

APPENDIX 1 – Strategic Commissioner Detailed Analysis

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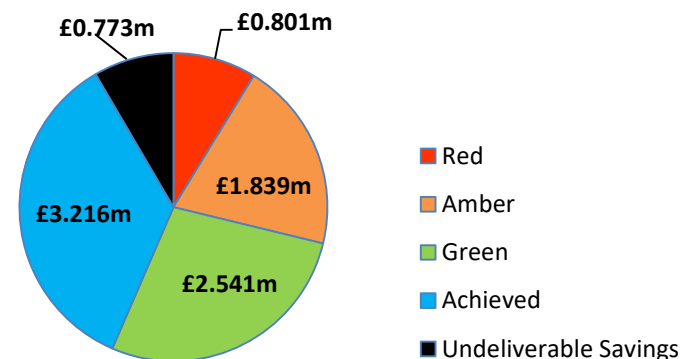
SAVINGS PROGRESS

The 2019/20 Revenue Budget, approved by Full Council on 27 February 2019, included savings targets in respect of a vacancy factor, additional fees and charges, and savings to be delivered by management. Combined with savings identified in previous years, the total savings target for the Council in 2019/20 is £8,420k.

Vacancy Factor - The total vacancy factor for the year is £2,387k. As at the end of period 3, total underspends relating to vacant posts were £2,455k, therefore overachieving the annual target.

Other Savings – Planned savings of £773k have been identified, at this stage, as unlikely to be delivered and are not included in the total forecast savings at month 3. Savings in excess of target are forecast in some areas, resulting in total forecast savings of £8,397k against the opening target of £8,420k. Savings of £3,216k have already been achieved.

Savings 19/20



Directorate	Opening Target £000s	Not expected to be delivered £000s	Red £000s	Amber £000s	Green £000s	Achieved to date £000s	Total forecast savings £000s
Adults	1,778	445	0	1,260	73	0	1,333
Children's Services	696	0	696	0	0	0	696
Children's - Education	235	5	5	125	0	230	360
Population Health	375	95	0	225	55	0	280
Operations and Neighbourhoods	1,217	0	100	5	738	374	1,217
Growth	285	207	0	0	78	0	78
Governance	1,125	2	0	224	347	552	1,123
Finance & IT	192	0	0	0	128	64	192
Quality and Safeguarding	10	0	0	0	10	0	10
Capital and Financing	1,764	12	0	0	1,112	1,260	2,372
Contingency	100	0	0	0	0	100	100
Corporate Costs	643	7	0	0	0	636	636
Total	8,420	773	801	1,839	2,541	3,216	8,397

Local Authority Pressures

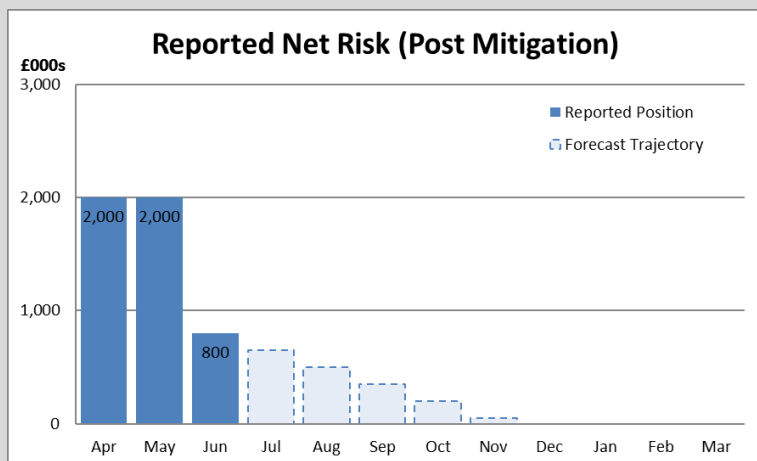
PRESSURES

The 2019/20 Council Revenue Budget included funding for pressures across the services of £20,166k. As at month 3 total forecast pressures have increased across a number of areas as set out below. Further narrative on increased pressures in each area is included in the narrative for each service later in this report. The main reduction in pressures relates to funding setting aside for increased staffing costs as a result of the implementation of the new NJC pay structure on 1 April 2019. This funding will be used to offset pressures in other areas.

Directorate	Pressures funded in budget £000s	Pressures materialised to date £000s	Total pressures forecast £000s	(Increase)/decrease in pressures £000s
Adults	1,401	313	1,401	0
Children's Services	9,300	0	13,852	(4,552)
Children's - Education	631	171	982	(351)
Population Health	67	0	67	0
Operations and Neighbourhoods	1,501	1,026	1,725	(224)
Growth	741	573	841	(100)
Governance	903	210	847	56
Finance & IT	185	46	185	0
Quality and Safeguarding	0	0	0	0
Capital and Financing	242	242	242	0
Contingency	5,001	1,362	4,417	584
Corporate Costs	194	15	139	55
Total	20,166	3,959	24,698	(4,532)

2019/20 Financial Risk & TEP Update: M3 – June 19

- The CCG has a Targeted Efficiency Plan (TEP, also known as QIPP) target for 2019/20 of £11m.
- In submitted plans at the start of the year, the CCG reported that financial control totals would be met, but that there was material risk (£2m) associated with this.
- Based on the latest assessment of TEP achievement, we have reduced this risk down to £800k at M3. This is largely as a result of cross year benefits on Prescribing and Continuing Care, where the impact of winter was less severe than anticipated when our final 2018/19 position was calculated.



