

# COMMITTEE REPORT

<b>Subject:</b>	<i>Environment Budget Monitoring Report P10 2025/2026</i>
<b>Committee:</b>	<i>The Environment Committee</i>
<b>Item Number:</b>	<i>8</i>
<b>Date:</b>	<i>13 April 2026</i>
<b>Author:</b>	<i>Marc Read, Head of Environment</i>
<b>Report status:</b>	<i>Noting</i>
<b>Confidential / Exempt:</b>	<i>No</i>

## 1. Report Summary

- 1.1 The purpose of this report is to ask the Committee to note the matter set out below.
- 1.2 This report provides the Committee with a statement of income and expenditure, comparing actual expenditure and income against that budgeted for April 2025 to January 2026. Any budget heading showing variances over £25k are discussed in the report.

## 2. Recommendations

It is recommended that the Committee:

- 2.1 Notes the financial position at the end of January and officers' explanations for the variances.

## 3. Background

- 3.1 Budget monitoring reports are 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.

### Report format

- 3.2 The budget monitoring report for the Environment Committee is appended to this report – see **Appendix A**.
- 3.3 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)**

- 3.4 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.
- 3.5 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.

#### 4. Explanation of significant Revenue variances

- 4.1 **Appendix A** sets out the January-end results for the Environment Committee cost centres, showing variance from approved budget. All material variances over £25k are listed in **Appendix B**.

##### Cremation Income (CRM ENV 71001)

- 4.2 The Crematorium is currently performing marginally below target with a £74k under-achievement stated in **Appendix B**. The number of services has been slightly lower than anticipated, resulting in the current deficit. However, this is expected to reduce in P11 and P12, as activity levels have been more consistent with those seen in 2024/25.

##### Equipment Maintenance (CRM ENV 40002)

- 4.3 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 £28k overspend. This has been noted, and measures are being taken to ensure that a similar oversight does not occur in future periods.

##### Salary costs (POS ENV 10001)

- 4.4 **Appendix B** shows a £49k underspend on the Parks and Open Spaces salaries budget to date. This mainly reflects ongoing recruitment challenges within the grounds team over the course of the 2025/26. These issues have now been resolved and the team is fully staffed.

##### Parking Income (CAR ENV 73001)

- 4.5 The £30k over-achievement of income represents a positive outcome, particularly given the earlier VAT issue highlighted by our RFO. The income target for 2026/27 has been increased by £41k as part of the cost improvement plan.

##### Additional planting of Trees – Funded by Cremations (POS ENV 28007)

- 4.6 Tree planting for 2025/26 has now been completed and no further expenditure is expected against this budget line. However, a carry forward has been requested to support the Salisbury 800 tree planting project in 2026/27.

##### Dilapidations (FAC ENV 27004)

- 4.7 **Appendix A** shows that the Facilities (FAC) cost centre achieved a £189k underspend at the end of September. The reversal of 2024/25's accrued costs for the expected residual dilapidation liabilities associated with the Council's exit from the former depot would have matched the payment in this year. However, fortunately for the Council this liability has not

crystallised, resulting in over-accrued costs in last year's accounts, which will be offset by the equal sized underspend in this year's accounts. This is an accounting requirement and is not a genuine underspend.

#### Land Rental (CRP ENV 73002)

- 4.8 This is an over achievement of income because of a historically low income target. This has been remedied as part of the cost improvement plan for 2026/27.

#### Grant Receivable (Urban Tree Challenge) (POS ENV 70002)

- 4.9 This grant relates to establishment costs (including watering and other aftercare) for trees planted through the Urban Tree Challenge Fund. As the Parks & Grounds Team was able to deliver much of this work in-house, any underspend can be returned to general reserves.

#### Facilities Electricity (FAC ENV 21001)

- 4.10 This income line was over-budgeted and was considered as part of the cost improvement plan. However, given the continued volatility in global energy prices, it was agreed that the budget should remain unchanged for 2026/27 and be kept under review.

#### City Safety & Enforcement (CTV ENV 25003)

- 4.11 This is a profiling issue with this being resolved by year end.

#### Vehicle Leasing (POS ENV 30004)

- 4.12 A number of Streetscene vehicles were incorrectly coded to POS. This has now been resolved and the variance will not feature in P11 budget monitoring reports.

### **5. Explanation of significant Project variances**

- 5.1 **Appendix A** indicates an overall £21k underspend on this Committee's project (previously referred to as 'capital schemes'). There is one project variance greater than £25k which is explained below.

#### Rowbarrow s.106

- 5.2 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.

### **6. Strategic and Policy Alignment**

- 6.1 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.
- 6.2 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 has aided the 2026/27 budget-setting and medium term planning process.

