CHC Adult Personal Health Budgets	210	309	-99	840	840	0
CHC Adult Joint Funded	97	293	-197	387	387	0
Children's Continuing Care	29	16	13	117	117	0
Children's CHC Personal Health Budgets	7	6	1	29	29	0
<b>Total - Continuing Care</b>	<b>3,276</b>	<b>3,878</b>	<b>-603</b>	<b>14,569</b>	<b>17,552</b>	<b>-2,982</b>

## Notes:

- Growth in the cost and volume of individualised packages of care is the amongst the biggest financial risks facing the Strategic Commissioner.
- Expenditure growth in this area was 14% in 2017/18, with similar double digit growth rates seen over the previous two years.
- Spend in T&G is significantly higher on a per capita basis when benchmarked against other CCGs in GM.
- A continuation of historic growth rates is not financially sustainable and should not be inevitable that T&G is an outlier against our peers.
- Currently forecasting £2,982k overspend in 2018/19 against core CHC budgets, most of which related to fully funded CHC for adults.
- A financial recovery plan is now in place, with the next detailed update due to be presented at Finance & QIPP Assurance Group in August.

	YTD Budget £000's	YTD Actual £000's	YTD Variance £000's	Annual Budget £000's	Forecast Outturn £000's	Forecast Variance £000's
Community Services	7,202	7,132	70	28,809	28,809	0
Hospices	148	148	-0	592	592	0
Wheelchair Service	129	129	-0	515	515	0
Palliative Care	30	34	-4	124	124	-0
<b>Total - Community</b>	<b>7,509</b>	<b>7,443</b>	<b>66</b>	<b>30,040</b>	<b>30,041</b>	<b>-0</b>

## Notes:

- The £28.8m community services budget relates to services provided by the ICFT within the scope of the block contract. Payments are fixed and will not change throughout the year.
- Commissioning responsibility for £23.9m of these community services has switched from the CCG side of the strategic commissioner to the Council side. Formal approval to transact this change did not exist at the start of the year and consequently invoices were paid at historic rates and via historic routes. This has created YTD variances against the ICFT block both in the community and acute directorates. Formal approval for changes to the community budgets is now in place and payments in M4 will be adjusted to align actuals to budgets.
- Other services within the community directorate are on track to spend in accordance with budget.

	YTD Budget £000's	YTD Actual £000's	YTD Variance £000's	Annual Budget £000's	Forecast Outturn £000's	Forecast Variance £000's
Better Care Fund	3,202	3,202	-0	12,800	12,797	3
Property Services	911	911	0	3,645	3,645	0
Transformation Funding	1,510	1,500	10	1,585	1,585	-0
Patient Transport	330	331	-0	1,321	1,321	0
Safeguarding	191	174	17	763	730	33
NHS 111	163	170	-6	653	654	-1
Clinical Leads	90	82	8	359	331	28
Programme Projects	21	7	14	273	217	55
Commissioning - Non Acute	38	38	-0	150	150	0
Interpreting Services	14	14	0	54	54	0
Nursing and Quality Programme	-0	-0	-0	-0	0	-0
Commissioning Reserve	1,044	0	1,044	1,313	-1,427	2,740
<b>Total - Other</b>	<b>7,513</b>	<b>6,427</b>	<b>1,085</b>	<b>22,915</b>	<b>20,057</b>	<b>2,859</b>
CCG TEP Shortfall (QIPP)					2,537	-2,537

**Notes:**

- Services within this directorate such as BCF, estates, safeguarding and patient transport are spending broadly in line with budget and do not present a risk to the CCG position.
- We have received £1.6m of the approved £6.3m transformation funding so far this year. Allocations for the remainder will be transacted later in the year and we have plans in place to spend.
- On the face of things we appear to reporting a significant favorable variance against the commissioning reserve line. However, it is important to understand that this forecast has been calculated in order to balance the CCG position. This forecast can only be delivered if the CCG is able to fully achieve the £19.8m TEP target.
- As reported in the recovery plan slides earlier in this report, there is a £2.5m risk attached to fully closing the QIPP gap.

	YTD Budget £000's	YTD Actual £000's	YTD Variance £000's	Annual Budget £000's	Forecast Outturn £000's	Forecast Variance £000's
QIPP	0	0	0	976	976	0
Finance	223	223	0	925	925	-0
Commissioning	182	182	0	799	740	59
CEO/Board Office	113	113	0	495	476	19
Corporate Costs & Services	93	93	0	348	348	-1
IM&T	73	76	-2	282	274	8
ADMINISTRATION & BUSINESS SUPPORT	46	46	0	283	251	32
Corporate Governance	48	47	1	206	201	5
General Reserve - Admin	0	0	0	4	173	-169
Communications & HR	50	50	0	201	166	35
Chair & Non Execs	39	37	2	157	150	7
Nursing	34	33	1	135	131	4
Contract Management	30	29	1	120	120	-0
IM&T Projects	28	22	6	114	114	0
Estates & Facilities	26	26	-0	104	104	0
Equality & Diversity	6	6	0	26	26	0
Human Resources	0	0	-0	1	1	0
<b>Total - CCG Running Costs</b>	<b>993</b>	<b>984</b>	<b>9</b>	<b>5,175</b>	<b>5,175</b>	<b>0</b>

## Notes:

- The CCG receives an earmarked allocation of £5.2m to fund running costs. We are not allowed to exceed this limit, but any underspend on running costs can be used to offset pressures in our programme budgets.
- In the first quarter of the year we have made QIPP savings of almost £1m. Much of this is the result of recurrent schemes carried forward from 2017/18 (e.g. New Century House, Chief Operating Officer and Shared Services).
- We are forecasting that full year savings in the region of £1.2m are possible in this area.