

SALISBURY CITY COUNCIL

Report

Subject: Budget Monitoring Report for 2025/26 to the end of August 2025
Committee: Governance, Policy & HR Committee
Date: 13 October 2025
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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 August 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 Governance, Policy & HR 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. This is the first budget monitoring report being submitted by officers to this new Committee. As part of our continuous improvements of financial reporting the RFO has worked with budget holders to revise the cost centre structure. The list of service cost centres overseen by this Committee is provided in **Appendix A**. Previously these have been reported to the Finance & Governance Committee.
- 4.2. The RFO and budget holders have created new cost centres and split 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 August-end results for the Governance, Policy & HR Committee cost centres, showing variance from approved budget. All material variances over £20,000 are listed in **Appendix B**.

Salaries (EST GEN 10001)

- 5.4. The underspend is due to profiling the £125k job evaluation uplift budget evenly across year which will be corrected for the next reports.

Election Costs (DEM COR 45050)

- 5.5. Awaiting invoice from Wiltshire Council for May 2025 elections. Due to receive this in October 2025. Estimated costs are between £50,000 - £55,000.
- 5.6. Estimated quote for forthcoming by-election for St Edmunds Ward is £14,000.

Cyber Security (ITT COR 44010)

- 5.7. Current spend is £16,148 inc. VAT, however not yet reported due to either quotes accepted and awaiting invoicing, or invoices are yet to be received for payment.
- 5.8. Forthcoming further spend in the second half of this financial year includes Sophos mobile protection, potentially securing the VPN with Duo, additional adaptors for 2FA users without work mobiles. Also, work to move kit to more secure new cabinets / installations, increasing estimated total spend to between £20,000 and £30,000.

5.9. In addition, currently identifying costings of securing systems to move into the cloud, and associated costs with online storage and resources with remaining cyber security budget.

6. **Recommendations:**

6.1. The Committee notes the financial position at the end of August and officers' explanation for the variances.

7. **Background Papers:**

None.

7.1. **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.