

# APPENDIX 2 – Council Budgets Detailed Analysis

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# Local Authority Savings Progress

Directorate	Opening Target £000s	Undeliverable Savings £000s	Red £000s	Amber £000s	Green £000s	Achieved £000s	Total forecast savings £000s
Adults	981	981	0	0	0	0	0
Children's Services	0	0	0	0	0	0	0
Children's - Education	100	0	0	63	0	100	163
Population Health	326	0	0	0	0	0	0
Operations and Neighbourhoods	682	0	0	100	175	407	682
Growth	500	500	0	0	0	0	0
Governance	105	30	0	0	0	75	75
Finance & IT	840	15	0	0	0	825	825
Quality and Safeguarding	0	0	0	0	0	0	0
Capital and Financing	3,002	2,400	0	0	638	0	638
Contingency	0	0	0	0	0	0	0
Corporate Costs	204	0	46	28	0	186	260
<b>Total</b>	<b>6,740</b>	<b>3,926</b>	<b>46</b>	<b>191</b>	<b>813</b>	<b>1,593</b>	<b>2,643</b>
<b>%</b>		<b>58.2%</b>	<b>0.7%</b>	<b>2.8%</b>	<b>12.1%</b>	<b>23.6%</b>	<b>39.2%</b>

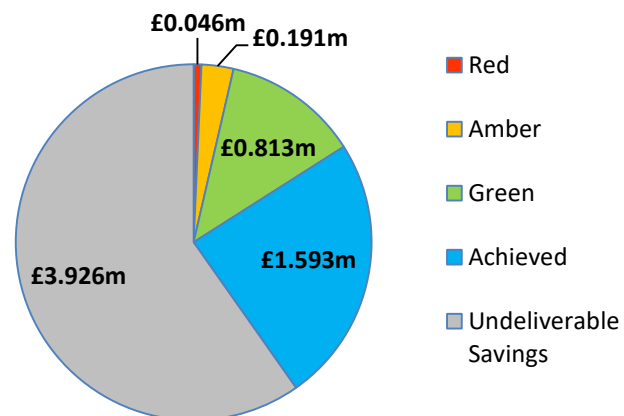
## SAVINGS PROGRESS

The 2020/21 Revenue Budget, approved by Full Council on 25 February 2020, 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 £6,740k.

**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 £3,367k, therefore overachieving the annual target by £1m already.

**Other Savings** – Overall the Council is forecasting to achieve savings of £2,643k against a target of £6,740k, although £237k remains rated as Red or Amber with risks to delivery. Savings of £813k are rated green and £1,593k already achieved as at the end of June 2020. Just under £4m of planned savings will not be delivered with alternatives now being planned and delivered in place of the original targets.

## Savings 2020/21



# Local Authority Pressures

## PRESSURES

The 2020/21 Council Revenue Budget included funding for pressures across the services of £23,075k. 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.

Directorate	Pressures funded in budget £000s	Pressures materialised to date £000s	Total pressures forecast £000s	Increase/(decrease) in pressures £000s
Adults	3,109	132	5,197	2,088
Children's Services	10,509	2,565	12,871	2,362
Children's - Education	402	350	5,329	4,927
Population Health	466	8	466	0
Operations and Neighbourhoods	3,533	640	3,081	(452)
Growth	3,039	3,084	3,197	158
Governance	842	293	987	145
Finance & IT	1,743	47	1,763	20
Quality and Safeguarding	0	0	0	0
Capital and Financing	40	0	40	0
Contingency	(639)	44	(639)	0
Corporate Costs	31	8	31	0
<b>Total</b>	<b>23,075</b>	<b>7,170</b>	<b>32,323</b>	<b>9,248</b>

