

# SALISBURY CITY COUNCIL

## Report

Agenda Item: 9

**Subject:** Budget Monitoring Report for 2024/25 to the end of September

**Committee:** Community Services Committee

**Date:** 2 December 2024

**Author:** Sarah Gregson, Head of Community Services

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### 1. Report Summary

- 1.1. This report provides the Committee with a statement of income and expenditure, comparing actual expenditure and income against that budgeted for April to September. Any budget heading showing variances over £50,000 are discussed in the report.
- 1.2. Budget monitoring reports will be presented to every committee meeting using the latest available monthly budget monitoring information in accordance with Financial Regulation 4.8 and the resolution of Full Council at its meeting on 4 March 2024.

### 2. Policy Considerations

- 2.1. Financial Regulations are an integral part of the Council's systems of internal control and governance which ensure sound financial stewardship of public money. Regular monitoring of the Council's financial performance is good business practice and aids timely decision-making. Analysis of the variances during 2024/25 helps officers to take corrective action to safeguard the Council's low level of reserves. Better understanding of this year's financial performance will also aid 2025/26 budget-setting and medium term planning.

### 3. Background Information

#### Report format

- 3.1. The budget monitoring report for the Community Services Committee is appended to this report – see **Appendix A**.
- 3.2. The report uses the following conventions:

In the Budget and Actual columns

- Expenditure is shown as **black numbers**
- Income is shown as **(red numbers in brackets)**

In the Variance columns

- 'Bad' variances (over-spends) are shown as **black numbers**
- 'Good' variances (under-spends) are shown as **(red numbers in brackets)**

#### 4. **Changes to Cost Centres and Fuller Service Costing for 2024/25**

- 4.1. The Responsible Finance Officer (RFO) has worked with budget holders to take the opportunity to revise the Council's historic cost centre structure in order to provide councillors, officers and the general reader with greater detail. Instead of the single 'BHC' (Bemerton Heath Community) cost centre for 2023/24, there are now eight cost centres covering community services.
- 4.2. The RFO and budget holders are also splitting corporate costs in order to provide fuller costing information. So, for example, net payroll costs are posted to service cost centres rather than aggregating them centrally. Utility costs and other costs required for delivering services are similarly posted to the most appropriate cost centre now.
- 4.3. The changes made so far in 2024/25 provide better costing and budget monitoring information, but further improvements will follow – within the limitations of the Council's basic financial system.

#### 5. **Budget Monitoring Results**

- 5.1. Budget holders are expected to scrutinise their regular budget monitoring reports throughout the year, taking corrective action as necessary and being able to explain any variances.
- 5.2. Financial Regulation 4.8 requires all budget holders to explain any material variances over £50,000. In addition budget holders are also invited to explain any large variances up to £50,000 if considered of particular corporate importance.
- 5.3. **Appendix A** sets out the September-end results for the Community Services Committee revenue cost centres and capital scheme, showing variance from approved budget. There are no material variances over £50,000.
- 5.4. The greatest variance across the service, as per this report is a 28% (£18,634) overspend on Bemerton Heath Centre AVC (Active Communities) code. This reflects payroll budgets allocated when decentralised earlier this year and there were Bemerton Heath Centre staff vacancies. These vacancies have now been filled and revised figures resolving this issue will appear in next month's monitoring report.

#### 6. **Recommendations:**

- 6.1. The Committee notes the financial position at the end of September.
- 6.2. Acknowledging the Council's current financial position, officers will be supported to comply with Financial Regulations and where necessary pause services where finances have been exhausted in year.

#### 7. **Background Papers:**

None.

#### 8. **Implications**

- . **Financial:** As shown in this report

- . **Legal:** Significant budget overspends and year-end losses can only be met from general reserves which, if seriously depleted can result in unlawful expenditure.
- . **Personnel:** Nil in relation to this report
- . **Environmental Impact:** Nil in relation to this report
- . **Equalities Impact Statement:** Nil in relation to this report

**Salisbury City Council 2024/25 budget monitoring report to September-end**

**Community Services Committee REVENUE Cost Centres**

Cost Centre	Description	Jan 24 Full Council Budget	Adjusted budget after carry forwards and virements	Profiled budget to end of Sept	Actual expenditure / (income)	Variance	Variance
		£	£	£	£	£	%
BHC	Bemerton Heath Community	3,500	99,043	67,351	85,985	18,634	28%
YOU	Community Youth	10,000	33,620	16,810	11,787	(5,023)	(30%)
EVE	AVC Council Events	10,650	10,650	9,585	8,591	(994)	(10%)
SPO	Sports Activity	4,000	4,450	2,225	825	(1,400)	0%
PRO	Community Development Projects	5,500	24,275	12,138	8,801	(3,337)	(27%)
AOP	Community Development Adults & Older People	5,500	31,799	15,900	13,853	(2,047)	(13%)
FAM	Community Development Family & Children	3,500	28,375	14,188	12,211	(1,977)	(14%)
PAN	The Pantry	10,000	43,196	28,156	18,675	(9,481)	(34%)
LUN	Lunch Clubs	600	600	300	(2,256)	(2,556)	(852%)
		<u>53,250</u>	<u>276,008</u>	<u>166,651</u>	<u>158,472</u>	<u>(8,179)</u>	

**Community Services Committee CAPITAL Scheme**

Capital Scheme	Description	Jan 24 Full Council Budget	Adjusted budget after carry forwards and virements	Profiled budget to end of July	Actual expenditure / (income)	Variance	Variance
		£	£	£	£	£	%
Z01	AVC Infrastructure (RECURRING SCHEME)	8,000	8,000	5,000	4,752	(248)	(5%)