

SALISBURY CITY COUNCIL

Report

Subject : Quarter 1 Budget Monitoring
Committee : Finance and Governance Committee
Date : 19 July 2021
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1. Report Summary:

- 1.1. This report introduces the Revenue and Capital Budget Monitoring Reports of the Council for the period 1 April 2021 to 30 June 2021 (Quarter 1).
- 1.2. The Budget Monitoring Reports, attached at Appendix 1 (Revenue) and Appendix 2 (Capital), summarise the financial position as at 30 June 2021.

2. Key Statement Features - Revenue:

- 2.1. The budget monitoring reports for the first three months of the financial year show that the Council is managing its income and expenditure within budgetary expectations.
- 2.2. Reduced revenue expenditures have resulted in a £109k underspend on budgets as at the end of quarter 3. This has materially arisen from:
 - A vacancy within the Establishment;
 - Fewer requirements for repairs and maintenance across properties;
 - Reduced costs of general works and streets maintenance due to furloughed contractual staff; and
 - Post year-end receipt of funding from Wiltshire Community Foundation which has offset current year costs at 59 Catherine Street.
- 2.3. Reduced revenue income has resulted in a £72k under recovery on budgets as at the end of quarter 3. This has materially arisen from:
 - The receipt of only 43% of projected income from the Camping and Caravan Club; and
 - Lower than budgeted income from the Market Stalls due to the continuance of the half price policy for Tuesday stall holders. This policy concludes on 31 Aug 2021.
- 2.4. The net effect of the reduced revenue expenditure and reduced revenue income, is a favourable variance of £37k.

2.5. The profiled expenditure revenue position for core functions as at 30 June 2021 is:

Function	Annual Budget £	Budget Mths 1 to 3 £	Expenditure Mths 1 to 3 £	Variance Mths 1 to 3 £
Establishment	3,181,525	639,797	602,610	37,186
Environmental Services	2,045,000	466,589	427,033	39,556
Corporate Services	40,000	6,250	6,645	(395)
Business Services	561,000	79,180	64,533	14,647
Active Communities	97,500	16,675	(1,379)	18,054
Total	5,925,025	1,208,492	1,099,442	109,049

Note: A negative variance (£X,XXX) shows an overspend against the profiled budget.

2.6. The profiled income revenue position for core functions as at 30 June 2021 is:

Function	Annual Income Target £	Income Target Mths 1 to 3 £	Income Mths 1 to 3 £	Variance Mths 1 to 3 £
Establishment	3,507,067	1,792,571	1,744,195	(48,376)
Environmental Services	1,453,360	389,340	386,322	(3,018)
Corporate Services	1,500	375	0	375
Business Services	747,500	256,038	229,831	(26,207)
Active Communities	44,000	19,500	25,163	5,663
Section 106 Reserves	28,500	0	0	0
Total	5,781,927	2,457,824	2,385,511	(72,313)

Note: A negative variance (£X,XXX) shows an under-recovery against the profiled target.

2.7. The revenue budget monitoring statement at **Appendix A** has been profiled, where applicable, to reflect activities which do not occur on a regular monthly basis such as the precept, grants received, loan repayments and commercial property leases.

3. Key Statement Features - Capital:

3.1. The capital budget monitoring statement at **Appendix B** has been profiled as costs are incurred; this is because funding for capital is project based.

3.2. As at 30 June 2021, £15k of the £309k capital budget has been spent. Capital receipts of £19k in respect of Community Infrastructure Levy payments have offset these capital costs and generated a £4k positive variance.

4. Recommendation:

4.1. The Committee are asked to note the Revenue and Capital Budget Monitoring Reports for the end of Quarter 1.

5. Wards Affected: All

6. Background Papers: Appendices A and B

7. Implications:

7.1. **Financial:** as shown in this report

7.2. **Legal:** none in relation to this report

7.3. **Personnel:** none in relation to this report

7.4. **Environmental Impact:** none in relation to this report

7.5. **Equalities Impact Statement:** none in relation to this