CLOUDSWITCHED

FREE RESOURCE — BUDGET PLANNER

IT Budget Planning Spreadsheet

Plan and track every line of IT spend — managed support, software licences, security, infrastructure, hardware refresh, projects and contingency — against a 12-month budget. Capture quotes, record actuals monthly, and review variance with your finance team.

8 BUDGET CATEGORIES	**12mo** ANNUAL PLANNING CYCLE	**£** BUDGET VS ACTUAL VARIANCE	**Fillable** TYPE FIGURES IN ANY VIEWER

MANAGED IT · SECURITY · INFRASTRUCTURE · CAPEX

PREPARED FOR	PREPARED BY	VERSION	FORMAT
Cloudswitched Knowledge Library	Cloudswitched Ltd.	2026 Edition	Interactive PDF

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How to use this spreadsheet

Work through each of the seven category tables with your IT lead or your managed service provider. Complete the **annual budget** column from current quotes, contract renewals and historical data. Update the **actual** column at the end of each month from your accounts system. Review the **variance** — the gap between budget and actual — with your finance team at every quarter end.

Carry the category subtotals into the **budget summary** on the back page to see the total annual IT spend and contingency line. Use the notes column on each row to record the supplier, contract end date, renewal lever, or the assumption behind the figure — that context is what makes next year's budget five minutes' work instead of five hours.

WHAT THIS SPREADSHEET COVERS

The full IT cost stack for a UK SME — managed support and vCIO, software licences and subscriptions, security and compliance tooling, infrastructure and connectivity, hardware refresh and capital expenditure, project investment, and the budget summary line including contingency. Every figure cell is fillable in any modern PDF viewer; type directly into the box.

BUDGET BENCHMARKS

UK SMEs typically spend **3–6% of revenue** on IT. For a 50-person services business expect £50,000–£120,000 annually across all categories. Regulated industries (legal, healthcare, financial services) and high-growth firms should plan towards the higher end — particularly on security, compliance and resilience investment.

The seven category tables

- **01 IT Support & Managed Services** — per-user MSP fees, out-of-hours, vCIO.
- **02 Software Licences & Subscriptions** — Microsoft 365, line-of-business, SaaS.
- **03 Security & Compliance** — EDR, email security, backup, Cyber Essentials, pen testing.
- **04 Infrastructure & Connectivity** — leased line, cloud hosting, VoIP, MFP lease.
- **05 Hardware Refresh & CapEx** — laptops, monitors, servers, network kit.
- **06 Projects & Strategic Investment** — one-off transformation budget lines.
- **07 Budget Summary** — category roll-up plus 10–15% contingency line and grand total.

A

Recurring IT spend

Capture the day-in, day-out running cost of IT — the per-user managed support contract and the software licences that keep the lights on. These are the lines most likely to drift between renewals; quote each one before locking the annual budget.

01 IT Support & Managed Services

Per-user MSP fees, out-of-hours cover, on-site visits and vCIO time. Headcount-driven — reconcile against actual user count every quarter.

LINE ITEM	MONTHLY	ANNUAL BUDGET	ACTUAL YTD	VARIANCE	NOTES
Managed IT support *(per-user × headcount)*	£ ______	£ ______	£ ______	£ ______	__________
Out-of-hours support add-on	£ ______	£ ______	£ ______	£ ______	__________
On-site support *(included or extra)*	£ ______	£ ______	£ ______	£ ______	__________
IT consultancy / vCIO time	£ ______	£ ______	£ ______	£ ______	__________
SUBTOTAL — IT SUPPORT	£ ______	£ ______	£ ______	£ ______	

02 Software Licences & Subscriptions

Microsoft 365, design, line-of-business apps, accounting, CRM, project management. Track renewal dates — auto-renewals at inflated list price are the most common variance source here.

LINE ITEM	MONTHLY	ANNUAL BUDGET	ACTUAL YTD	VARIANCE	NOTES
Microsoft 365 licences	£ ______	£ ______	£ ______	£ ______	__________
Adobe Creative Cloud	£ ______	£ ______	£ ______	£ ______	__________
Line-of-business applications	£ ______	£ ______	£ ______	£ ______	__________
Accounting software	£ ______	£ ______	£ ______	£ ______	__________
CRM / sales tools	£ ______	£ ______	£ ______	£ ______	__________
Project management tools	£ ______	£ ______	£ ______	£ ______	__________
SUBTOTAL — SOFTWARE	£ ______	£ ______	£ ______	£ ______	

B

Security & infrastructure

The protective and connective layer — endpoint security, immutable backup, Cyber Essentials, plus the leased line, cloud hosting and phone system the business literally runs over.

03 Security & Compliance

EDR, mail security, backup, awareness training, plus the annual Cyber Essentials certification and pen test. Cyber insurance underwriting reads this row directly.

