

# SALISBURY CITY COUNCIL

## Report

**Subject:** Budget Monitoring Report for 2025/26 to the end of November  
**Committee:** Full Council  
**Date:** 12 January 2026  
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### 1. Report Summary

- 1.1. This report provides the Council with a statement of income and expenditure, comparing actual expenditure and income against that budgeted for April to November. Any budget headings showing variances over £50,000 are discussed in the report.
- 1.2. Budget monitoring reports will be presented to the Council and 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.
- 1.3. By the end of month 8 (November) the Council had underspent its budgets by £806k and officers forecast a year-end underspend of £400k. This has been factored into the 2026/27 budget proposal considered separately on this meeting's agenda.

### 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 keep within budgetary limits. Better understanding of this year's financial performance has also aided 2026/27 budget-setting and medium-term planning.

### 3. Background Information

#### Report format

- 3.1. The budget monitoring report for the Council is appended to this report – see **Appendices A – C**.
- 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)**

- 3.3. The following information is provided in this budget monitoring report:
- 3.4. **Appendix A** sets out the full council-wide November-end revenue budget monitoring position for all cost centres.
- 3.5. **Appendix B** provides the equivalent for the small number of project cost centres which will be funded from either revenue or non-revenue sources.
- 3.6. **Appendix C** provides all major variances over £50k arising from detailed November-end budget monitoring information at account level.

#### 4. **Explanation of Revenue variances over £50,000**

- 4.1. 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.
- 4.2. 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 other large variances up to £50,000 if considered of particular corporate importance.
- 4.3. **Appendix C** sets out the November-end budget variances over £50,000 which are explained below.

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

- 4.4. 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. The main Cremation income line is still £60k down at month 8 but this is expected to improve in the last third of the year.

##### Dilapidations (FAC ENV 20005 & MEV BUS 20005)

- 4.5. The dilapidations dispute with the owner of the former leased Council depot has been resolved satisfactorily, leaving the large £150k Facilities accounting adjustment which will clear at year-end and £26k Markets and Events liability which will clear once the Council has been invoiced.

##### Irrecoverable VAT (FIN GEN 52999)

- 4.6. The underspending variance of £99k on FIN GEN is entirely due to accounting adjustments and timing. A detailed explanation has been provided in previous reports and was fully discussed at the Finance Committee. This variance will disappear once HMRC has examined the Council's voluntary declaration of VAT errors and invoices the Council.

#### 5. **Explanation of Project variance over £50,000**

- 5.1. In addition to the annual revenue budgets for providing everyday services, the Council also annually approves 'Projects' budgets (previously referred to as the 'capital programme'). These are reported in **Appendix B** and **Appendix C**. There is one project with a variance over £50,000 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. **Year-end Forecast**
  - 6.1. This budget monitoring report covers two-thirds of the year, which includes several 2024/25 year-end accruals that have yet to 'unwind' (such as the Irrecoverable VAT variance explained in paragraph 4.6 above) and therefore distort the true position.
  - 6.2. The £806k council-wide underspend in **Appendix A** is welcome although a more realistic operational underspend forecast once these accounting adjustments are factored out is £400k, which has been incorporated in the budget proposal considered separately on this meeting's agenda.
7. **Recommendations:**
  - 7.1. The Council notes the financial position at the end of November, officers' explanations for the variances over £50,000 and the predicted £400k underspend outturn position which has been reflected in the 2026/27 budget proposal being considered separately.
8. **Background Papers:**

