COMMITTEE REPORT

Subject:	*Budget Monitoring Report for 2026/27 to the end of May*
Committee:	*Governance, Policy & HR Committee*
Item Number:	*9*
Date:	*27 July 2026*
Author:	*Steve Bishop, Responsible Finance Officer (RFO)*
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 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 that this Committee's cost centres were £31k underspent.

2. Recommendations

It is recommended that the Committee:

2.1 Notes the financial position at the end of May.

3. Background

3.1 The budget monitoring report for the Council 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)**

3.3 **Appendix A** sets out the May-end budget monitoring positions for the Committee’s nine cost centres.

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.

5 Explanation of Revenue variances over £20,000

5.1 **Appendix A** sets out the May-end outturn budget variances at cost centre level. There are no individual budget line variances exceeding £20,000.

6. Explanation of Project variances over £20,000

6.1. This Committee is not responsible for any Council projects.

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.
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.

8. Appendices / Background Papers

8.1 Appendix A – summary May-end Revenue budget statement

Appendix A

Salisbury City Council 2026/27 budget monitoring report to 31 May 2026						
Governance, Policy & HR Committee REVENUE Cost Centres						
Cost Centre		FULL YEAR BUDGET BEFORE ADJUSTMENTS	FULL YEAR BUDGET AFTER ADJUSTMENTS	PROFILED BUDGET	ACTUAL NET EXPENDITURE / (INCOME)	VARIANCE £
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 (donations)	0	0	0	0	0
HRP	Human Resources & Payroll	271,217	271,789	45,298	34,377	(10,921)
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
		(5,245,341)	(5,069,156)	(2,952,501)	(2,983,855)	(31,354)