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 Commissioning Service	56,351	(21,240)	35,111	9,302	35,676	(565)
Adults Neighbourhood Teams	8,215	(85)	8,129	2,241	8,651	(521)
Integrated Urgent Care Team	1,996	0	1,996	379	1,963	34
Long Term Support, Reablement & Shared Lives	13,051	(1,062)	11,989	3,153	12,416	(427)
Mental Health / Community Response Service	4,280	(1,215)	3,065	883	3,686	(621)
Senior Management	1,751	(23,370)	(21,619)	(5,840)	(21,633)	14
<b>TOTAL</b>	<b>85,643</b>	<b>(46,972)</b>	<b>38,671</b>	<b>10,119</b>	<b>40,759</b>	<b>(2,088)</b>

## BUDGET VARIATIONS

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

### Underspends:

- **£203k** – Favourable service user contribution variance compared to budget towards non residential care packages
- **£1,773k** - Arising due to a forecast reduction of expenditure on new care home placement packages during covid which are being resourced via NHS covid funding.
- **£347k** – Forecast reduced commitments against independent living fund care packages
- **£144k** – Forecast contributions from other local authorities towards care packages not included in the budget

## BUDGET VARIATIONS

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

Pressures:

- **(£375k)** - Employee variance arising from use of agency staff and from the anticipated timing of appointments to vacant posts leading to an adverse variance on the delivery of the vacancy factor
- **(£393k)** - Primarily arising from projected payments of carer grants compared to budget allocation. In addition there is an adverse variation against the budget allocation for day service provision. Whilst provision of day services has been significantly reduced during covid, payments to providers have been maintained during this period to ensure provider sustainability.
- **(£1,335k)** – Arising due to a forecast reduction of service user contributions towards care home placement packages and day service provision during covid. However, this should be acknowledged alongside the associated forecast favourable expenditure variance on care home placement packages.
- **(£506k)** – Projected reduction in Continuing Health Care packages funded by the NHS together with an adverse forecast variance of housing benefit income for related service users, primarily within the homemaker service.
- **(£494k)** – Additional mental health support care packages compared to budget allocation.
- **(£409k)** – Additional costs arising on supported accommodation contracts primarily relating to the national living wage increase from 1 April 2020 and increases to the assessed support needs of service users.
- **(£62k)** – Minor variations

## SAVINGS

### Savings Performance:

- **(£254k)** - Review of out of borough placements and related resettlement of service users back to the borough. The programme has been delayed due to COVID but has now resumed.
- **(£188k)** - Oxford Park project has been replaced by a review of all Day Services provision. The review has been delayed due to COVID but again is now underway.
- **(£539k)** - Moving with Dignity (formerly Single Handed Care) which is intended to reduce double handed care support where safe to do so together with the use of support equipment where appropriate. Covid has delayed progress with existing double handed care support packages.

An update to the forecast delivery of all three schemes will be provided by the period 6 monitoring report at the latest.

Scheme	Savings 20/21 Target £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 placements	254	254					0
Oxford Park	188	188					0
Moving with Dignity	539	539					0
<b>Total</b>	<b>981</b>	<b>981</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

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
Child Protection & Children In Need	8,119	(9)	8,110	1,962	8,477	(367)
Children's Social Care Safeguarding & Quality Assurance	2,030	(10)	2,020	513	2,018	2
Children's Social Care Senior Management	761	(7,268)	(6,507)	100	(6,503)	(4)
Early Help & Youth Offending	1,061	(693)	368	161	398	(30)
Early Help, Early Years & Neighbourhood	6,280	(1,681)	4,599	718	4,396	203
Looked After Children (External Placements)	27,613	(539)	27,073	6,603	29,168	(2,095)
Looked After Children (Internal Placements)	10,628	(13)	10,615	2,802	10,890	(274)
Looked After Children (Support Teams)	7,743	(76)	7,667	1,474	7,464	203
<b>TOTAL</b>	<b>64,234</b>	<b>(10,288)</b>	<b>53,946</b>	<b>14,333</b>	<b>56,307</b>	<b>(2,362)</b>

## BUDGET VARIATIONS

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

### **Pressures:**

**(£2,362k)** - The Directorate is reporting an overspend of £2,362K predominantly due to the number of internal and external placements (£2,012K). There is also a £349K pressure on salaries due to some service areas not being expected to achieve the vacancy factor in full. The number of agency workers has also contributed to the salary overspends. In addition the Children's Homes are reporting overspends on salaries due to increased demand.

