COMMITTEE REPORT

Subject:	*Budget Monitoring Report for 2026/27 to the end of July (P4)*
Committee	*Governance, Policy & HR Committee*
Item Number:	*8*
Date:	*5 October 2026*
Author:	*Janine Whitty, Head of Corporate & Deputy Chief Executive Officer* *Tracy Adams, Head of HR & Payroll*
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 period to the end of July 2026. 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.

2. Recommendations

It is recommended that the Committee:

2.1 Notes the Committee's financial position at the end of July.

3. Background

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. 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 July-end results for the Committee cost centres, which appear underspent by £6k. There is only one variance over £20k which is explained below:

Software Licences (ITT COR 44005)

4.4 SCC is currently implementing a new Council wide platform called Abavus. Over time, this system will replace ageing, bespoke systems that do not integrate with one united cloud based workflow platform. This will provide future savings across multiple departments. The £20k overspend on software licences is due to the purchase of Abavus. This has recently been partially fixed by an agreed £16,000 virement from the DEP ENV 44005, which is another software licence budget. In addition, £8,000 for staff training to support the roll out of the system is due to be covered by the staff training budget.

5. Explanation of significant Project variances

5.1 This Committee does not currently oversee any projects.

6. 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 impact services delivered to residents, prevent planned activities, lead to liquidity problems, service cuts and even insolvency.
Legal	Low	Significant budget overspends and losses can only be met from general reserves which, if seriously depleted can result in unlawful expenditure.
Risk	Medium	Financial discipline (or lack thereof) is a major factor in the success or failure of the Council's medium term financial plan and its service delivery objectives. Effective budget monitoring should give early warnings, enabling corrective action to be taken to keep plans on-track.
Personnel	Low	The recent Job Evaluation exercise has updated officer job descriptions and, where applicable, clarified financial responsibilities within roles. Where managers identify areas for development, clarification, or support, these should be raised with Finance so that any gaps in budget understanding, monitoring or forecasting can be addressed.
Environmental Impact	Low	The approved annual budget and medium-term financial plan presume that services are delivered in compliance with the Council's environmental objectives. Annual budget bids, in-

		year virements and other mechanisms are available to address any changes in environmental conditions.
Equalities Impact Statement	None	No known impacts at this time.
Community / Public Impact	Medium	Budgets are tools to assist the Council to deliver its planned services. The purpose of this report is to highlight potential problems area sufficiently early to enable corrective action to be taken to avoid adverse impacts on service delivery to communities and the public.
Procurement / Contractual	Medium	The approved annual budget and medium-term financial plan presume that the financial impact of any contract changes have been factored in. (Low impact) Annual budget bids, in-year virements and other mechanisms are available to address the financial impact of procurement and contract decisions.
Property / Asset	Low	The approved annual budget and medium-term financial plan presume that teams have sufficient resources, including the necessary property/assets to deliver their services. Annual budget bids, in-year virements and other mechanisms are available to address any property/asset requirements.
Data Protection	None	Not relevant

7. Appendices / Background Papers

7.1 Appendix A – Revenue Cost Centres

Appendix A

Salisbury City Council Budget Monitoring 2026/27 Period 4 July

Cost Centre		FULL YEAR BUDGET BEFORE ADJUSTMENTS	FULL YEAR BUDGET AFTER ADJUSTMENTS	PROFILED BUDGET	ACTUAL NET EXPENDITURE / (INCOME)	VARIANCE £
EST	Chief Executive's Office	(6,227,742)	(6,099,460)	(3,099,865)	(3,098,385)	1,480
800	Salisbury 800	0	15,000	5,000	5,615	615
HRP	Human Resources & Payroll	271,217	272,403	77,274	77,896	621
DEM	Corporate - Councillors	94,015	81,645	29,115	23,903	(5,212)
CMC	Civic & Mayoral	43,248	28,648	10,563	13,989	3,425
ITT	Information Technology & Telephony	349,812	256,250	85,417	92,505	7,089
ITP	IT Projects	0	45,000	15,000	7,654	(7,346)
OFF	Corporate - Officers	235,979	271,155	90,385	83,271	(7,114)
		(5,233,471)	(5,129,359)	(2,787,111)	(2,793,552)	(6,441)