None.
- 8.1. **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

# Appendix A

## Salisbury City Council Budget Monitoring Period 8 (end of November)

Department	Cost Centre	FULL YEAR BUDGET BEFORE ADJUSTMENTS	FULL YEAR OPENING BUDGET AFTER ADJUSTMENTS	PROFILED BUDGET	ACTUAL NET EXPENDITURE / (INCOME)	VARIANCE £
<u>General</u>	EST Establishment	(5,682,005)	(5,628,020)	(5,816,602)	(5,841,259)	(24,657)
	HRP Human Resources & Payroll	289,749	255,842	143,147	147,489	4,342
	FIN Finance	830,685	334,258	190,995	93,594	(97,401)
	PWL Public Works Loans	313,500	313,500	156,460	156,206	(254)
		<b>(4,248,071)</b>	<b>(4,724,420)</b>	<b>(5,326,001)</b>	<b>(5,443,970)</b>	<b>(117,969)</b>
<u>Corporate</u>	DEM Corporate - Councillors	130,500	129,345	95,563	90,048	(5,515)
	CMC Civic & Mayoral	15,488	18,677	13,348	14,421	1,073
	ITT Information Technology & Telephony	303,421	301,018	200,679	192,213	(8,466)
	OFF Corporate - Officers	160,939	227,067	144,711	142,147	(2,564)
		<b>610,348</b>	<b>676,107</b>	<b>454,301</b>	<b>438,829</b>	<b>(15,472)</b>
<u>Environmental</u>	CRM Crematorium	(856,297)	(534,397)	(331,056)	(312,222)	20,833
	CRP Investment Properties	(472,685)	(5,740)	1,390	(41,754)	(43,144)
	CTV Closed Circuit Television	99,717	106,126	35,542	20,251	(15,291)
	FAC Facilities	1,074,382	320,324	202,119	(8,132)	(210,251)
	LBT Lower Bemerton Trust	5,100	6,360	9,502	2,192	(7,310)
	POS Parks & Open Spaces	1,218,919	1,359,085	843,693	767,887	(78,806)
	ALL Allotments	0	10,866	43,073	26,290	(16,783)
	PWC Public Conveniences	116,075	171,710	116,625	72,412	(44,213)
	SSS Street Scene	1,112,828	1,209,152	807,565	785,888	(21,677)
	CAR Car Parks	0	(182,409)	(77,594)	(105,861)	(28,267)
	CCC Camping & Caravan Club	0	(57,991)	33,342	7,849	(25,493)
	PAV Pavilions	0	62,895	50,207	61,135	10,928
	DEP Depot	0	169,069	127,113	115,790	(11,323)
	PRK Environmental	242,660	0			
		<b>2,540,699</b>	<b>2,635,050</b>	<b>1,861,521</b>	<b>1,391,725</b>	<b>(467,797)</b>
<u>Communities</u>	BHC Communities	175,227	224,115	150,755	140,985	(9,070)
	YOU Communities - Youth	24,433	24,551	16,367	9,916	(6,451)
	EVE Communities - Events	12,800	12,800	8,533	8,343	(190)
	SPO Communities - Sports	3,730	3,730	2,487	3,306	819
	PRO Communities - Projects	29,364	32,281	21,521	23,089	1,568
	AOP Adults & Older People	35,254	35,854	23,903	23,811	(92)
	FAM Families & Children	26,845	26,845	17,897	16,976	(921)
	FRI Friary	0	13,043	8,855	8,752	(103)
	PAN The Pantry	31,350	50,354	33,303	34,675	1,372
	LUN Lunch Clubs	5,550	2,450	1,633	(1,045)	(2,678)
	ANT Grants	88,000	88,000	66,000	72,000	6,000
		<b>432,553</b>	<b>514,023</b>	<b>351,253</b>	<b>340,808</b>	<b>(9,745)</b>
<u>Business</u>	GUI Guildhall	20,437	277,757	209,375	121,591	(87,784)
	CSR Information Centre	203,965	110,531	76,183	65,467	(10,716)
	SHO Shopmobility	0	140,613	95,674	89,623	(6,051)
	MEV Markets & Advertising	147,255	154,594	113,636	79,066	(34,570)
	COM Communications	0	47,928	31,952	31,682	(270)
	MEL Events - Mela	0	7,573	7,573	5,934	(1,639)
	SGD Events - St Georges Day	4,463	4,866	4,866	5,790	924
	FOT Events - Fair on the Square	(7,050)	33,498	33,498	23,803	(9,695)
	AFD Events - Armed Forces Day	4,425	5,421	5,421	2,778	(2,643)
	MIS Events - Miscellaneous	27,050	13,732	9,155	7,118	(2,037)
	LAR Events - Land Rental	(29,743)	(29,085)	(19,368)	(21,955)	(2,587)
	FUT Future Salisbury	49,250	24,747	16,498	0	(16,498)
	TRV Travel Trade	(500)	(500)	(333)	0	333
	WLT Wiltshire Towns	0	34,503	20,702	19,208	(1,494)
	CHF Events - Charter Fair	(21,575)	(17,859)	(17,859)	(16,532)	1,327
	CID Events - City Decoration	28,000	28,000	16,800	500	(16,300)
	CHB Events - Christmas Begins	9,437	9,957	7,585	6,828	(709)
	GRO Events - Grotto	25,487	23,487	14,092	19,520	5,428
	COT Events - Christmas on the Square	(5,263)	8,132	4,879	(7,315)	(12,194)
	FQS Events - Foodie Sunday	(100)	0	0	0	0
	GIF Gift Fair	(2,025)	0			
		<b>453,513</b>	<b>877,895</b>	<b>630,328</b>	<b>433,106</b>	<b>(197,174)</b>
<b>Total revenue cost centres</b>		<b>(210,958)</b>	<b>(21,346)</b>	<b>(2,028,597)</b>	<b>(2,839,502)</b>	<b>(808,157)</b>
'Z' cost centres funded from revenue		0	30,000	30,000	32,036	2,036
<b>Total revenue position (SoRP)</b>		<b>(210,958)</b>	<b>8,655</b>	<b>(1,998,597)</b>	<b>(2,807,466)</b>	<b>(806,121)</b>