- As shown in the chart below we are optimistic that over the next few months we will be in a position to further reduce reported risk.
- The trajectory above assumes that net risk can be reduced internally using CCG resources. However, as part of our wider Integrated Commissioning Fund (ICF), the CCG has entered into a risk share agreement with TMBC. This would allow the Local Authority to

increase contributions into the pooled budget, in order to balance the CCG position on a non-recurrent basis if required.

- Any increase in council contribution this year would result in an increased CCG contribution in future years. Therefore it is not appropriate to use the ICF as justification to reduce reported net risk in 2019/20.
- The table below summarises expected achievement at M3, 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	1,409,667	100,000	1,509,667	1,774,667	-265,000
Medium Risk	1,990,000	1,200,000	3,190,000	4,117,000	-927,000
Low Risk	1,385,848	3,406,904	4,792,752	5,319,890	-527,138
Saving Posted	1,403,969	2,241,626	3,645,595	1,458,927	2,186,668
Total	6,189,484	6,948,530	13,138,014	12,670,484	467,530

Expected Savings (after application of optimism bias)

	Recurrent	Non Recurrent	Total	Total	Movement
High Risk	140,967	10,000	150,967	177,467	-26,500
Medium Risk	995,000	600,000	1,595,000	2,058,500	-463,500
Low Risk	1,385,848	3,406,904	4,792,752	5,319,890	-527,138
Saving Posted	1,403,969	2,241,626	3,645,595	1,458,927	2,186,668
Total	3,925,784	6,258,530	10,184,314	9,014,784	1,169,530

QIPP Target

11,000,000	11,000,000	0
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Savings Still to Find

815,686	1,985,216	1,169,530
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Value of savings about which we are certain (i.e. blue & green schemes)

8,438,347

Adults	Gross Expenditure Budget £000's	Gross Income Budget £000's	Net Budget £000's	Actual to date £000's	Forecast £000's	Variance £000's
Adults - Out of Hours Team	158	0	158	30	137	21
Adults Senior Management	2,321	(1,159)	1,162	(2,890)	272	890
BCF	9	(20,339)	(20,330)	(10,868)	(20,330)	0
Community Response Service	1,172	(688)	484	(415)	575	(91)
Funded Nursing Care	1,930	(1,930)	0	490	0	0
Homecare - Support at Home	7,931	(6,031)	1,900	1,237	2,116	(216)
Improved Better Care Fund	1,633	(1,633)	0	257	0	0
Joint Commissioning Service	3,677	(1,221)	2,456	329	2,404	52
Localities	8,738	(150)	8,587	2,476	8,582	5
Long Term Support	6,980	(416)	6,564	1,841	7,577	(1,013)
Mental Health	3,882	(486)	3,396	843	3,477	(82)
Reablement	2,441	0	2,441	510	2,557	(116)
Residential & Nursing Placements	26,540	(9,389)	17,151	5,009	17,249	(98)
Sensory Services	293	(49)	244	70	247	(2)
Shared Lives & Property Management	2,565	(717)	1,848	179	1,817	31
Supported Accommodation	11,546	(2,494)	9,052	1,582	9,052	0
Urgent Integrated Care	2,268	0	2,268	501	1,923	345
TOTAL	84,083	(46,702)	37,381	1,181	37,655	(274)

BUDGET VARIATIONS

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

Underspends:

£253k - Increased income across Adults- from Residential & Nursing placements & fairer charging

BUDGET VARIATIONS

Pressures

(£82k) - Overspend on out of hours and agency staff due to lag in permanent recruitment

SAVINGS

Savings Performance:

- **(£125k)** - Review of out of borough LD placements: currently not projected to make this saving but identifying placements to meet this target as there is scope
- **(£79k)** - Oxford Park: will not be delivered as scheme has been delayed
- **(£70k)** - Review of residential placements: currently not projected to make this saving but identifying placements to meet this target as there is scope
- **(£170k)** - Review of manual handling – single handed: currently not projected to make this saving but identifying packages to address the projected shortfall

Scheme	Savings Target 19/20 £000's	Not expected to be delivered £000s	Red £000's	Amber £000's	Green £000's	Achieved £000's	Total £000's
Review of out of borough LD placements	125	125					0
Oxford Park	79	79					0
Review of residential placements	191	71		120			120
Review of manual handling	540	170		370			370
Vacancy Factor 2019/20	551			551			551
Fees & charges increase 2019/20	292			219	73		292
Total	1,778	445	0	1,260	73	0	1,333

Children's Services – Children's Social Care

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Children's Services	Gross Expenditure Budget £000's	Gross Income Budget £000's	Net Budget £000's	Actual to date £000's	Forecast £000's	Variance £000's
Assistant Executive Director - Children's Specialist Services	1,400	(2,009)	(609)	681	331	(940)
Childrens Safeguarding	32,330	(820)	31,510	7,498	35,172	(3,662)
Early Help, Early Years & Neighbourhoods	2,001	(10)	1,991	467	2,079	(88)
Looked After Children	3,638	(1,778)	1,860	872	1,763	97
Child Protection & Children In Need	5,383	(28)	5,355	1,113	5,410	(54)
Youth Offending Team	8,136	0	8,136	1,977	8,040	97
TOTAL	53,893	(5,337)	48,556	12,773	53,108	(4,552)

