

SALISBURY CITY COUNCIL

Report

Subject: Budget Monitoring Report for 2025/26 to the end of August 2025
Committee: Commercial Committee
Date: 27 October 2025
Author: Matt Hine, Head of Business Operations

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. As part of our continuous improvements of financial reporting the RFO has worked with budget holders to revise the cost centre structure. The main changes from last year are:

- Additional 3 cost centres for Commercial Services (Shopmobility, Communications, Mela event)
- Suspension of 2 cost centres pending further consideration of their future (Foodie Sunday, Gift Fair)

- 4.2. The complete list of service cost centres overseen by this Committee is provided in **Appendix A**. Previously these have been reported to the Events, Markets & Grants Committee.
- 4.3. 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.
- 4.4. 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 Commercial Committee cost centres, showing variance from approved budget. All material variances over £20,000 are listed in **Appendix B**.

Guildhall Indoor Income (GUI BUS 72009)

- 5.4. This variance can be attributed to the Q1 performance due to the Consulate booking and an increase in regular income from the existing client base. Q2 has been in line with last year, meaning this variance will continue through Q3.

Guildhall Land Rental (GUI BUS 73002)

- 5.5. Variance caused by miscoding. Income had been attributed here that belonged to GUIBUS 72010 Market Square Licences. This has been rectified and will appear correctly on the next monthly report. Market Square Licences is performing as expected.

Information Ticket Sales (CSR BUS 45016)

- 5.6. As previously reported SCC currently holds five quarters value of Bus ticket sale whilst a VAT clarification is being discussed. It is expected that this variance will be adjusted and fall of the report by year end.

Markets Salaries (MEV BUS 10001)

- 5.7. This variance is attributed the under payment in salary due to the removal of the cash collector posts, the reduction in salary for the Markets officer and the yet to be appointed Market assistant post. MA post interview round two to take place late October, small underspend expected by year end.

Markets Dilapidations (MEV BUS 20005)

- 5.8. The £26k apparent underspend in Appendix B is an accounting accrual adjustment from 2024/25. It represents the estimated liability for settling a dilapidations liability claim regarding a unit at the old Council depot in Harnham. This adjustment will be cleared when the dispute is finally settled and any resulting invoice is paid. For future reference this item is better discussed with Environments.

6. **Explanation of significant Project variances**

- 6.1. There are no one-off projects overseen by this Committee.

7. **Recommendations:**

- 7.1. The Committee notes the financial position as of the end of August and Officers' explanation for the variances.

8. **Background Papers:**

None.

9. **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.

Appendix A

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

Commercial Committee REVENUE Cost Centres

| Cost Centre | | FULL YEAR BUDGET BEFORE ADJUSTMENTS | FULL YEAR BUDGET AFTER ADJUSTMENTS | PROFILED BUDGET | ACTUAL NET EXPENDITURE / (INCOME) | VARIANCE £ |
|-------------|------------------------------------|-------------------------------------|------------------------------------|-----------------|-----------------------------------|------------|
| GUI | Guildhall | 20,437 | 258,247 | 155,615 | 108,474 | (47,141) |
| CSR | Information Centre & ShopMobility | 203,965 | 123,621 | 53,069 | (15,298) | (68,367) |
| SHO | Shopmobility | 0 | 133,223 | 58,142 | 54,467 | (3,675) |
| MEV | Markets & Advertising | 147,255 | 134,814 | 65,014 | 11,367 | (53,647) |
| COM | Communications | 0 | 50,928 | 21,220 | 20,882 | (338) |
| MEL | Events - Mela | 0 | 6,450 | 6,450 | 5,934 | (516) |
| SGD | Events - St Georges Day | 4,462 | 6,592 | 6,592 | 5,790 | (802) |
| FOT | Events - Fair on the Square | (7,051) | 12,149 | 9,719 | 12,339 | 2,620 |
| AFD | Events - Armed Forces Day | 4,425 | 6,245 | 6,245 | 2,778 | (3,467) |
| MIS | Events - Miscellaneous | 27,050 | 30,050 | 12,521 | 4,811 | (7,710) |
| LAR | Events - Land Rental | (29,743) | (29,085) | (12,064) | (15,046) | (2,982) |
| FUT | Future Salisbury | 49,250 | 24,747 | 10,311 | 0 | (10,311) |
| TRV | Travel Trade | (500) | (500) | (208) | 0 | 208 |
| WLT | Wiltshire Towns | 0 | 34,503 | (35,000) | (23,384) | 11,616 |
| CHF | Events - Charter Fair * | (21,575) | (17,505) | 470 | 1,067 | 597 |
| CID | Events - City Decoration * | 28,000 | 28,000 | 0 | 0 | 0 |
| CHB | Events - Christmas Begins * | 9,437 | 11,457 | 470 | 470 | 0 |
| GRO | Events - Grotto * | 25,487 | 32,787 | 0 | (212) | (212) |
| COT | Events - Christmas on the Square * | (5,263) | (2,938) | 0 | 144 | 144 |
| FOS | Events - Foodie Sunday | (100) | 0 | 0 | 0 | 0 |
| GIF | Gift Fair | (2,025) | 0 | | | 0 |
| | | 453,511 | 843,785 | 358,565 | 174,583 | (183,982) |

Appendix B

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

Commercial Committee Detailed Revenue Variances over £20k

| Cost Centre | Description | Code | Description | Full year Budget £ | Profiled Budget £ | Actual £ | Variances £ | Variance % |
|-------------|--------------------|-------|-------------------------|-----------------------|-------------------|-------------|----------------|---------------|
| GUI | Guildhall | 72009 | GH Hire of Inside Areas | (134,375) | (55,990) | (80,788) | (24,798) | 44% |
| GUI | Guildhall | 73002 | Land Rental | (2,500) | (1,042) | (21,214) | (20,172) | 1937% |
| CSR | Information Centre | 45016 | Ticket Sales | 50,000 | 20,833 | (27,237) | (48,070) | (231%) |
| MEV | Markets | 10001 | Salary Costs | 259,282 | 108,034 | 83,649 | (24,385) | (23%) |
| MEV | Markets | 20005 | Dilapidations | | | (26,000) | (26,000) | |
| FOT | Fair on the Square | 73002 | Land Rental | | | (20,420) | (20,420) | |