Nationally there is a widely accepted assumption that Covid 19 will have masked a range of issues across the continuum of need (Early Help, Child in Need, Child Protection). Whilst many children and families have been out of sight from safeguarding partners such as schools, nurseries, child minders, community health services, A & E and a range of other services, the advent of a wider "lifting of lockdown", and particularly the return of more children to school from September, is likely to see a spike in the identification of these needs. The scale of this rise in identification and associated activity, including referrals into the statutory services (Child in Need and Child Protection) is impossible to quantify, but the consensus is that this will largely emerge from now through to the Autumn Term – September / November. If correct, it is likely that any such spike in statutory activity would most likely also result in a rise in the number of Looked After Children.

In anticipation of this we have refocused our Covid19 lockdown arrangements (and the staffing capacity that was realigned to this) in terms of regular contacts with schools and a quick response to issues at the earliest opportunity (from March through to end of May this enabled direct intervention, from lower tier advice and guidance through to complex Early Help intervention to support over 700 children of which only two escalated to Statutory Services).

This resource is currently focused on working alongside statutory social work services in supporting a number of Children in Need in order to prevent escalation, stabilise or where possible step down these cases and will remain aligned to this role in anticipation of increased demand over the coming months

Edge of Care and Family Intervention Services are also focused on the potential rise in demand and it is anticipated that they will be operating a 7 day 8am to 8pm service by September.

The current request for service daily contact with all schools continues until end of term July. Verbal consent will be accepted to ensure referrals can be dealt with quickly and easily during the current circumstances. From September this will move to weekly contact at least the October half term. Verbal consent still will be accepted to ensure referrals can be dealt with quickly. This arrangement will be kept under review and can be amended as necessary.



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 Services	16,928	(14,115)	2,813	1,982	7,520	(4,707)
Assistant Executive Director - Education	400	(100)	301	55	206	95
Schools Centrally Managed	2,664	(929)	1,735	(661)	1,717	18
School Performance and Standards	758	(547)	211	(199)	213	(1)
Special Educational Needs and Disabilities	11,727	(10,389)	1,338	(559)	1,543	(205)
<b>TOTAL</b>	<b>32,477</b>	<b>(26,079)</b>	<b>6,398</b>	<b>619</b>	<b>11,198</b>	<b>(4,801)</b>

## BUDGET VARIATIONS

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

### Underspends:

- **£168k** - Non-grant funded staffing expenditure is £264k less than budget due to part and full year staffing vacancies. This is partly offset by the £96k vacancy factor included for the service.
- **£210k** - A review of the budget has been undertaken understand commitments in year. This has resulted in budget saving of £95k which is suggested supports the wider pressures in the Education service.

## SAVINGS

### Savings Performance:

- **£63k** - There is further reduced demand on the budget for Teachers retirement pension costs. It is suggested that this additional saving is supports the pressure occurring on SEN Transport.

Scheme	Savings Target 20/21 £000's	Not expected to be delivered £000s	Red £000's	Amber £000's	Green £000's	Achieved £000's	Total £000's
Teachers Pensions	100			63		100	163
<b>Total</b>	<b>100</b>	<b>0</b>	<b>0</b>	<b>63</b>	<b>0</b>	<b>100</b>	<b>163</b>