BUDGET VARIATIONS

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

Pressures:

- **(£310k)** - Additional expenditure assumed on legal costs
- **(£473k)** - Skylakes contract – expected that long term savings will be delivered through reduced placement costs, however at this stage the full effect of this is unlikely to fully realised until next financial year
- **(£3,200k)** - Increased costs associated with increased number of looked after children

SAVINGS

Scheme	Savings Target 19/20 £000's	Not expected to be delivered £000s	Red £000's	Amber £000's	Green £000's	Achieved £000's	Total £000's
Vacancy Factor 2019/20	676		676				676
Fees & charges increase 2019/20	20		20				20
Total	696	-	696	0	0	0	696

Education	Gross Expenditure Budget £000's	Gross Income Budget £000's	Net Budget £000's	Actual to date £000's	Forecast £000's	Variance £000's
Access & Inclusion	16,100	(13,731)	2,369	3,952	2,632	(263)
Assistant Executive Director - Education	384	(89)	296	22	157	139
Schools Centrally Managed	2,596	(760)	1,836	2,780	1,711	125
Schools Centrally Managed - DSG Funded	(1,188)	1,191	3	(34,397)	3	0
School Performance and Standards	538	(294)	245	(83)	245	(0)
Pupil Support Services	9,546	(8,290)	1,256	1,413	1,318	(62)
TOTAL	27,977	(21,972)	6,005	(26,314)	6,066	(61)

BUDGET VARIATIONS

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

Underspends:

- **£139k** - There is a projected under spend in the overall Education service due to utilisation of grant funding and surplus budget identified to support pressures within the overall service.
- **£79k** - Other minor variations.

Pressures:

- **(£346k)** SEN Transport – the expected pressure has materialised. A further pressure of £346k is projected for the service in 19/20, for which £200k has been earmarked in contingency to address it, which has now been exceeded. The surplus budget on teachers retirement pension costs can be used to support part of this additional pressure.
- **(£58k)** - Traded Services to academies saving not being achieved due to reduction in schools buying in to services.

SAVINGS

Savings Performance:

- **(£5k)** - Traded Services to academies saving not being achieved due to reduction in schools buying in to services.
- **£125k** - There is further reduced demand on the budget for Teachers retirement pension costs. It is suggested that this additional saving is used towards the pressure occurring on SEN Transport.
- **£0k** - The Central DSG grant saving has been achieved by reducing initial budget.

Scheme	Savings Target 19/20 £000's	Not expected to be delivered £000s	Red £000's	Amber £000's	Green £000's	Achieved £000's	Total £000's
Traded Services to Tameside schools and academies	5	5	5				5
Teachers Pension	130			125		130	255
Central DSG grant	100					100	100
Total	235	5	5	125	0	230	360

Population Health	Gross Expenditure Budget £000's	Gross Income Budget £000's	Net Budget £000's	Actual to date £000's	Forecast £000's	Variance £000's
Public Health	16,262	(170)	16,092	3,032	16,372	(280)
TOTAL	16,262	(170)	16,092	3,032	16,372	(280)

BUDGET VARIATIONS

Pressures

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

- **(35k)** - Pennine Care contracts- inflation uplift
- **(200k)** – Community Services contract- inflationary uplift due to revised grading on NHS pay scales
- **(45k)** – Minor Variations

SAVINGS

Scheme	Savings Target 19/20 £000's	Not expected to be delivered £000s	Red £000's	Amber £000's	Green £000's	Achieved £000's	Total £000's
Recommissioning of sexual health services	25			25			25
Integrated Drug and Alcohol services	200			200			200
Prescribing	28				28		28
Reduction to Active Tameside management fee	95	95	0				0
Vacancy Factor 2019/20	27				27		27
Total	375	95	0	225	55	0	280

Quality and Safeguarding	Gross Expenditure Budget £000's	Gross Income Budget £000's	Net Budget £000's	Actual to date £000's	Forecast £000's	Variance £000's
Quality & Safeguarding - Adults	116	(32)	84	37	84	(0)
Quality and Safeguarding - Childrens	324	(272)	52	0	52	0
TOTAL	440	(304)	136	37	136	(0)

SAVINGS

Scheme	Savings Target 19/20 £000's	Not expected to be delivered £000s	Red £000's	Amber £000's	Green £000's	Achieved £000's	Total £000's
Vacancy Factor 2019/20	8				8		8
Fees & charges increase 2019/20	2				2		2
Total	10	0	0	0	10	0	10

Operations & Neighbourhoods	Gross Expenditure Budget £000's	Gross Income Budget £000's	Net Budget £000's	Actual to date £000's	Forecast £000's	Variance £000's
Operations and Emergency Planning	1,298	(2,578)	(1,279)	(270)	(1,187)	(93)
Community Safety & Homelessness	5,388	(1,806)	3,582	39	3,582	0
Cultural and Customer Services	3,489	(292)	3,197	554	3,006	192
Design and Delivery	11,470	(9,650)	1,820	1,319	1,822	(2)
Environmental Services Management	31,305	(32)	31,273	31,440	31,345	(72)
Highways & Transport	8,874	(9,672)	(798)	911	5	(803)
Markets	1,040	(1,532)	(492)	(613)	(186)	(306)
Operations and Greenspace	5,979	(447)	5,531	1,114	5,516	16
Public Protection	3,633	(948)	2,685	428	2,629	56
Waste Management	5,890	(1,184)	4,706	2	4,743	(37)
Youth	446	(43)	403	70	466	(63)
TOTAL	78,812	(28,185)	50,627	34,992	51,740	(1,113)

BUDGET VARIATIONS

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

Underspends:

- **£83k** – Saving on disposal of street sweepings expected to be achieved from January due to new method of disposal
- **£791k** -There are a number of vacancies across Operations and Neighbourhoods. Within Culture & Customer Services there have been difficulties with recruitment however, this service is getting closer to being fully staffed. There have also been some vacancies held for a period of time within the Call Centre and Customer Services to allow a full assessment of demand following the move into Tameside One. Within the engineers service there is a large level of vacancies however the saving on this is offset by additional spend on subcontractors. (This is net of the vacancy factor).

