

SALISBURY CITY COUNCIL

Report

Subject: Budget Monitoring Report for 2025/26 to the end of July 2025
Committee: Environment Committee
Date: 29 September 2025
Author: Marc Read, Head of Environmental Services

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 July 2025. Any budget heading showing variances over £25,000 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 2025/26 helps officers to take corrective action to achieve the Council's budgeted year-end outturn position. Better understanding of this year's financial performance will aid the 2026/27 budget-setting and medium term planning process.

3. Background Information

Report format

- 3.1. The budget monitoring report for the Environment 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 2025/26**

- 4.1. As part of our continuous improvements of financial reporting the RFO has worked with budget holders to revise the cost centre structure. The current list of service cost centres overseen by this Committee is provided in **Appendix A** with the main changes from last year being:
- 5 additional cost centres in Environmental Services to provide greater detail for Allotments, Car Parks, Camping and Caravan site, Depot and Pavilions.
 - Discontinue historic 'PRK' Parks cost centre.
- 4.2. The RFO and budget holders are also splitting corporate costs in order to provide fuller costing information. So, for example, payroll costs are posted to service cost centres rather than aggregating them centrally. Utility costs, business rates and insurance premiums, among other costs, are similarly posted to the most appropriate cost centre now.
- 4.3. The changes made so far in 2025/26 provide better costing and budget monitoring information, but further improvements will follow – within the limitations of the Council's basic financial system.

5. **Explanation of significant Revenue variances**

- 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 July-end results for the Environment Committee cost centres, showing variance from approved budget. All material variances over £20,000 are listed in **Appendix B**.

Parking Income (CAR ENV 73001)

- 5.4. The £187k apparent under-achievement of income is due to late receipt of 2024/25 Lush House car park income from Wiltshire Council which was accrued for at year-end. Officers have pursued Wiltshire Council in respect of the overdue payment and this was subsequently paid in September.

Caravan Site Income (CCC ENV 73007)

- 5.5. The £88k apparent under-achievement of Camping and Caravan Site income is due to late receipt of 2024/25 profit share from the Camping and Caravan Club which was accrued for at year-end. Officers have requested further information from the Club in order to enable the processing of the income due. It is expected that the outstanding position will be regularised and fully reported to the Committee in December.

Equipment Maintenance (CRM ENV 40002)

- 5.6. The final uninvoiced payment for 2024/25 equipment maintenance was not accrued for due to an officer error, resulting in the cost having to be charged to the first quarter of

2025/26, causing the £68k overspend. This has been noted, and measures are being taken to ensure that a similar oversight does not occur in future periods.

Cremation Income (CRM ENV 71001)

- 5.7. The Crematorium is currently performing marginally below target. To safeguard income performance and mitigate the risk of further slippage, the planned adjustment to fees and charges was implemented in September, one month earlier than originally scheduled.

Fire Safety (PAV ENV 25001)

- 5.8. Appendix B shows that the Fire Safety (PAV) cost centre was newly established in 2024/25 and had not been allocated an initial budget. Proactive compliance inspections initiated by our Health & Safety Facilities Supervisor, identified the requirement for replacement fire doors in order to meet statutory standards. Virements from other budgets have now been applied to cover the £22,289 expenditure.

Dilapidations (FAC ENV 27004)

- 5.9. **Appendix A** shows that the Facilities (FAC) cost centre achieved a £239k underspend at the end of July. The budget for residual dilapidation liabilities associated with the Council's exit from the former depot remains unspent, pending the conclusion of negotiations between the respective surveyors, which accounts for most of the underspend.

Reactive Repairs & Maintenance (FAC ENV 20001)

- 5.10. With the introduction of multiple new cost centres, including The Friary and Tollgate Depot, budget profiling is still being finalised to accurately reflect anticipated spend. It is expected that the revised profiles will be completed by November.

Parks and Open Spaces Salaries (POS ENV 10001)

- 5.11. Appendix B shows an underspend of £30,752 on the Parks and Open Spaces salaries budget to date. This primarily reflects ongoing difficulties in recruiting to grounds team posts, with vacancies persisting despite repeated recruitment efforts. Recruitment is now effectively complete, with two new Grounds Operatives undergoing standard HR checks and a new Grounds Apprentice having started earlier in September.

Property Rental (CRP ENV 73003)

- 5.12. Budget profiling is currently inaccurate, and officers are undertaking a review to ensure it correctly reflects anticipated rental income and expenditure.

Electricity (FAC ENV 21001)

- 5.13. An accrual of £20,000 has been made in respect of a disputed electricity bill for Harnham Pavilion. It is expected that this matter will be concluded by November.

Tree Surgery (POS ENV 28002)

- 5.14. Appendix B shows an apparent underspend of £24,318 for tree surgery works undertaken between 1 April and 31 July. This is primarily a timing issue, as a significant proportion of the work completed during this period was invoiced after the July period

end and will be reflected in expenditure in subsequent months. The cost of works undertaken to date is therefore broadly in line with the approved budget.