## BUDGET VARIATIONS

### Pressures:

- **(£4,589k)** - SEN Transport – a new significant pressure has materialised. A further pressure of £345k is currently projected for the service in 2020/21 based on the Summer 2020 term route costs. Suppliers have continued to be paid where contracts are in place throughout the Covid 19 situation. The demand for SEN Transport continues to rise due to the increase in the number of pupils eligible and the increase in out of borough placements. It is estimated that £14k of this pressure relates to additional costs of transporting pupils in the Easter and Summer half term holidays as a result of schools being open to vulnerable and key worker children during the Covid 19 situation. An additional pressure of £4.230m has been estimated based on current Government guidance regarding wider re-opening of schools from September 2020 for the Autumn 2020 and Spring 2021 terms for potential additional transport requirements due to social distancing measures. The projected overspend is based on 2m social distancing as applied in the risk assessment. As lockdown eases, the social distancing requirement is likely to reduce and so there will be a consequent reduction in projected overspend. A more detailed review of costs will be undertaken as more information is available.
- **(£444k)** - The Education service is projected to under achieve on its traded income with schools by £444k due to a reduced buy in to services. It's unclear at this point what impact the covid 19 situation has had on this forecast, specifically for those services that trade throughout the year. Work is being undertaken to fully understand this pressure and meetings are taking place with the relevant service managers to agree how this pressure can be managed.
- **(£109k)** - There is a projected decrease in Education Welfare penalty notice income due to changes in government legislation during the COVID lockdown period.
- **(£45k)** - Projected loss of Parental and other community income for the Music Service due to restricted access to the service due the COVID lockdown period.
- **(£55k)** - Other minor variations under £50k

The education management team have identified a number of additional actions which could mitigate one off costs. This includes the use of education reserves. These will be discussed with the finance team in detail during period 4.

# Population Health R

Service Area	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
Population Health	15,882	(263)	15,619	1,534	19,059	(3,440)
<b>TOTAL</b>	<b>15,882</b>	<b>(263)</b>	<b>15,619</b>	<b>1,534</b>	<b>19,059</b>	<b>(3,440)</b>

## BUDGET VARIATIONS

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

### Underspends:

- **£36k** - a proportion of population health staff are supporting the COVID response – related costs are being charged to NHS covid funding
- **£23k** - increased income arising from additional health and local authority contributions towards programmes

### Pressures:

- **(£3,500k)** There is a **Potential risk** arising from the need to maintain the Council's Leisure provision through the Covid pandemic period. The Council's leisure provider, Active Tameside, has seen its income reduce significantly as buildings are closed. The reopening of facilities will mean they cannot run at full capacity therefore incur losses. Estimates of the costs of maintaining a leisure offer for Tameside residents could be as much as £3.5m.

# Quality And Safeguarding G

Quality & 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
Safeguarding and Quality Assurance	453	(237)	216	13	227	(11)
<b>TOTAL</b>	<b>453</b>	<b>(237)</b>	<b>216</b>	<b>13</b>	<b>227</b>	<b>(11)</b>

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
Community Safety & Homelessness	6,304	(2,344)	3,960	191	3,960	0
Cultural & Customer Services	3,784	(372)	3,412	545	3,187	226
Engineers, Highways & Traffic Management	14,558	(10,798)	3,760	1,904	4,162	(402)
Management & Operations	1,425	(2,738)	(1,313)	(424)	(1,349)	36
Operations & Neighbourhoods Management	32,596	(179)	32,416	30,698	32,339	77
Operations, Greenspace & Markets	6,923	(1,704)	5,219	538	4,538	681
Public Protection & Car Parks	4,530	(3,518)	1,013	569	1,724	(711)
Waste & Fleet Management	10,417	(5,914)	4,503	(469)	4,726	(222)
<b>TOTAL</b>	<b>80,537</b>	<b>(27,566)</b>	<b>52,971</b>	<b>33,551</b>	<b>53,287</b>	<b>(316)</b>

## BUDGET VARIATIONS

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

### Underspends:

- **£249k** - The Engineers Service currently has a number of vacant posts which are being held vacant while a restructure is being undertaken. At this stage, it is not known what form the new structure will take but it is likely some of the budget for these vacant posts will be repurposed in the new structure. As the restructure progresses through the various stages, this reported underspend will reduce, depending on the timescales involved. Some of the posts that are being held vacant would normally have the costs recovered from the scheme budgets. As these costs are not being incurred, they naturally can't be recovered which has reduced the expected income by **£182k**.
- **£117k** - There is an expected underspend on events within the borough this year as a result of the restrictions relating to COVID-19.
- **£265k** - Due to the timing of the current year's budget being set and the transport levy being agreed, an underspend has materialised.
- **£327k** - One off transport underspends are expected within operations and greenspace during this financial year.
- **£300k** - Changes to the way street sweepings are disposed of have been implemented, resulting in significant savings for the authority.
- **£146k** - Due to the increased demand for bereavement services, an increase in expected income is being reported.
- **£26k** - Other minor variations