Pressures:

- **(£710k)** - There is a projected shortfall in income from car parks. Of this, (£447k) relates to the new Darnton Road car parks which is in part as a result of delays in these car parks becoming operational. A further (£150K) relates to the non delivery of charges being applied to additional car parks.

BUDGET VARIATIONS

Pressures (continued):

- **(£165k)** - The cameras on bus lanes are working well as a deterrent to stop people using the bus lanes inappropriately. However this means that there is a projected shortfall in expected income.
- **(£224k)** - Due to the ongoing development of Ashton Town Centre, footfall is reduced and the market ground is suffering from a reduction in traders and therefore a shortfall in income is projected.
- **(£50k)** - Additional costs anticipated surrounding the Tour of Britain event.
- **(£29k)** - Final adjustment for 18/19 Waste Levy costs was more than expected.
- **(£418k)** - Increased spend on subcontractors within the engineers service in order to maintain capacity.
- **(£391k)** - Other Minor Variations including increases in skip charges, system upgrades within Transport Services and an increase in security costs for opening and closing the cemeteries.

SAVINGS

Scheme	Savings Target 19/20 £000's	Not expected to be delivered £000s	Red £000's	Amber £000's	Green £000's	Achieved £000's	Total £000's
Recovery of expenditure from new car parks	100		100				100
LED Street Lighting	250				250		250
Review of contracts and purchasing - using STAR/Oxygen	50	0			8	42	50
Advertising on Vehicles	5			5			5
Vacancy Factor 2019/20	559				227	332	559
Fees & charges increase 2019/20	253				253		253
Total	1,217	0	100	5	738	374	1,217

Growth	Gross Expenditure Budget £000's	Gross Income Budget £000's	Net Budget £000's	Actual to date £000's	Forecast £000's	Variance £000's
Development Growth & Investment	329	0	329	(188)	213	116
Employment & Skills	2,068	(882)	1,187	(182)	1,152	35
Estates	1,922	(2,684)	(762)	(303)	(289)	(473)
Investment & Development	2,062	(1,134)	928	196	926	2
Planning	1,170	(998)	171	32	463	(292)
Strategic Infrastructure	637	(188)	449	49	389	60
School Catering	2,784	(2,780)	4	(47)	104	(100)
Corporate Landlord	8,455	(2,260)	6,195	(374)	6,641	(446)
Environmental Development	447	(79)	369	65	357	12
BSF, PFI & Programme Delivery	22,878	(22,878)	0	2,947	0	0
TOTAL	42,753	(33,883)	8,870	2,194	9,956	(1,087)

BUDGET VARIATIONS

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

Underspends:

- **£423k** - Expenditure less than budget due to vacancies in the Estates team over achievement of income Hyde shopping centre and other minor variations
- **£99k** - Expenditure less than budget due to vacancies in Planning and over achievement of income on Land charges
- **£116k** - Expenditure less than budget due to vacant Assistant Director and under spend on computer software

Pressures:

Estates budget pressures relate to a shortfall in income due to a number of factors.

- **(£866k)** - There are several vacancies in the Estates team resulting in a reduction in the number of chargeable hours. There are several vacant industrial units and there are not enough staff to market industrial units and therefore the expected income is not being realised.

BUDGET VARIATIONS

There are budget pressure in Corporate Landlord

- **(£416k)** - Rental income for tenants in Tameside one will not be realised in the early years. This has been anticipated and will be funded from contingency. There is uncertainty around costs of operating Tameside One. This is reflected in high forecast spend for gas and electricity.

Planning Services

- **(£371k)** - Fee income from planning and building control fees is less than budgeted. The new management arrangements are reviewing the current service provision to assess how improvements in fee income can be made.

SAVINGS

Savings Performance:

- **(£60k)** Growth savings of £60k will not be delivered in 2019/20 due to delays recruiting staff to review Industrial rents and fewer large scale planning applications being made.
- **(£147k)** Increases in Fees and Charges will not be delivered due to staff vacancies and other issues highlighted above.