6. **Explanation of significant Project variances**

- 6.1. **Appendix A** indicates an overall £218k underspend on this Committee's project (previously referred to as 'capital schemes'). There are two project variances greater than £20k which are explained below.

Rowbarrow s.106

- 6.2. The project has been concluded, except for final elements such as planting and seating. Several coding discrepancies were identified, and the remaining budget will be reallocated to machinery to support ongoing site maintenance.

Depot De-Watering Bay

- 6.3. Budget profiling is currently inaccurate. The project is under review by Wiltshire Council Planning and is anticipated to commence and conclude in early 2026.

7. **Recommendations:**

- 7.1. The Committee notes the financial position at the end of July and officers' explanation for the variances.

8. **Background Papers:**

None.

8.1. **Implications**

- . **Financial:** As shown in this report.
- . **Legal:** Nil in relation to this report.
- . **Personnel:** Nil in relation to this report.
- . **Environmental Impact:** Nil in relation to this report.
- . **Equalities Impact Statement:** Nil in relation to this.

Salisbury City Council 2025/26 budget monitoring report to 30 July 2025

Environment Committee REVENUE Cost Centres

Cost Centre	FULL YEAR BUDGET BEFORE ADJUSTMENTS	FULL YEAR OPENING BUDGET AFTER ADJUSTMENTS	PROFILED BUDGET	ACTUAL NET EXPENDITURE / (INCOME)	VARIANCE £
CRM Crematorium	(856,297)	(561,054)	(168,816)	(90,484)	78,332
CRP Investment Properties	(472,685)	(36,942)	(6,661)	(55,860)	(49,199)
CTV Closed Circuit Television	99,716	106,126	(60,311)	(54,550)	5,761
FAC Facilities	1,074,382	535,317	123,699	(115,712)	(239,411)
LBT Lower Bemerton Trust	5,100	6,360	6,377	17,151	10,774
POS Parks & Open Spaces	1,218,919	1,372,760	477,000	394,421	(82,579)
ALL Allotments	0	(1,725)	16,508	8,609	(7,899)
PWC Public Conveniences	116,075	156,160	53,514	31,895	(21,619)
SSS Street Scene	1,112,828	1,204,747	411,716	376,851	(34,865)
CAR Car Parks	0	(182,409)	(60,803)	127,647	188,450
CCC Camping & Caravan Club	0	(96,000)	(1,333)	100,959	102,292
PAV Pavilions	0	40,345	30,003	39,342	9,339
DEP Depot	0	136,384	53,926	54,036	110
PRK Environmental	242,660	0	0	0	0
	2,540,698	2,680,069	874,818	834,305	(40,513)

Environment Committee PROJECT Cost Centres

Cost Centre	FULL YEAR BUDGET BEFORE ADJUSTMENTS	FULL YEAR OPENING BUDGET AFTER ADJUSTMENTS	PROFILED BUDGET	ACTUAL EXPENDITURE / (INCOME)	VARIANCE £
RECURRING					
Z12 Urban Tree Challenge		-		5,328	5,328
PROJECTS - B/F FROM 2024/25					
Z32 Rowbarrow s.106		171,065	171,065	98,715	(72,350)
Z55 Crematorium Wall		49,381	49,381	31,773	(17,608)
PROJECTS - NEW					
Z13 Wyndham Park Wall	85,000	85,000		0	0
Z16 Depot De-watering bay	150,000	150,000	150,000	7,160	(142,840)
Z45 Poultry Cross urgent renovation		30,000		9,416	9,416
Z59 QE Gardens Bridges s.106				3,500	
	235,000	485,446	370,446	155,892	(218,054)

Appendix B

Salisbury City Council 2025/26 budget monitoring report to 31 July 2025

Environment Committee Detailed Revenue Variances over £20k

Cost Centre	Description	Code	Description	Full year Budget £	Profiled Budget £	Actual £	Variances £	Variance %
CAR	Car Parks	73001	Car Parking Income	(230,000)	(76,667)	110,611	187,278	244%
CCC	Camping & Caravan Club	73007	Caravan Site Income	(92,000)	0	88,672	88,672	
CRM	Crematorium	40002	Equipment Maintenance	132,000	44,000	112,962	68,962	157%
CRM	Crematorium	71001	Cremation Income	(1,250,235)	(416,745)	(363,329)	53,416	13%
PAV	Pavilions	25001	Fire Safety	0	0	22,289	22,289	
FAC	Facilities	20005	Dilapidations	0	0	(150,000)	(150,000)	
FAC	Facilities	20001	Repairs & Maintenance - REACTIVE	80,000	26,667	(12,021)	(38,688)	(145%)
POS	Parks & Open Spaces	10001	Salary Costs	655,902	218,634	187,902	(30,732)	(14%)
CRP	Investment Properties	73003	Property Rental	(115,500)	(38,500)	(68,536)	(30,036)	(78%)
FAC	Facilities	21001	Electricity	29,767	9,922	(19,670)	(29,592)	(298%)
POS	Parks & Open Spaces	28002	Tree Surgery	180,000	60,000	35,682	(24,318)	(41%)