## BUDGET VARIATIONS

### Pressures:

- **(£77k)** - Due to businesses being closed during the lockdown period, the pest control service has experienced a drop in income.
- **(£251k)** - There have been ongoing delays in the street lighting replacement scheme which have resulted in additional energy and maintenance costs.
- **(£146k)** - In order to deliver an efficient and effective gully cleansing service, an additional vehicle and crew are being hired in. Governance for the purchase of a second vehicle is underway which is expected to deliver savings for the Council, however there is a long lead time on these vehicles. Further work will be done to review the costs associated with this service.
- **(£139k)** - The income received by the markets, particularly by the outdoor markets, has reduced in recent years as part of a nationwide decline. However this has been exacerbated by the closure of the outdoor market during the lockdown period.
- **(£803k)** - Income generated by the car parks within the borough (including fine income) has suffered significantly as a result of reduced demand from COVID-19. There is an additional shortfall as a result of new expected car parks not coming online. A review of car parking options across the borough is currently underway.
- **(£107k)** - Income shortfalls are expected within licensing and public protection across a number of fees and charges.
- **(£59k)** - Additional overtime costs have been incurred within Waste services in order to maintain a full collection service whilst working in very difficult times.

## SAVINGS

### Savings Performance:

- **(£164k)** - It is currently expected that the additional fees & charges savings target will not be achieved by the directorate. However, work will continue throughout the financial year to identify new income streams or ways in which the Council can expand our income generating business areas.

Scheme	Savings Target 20/21 £000's	Not expected to be delivered £000s	Red £000's	Amber £000's	Green £000's	Achieved £000's	Total £000's
Extending commercial offer	100			100			100
Procurement	50				50		50
Disposal of Street Sweepings	125				125		125
Waste levy reduction	407					407	407
<b>Total</b>	<b>682</b>	<b>0</b>	<b>0</b>	<b>100</b>	<b>175</b>	<b>407</b>	<b>682</b>

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
Growth Management	530	0	530	58	546	(16)
Development & Investment	1,656	(283)	1,373	156	1,279	94
Economy, Employment & Skills	2,426	(1,219)	1,207	(223)	1,161	46
Major Programmes	575	0	575	31	575	0
Infrastructure	249	(10)	239	29	264	(25)
Planning	1,450	(955)	495	130	683	(188)
BSF, PFI & Programme Delivery	24,037	(24,037)	0	2,659	0	(0)
Asset Management	286	(286)	0	(233)	0	0
Capital Programme	712	(353)	360	54	423	(63)
Corporate Landlord	8,776	(1,963)	6,813	(309)	6,994	(181)
Environmental Development	511	(79)	432	53	361	71
Estates	1,639	(2,686)	(1,046)	338	(203)	(844)
School Catering	2,776	(2,772)	4	182	4	(0)
Vision Tameside	0	0	0	1	0	0
<b>TOTAL</b>	<b>45,623</b>	<b>(34,643)</b>	<b>10,981</b>	<b>2,927</b>	<b>12,086</b>	<b>(1,106)</b>

## BUDGET VARIATIONS

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

### Underspends:

- **£97k** - There are a number of vacant posts in Development & Investment required to deliver Growth Directorate's Strategic plan. The recruitment of permanent candidates is expected in September. This has resulted in a saving in the current financial year.
- **£69k** - Economy, Employment and Skills have identified administrative underspends this financial year.
- **£70k** - There are a number of vacant posts in Environmental Development required to deliver Growth Directorate's Strategic plan. The recruitment is expected in September. This has resulted in a saving in the current financial year.
- **£86k** - There are a number of underspends that are less than £50k.