Scheme	Savings Target 19/20 £000's	Not expected to be delivered £000s	Red £000's	Amber £000's	Green £000's	Achieved £000's	Total £000's
Sponsorship of events	2	0			2		2
Planning fees income	30	30					0
Review of rents and leases	30	30					0
Vacancy Factor 2019/20	76	0			76		76
Fees & charges increase 2019/20	147	147					0
Total	285	207	0	0	78	0	78

Governance	Gross Expenditure Budget £000's	Gross Income Budget £000's	Net Budget £000's	Actual to date £000's	Forecast £000's	Variance £000's
<u>Governance</u>						
Executive and Business Support	1,726	(111)	1,615	338	1,459	155
Democratic Services	1,021	(289)	732	75	719	13
Governance Management	174	(88)	86	45	94	(8)
Legal	1,355	(82)	1,273	255	1,311	(38)
	4,275	(570)	3,705	713	3,583	122
<u>Exchequer</u>						
Exchequer Services	64,312	(62,736)	1,576	1,381	1,339	238
	64,312	(62,736)	1,576	1,381	1,339	238
<u>People & Workforce Development</u>						
People and Organisational Development	3,723	(1,279)	2,444	290	2,602	(158)
	3,723	(1,279)	2,444	290	2,602	(158)
<u>Marketing & Communications</u>						
Policy, Performance and Communications	1,713	(245)	1,468	335	1,459	9
	1,713	(245)	1,468	335	1,459	9
TOTAL	74,024	(64,830)	9,193	2,718	8,983	211

Underspends

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

- **£427k** - Employee related expenditure including training related expenses is less than budget due to a number of vacant posts and maternity across the service, Current recruitment to posts is ongoing
- **£71k** - Other net minor variations across the individual services areas of less than £50k

Pressures:

- **(£120k)** - Currently there is no projected draw down of the reserve funding in relation to Workforce Development Service review in 19/20
- **(£87k)** - Projected Income is less than the budgeted Income target due to non take up of HR, Payroll and Recruitment and various other Income streams
- **(£50k)** - Government Grant related Income is less than Budgeted Income target
- **(£28k)** - Children and Adults Social Care workforce development costs are forecast to be in excess of budget and discussions are taking place with the Assistant Director of People and Workforce Development and the Service Directors

SAVINGS

Savings Performance:

- **(£2k)** - Platinum Payment savings target of £50k will not be fully achieved, current forecast is £48k

Scheme	Savings Target 19/20 £000's	Not expected to be delivered £000s	Red £000's	Amber £000's	Green £000's	Achieved £000's	Total £000's
Continuous Improvement	550					550	550
Oxygen Finance Project	50	2		46		2	48
Recovering of overclaims/old debts	175			175			175
Vacancy Factor 2019/20	347				347		347
Fees & charges increase 2019/20	3			3			3
Total	1,125	2	0	224	347	552	1,123

Finance and IT	Gross Expenditure Budget £000's	Gross Income Budget £000's	Net Budget £000's	Actual to date £000's	Forecast £000's	Variance £000's
FINANCE						
Financial Management	2,815	(538)	2,277	155	2,191	87
Risk Management & Audit Services	605	(224)	381	113	358	23
	3,420	(762)	2,658	268	2,549	109
IT						
Digital Tameside	2,798	(646)	2,151	669	2,252	(101)
	2,798	(646)	2,151	669	2,252	(101)
TOTAL	6,218	(1,408)	4,809	936	4,801	8

BUDGET VARIATIONS

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

Underspends:

- **£156k** - Staffing underspends due to vacancies, timing of recruitment and staff having not taken up the pension option. This includes the combined vacancy factor of £128k.
- **£78k** - Projected reduction in spend on Cashier related payment systems.
- **£165k** - Projected additional MFD Income to the service.

Pressures:

- **(£236k)** - The Corporate Costs budget covers equipment, software and maintenance for the Council's network, including security and backup software. It also covers the cost of operating system licence for laptops. The overspend is due to increased costs such as the operating system, extra power costs for the Data Centre, Wi-Fi and backup software as well as additional requirements for security systems.
- **(£155k)** - Other minor variations below £50k.

SAVINGS

Scheme	Savings Target 19/20 £000's	Not expected to be delivered £000s	Red £000's	Amber £000's	Green £000's	Achieved £000's	Total £000's
Internal audit restructure	12					12	12
Central DSG grant	50					50	50
Vacancy Factor 2019/20	128				128		128
Fees & charges increase 2019/20	2					2	2
Total	192	0	0	0	128	64	192

Capital Financing, Contingency and Corporate Costs	Gross Expenditure Budget £000's	Gross Income Budget £000's	Net Budget £000's	Actual to date £000's	Forecast £000's	Variance £000's
Capital and Financing	10,763	(6,647)	4,116	0	914	3,202
Contingency	5,674	0	5,674	1,818	3,904	1,770
Corporate Costs	8,272	(2,881)	5,392	755	4,603	789
TOTAL	24,709	(9,528)	15,182	2,573	9,421	5,761

BUDGET VARIATIONS

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

Underspends:

- **£111k** - Included within corporate costs are anticipated savings of £56k in respect of contributions to AGMA and £55k in respect of the coroners service.
- **£565k** - Further to actuarial review in 2018/19 savings have been identified in relation to insurance provision.
- **£80k** - It is anticipated there will be savings in the central costs contingency budget.
- **£40k** - Other minor variations.
- **£2,113k** - Anticipated income from investment in Manchester Airport Group
- **£620k** - Revised Minimum Revenue Position (MRP) calculations
- **£550k** - Anticipated reduction in interest costs due to planned borrowing not being taken up and revised interest projections
- **£1,107k** - Release of contingency budgets to offset service overspends
- **£663k** - Release of earmarked contingencies for identified pressures not funded through the budget process

Pressures:

- **(£69k)** - Increase internal interest charges based on final 2018/19 figures

SAVINGS

Savings Performance:

- **(£7k)** - Vacancy factor not achieved within Corporate Costs. This is offset by savings in the wider service.
- **(£12k)** - Venture Fund no longer being progressed

