

## Wiltshire Council Faces Scrutiny Over Sudden £5 Million Budget Deficit

Wiltshire Council has been thrust into the spotlight after the sudden discovery of a £5-6 million financial shortfall in its budget, an unexpected deficit that neither the current Liberal Democrat administration nor the previous Conservative leadership can fully explain. The revelation has triggered political tension, public concern, and urgent measures to restore fiscal stability.

The overspend, which represents approximately one percent of the council's entire budget, has been traced primarily to adult social care, a sector long known for its complexity and unpredictable costs. Despite a 2024 consultant review identifying 21 problem areas and initiating 10 improvement projects, financial estimates remained inconsistent. Council Chief Executive Lucy Townsend acknowledged that staff lacked confidence in the data, citing fluctuating reports and unreliable systems.

In response, the council's cabinet has approved the transfer of £5 million from various financial reserves to present a legally required balanced budget. Funds have been drawn from pay award, waste management, transformation, and insurance reserves each of which will need to be replenished in due course. While this move averts an immediate crisis, it raises concerns about the sustainability of future service delivery.

At a recent cabinet meeting, Council Leader Ian Thorn described the situation as "deeply disappointing," noting the potential impact on next year's budget planning. His predecessor, Cllr Richard Clewer, expressed disbelief, pointing out that financial forecasts during the third quarter of the previous year showed no indication of an overspend. Townsend responded by confirming that the figure only became apparent late in the financial year, further complicating accountability.

To address the issue, a rapid scrutiny subcommittee has been convened to investigate the origins of the deficit and examine forecasting failures. Early findings indicate the council's financial modelling was flawed and the Q3 projections inaccurate. In light of this, the administration has replaced the previous finance task force with a strengthened finance scrutiny committee, intended to ensure greater oversight and transparency going forward.

As the council works toward a revised forecasting methodology expected by December residents and councillors alike are seeking reassurance that such a significant oversight will not be repeated. Until then, the £5 million gap remains a sobering reminder of the challenges facing local government finance in a time of increasing service demands and constrained resources.