

# COMMITTEE REPORT

|                               |                                                               |
|-------------------------------|---------------------------------------------------------------|
| <b>Subject:</b>               | <i>Budget Monitoring Report for 2026/27 to the end of May</i> |
| <b>Committee:</b>             | <i>Full Council</i>                                           |
| <b>Item Number:</b>           | <i>12</i>                                                     |
| <b>Date:</b>                  | <i>13 July 2026</i>                                           |
| <b>Author:</b>                | <i>Steve Bishop, Responsible Finance Officer (RFO)</i>        |
| <b>Report status:</b>         | <i>Noting</i>                                                 |
| <b>Confidential / Exempt:</b> | <i>No</i>                                                     |

## 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 the period April and May of the financial year 2026/27. 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. This budget monitoring report covers only the first two months of the financial year to the end of May and shows a councilwide overspend of £107k. This early in the year there are still several large year-end transactions distorting the true position and subsequent reports will become increasingly more reliable as predictors for the year-end.

## 2. Recommendations

It is recommended that the Council:

- 2.1 Notes the financial position at the end of May.

## 3. Background

- 3.1 The budget monitoring reports for the Council are 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 budget monitoring reports are appended and explained below:

3.4 **Appendix A** sets out the full council-wide May-end revenue budget monitoring position for all 55 Council cost centres.

3.5 **Appendix B** provides the equivalent high level budget monitoring information for the small number of project cost centres which were funded from revenue and non-revenue sources (previously called the 'capital programme').

3.6 **Appendix C** provides the May-end reserves position, taking into account the funding of projects in **Appendix B** and all other movements in the year.

## 4. Changes in Cost Centres

4.1 As part of the continual evolution of our accounting structures to reflect operational changes, there have been several changes in cost centres.

4.2 Two new cost centres have been added to the General department. '**800**' is a new cost centre to keep track of the Council's 'Salisbury 800' celebration transactions. '**801**' is a subsidiary cost centre, to be used to keep track of any donor funds intended for the celebrations, so that we can provide transparent monitoring of the uses of such money.

4.3 '**ITP**' in the Corporate Department is a new cost centre to keep track of IT Projects.

4.4 The cost centre '**MEL**' which covers the annual Mela event has moved from Business to Communities as the Communities team will be organising it from this year.

4.5 The Crematorium now reports to the Head of Business rather than the Head of Environment, hence the '**CRM**' cost centre has similarly moved.

## 5 Explanation of Revenue variances over £50,000

5.1 **Appendix A** sets out the year-end outturn budget variances at cost centre level. Where individual budget line variances exceed £50,000 or are considered sufficiently significant to warrant mention they are explained below.

### Finance accrued income error

5.2 The RFO erroneously accrued for £60k quarter 4 car parking income at the end of 2025/26 which has to be reversed in 2026/27. Rather than leave this on the CAR cost centre in

Environment and distort its budget monitoring throughout this year, the RFO has transferred the entry to the FIN cost centre, where he can be accountable for it and explain it.

#### Streetscene Vehicle Leasing

- 5.3 There is a £31k overspend variance for vehicle leasing. Officers believe this is purely a profiling error, which will be corrected by next monitoring report.

#### Camping & Caravan Site Income

- 5.4 **Appendix A** shows that the CCC cost centre has a £61k overspend. This is mostly due to waiting for last year's accrued income to be received. This will clear in P3 (June).

#### Cremation Income

- 5.5 The Crematorium's main income stream performed below target in the first two months of the year, resulting in the £39k under-achievement. Officers are keeping a close watching brief on this important area of the Council. Income levels are expected to rise this year.

#### Market Waste Disposal

- 5.6 The waste disposal costs for Markets are showing a £32k underspend. This is due to multiple invoices from the waste contractor being disputed since January. Most of the disputes have been resolved, such that this variance will reduce significantly in P4 (July).

#### Parks and Open Spaces

- 5.7 The £59k underspend on Parks is made up of several variances. Tree Surgery works are never scheduled to take place this early in the year and officers will provide better budget profiles to reflect that. Payroll costs are down because of a vacancy which has now been filled.

### **6. Explanation of Council-wide Project variances over £50,000**

- 6.1. This early in the year it is no surprise that there are no significant project variances.