LINE ITEM	MONTHLY	ANNUAL BUDGET	ACTUAL YTD	VARIANCE	NOTES
Endpoint protection *(EDR)*	£ ______	£ ______	£ ______	£ ______	__________
Email security / anti-phishing	£ ______	£ ______	£ ______	£ ______	__________
Backup solution *(cloud / immutable)*	£ ______	£ ______	£ ______	£ ______	__________
Security awareness training	£ ______	£ ______	£ ______	£ ______	__________
Cyber Essentials certification *(annual)*	*N/A*	£ ______	£ ______	£ ______	Annual
Penetration testing *(annual)*	*N/A*	£ ______	£ ______	£ ______	Annual
SUBTOTAL — SECURITY	£ ______	£ ______	£ ______	£ ______	

04 Infrastructure & Connectivity

Primary internet and failover, cloud hosting (Azure / AWS), domain & DNS, the phone system, plus the multifunction printer / copier lease. Most of these are fixed contract spend with predictable renewal cliffs.

LINE ITEM	MONTHLY	ANNUAL BUDGET	ACTUAL YTD	VARIANCE	NOTES
Primary internet *(leased line / FTTP)*	£ ______	£ ______	£ ______	£ ______	__________
Backup internet *(4G / 5G)*	£ ______	£ ______	£ ______	£ ______	__________
Cloud hosting *(Azure / AWS)*	£ ______	£ ______	£ ______	£ ______	__________
Domain & DNS hosting	£ ______	£ ______	£ ______	£ ______	__________
Phone system *(VoIP / Teams)*	£ ______	£ ______	£ ______	£ ______	__________
Printer / copier lease	£ ______	£ ______	£ ______	£ ______	__________
SUBTOTAL — INFRASTRUCTURE	£ ______	£ ______	£ ______	£ ______	

C

Capital & strategic investment

The lumpy lines — hardware refresh CapEx and one-off transformation projects. Both should map to a documented refresh cycle and a board-approved roadmap respectively; if either is on a wing and a prayer, this page will quickly reveal it.

05 Hardware Refresh & CapEx

Laptop, monitor, server, network and mobile-device refresh cycles. Typical refresh is 3–5 years for laptops; budget on a rolling cohort basis so spend is smooth rather than spiky.

LINE ITEM	QTY	UNIT COST	ANNUAL BUDGET	ACTUAL YTD	VARIANCE
Laptop replacements	______	£ ______	£ ______	£ ______	£ ______
Monitor replacements	______	£ ______	£ ______	£ ______	£ ______
Server replacement / upgrade	______	£ ______	£ ______	£ ______	£ ______
Network equipment *(switches / APs)*	______	£ ______	£ ______	£ ______	£ ______
Mobile devices	______	£ ______	£ ______	£ ______	£ ______
Peripherals & accessories	______	£ ______	£ ______	£ ______	£ ______
SUBTOTAL — HARDWARE			£ ______	£ ______	£ ______

06 Projects & Strategic Investment

One-off transformation lines — an Azure migration, a website rebuild, a network refresh, a SOC pilot. Each project owns a budget and a timeline; the status column tracks where it lands at year-end.

PROJECT	BUDGET	ACTUAL	VARIANCE	TIMELINE	STATUS
__________	£ ______	£ ______	£ ______	__________	__________
__________	£ ______	£ ______	£ ______	__________	__________
__________	£ ______	£ ______	£ ______	__________	__________
__________	£ ______	£ ______	£ ______	__________	__________
SUBTOTAL — PROJECTS	£ ______	£ ______	£ ______		

07

Budget summary

Carry each category subtotal into this roll-up. Add the contingency line (typically **10–15% of operating subtotals**) for unplanned hardware failure, emergency consultancy and contract surprises. The grand total is the figure for the board.

CATEGORY	ANNUAL BUDGET	ACTUAL YTD	VARIANCE	% OF TOTAL
01 — IT Support & Managed Services	£ ______	£ ______	£ ______	______%
02 — Software Licences	£ ______	£ ______	£ ______	______%
03 — Security & Compliance	£ ______	£ ______	£ ______	______%
04 — Infrastructure & Connectivity	£ ______	£ ______	£ ______	______%
05 — Hardware Refresh & CapEx	£ ______	£ ______	£ ______	______%
06 — Projects & Strategic Investment	£ ______	£ ______	£ ______	______%
08 — Contingency *(10–15%)*	£ ______	£ ______	£ ______	______%
GRAND TOTAL	**£ ______**	**£ ______**	**£ ______**	**100%**

Notes & assumptions

PREPARED BY

DATE

APPROVED BY

Need help building or defending your IT budget?

Cloudswitched's vCIO service helps UK SMEs plan, optimise and govern IT spend — quarterly reviews against budget, variance analysis with finance, vendor renewal negotiation, and a forward-looking 12-month roadmap aligned to business priorities.

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cloudswitched.com/services/it-support

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