## BUDGET VARIATIONS

## Pressures:

- **(£118k)** - £62k Industrial Estate income and £56k of other Estates income will be below budget. There is some rent loss between vacating and re-letting industrial units and less surveyor fee income than in previous years.
- **(£192k)** - Customer and Client receipts are estimated to be below target, of which £147k relates to loss of income from events which will not be received because of Covid-19.
- **(£157k)** - Income from building control is expected to be £113k lower than budget based on activity in April ,May and June due to Covid-19. Planning fee income is expected to be £92k below budget due to Covid-10. Income from land charges is lower than 19/20 while staff have been redeployed to help cope with the increase in demand.
- **(£95k)** - There are a number of vacant posts in Capital Projects Team required to deliver capital schemes. These posts are currently covered by agency. The recruitment of permanent candidates will take time to implement this has resulted in a one-off pressure in the current financial year.
- **(£185k)** - Estates has been brought in-house supported by interims. Once a permanent structure has been implemented permanent appointment can be made.
- **(£180k)** - There are a number of pressures that are less than £50k.

## SAVINGS

## Savings Performance:

**(£500k)** - A target has been set for increasing the rent on commercial properties following rent reviews by £1 million over 2 years. A review is taking place to assess the realistic value of what can be achieved.

Scheme	Savings 20/21 Target £000's	Not expected to be delivered £000s	Red £000's	Amber £000's	Green £000's	Achieved £000's	Total £000's
Estates Property Rent Reviews	500	500				0	0
<b>Total</b>	<b>500</b>	<b>500</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>



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
Democratic Services	791	(119)	672	54	491	180
Executive Support	1,814	(184)	1,629	339	1,593	37
Governance Management	185	(90)	95	44	95	0
Legal Services	1,587	(34)	1,553	364	1,574	(21)
Exchequer	56,908	(55,348)	1,560	4,779	1,451	109
Policy, Performance & Communications	1,765	(290)	1,474	354	1,458	16
HR Operations & Strategy	1,188	(518)	670	(10)	640	29
Organisational & Workforce Development	695	(119)	576	106	590	(14)
Payments, Systems and Registrars	2,139	(838)	1,302	154	1,380	(78)
<b>TOTAL</b>	<b>67,071</b>	<b>(57,540)</b>	<b>9,531</b>	<b>6,183</b>	<b>9,272</b>	<b>258</b>

## BUDGET VARIATIONS

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

### Underspends

- **£355k** - Employee related expenses including training are less than budget due to a number of vacant posts across the directorate.
- **£127k** - Democratic Services is forecast to underspend due the cancellation of elections in 2020 as a result of the COVID 19 pandemic.
- **£58k** - The net cost of collection for Council Tax and Business Rates arrears is forecast to be less than budget as a result of increased recovery of income relating to legal costs.
- **£43k** - Other net minor variations across the individual service areas of less than £50k

## Pressures

- **(£140k)** - Government grant income across the directorate is currently forecast to be £140k less than budget (Exchequer Services is currently forecast to be £106k less than budget based on grant allocations notified to date and Democratic Service £23k).
- **(£54k)** - Income is forecast to be less than budget due to a reduction in the number of schools purchasing HR and Payroll and Recruitment services.
- **(£39k)** - Registrars Income is forecast to under recover by (£39k) due to loss of ceremony income as a result of the COVID 19 situation.
- **(£62k)** - Due to COVID 19, a 6 month cessation of the Priority Account Service (Oxygen) programme has been agreed. It is estimated this will create a £36k pressure along with an anticipated pressure of £26k based on programme delivery in 2019/20. If the cessation is extended this pressure will increase.