Scheme	Savings Target 19/20 £000's	Not expected to be delivered £000s	Red £000's	Amber £000's	Green £000's	Achieved £000's	Total £000's
Venture fund	12	12					0
Treasury Investment Income	130				97	33	130
Minimum Revenue Provision (MRP)	375					995	995
Capital Financing	232					232	232
Manchester Airport Investment (Exec Cabinet Approved Feb 18) £11m investment	1,015				1,015		1,015
Income Generation - Increased income from Council Tax Rates	100					100	100
Insurance review	150					150	150
External audit fees	69					69	69
AGMA/GMCA	302					302	302
Pensions Increase Act	90					90	90
Review of the Town Council support	25					25	25
Vacancy Factor 2019/20	7	7					0
Total	2,507	19	0	0	1,112	1,996	3,108

Capital Expenditure

	2019/20 Budget	Actual to Date	Forecast Outturn	Variance
	£000s	£000s	£000s	£000s
Growth				
Vision Tameside	7,204	811	7,204	0
Investment & Development	6,560	529	6,560	0
Estates	716	0	716	0
Operations and Neighbourhoods				
Engineers	12,322	2,619	10,843	(1,479)
Environmental Services	3,749	28	4,149	400
Transport (Fleet)	260	69	260	0
Corporate Landlord	(44)	5	112	156
Stronger Communities	27	0	27	0
Children's				
Education	11,224	27	10,405	(819)
Finance & IT				
Digital Tameside	2,597	258	2,857	260
Population Health				
Active Tameside	15,030	1,780	15,030	0
Adults				
Adults	583	0	583	0
Governance				
Exchequer	10	0	10	0
Total	60,238	6,126	58,756	(1,482)

Capital Expenditure

	2019/20 Budget £000	Actual to Date £000	Forecast Outturn £000	Variance £000
Education	11,224	27	10,405	(819)
Digital Tameside	2,597	258	2,857	260
Engineers	12,322	2,619	10,843	(1,479)

SIGNIFICANT SCHEMES AND BUDGET VARIATIONS

- **EDUCATION-** A number of variations have arisen where projected outturn is less than budget due to a number of requests for re-profiling into the 2020/21 financial year.

Rayner Stephens Academy (£0.473m) – Original proposals have been paused pending a further review of the accommodation at the school. This has resulted from the development of the sixth form provision at Cromwell, which impacts upon room use at Rayner Stephens.

Hyde Community College (£0.300m) – Current programme indicates a start on the works in Autumn 2019 and completion in Summer 2020. Further costs will be identified and reported at the next Strategic Capital Panel.

- **DIGITAL TAMESIDE-** The overspend relates to Wave 2 works undertaken by our Engineers team and £55k of supplier invoices, also related to Wave 2. The Wave 2 Grant has been delayed due to the wider bid gateway reviews that relate to other Greater Manchester authorities. It is expected to be finalised in Quarter 3

- **ENGINEERS-** A number of variations have arisen where projected outturn is less than budget due to a number of requests for

re-profiling into the 2020/21 financial year.

Hyde to Mottram and Hollingworth Cycle Scheme (£1.695m) – Highways England providing a specific grant of £1.950m to the council to provide facilities that promote sustainable travel options (walking and cycling) between Hyde and Hattersley. This grant covers the financial years up to 2020/21. During 2019/20 financial year, £0.250m is available for the feasibility, design and consultation elements of this project. £1.695m will be available in 2020/21 for construction and commissioning.

Hospital Car Parking (£0.216m) – There are additional costs for hospital car parking due to a condition being put in place by the planning department. The design team was asked to relocate the proposed access to the Darnton Road Car Park away from the existing nearby houses. This has resulted in a complete level redesign to comply with Disabled Access Regulations.

	YTD Budget £000's	YTD Actual £000's	YTD Variance £000's	Annual Budget £000's	Forecast Outturn £000's	Forecast Variance £000's
Acute Commissioning	49,282	49,282	0	201,096	201,582	(486)
Tameside & Glossop ICFT	33,998	33,998	0	135,991	135,991	0
Manchester FT	7,853	7,658	194	32,922	32,727	194
Stockport FT	2,285	2,271	14	9,755	9,702	53
Salford Royal FT	1,522	1,619	(98)	5,865	6,019	(154)
Pennine Acute	885	914	(29)	3,496	3,640	(145)
The Christie	506	618	(112)	2,028	2,241	(213)
BMI Healthcare	618	673	(55)	2,473	2,593	(120)
Wrightington, Wigan & Leigh	176	175	1	974	973	1
Spamedica	301	337	(36)	1,204	1,360	(156)
Other Providers	1,140	1,019	120	6,390	6,336	54
Ambulance Services	2,353	2,353	0	9,450	9,447	3
Clinical Assessment & Treatment Centres	398	425	(27)	1,591	1,581	10
Collaborative Commissioning	126	137	(11)	141	144	(3)
High Cost Drugs	34	44	(10)	136	138	(2)
NCAS/OATS	500	500	0	2,000	2,000	0
Winter Resilience	78	-3	81	180	180	(0)
Total - Acute	52,772	52,739	33	214,594	215,072	(478)