### **7. Implications**

| Implication Area | Impact | Comments / Mitigation                                                                                                                                                                                                                                                                                            |
|------------------|--------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Financial        | Medium | The Council's financial 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.                                                                                                                                                         |

|                  |     |                                                                                                                                                                                                                                                                                                                              |
|------------------|-----|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Personnel</b> | 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. |
|------------------|-----|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

## **8. Appendices / Background Papers**

- 8.1 Appendix A – summary council-wide Revenue budget statement
- 8.2 Appendix B – summary council-wide Projects budget statement
- 8.3 Appendix C – 31 May 2026 Reserves position

# Appendix A

## Salisbury City Council Budget Monitoring 2026/27 Period 2 May

| 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                      | (6,227,742)                         | (6,058,502)                                | (3,114,809)        | (3,124,821)                       | (10,013)       |
|                                      | 800 Salisbury 800                      | 0                                   | 15,000                                     | 2,500              | 2,875                             | 375            |
|                                      | 801 Salisbury 800 (MP)                 | 0                                   | 0                                          | 0                  | 0                                 | 0              |
|                                      | HRP Human Resources & Payroll          | 271,217                             | 271,789                                    | 45,298             | 34,377                            | (10,921)       |
|                                      | FIN Finance                            | 344,977                             | 333,242                                    | 55,540             | 115,696                           | 60,156         |
|                                      | PWL Public Works Loans                 | 274,480                             | 274,480                                    | 0                  | 0                                 | 0              |
|                                      |                                        | (5,337,068)                         | (5,163,991)                                | (3,011,470)        | (2,971,873)                       | 39,597         |
| <u>Corporate</u>                     | DEM Corporate - Councillors            | 81,645                              | 81,645                                     | 13,608             | 15,480                            | 1,872          |
|                                      | CMC Civic & Mayoral                    | 43,748                              | 27,968                                     | 4,245              | 7,924                             | 3,679          |
|                                      | ITT Information Technology & Telephony | 349,812                             | 270,465                                    | 42,911             | 30,440                            | (12,471)       |
|                                      | ITP IT Projects                        | 0                                   | 45,000                                     | 7,500              | 1,589                             | (5,911)        |
|                                      | OFF Corporate - Officers               | 235,979                             | 277,479                                    | 46,247             | 48,282                            | 2,036          |
|                                      |                                        | 711,184                             | 702,557                                    | 114,510            | 103,714                           | (10,795)       |
| <u>Environmental</u>                 | CRP Investment Properties              | (101,495)                           | (220,427)                                  | (36,738)           | (29,378)                          | 7,360          |
|                                      | CTV Closed Circuit Television          | 130,347                             | 140,347                                    | 23,391             | 21,623                            | (1,768)        |
|                                      | FAC Facilities                         | 470,522                             | 462,450                                    | 39,863             | 32,171                            | (7,692)        |
|                                      | LBT Lower Bemerton Trust               | 6,435                               | 6,435                                      | 3,073              | 16,515                            | 13,443         |
|                                      | POS Parks & Open Spaces                | 1,496,978                           | 1,536,170                                  | 272,278            | 212,473                           | (59,805)       |
|                                      | ALL Allotments                         | 7,036                               | (754)                                      | (126)              | 12,001                            | 12,127         |
|                                      | PWC Public Conveniences                | 160,789                             | 157,500                                    | 26,250             | 43,960                            | 17,710         |
|                                      | SSS Street Scene                       | 1,223,723                           | 1,229,402                                  | 204,900            | 240,662                           | 35,762         |
|                                      | CAR Car Parks                          | (182,409)                           | (217,022)                                  | 9,271              | 10,445                            | 1,174          |
|                                      | CCC Camping & Caravan Club             | (83,116)                            | (68,829)                                   | 3,862              | 65,064                            | 61,202         |
|                                      | PAV Pavilions                          | 63,015                              | 55,654                                     | 9,276              | 9,029                             | (247)          |
|                                      | DEP Depot                              | 151,430                             | 173,726                                    | 28,954             | 31,859                            | 2,905          |
|                                      |                                        | 3,343,255                           | 3,254,652                                  | 584,254            | 666,425                           | 82,171         |
| <u>Communities</u>                   | BHC Communities                        | 290,169                             | 295,310                                    | 49,218             | 42,903                            | (6,315)        |
|                                      | YOU Communities - Youth                | 23,370                              | 19,845                                     | 3,308              | 2,460                             | (848)          |