# Appendix B

## Salisbury City Council Budget Monitoring Period 8 (end of November)

Cost Centre	Dept		FULL YEAR BUDGET BEFORE ADJUSTMENTS	FULL YEAR BUDGET AFTER ADJUSTMENTS	PROFILED BUDGET	ACTUAL EXPENDITURE / (INCOME)	VARIANCE £	VARIANCE %
<b>RECURRING</b>								
Z12	ENV	Urban Tree Challenge		-		8,000	8,000	
<b>PROJECTS - B/F FROM 2024/25</b>								
Z32	ENV	Rowbarrow s.106		171,065	171,065	114,235	(56,830)	(33%)
Z55	ENV	Crematorium Wall		49,381	49,381	31,773	(17,608)	(36%)
<b>PROJECTS - NEW</b>								
Z13	ENV	Wyndham Park Wall	85,000	85,000			0	
Z16	ENV	Depot De-watering bay	150,000	150,000	-	11,500	11,500	
Z45	ENV	Poultry Cross urgent renovation		30,000	30,000	24,036	(5,964)	(20%)
Z59	ENV	QE Gardens Bridges s.106				3,500	3,500	
Z57	ENV	River Park tractor		75,000	-		0	
							0	
							0	
			235,000	560,446	250,446	193,044	(57,402)	
		Funded from Capital receipts pot	150,000	199,381	49,381	43,273	(6,108)	
		Funded from S.106 pot	0	246,065	171,065	117,735	(53,330)	
		Funded from CIL pot	85,000	85,000	0	0	0	
		Funded from Revenue	0	30,000	30,000	32,036	2,036	

# Appendix C

## Salisbury City Council Budget Monitoring Period 8 (end of November)

### Revenue Budget Variances over £50,000

Cost Centre	Dept	Code	Description	FULL YEAR BUDGET BEFORE ADJUSTMENTS	FULL YEAR OPENING BUDGET AFTER ADJUSTMENTS	PROFILED BUDGET	ACTUAL EXPENDITURE / (INCOME)	VARIANCE £	VARIANCE %
CRM	ENV	71001	Cremation Income	(1,166,235)	(1,250,235)	(833,490)	(773,354)	60,136	(7%)
FAC	ENV	20005	Dilapidations				(150,000)	(150,000)	
FIN	GEN	52999	Irrecoverable VAT	130,000	30,000	-	(99,150)	(99,150)	

### Project Budget Variances over £50,000

Cost Centre	Dept	Description	FULL YEAR OPENING BUDGET AFTER ADJUSTMENTS	PROFILED BUDGET	ACTUAL EXPENDITURE / (INCOME)	VARIANCE £	VARIANCE %
Z32	ENV	Rowbarrow s.106	171,065	171,065	114,235	(56,830)	(33%)