- At this stage in the year it is too early to identify clear trends that may be emerging in secondary care, particularly as two of our associate providers have reported data quality issues. But forecasts above represent our best estimates using the information available and include some high cost patient costs at Pennine Acute and The Christie.
- We have concerns around elective and day case activity and a growth in the number of people on waiting lists. Whilst some planning provision was made to clear RTT in 19/20, the CCG has seen a 18.9% increase in people on the waiting list since March 18. This presents a financial risk to the CCG as while the backlog is cleared.
- During this month it has emerged that Manchester FT will be restricting new dermatology referrals from the 1st September 2019 to Manchester and Trafford only. This means that any T&G patients not being actively managed on their skin cancer pathway will all be discharged back to the care of their local dermatology provider. Patient numbers are low, so we do not anticipate a significant impact in T&G, but nevertheless we want to monitor this situation over to next few months to safeguard against unintended consequences in the ICFT.
- Independent sector contracts are a key driver of overspend in the Acute forecast, with ophthalmology a key overspending specialty. An ophthalmology block was agreed with Manchester FT to manage demand and expenditure this year. Work is underway to understand how the independent sector overspend related to the block. A deep dive report, updating on this issue will be taken to FQAG 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
Child & Adolescent Mental Health	149	150	(1)	288	288	0
Improving Access To Psychological Therapies	48	45	4	192	192	0
Learning Disabilities	169	169	0	663	663	0
Mental Capacity Act	32	32	(0)	127	127	0
Mental Health Contracts	6,573	6,573	(0)	26,021	26,021	0
Mental Health Services - Adults	1,548	1,554	(5)	6,063	6,046	18
MH - Collaborative Commissioning	1,061	1,062	(0)	1,061	1,061	0
MH - Non Contracted Activity	19	19	0	75	75	0
Mental Health Services - Other	447	446	1	1,895	1,895	0
MH - Specialist Services	205	244	(39)	822	822	0
Total - Mental Health	10,251	10,292	(41)	37,207	37,189	18

- To comply with NHS planning guidance the CCG has to demonstrate increasing investment in mental health through the annual Mental Health Investment Standard. In T&G we will exceed this target as part of our commitment to invest in mental health and deliver the ambition of the Five Year Forward View. Business cases are in place to deliver this ambition and spend will continue to accelerate throughout 19/20 and beyond. The forecast assumes that schemes will commence in line with plans, through this will be reviewed monthly for potential slippage.
- The NICHE phase 1 has now concluded and was described in the detailed paper that was presented to FQAG last month. The CCG initially had a reserve fund of £250k set aside in anticipation of rebasing the PCFT contract. Following additional work and analysis across the 5 main footprint CCGs, it has since been agreed that T&G CCG is likely to receive a contract price reduction following the re-apportionment of estates costs. NICHE have now embarked on Phase 2, which is to review and describe the key elements of a “good” clinical model for each of the four care areas, drawing on external evidence, existing plans and locality clinically led workshops. Work is ongoing through the PCFT finance subgroup to review the costing models and present findings.
- The Individualised Care packages are to be reviewed in month 4 and whilst the overall bottom line expenditure for the CCG is unlikely to change there may be movement between the Continuing Healthcare and Mental Directorates.

	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	9,102	9,101	0	41,646	41,644	2
Delegated Co-commissioning	8,324	8,205	118	34,371	34,287	84
Out of Hours	577	577	0	2,309	2,309	0
Local Enhanced Services	494	436	58	1,931	1,931	0
Primary Care Investments	332	331	1	1,377	1,377	0
Primary Care IT	344	289	55	1,376	1,376	(0)
Central Drugs	255	251	5	1,193	1,193	0
Medicines Management - Clinical	118	115	3	495	488	8
Oxygen	98	98	0	477	477	0
Commissioning Schemes	71	79	(8)	285	285	0
GP FORWARD VIEW	0	0	(0)	0	0	0
Total - Primary Care	19,716	19,483	232	85,460	85,366	93

- Prescribing** – Although we currently only have one month of data, we can determine that the anticipated NCSO (No Cheaper Stock Obtainable) pressure has reduced, along with assumptions made around costs pressure relating to Easter which also haven't materialised. This has now offset the pressure from CAT M drug costs (where prices change to ensure a nationally negotiated profit margin, for pharmaceutical companies). A deep dive following Q2 prescribing data will be presented at FQAG in September. At Q1, we have banked £125k of TEP savings against an expected target of £1,225k. The schemes in place will pick up momentum as the year goes on, and there is little or no risk on achieving this target.
- Delegated Co-Commissioning** – Budgets have been set based on current commitments, and include an anticipated growth in list sizes through the financial year. There is currently a forecast underspend against Primary Care of £84k, in addition to a £462k reserve built into the Delegated Primary Care position. A paper will be taken to Primary Care Committee in September to consider potential investment proposals to ensure that the available funding is fully invested in Primary Care services in line with the CCG's strategic vision. This discussion will be balanced against the need to manage the required contingency planning for foreseen PCO Locum claims for maternity, suspension or sickness and also prudent consideration relating to notional rent increases, over and above the estimate made, knowing there is currently a backlog of premises reviews.