## 7. Implications

<b>Implication Area</b>	<b>Impact</b>	<b>Comments / Mitigation</b>
<b>Financial</b>	Medium	The Environment services have been delivered to appropriate standards at a significantly lower net cost than budgeted, which will contribute to the predicted council-wide year-end surplus.
<b>Legal</b>	Medium	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.
<b>Risk</b>	Medium	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 aided the 2026/27 budget-setting and medium term planning process.
<b>Personnel</b>	None	
<b>Environmental Impact</b>	Low	Budget monitoring is carried out in tandem with monitoring of service delivery standards. The reported budget savings have not adversely impacted the environment. are not the result of reducing standards of service or.
<b>Equalities Impact Statement</b>	None	
<b>Community / Public Impact</b>	Low	Budget monitoring is carried out in tandem with monitoring of service delivery standards. The reported budget savings are not the result of reducing standards of service to the community.
<b>Procurement / Contractual</b>	None	
<b>Property / Asset</b>	None	
<b>Data Protection</b>	None	

## 8. Appendices / Background Papers

- 8.1 Appendix A - Budget monitoring report by cost centre
- 8.2 Appendix B - All material variances over £25k

## Salisbury City Council 2025/26 budget monitoring report to 31 January 2026

## 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 £
FAC Facilities	1,074,382	294,615	225,676	37,018	(188,658)
POS Parks & Open Spaces	1,218,919	1,346,884	1,071,161	973,250	(97,911)
CRP Investment Properties	(472,685)	(16,520)	(8,498)	(79,741)	(71,243)
PWC Public Conveniences	116,075	173,810	142,705	100,148	(42,557)
SSS Street Scene	1,112,828	1,221,236	1,021,131	980,603	(40,528)
CAR Car Parks	0	(180,909)	(124,492)	(158,073)	(33,581)
CTV Closed Circuit Television	99,717	106,126	62,267	29,455	(32,812)
DEP Depot	0	172,964	157,273	142,764	(14,509)
LBT Lower Bemerton Trust	5,100	6,360	11,781	3,261	(8,520)
CRM Crematorium	(856,297)	(543,727)	(427,833)	(434,394)	(6,561)
PAV Pavilions	0	86,608	71,531	66,880	(1,463)
ALL Allotments	0	8,194	(1,474)	1,205	2,679
CCC Camping & Caravan Club	0	(56,941)	44,301	47,945	3,644
PRK Environmental	242,660				
	2,540,699	2,618,700	2,245,528	1,710,321	(532,020)

## Environment Committee PROJECT Cost Centres

Cost Centre	FULL YEAR BUDGET BEFORE ADJUSTMENTS	FULL YEAR OPENING BUDGET AFTER ADJUSTMENTS	PROFILED BUDGET	ACTUAL EXPENDITURE / (INCOME)	VARIANCE £
<b>RECURRING</b>					
Z12 Urban Tree Challenge		-		8,000	8,000
<b>PROJECTS - B/F FROM 2024/25</b>					
Z32 Rowbarrow s.106		171,065	171,065	145,332	(25,733)
Z55 Crematorium Wall		49,381	49,381	31,773	(17,608)
<b>PROJECTS - NEW</b>					
Z13 Wyndham Park Wall	85,000	85,000		0	0
Z16 Depot De-watering bay	150,000	150,000	-	16,485	16,485
Z45 Poultry Cross urgent renovation		30,000	30,000	24,036	(5,964)
Z59 QE Gardens Bridges s.106				3,845	3,845
Z57 River Park Tractor		75,000	0	0	0
	235,000	560,446	250,446	229,471	(20,975)

## Salisbury City Council 2025/26 budget monitoring report to 31 January 2026

### Environment Committee Detailed Revenue Variances over £25k

Cost Centre	Description	Code	Description	Full year Budget £	Profiled Budget £	Actual £	Variances £	Variance %
FAC	Facilities	20005	Dilapidations	0	0	(150,000)	(150,000)	
POS	Parks & Open Spaces	10001	Salary Costs	649,742	541,452	492,750	(48,702)	(9%)
CRP	Commercial Properties	73002	Land Rental	(8,610)	(7,175)	(51,597)	(44,422)	619%
POS	Parks & Open Spaces	70002	Grant Receivable (Urban Tree Challenge)	(30,240)	(30,240)	(66,996)	(36,756)	122%
FAC	Facilities	21001	Electricity	14,047	11,706	(19,670)	(31,376)	(268%)
CAR	Car Parks	73001	Car Parking Income	(230,000)	(172,500)	(202,878)	(30,378)	(18%)
POS	Parks & Open Spaces	28007	Additional planting of trees (funded by cremations)	57,514	57,514	27,590	(29,924)	(52%)
CTV	CCTV	25003	City Safety & Enforcement	99,641	77,499	50,273	(27,226)	(35%)
CRM	Crematorium	71001	Cremation Income	(1,250,235)	(1,041,863)	(967,989)	73,874	(7%)
POS	Parks & Open Spaces	30004	Vehicle Leasing	71,970	59,975	90,123	30,148	50%
CRM	Crematorium	40002	Equipment Maintenance	147,000	122,500	151,012	28,512	-23%