

SALISBURY CITY COUNCIL

Subject : Budget Monitoring Report for 2025/26 to the end of January 2026
Committee : Governance, Policy & HR Committee
Date : 23 March 2026
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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 January 2026. 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. 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 January-end results for the Governance, Policy & HR Committee cost centres, showing variance from approved budget. All material variances over £25,000 are listed in **Appendix B**.

Software Licences (ITT COR 44005)

- 4.4. Under-budgeting for 2025/26 has meant insufficient funds allocated for Software Licences. This was identified by the IT Manager early in the financial year and made the Responsible Finance Officer aware of the error. The RFO has since been responsible for helping to identify a suitable one off in year virement to cover the shortfall. This issue has been resolved for 2026/27 through budget bid approval.

Matching Salary & Grants Received (OFF COR 10001 & 70002)

- 4.5. New Bid Officer post was approved in January 2025. However, the post has not been recruited to in 2025/26 whilst awaiting the outcome of the job evaluation project. Due to the post not being appointed to during this financial year it has caused a matching salary underspend and grants under-achievement.

5. Recommendations

- 5.1. The Committee notes the financial position at the end of January and officers' explanation for the variances.

6. Background Papers: None.

7. Implications

Financial: As shown in this report.

Legal: None in relation to this report.

Personnel: None in relation to this report.

Environmental Impact: None in relation to this report.

Equalities Impact Statement: None in relation to this report.

Appendix A

Salisbury City Council 2025/26 budget monitoring report to 31 January 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	(5,682,005)	(5,637,720)	(5,809,390)	(5,814,683)	(5,293)
HRP Human Resources & Payroll	289,749	256,244	207,658	194,355	(13,303)
DEM Corporate - Councillors	130,500	130,145	106,121	98,919	(7,202)
CMC Civic & Mayoral	15,488	19,577	16,763	17,956	1,194
ITT Information Technology & Telephony	303,421	301,018	250,848	274,157	23,309
OFF Corporate - Officers	160,939	227,067	175,889	182,781	6,892
	(4,781,908)	(4,703,669)	(5,052,112)	(5,046,515)	5,597

Appendix B

Salisbury City Council 2025/26 budget monitoring report to 31 January 2026

Governance, Policy & HR Committee Detailed Revenue Variances over £20k

Cost Centre	Description	Code	Description	Full year Budget £	Profiled Budget £	Actual £	Variances £	Variance %
ITT	IT & Telephony	44005	Software Licences	26,000	21,667	46,835	25,168	116%
OFF	Corporate Officer activities	10001	Salary Costs	162,688	135,573	101,378	(34,195)	(25%)
OFF	Corporate Officer activities	70002	Grants Received	(37,500)	(31,250)	0	31,250	(100%)