	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	1,724	1,724	(0)	10,647	11,015	(368)
CHC Adult Joint Funded	134	134	(0)	536	447	89
CHC Adult Personal Health Budgets	608	608	(0)	2,434	2,130	304
CHC Assessment & Support	241	230	11	1,029	1,023	6
Children's CHC Personal Health Budgets	7	7	0	30	16	13
Children's Continuing Care Funded Nursing Care	26	26	0	104	143	(39)
	502	502	0	2,006	2,006	0
Total - Continuing Care	3,242	3,231	11	16,785	16,781	5

- Although winter pressures in 2018/19 didn't materialise in terms of increased activity, the 2019/20 budget setting for Continuing Care assumes that 2018/19 was an anomaly and that placements will increase next winter in line with historic trends. Additional budget for provider uplifts and demographic pressures have also been included, as well as a provision for specific High Cost packages that the team were aware would impact on the 2019/20 financial position. We therefore feel that the overall budget for this area is adequate for the year ahead.
- At Month 3, £250k of the TEP/QIPP target has been met. This has been achieved through the continued work of the individualised commissioning team to review of packages of care and a continued focus the appropriate use of a Fast Track packages.
- There is an overspend on Adult PHB budgets and an underspend on Adult Commissioned packages budgets. This is due to the Default offer of PHB's being introduced since 1st April 2019 and there are more people now being offered a PHB. The budget will need amending over the year as new patients will now be funded as PHB's (Direct Payments and Notional budgets) rather than Commissioned packages as PHB's are the first offer to new packages.
- Demand continues to be the main driver of the uncertainty around Continuing Care. Although we have a good local market for care providers, the demand for placements and Home of Choice priorities will continue to put pressure on the budget. This is due to where suitable local provision cannot be found and placements external to T&G and GM are required to be sourced instead.
- Although the Continuing Care budgets are no longer under a formal recovery plan, they will continue to be monitored closely throughout the Financial Year.

	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	8,275	8,278	(3)	31,942	31,956	(14)
Hospices	122	122	0	638	638	0
Wheelchair Service	52	52	(0)	438	438	0
Palliative Care	22	18	4	87	71	16
Total - Community	8,471	8,470	1	33,105	33,103	2

- The majority of the community services budget relates to services provided by the ICFT within the scope of the block contract. Payments are fixed and are not expected to change throughout the year
- Other services have delivered broadly in line with budget. The slight underspend on palliative care relates to a temporary change in working hours of the post holder.

	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	3,208	3,207	0	12,830	12,830	0
Programme Projects	4,175	4,170	5	4,398	4,375	23
Property Services	801	801	0	4,254	4,254	(0)
Patient Transport	298	308	(10)	1,193	1,212	(19)
Commissioning Reserve	(279)	0	(279)	1,415	1,118	297
NHS 111	173	173	(0)	659	661	(2)
Transformation Funding	581	581	0	581	581	0
Safeguarding	128	123	5	513	509	3
Clinical Leads	75	75	0	356	331	25
Nursing and Quality Programme	54	53	2	218	215	3
Commissioning - Non Acute	26	(2)	29	106	76	29
Interpreting Services	14	14	0	54	54	0
Total - Other	9,255	9,503	(248)	26,576	26,216	360

- **Programme Projects** – Includes the increased contribution to the Integrated Commissioning Fund of £4,200 offset by smaller budget transfers to TEP for unrequired funding.
- **Transformation Fund** – Following increased transformation funding received in 2018/19 the total funding for 2019/20 reduced by £3.8m to accommodate a re-profiling of expenditure on Support at Home. Forecast spend until programme completion has been adjusted accordingly and the outstanding £2,323k will be received equally for each quarter of 2019/20 (£581k at Q1)
- **Property Services** – Work is still ongoing relating to outstanding disputes with NHS Property Services (NHSPS) – some of which date back to FY 2017/18 'true up' charges. Budgets and forecasting is based on historic intelligence, with uplifts applied. This may result in a small benefit, should the challenges put into the system, come into fruition. We have been able to release recurrent TEP savings relating to Shire Hill Hospital, as well as the decanting from smaller clinics, totalling approx. £500k as part of the estates rationalisation plan.

	YTD Budget £000's	YTD Actual £000's	YTD Variance £000's	Annual Budget £000's	Forecast Outturn £000's	Forecast Variance £000's
Finance	239	238	0	996	970	27
Commissioning	217	212	5	914	900	14
QIPP	0	0	0	810	810	0
CEO/Board Office	111	109	1	455	449	6
ADMINISTRATION & BUSINESS SUPPORT	65	63	2	387	341	46
Corporate Costs & Services	66	64	2	280	280	(1)
IM&T	70	70	(0)	280	280	(0)
Chair & Non Execs	77	76	1	247	242	5
Communications & HR	52	52	0	208	209	(1)
Nursing	35	34	0	138	136	2
Corporate Governance	31	32	(1)	126	126	0
Estates & Facilities	26	26	0	104	104	0
General Reserve - Admin	0	0	0	1	99	(98)
IM&T Projects	22	22	0	87	87	(0)
Contract Management	16	16	0	64	64	0
Human Resources	11	11	(0)	41	41	0
Equality & Diversity	7	7	0	28	28	(0)
Total - CCG Running Costs	1,044	1,032	12	5,164	5,164	0

- The CCG receives an earmarked allocation of £5,164k to fund running costs. We are not allowed to exceed this limit, but any underspend on running costs can be used to offset pressures across the CCG as a whole.
 - Savings of £810k have been made YTD. £753k of this is recurrent and includes:
 - Integration Benefits: Staffing e.g. single CEO, Co-location
 - Corporate Re-organisation (lay members & board)
 - Renegotiated Contracts (e.g. GMSS, Audit, Vodafone)
- Total running costs savings for 19/20 are forecast at £1,000k