

**PROJECTED SPENDING 2000-01**

**Introduction**

1. This report provides information on the overall County Council's and individual committees' projected expenditure for 2000-01. The estimated level of balances at the end of 2000-01 and the effect of rollover into 2001-02 are also given.

**Projected Expenditure**

2. The latest projection, based on actual expenditure to the end of December 2000, is £292.285 million, compared with the approved budget of £289.465 million - a net overspending of £2.820 million, as shown in Appendix A. This incorporates various under and overspendings, as detailed in the following paragraphs.

**Education Committee**

3. The Chief Education Officer is projecting a year-end overspending of £0.469 million. The main reasons for this are:
  - an overspending of £0.302 million on Schools' budgets. This incorporates an overspending of £0.084 million on funds devolved to schools and an overspending of £0.227 million on Payments to non LM Schools. The former results from the increase in the number of named pupil allowance cases demanding support, outstripping the provision for such growth in the Committee's approved budget. The latter is mainly because of a new pricing policy in relation to SEN recoupment introduced by some neighbouring LEAs and an overspending predicted for the Independent Special School fees budget.
  - an overspending of £0.167 million on Other Services, which includes:
    - a projected overspending of £0.112 million on Direct Service Teams, partly due to an overspending on Education Personnel Administration, relating to an increase of 20% in systems charges for schools compared to 1999-2000 and increased Intervention costs, estimated at £0.1 million, due to a combination of factors including the impact of the revised OfSTED Framework for Inspection and a series of head teacher suspensions.
    - a projected overspending of £0.281 million on Exceptional Items, which relates to the 1999-2000 overspending rolled forward into 2000-01.
    - a projected underspending of £0.256 million on Core LEA Units, due to additional income from development courses for teachers, accrued income from IT trading and an anticipated underspending as a result of the timing of the schools' e-mail project.

### **Environment and Transport Committee**

4. The Director of Environmental Services is predicting an overspending of £0.240 million on Weather Emergency Works. Winter maintenance expenditure is currently ahead of profile, particularly reflecting the costs of dealing with the prolonged wet periods and flooding. The ice and snow at the end of December has also contributed to the projected overspending, which depends on future prevailing weather conditions. The situation is being carefully monitored.
5. The expenditure on Routine Maintenance is currently running ahead of profile. However, action has been taken to reduce activity in the last quarter of the year to keep within budget.

### **Policy and Resources Committee**

6. An overspending of £0.855 million is projected for the Policy and Resources Committee. The main reason for this is the expected deficit of £0.850 million in respect of Wiltshire Direct Services (WDS), £0.116 million of which will be met from WDS retained reserves, giving a net projected deficit of £0.734 million. The position on future years' financial forecasts and the projected position for the current year were reported to the Corporate Services Sub Committee on 10 October 2000. A report on the options appraisal of how services carried out by WDS can best be delivered in the future was presented to the Corporate Services Sub Committee on 7 December 2000, which recommended commencing the externalisation of WDS as quickly as possible.

### **Social Services Committee**

7. The Social Services Committee has reported a projected year-end overspending of £1.256 million. The main reasons for this are:
  - an overspending of £0.924 million in the Learning Disability Division, being the additional cost of "transitions" and other placements as demand increases and an increase in transport costs.
  - an overspending of £0.427 million in the Children and Families Division. There is a projected overspending on salaries, partly due to a higher than estimated pay award in April 2000 and the failure to achieve the budgeted vacancy factor. Other contributory factors include an overspending on the transport of clients and for secure and specialist placements. A further increase in the number of secure and very costly placements since December has increased the projected outturn for this division.
  - an overspending of £0.166 million on the Home Care Trading Account because of the higher level of non-chargeable hours.
  - an overspending of £0.120 million in the Older People/Mental Health Division is largely due to the increasing number of very elderly people in the population.

The above overspendings are partially offset by underspendings of £0.388 million, principally £0.363 million on Central Services, where the cost of the corporate e-mail project is offset by the delay in implementation of the IS2000 project.

### **Projected Balances at 31 March 2001**

8. The position on balances in 2000-01 is shown in Appendix A and indicates a year end balance of £0.974 million. This is after taking account of committee projected variations and transfers to/from reserves.

### **Available Balances at 1 April 2001**

9. The estimated level of balances at the beginning of 2001-02, as shown in Appendix A, is £2.923 million. This allows for the anticipated net repayments under the rollover scheme of £1.949 million.

### **Recommendations**

10. The Committee is asked to note that balances at 31 March 2001 are estimated at £0.974 million.
11. The Committee is asked to note the position on committee rollovers and the corresponding effect on the level of balances, which will result in uncommitted balances on 1 April 2001 of £2.923 million.

DAVID CHALKER  
County Treasurer

---

Unpublished documents relied upon in the production of this report:	NONE
---	------

Environmental impact of the recommendations made in this report:	NONE
--	------

48/2001/CC/KS