## SAVINGS

### Savings Performance:

- **(£30k)** There is an In year savings target of (£30k) Strive Programme for schools which is currently forecast not to be achieved

Scheme	Savings Target 20/21 £000's	Not expected to be delivered £000s	Red £000's	Amber £000's	Green £000's	Achieved £000's	Total £000's
Cease non-statutory appointee & deputyship service for adults	75	0				75	75
STRIVE for schools	30	30				0	0
<b>Total</b>	<b>105</b>	<b>30</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>75</b>	<b>75</b>

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
Financial Management	2,938	(497)	2,441	228	2,408	33
Risk Management & Audit Services	2,755	(1,093)	1,662	1	1,623	40
Digital Tameside	4,386	(629)	3,757	1,394	3,822	(65)
<b>TOTAL</b>	<b>10,079</b>	<b>(2,219)</b>	<b>7,860</b>	<b>1,623</b>	<b>7,853</b>	<b>7</b>

## BUDGET VARIATIONS

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

### Underspends:

- **£42k** - Other minor variations below £50k

### Pressures:

- **(£35k)** - Due to the current Covid-19 situation and the majority of staff working from home there isn't the same demand to print. Therefore, the anticipated recovery of income from services is less than the anticipated cost of the Multi Functional Device's (printers/scanners). A review of devices will be carried out.

## SAVINGS

### Savings Performance:

- **(£15k)** - It is unlikely that we will achieve the saving for STAR Procurement due to the fee not being reduced in 20/21

Scheme	Savings Target 20/21 £000's	Not expected to be delivered £000s	Red £000's	Amber £000's	Green £000's	Achieved £000's	Total £000's
Financial Management restructure	25					25	25
STAR procurement	15	15					0
Income Management	50					50	50
Insurance	750					750	750
<b>Total</b>	<b>840</b>	<b>15</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>825</b>	<b>825</b>

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
Chief Executive	326	0	326	62	318	8
Corporate and Democratic Core	3,732	(222)	3,510	407	3,480	30
Democratic Processes	1,478	(79)	1,398	254	1,341	57
Investment and Financing	10,619	(9,624)	996	(163)	7,573	(6,577)
Contingency	2,857	0	2,857	0	2,880	(23)
<b>TOTAL</b>	<b>19,011</b>	<b>(9,925)</b>	<b>9,087</b>	<b>560</b>	<b>15,591</b>	<b>(6,504)</b>

## BUDGET VARIATIONS

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

### Underspends:

- **£123k** - CDC - Other minor variations under £50k

### Pressures:

- **(£83k)** - The Coroners service is a joint service with Stockport MBC (Host) and Trafford MBC. Based on most recent information there is forecast increase in costs of (£100k) per authority due to COVID 19 activity.
- **(£266k)** - Estimated interest costs reflect the possibility of borrowing £30m from the PWLB mid-year at the prevailing rate of interest, resulting in an over spend of (£3345k). The PWLB rates have decreased slightly since period 2, resulting in this overspend being reduced by £15k since the previous projection. There is also an under spend of £79k based on updated projections for GM Debt interest.
- **(£6,287k)** - Forecasts have been amended to remove any budgeted dividend income from Manchester Airport Group (MAG) in light of the financial impact of the COVID 19 crisis on the Airport. This is an improvement from period 2 where no income from the Airport was anticipated at all and an overspend of (£8,903k) was projected.
- **(£61k)** - Principal costs are an over spend of (£61k). This is due to the updated pool rate and split of interest and principal for GM Debt compared to budget, and nets off with the under spend on GM Debt interest costs to give an overall position of £18k under spent for GM Debt.
- **(£1k)** - Other minor variations

## SAVINGS

### Savings Performance:

- **£56k** - Pension Increase Act payments are currently forecasting an over achievement on the £35k saving due to contributions to cost which were not previously forecast.
- **£38k** - Increase to projected interest earned on investments due to combination of higher paying fixed interest deals and higher cash balances than initial conservative estimates. This has increased by 6k since period 2 due to updated cash flow and interest rate projections.

