COMMITTEE REPORT

SALISBURY CITY COUNCIL

Subject:	*Budget Monitoring Outturn Report for 2025/26 to the year-end*
Committee:	*Commercial Services*
Item Number:	*10*
Date:	*6 July 2026*
Author:	*Matt Hine, Head of Business*
Report status:	*Noting*
Confidential / Exempt:	*No*

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 the whole of the financial year 2025/26. Any budget heading showing variances over £50,000 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.

1.3. The Finance Committee and Full Council also considered this information at their June 2026 meetings as part of their council-wide outturn reviews.

2. Recommendations

It is recommended that the Committee:

2.1 Notes the outturn financial position at the year-end.

3. Background

3.1 The budget monitoring reports for the Council are appended to this report – see **Appendices A and B**.

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. Explanation of significant Revenue variances

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 large variances up to £50,000 if considered of particular corporate importance.

4.3. **Appendix A** sets out the year-end results for the Commercial Services Committee cost centres, showing variance from approved budget. The largest variances over £20,000 are listed in **Appendix B**.

4.4. The Committee should note that, further to a change in the Committee terms of reference and management reporting lines, the Crematorium and Cemeteries cost centre (CRM) will be included in this Committee's reports for 2026/27. For completeness its 2025/26 outturn performance was reported to the Environment Committee last month.

<u>Guildhall Estate costs (GUI 20020)</u>

4.5 This variance was caused by a virement late in year. The Operations Manager wished to request a carryover for the supplementation of the Guildhall Redecoration works in Q4 26/27 from the large, overachieved revenue in the GUI income budget. Carryovers must come from expenditure budgets, not income budgets therefore £41k was moved from income to this budget line. This carryover was rejected by the CEO, so the money remained unspent and un-vired, presenting a variance. The original £5k this budget line began with was spent.

<u>Markets Salaries (MEV 10001 – 10004)</u>

4.6 Given the constraints of our payroll provider, the salaries, national insurance and pensions budgets on MEV cover more than just the Markets team. For example, the Head of Service and Events team's costs are also charged to MEV.

4.7 As indicated in **Appendix B** the salaries/NI/Pensions underspend on MEV cost centre totalled almost £53k (16%). This was due to reductions in salary expenditure for the financial year .Markets have been operating without dedicated cash collectors in 25/26 This task is now performed by a combination of Guildhall and BTSO staff . The dedicated Market Assistant post has not been recruited to and a large proportion of this underspend can be attributed to that . (Please note this position will change in 26/27 so budgets will be more in line with budgetary expectations)

<u>Future Salisbury (FUT various)</u>

4.8 The expenditure budgets on this cost centre underspent by £44k (90%), which more than offset the non-achievement of the £28k budgeted contribution from partner organisations. This budget pre dates the arrival of the current Head of Business and was attached to a grant that SCC no longer receives.

5. Explanation of significant Project variances

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

6. Implications

Implication Area	Impact	Comments / Mitigation
Financial	Medium	The Council's financial outturn position directly impacts upon its available funds and the achievability of its medium term financial plan objectives. Significant over-spends or under-achievement of planned surpluses could prevent planned activities, lead to liquidity problems, service cuts and even insolvency.
Legal	Low	Significant budget overspends and year-end losses can only be met from general reserves which, if seriously depleted can result in unlawful expenditure.
Personnel	Low	The recent Job Evaluation exercise has updated every officer's job description and re-graded posts to recognise their financial responsibilities where applicable. SMT is looking into introducing more robust appraisals and performance management which will improve accountability and should strengthen financial grip.

7. Appendices / Background Papers

7.1 Appendix A – Year end outturn results for Commercial Services

7.2 Appendix B – Year end variances over £20,000

Appendix A

Salisbury City Council Budget Monitoring 2025/26 Period 12 Outturn

Commercial Services Committee REVENUE Cost Centres

Cost Centre		FULL YEAR BUDGET AFTER ADJUSTMENTS	ACTUAL NET EXPENDITURE / (INCOME)	VARIANCE £
GUI	Guildhall	281,089	259,939	(21,150)
MEV	Markets & Advertising	159,116	161,789	2,673
SHO	Shopmobility	138,779	140,382	1,603
CSR	Information Centre & ShopMobility	110,781	107,429	(3,352)
COM	Communications	53,908	57,981	4,073
WLT	Wiltshire Towns	34,503	25,166	(9,337)
CID	Events - City Decoration	28,000	26,560	(1,440)
FOT	Events - Fair on the Square	27,498	35,661	8,163
GRO	Events - Grotto	23,249	20,703	(2,546)
FUT	Future Salisbury	21,247	5,180	(16,067)
MIS	Events - Miscellaneous	19,732	14,277	(5,455)
CHB	Events - Christmas Begins	9,957	7,223	(2,734)
COT	Events - Christmas on the Square	8,225	12,895	4,670
MEL	Events - Mela	7,573	6,040	(1,533)
SGD	Events - St Georges Day	5,261	6,079	818
AFD	Events - Armed Forces Day	4,169	2,940	(1,229)
FOS	Events - Foodie Sunday	0	0	0
GIF	Gift Fair	0		
TRV	Travel Trade	(500)	0	500
CHF	Events - Charter Fair	(17,859)	(17,566)	293
LAR	Events - Land Rental	(29,085)	(28,234)	851
		885,643	844,444	(41,198)

Appendix B

Salisbury City Council Budget Monitoring 2025/26 Period 12 Outturn							
Commercial Services Committee REVENUE Cost Centres							
Cost Centre	Description	Code	Description	Full year Budget £	Actual £	Variances £	Variance %
GUI	Guildhall	20020	Guildhall Estate costs	46,000	4,000	(42,000)	(91%)
MEV	Markets	10001 - 10004	Salary Costs	324,777	271,785	(52,992)	(16%)
FUT	Future Salisbury	Various	Expenditure budgets	49,447	5,180	(44,267)	(90%)
FUT	Future Salisbury	72016	Contributions from Partner Organisations	(28,200)	0	28,200	100%