|                                      | EVE Communities - Events               | 13,482                              | 11,332                                     | 1,889              | 1,500                             | (389)          |
|                                      | SPO Communities - Sports               | 2,230                               | 1,730                                      | 288                | 1,420                             | 1,132          |
|                                      | PRO Communities - Projects             | 39,002                              | 35,452                                     | 5,909              | 6,401                             | 492            |
|                                      | AOP Adults & Older People              | 37,165                              | 37,165                                     | 6,194              | 6,611                             | 417            |
|                                      | FAM Families & Children                | 4,850                               | 4,350                                      | 725                | 5,259                             | 4,534          |
|                                      | FRI Friary                             | 9,661                               | 13,817                                     | 2,303              | 691                               | (1,612)        |
|                                      | PAN The Pantry                         | 75,414                              | 96,290                                     | 16,048             | 10,067                            | (5,982)        |
|                                      | LUN Lunch Clubs                        | 5,009                               | 1,309                                      | 218                | (15)                              | (233)          |
|                                      | MEL Events - Mela                      | 6,450                               | 6,250                                      | 6,250              | 0                                 | (6,250)        |
|                                      | ANT Grants                             | 138,000                             | 154,000                                    | 0                  | 0                                 | 0              |
|                                      |                                        | 644,802                             | 676,850                                    | 92,350             | 77,296                            | (15,054)       |
| <u>Business</u>                      | GUI Guildhall                          | 171,286                             | 180,317                                    | 29,886             | 36,577                            | 6,691          |
|                                      | CRM Crematorium                        | (644,961)                           | (657,581)                                  | (109,597)          | (65,756)                          | 43,841         |
|                                      | CSR Information Centre                 | 157,384                             | 148,043                                    | 24,749             | 19,760                            | (4,990)        |
|                                      | SHO Shopmobility                       | 144,995                             | 142,847                                    | 23,808             | 27,894                            | 4,087          |
|                                      | MEV Markets & Advertising              | 154,548                             | 161,543                                    | 26,924             | (6,598)                           | (33,522)       |
|                                      | COM Communications                     | 49,702                              | 54,252                                     | 9,042              | 6,753                             | (2,289)        |
|                                      | MEL Events - Mela                      | 7,585                               | 8,145                                      | 8,145              | 5,193                             | (2,952)        |
|                                      | SGD Events - St Georges Day            | 4,636                               | 4,636                                      | 927                | 3,129                             | 2,202          |
|                                      | FOT Events - Fair on the Square        | 6,154                               | 5,214                                      | 1,667              | (59)                              | (1,725)        |
|                                      | AFD Events - Armed Forces Day          | 1,480                               | (1,020)                                    | 72                 | (1,496)                           | (1,567)        |
|                                      | MIS Events - Miscellaneous             | (37,195)                            | (37,853)                                   | (6,309)            | (5,513)                           | 796            |
|                                      | LAR Events - Land Rental               | 497                                 | (3,553)                                    | (592)              | 0                                 | 592            |
|                                      | FUT Future Salisbury                   | (500)                               | (500)                                      | (83)               | 0                                 | 83             |
|                                      | TRV Travel Trade                       | 29,503                              | 29,503                                     | 0                  | 0                                 | 0              |
|                                      | WLT Wiltshire Towns                    | (20,613)                            | (21,173)                                   | 484                | 1,420                             | 936            |
|                                      | CHF Events - Charter Fair              | 30,000                              | 30,450                                     | 0                  | 0                                 | 0              |
|                                      | CID Events - City Decoration           | 14,220                              | 13,420                                     | 484                | 760                               | 276            |
|                                      | CHB Events - Christmas Begins          | 18,484                              | 8,924                                      | 0                  | 0                                 | 0              |
|                                      | GRO Events - Grotto                    | (1,423)                             | 4,577                                      | 0                  | 0                                 | 0              |
|                                      | COT Events - Christmas on the Square   | (2,000)                             | (2,000)                                    | 0                  | 0                                 | 0              |
|                                      |                                        | 83,782                              | 68,191                                     | 9,606              | 22,066                            | 12,460         |
| <b>Total revenue cost centres</b>    |                                        | <b>(554,045)</b>                    | <b>(461,741)</b>                           | <b>(2,210,750)</b> | <b>(2,102,372)</b>                | <b>108,379</b> |
| 'Z' cost centres funded from revenue |                                        | 612,740                             | 582,500                                    | 10,000             | 9,535                             | (465)          |
| <b>Total revenue position (SoRP)</b> |                                        | <b>58,695</b>                       | <b>120,759</b>                             | <b>(2,200,750)</b> | <b>(2,092,837)</b>                | <b>107,914</b> |