Scheme	Savings 20/21 Target £000's	Not expected to be delivered £000s	Red £000's	Amber £000's	Green £000's	Achieved £000's	Total £000's
Treasury Investment Income	50				86		86
Pension Increase Act	35			28		63	91
Capital & Financing – MRP	552				552		552
MAG Dividend Income	2,400	2,400					0
Other minor budget adjustments	169		46			123	169
<b>Total</b>	<b>3206</b>	<b>2400</b>	<b>46</b>	<b>28</b>	<b>638</b>	<b>186</b>	<b>898</b>

## COVID-19 Grant funding and other contributions

The table below details the grant funding and contributions the Council is forecasting to receive;

COVID-19 Grant Funding and other Contributions	£000
LA Support Grant	16,213
Council Tax Hardship Grant	2,158
Local Authority Discretionary Grant Fund	2,345
Infection Control Fund Grant	2,131
Local authority test and trace service support grant	1,420
Other COVID-19 contributions	5,686
<b>Total</b>	<b>29,953</b>

Government has also announced a scheme to support income losses for Councils in respect of sales, fees and charges but detailed guidance is not yet available. Any additional funding arising from this scheme will reduce the overall COVID pressures on the Council.

## COVID-19 Spend

The table below details the Council's COVID spend split by service

Service	Direct £000	Indirect £000	Total £000
Adults	8,023	1,395	<b>9,418</b>
Children's Services	168	0	<b>168</b>
Education	501	4,398	<b>4,899</b>
Schools	0	0	<b>0</b>
Population Health	1,622	3,464	<b>5,086</b>
Operations and Neighbourhoods	247	674	<b>921</b>
Growth	2,419	221	<b>2,641</b>
Governance	190	(45)	<b>145</b>
Finance & IT	35	35	<b>70</b>
Quality and Safeguarding	0	0	<b>0</b>
Capital and Financing	0	6,632	<b>6,632</b>
Contingency	0	0	<b>0</b>
Corporate Costs	2,352	100	<b>2,452</b>
<b>Totals</b>	<b>15,557</b>	<b>16,874</b>	<b>32,432</b>

Direct COVID spend is currently not presented within the service positions, and is mainly costs directly attributable to COVID and can individually be identified and allocated against the COVID-19 funding. The indirect COVID spend is currently presented within the service positions, these are costs and loss of income that due to their nature can't easily be individually split out from the NON-COVID elements and allocated against the COVID-19 funding.

# Budget Virements

## Budget Virements

The table below details the budget virements that need approval;

Reason for virement	Virement Between	Transfer Between		Virement amount £	Nature of virement
		Debit	Credit		
Additional iBCF grant held in contingency transfer to adults	Director	Contingency	Adults	(1,633,000)	Non-recurrent
Additional iBCF grant expenditure budget held in contingency transfer to adults	Director	Adults	Contingency	1,633,000	Non-recurrent
Budget transfer to fund adults demographic pressures	Director	Adults	Contingency	227,000	Non-recurrent
Budget transfer to fund special education needs and disabilities transport pressures	Director	Education	Contingency	200,000	Non-recurrent

# Reserve Transfers

## Reserve Transfers

The table below details the reserve transfers that need approval;

Service	Details of request	Transfer to/from reserves	Amount to be transferred £
Adults	Improved Better Care Fund drawdown to support quality improvement across Adults Services, and meet demographic pressures prompting increased demand for services	Transfer from	(1,773,510)
Adults	GM Transformation Funding drawdown towards the ongoing cost of the Support at Home care model	Transfer from	(1,291,370)
Education	Education Programme Lead engaged to support essential strategic planning of Education policies and processes.	Transfer from	(51,195)
Education	High Needs Strategic Planning advice to support the review of the Tameside SEND provision.	Transfer from	(5,950)
Education	Dedicated Schools Grant (DSG) – There is forecast to be a deficit on the DSG, mainly due to pressures on High Needs as reported. The deficit will be held in reserve whilst a deficit recovery plan is established.	Transfer from	(4,754,159)
Childrens	Allocation of Unspent Revenue Grant Reserve balance b/fwd from 2019-20 - Monies received not yet spent in relation Individual Revenue Grants received in prior year, ring fenced for specific purposes.	Transfer from	(576,300)