

Wiltshire Council

**Cabinet
13 December 2011**

**Organisation & Resources Select Committee
18 January 2012**

Budget Monitoring Period 7 October 2011

Cabinet Member: Cllr John Brady – Finance, Performance & Risk

Key Decision: No

Relevant extract of the budget monitoring report as presented to Cabinet on 13 December 2011

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Department of Transformation and Resources (DTR)

1. As at the end of period 7 (31 October 2011) the Department is now forecasting a small overspend of £0.150 million with actions being taken to return the position to a balanced budget by year end.
2. The pressure reported within the Transformation Programme on property related costs, in particular reactive repairs and maintenance and the previously reported structural budget deficits connected with property, have meant a forecast overspend of £0.350 million being reported. Every effort was being made to contain these costs within the service line, however pressures arising from structural problems on business rates, in year costs from increasing utility prices and shortfall on lettings income has required this prudent year end forecast.
3. The overspend within transformation is being offset by an underspend within Strategic Property Services estimated at £0.300 million which is down to the effective management of the services staffing establishment.
4. Business Services are forecasting an overspend of £0.100 million. This is as a result of a shortfall on income from trading with schools, due to the impact of Academies not purchasing services and assumptions on inflation for the insurance contract were inadequate; both are being offset by holding vacancies across the service.

Chief Executives Office

5. There have been no changes in the previously reported £0.600 million overspend within Legal & Democratic Services, although discussions with DCE have identified scope for viring budget to cover this as a large element relates to increase costs arising from protecting vulnerable children.
6. The forecast overspend within Finance, Procurement & Internal Audit has been reduced from £0.100 million to £0.020 million. Capitalisation of staff within the Revenues & Benefits Service working on the implementation of the new system has been maximised to bring down the overspend; it is envisaged that the service will close the small gap to balance with further effective budget management.
7. The underspend anticipated on Communications & Branding has been increased by £0.030 million to £0.060 million as a result of vacant posts within the service; this forecast takes into account the anticipated shortfall on the income target of £0.350 million.

Corporate

8. As reported to the Cabinet Capital Assets Committee on 15 November 2011, the Council has indentified a slippage on the capital programme in 2011/2012. It is estimated that this will lead to an underspend of £1.500 million as a result of re-programming of capital expenditure and the revenue financing cost associated with those. This is an increase on the £0.750 million reported at the last period.

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