|              |                                       |         |
|--------------|---------------------------------------|---------|
| <b>NOTE:</b> | CIL income received in year (70005)   | (1,438) |
|              | S.106 income received in year (70003) |         |
|              | Capital receipts in year (73009)      |         |
|              | Total balance sheet income            | (1,438) |

|                       |                            |             |
|-----------------------|----------------------------|-------------|
| <b>RECONCILIATION</b> | Total revenue cost centres | (2,102,372) |
|                       | Total balance sheet income | (1,438)     |
|                       | Total project cost centres | 60,669      |
|                       | Total reported             | (2,043,141) |
|                       | Total ledger 10001 - 79999 | (2,043,141) |
|                       | Difference                 | 0           |

# Appendix B

## Salisbury City Council Budget Monitoring 2026/27 Period 2

| Cost Centre | Dept |  | FULL YEAR BUDGET<br>AFTER ADJUSTMENTS | PROFILED BUDGET | ACTUAL<br>EXPENDITURE /<br>(INCOME) | VARIANCE<br>£ | VARIANCE<br>% |
|-------------|------|--|---------------------------------------|-----------------|-------------------------------------|---------------|---------------|
|-------------|------|--|---------------------------------------|-----------------|-------------------------------------|---------------|---------------|

### RECURRING

Z12 ENV Urban Tree Challenge

-

### PROJECTS - B/F FROM 2025/26

|     |     |                                 |         |        |        |        |      |
|-----|-----|---------------------------------|---------|--------|--------|--------|------|
| Z16 | ENV | Depot De-watering bay (capital) | 133,515 | 22,253 | 47,373 | 25,121 | 113% |
| Z17 | ENV | Depot De-watering bay (s106)    | 140,000 |        |        | 0      |      |
| Z32 | ENV | Rowbarrow s.106                 | 25,733  |        | 3,761  | 3,761  |      |
| Z57 | ENV | River Park tractor              | 75,000  |        |        | 0      |      |
| Z13 | ENV | Wyndham Park Wall               | 85,000  |        |        | 0      |      |

### PROJECTS - NEW

|         |     |                                      |         |        |       |         |      |
|---------|-----|--------------------------------------|---------|--------|-------|---------|------|
| Z14/Z60 | ENV | Guildhall Banqueting Hall            | 202,500 | 10,000 | 8,900 | (1,100) | (1%) |
| Z63     | ENV | Market Place Toilet refurbishment    | 270,000 |        | 635   | 635     | 0%   |
| Z64     | ENV | Central Toilets refurbishment        | 40,000  |        |       | 0       | 0%   |
| Z61     | BUS | Car-free days pilot                  | 40000   |        |       | 0       | 0%   |
| Z62     | ENV | Depot Solar & Battery Storage (rev)  | 30000   |        |       | 0       | 0%   |
| Z59     | ENV | QE Gardens Bridges s.106             | 39,830  |        |       | 0       | 0%   |
| Z15     | ENV | Depot Solar & Battery Storage (s106) | 119,562 |        |       | 0       | 0%   |

|           |        |        |        |
|-----------|--------|--------|--------|
| 1,201,140 | 32,253 | 60,669 | 28,417 |
|-----------|--------|--------|--------|

|                                  |         |        |        |        |     |
|----------------------------------|---------|--------|--------|--------|-----|
| Funded from Capital receipts pot | 253,077 | 22,253 | 47,373 | 25,121 | 10% |
| Funded from S.106 pot            | 280,563 | 0      | 3,761  | 3,761  | 1%  |
| Funded from CIL pot              | 85,000  | 0      | 0      | 0      | 0%  |

|                     |         |       |       |
|---------------------|---------|-------|-------|
| Funded from Revenue | 582,500 | 9,535 | (465) |
|---------------------|---------|-------|-------|

Appendix C  
Salisbury City Council Reserves (AGAR)

