

SALISBURY CITY COUNCIL

Report

Subject : Budget Monitoring Report to end 31 October 2023
Committee : Finance and Governance Committee
Date : 8 January 2023
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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 2023 to 31 October 2023 (first 7 months of financial year).
- 1.2. This period reporting is in consultation and agreement with the Chair of the Finance and Governance Committee and is due to the early timing of this Committee in January 2023. Month 8, November 2023 is near to completion and month 9 invoices are now due for processing.
- 1.3. The Budget Monitoring Reports, attached at **Appendix A** (Revenue Expenditure), **Appendix B** (Revenue Income) and **Appendix C** (Capital), summarise the financial position as at 31 October 2022.

2. Key Statement Features - Revenue

- 2.1. The revenue income totals for 2023/24 is £7,509,453. The top 10 income lines total £6,314,246 which is 89% of the annual budget income and therefore is on target.
- 2.2. The top 10 income streams represent £7,077,561 which equates to 94% of all income. This can further be summarised as:

Cost Code	Dept	Code	Descriptor	Budget	YTD	%
EST	GEN	70001	Precept	5,152,561	5152,561	100
CRM	ENV	71001	Cremation Income	1,042,000	475,408	46
MEV	BUS	72005	Market Stall Rents	280,000	158,375	57
CRP	GEN	73007	Caravan Site Income	170,000	123,794	73
CRP	GEN	73001	Parking Income	160,000	118,493	74
CRP	GEN	73003	Property Rental	92,000	49,591	54
GUI	BUS	72009	GH Hire Inside areas	60,000	111,725	186
POS	ENV	73006	Allotments Rental	41,000	0	0
PWC	ENV	72003	Income from activities	40,000	21,256	53
MEV	BUS	72003	Income from activities	40,000	103,043	258

- 2.3. As at 31 October 2023 there are four income codes which are not on target. To note – allotment rental is an annual invoice and so has not yet been processed. This lack of income is not deemed as a risk. Property rental and

PWC Income from activities are only marginally behind the target percentage of 57%.

2.3.1. Cremation Income – this is deemed as a **significant risk**. As highlighted at E&C Committee several factors have influenced this income line. These are

- no extreme weather events (heat or cold) which typically increase the death rate
- the crematorium roof works resulting in the closure of the chapel for some weeks
- the closure of a local direct cremation firm with whom we had a business arrangement.

3. Key Statement Features – Expenditure

3.1. The revenue expenditure totals for 2023/24 is £6,893,992. The top 10 expense lines represent £4,276,500 which equates to 62% of all expenditure. Salary and associated costs and NNDR have been removed from consideration as these cannot be controlled. The other top 10 expenditure lines represent 55% of the total expenditure to date which is on track.

3.2. This can further be summarised as:

Cost Code	Dept	Code	Descriptor	Budget	YTD	%
PRK	ENV	30004	Vehicle Leasing	246,500	176,700	72
PWC	ENV	27002	Cleaning Costs	190,000	108,545	57
FAC	ENV	21002	Gas	180,000	74,133	41
FAC	ENV	21001	Electricity	175,000	41,588	24
EST	GEN	29001	Insurance	160,000	168,520	105
POS	ENV	28002	Tree Surgery	110,000	96,512	88
FAC	ENV	20001	R&M	99,000	130,362	132
PRK	ENV	27004	Waste Disposal	90,000	27,522	31
CRM	ENV	40002	Equipment Maintenance	75,000	60,173	80
FAC	ENV	27002	Cleaning costs	66,000	43,062	65

3.2.1 As at 31 October 2023 there are some expenses tracking over where we expect. The three highest are Insurance, Repairs & Maintenance and Tree Surgery. With regards to insurance premiums this is an annual figure so should not increase further. The other two codes are reactive expenses which have had significant pressure thus far this year and will need to be monitored carefully.

4. Key Statement Features - Capital

4.1. The capital budget is made up of recurring capital expenditure, non-recurring or project expenditure.

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

4.3. As at 31 October 2023, £550,741 of the £1,143,277 capital budget has been spent. There was an overspend on the Crematorium roof which would hope to be off set against underspends in other lines

4.4. Councillors should note that Z44 and Z49 are carried forward funds agreed for 2022/23.

5. Recommendation:

5.1. The Committee are asked to note the Revenue and Capital Budget Monitoring Reports for the end of October 2023.

6. Wards Affected: All

7. Background Papers: Appendices A, B and C