QUARTER 2 2026/27 General Fund Revenue Variance Analysis (£20k and Above)

SERVICE DEPARTMENTS	Latest Approved Budget	Actuals	Qtr 2 Projected Outturn	Variance	Commentary
REVENUE EXPENDITURE	**£000**	**£000**	**£000**	**£000**	
Financial Services					
Corporate Debt	997	519	1,250	252	£252k adverse variance predominantly due to staffing costs. £206k relating to new posts is to be funded by the carry forward reserves and £22k for temporary staff cover to be funded by the business rate reserves. Smaller variations make up the balance £24k.
Housing Benefits	231	2515	335	104	£104k adverse variance due to lower subsidy claimable from DWP.
Rent Rebates	1,256	153	1,580	325	£325k adverse variance as overall net balance from non-HRA rent rebates of £460k partly offset by favourable rent rebates of (£136k).
Local Government Reorganisation	3	33	94	91	£91k adverse variance for new LGR related posts funded from reserves.
Revenues & Benefits	1,624	874	1,733	109	£75k adverse variance for two Council Tax officer posts, £50k of which is to be funded from reserves. £28k adverse variance for new computer software and system updates. (£21k) favourable variance from HB accuracy award grant funding which offset the need for overtime adverse variance of £20k. Smaller variations make up the balance £7k.
Other cost centres within this service area	1,433	794	1,327	(16)	£16k favourable variance is made up of various smaller variances within the service area.
ICT & Digital Services					
Printing Services	52	110	98	46	£46k adverse variance due to increased printing supplier prices.
Other cost centres within this service area	3,083	2,177	3,085	2	£2k adverse variance is made up of various smaller variances within the service area.
Lifeline & Resilience					
Burstin			65	65	£65k adverse variance for temporary accommodation for displaced residents following a fire.
Grand Burstin - EP			55	55	£55k adverse variance for emergency planning costs following a fire.
Lifeline Facilities	213	(114)	242	30	£49k adverse variance for additional costs to digitalise lifeline equipment, partially offset by £19k favourable grant income to be received.
Other cost centres within this service area	42	7	43	1	£1k adverse variance is made up of various smaller variances within the service area.
Customer Support					
Cemeteries	(167)	(111)	(223)	(56)	£56k variance due to an increased burial income for cemeteries.
Other cost centres within this service area	1,787	855	1,811	25	£25k adverse variance is made up of various smaller variances within the service area.
Communications & Engagement					
Communications & Engagement	340	179	404	64	Net adverse variance of £64k due to new Communication and Engagement staffing (£55k which will be funded by carry forwards) and a £9k adverse variance due to expected increase in costs for an additional version of Your District Today to be offset earmarked reserves.
Democratic Services & Elections					

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Conducting Elections	40		3	(37)	£37k favourable variance due to no by-elections anticipated for the financial year. Underspend to be requested as a carry forward towards 2027/28 District elections expenditure.
Members Allowances & Expenses	451	205	420	(31)	£31k favourable variance driven by lower take up of Special Responsbility Allowance £35k, offset by other minor adverse variances £4k.
Other cost centres within this service area	619	374	612	(6)	£6k favourable variance is made up of various smaller variances within the service area.
Planning & Building Control					
Development Control	(881)	(688)	(922)	(41)	£41k favourable variance due to an increase in income generating from specialist reports and planning applications.
Otterpool(Local Planning Auth)	100	1	51	(49)	£49k favourable variance due to a reduction in expected temporary staff costs.
Development Management	1,799	899	1,945	145	£145k adverse variance for professional fees relating to Otterpool and solar farms, this is offset by the planning performance agreement income.
Climate Change Fees	152	45	234	81	£81k increase due to new staff funded from carry forwards.
Other cost centres within this service area	627	21	623	(4)	£4k favourable variance is made up of various smaller variances within the service area.
Regulatory & Community Services					
Recycling & Waste	895	(461)	826	(68)	£90k favourable variance due to increased Garden Waste Collection income, majority of which has been received in Q1. This is offset by an adverse variance of £22k due to an increased contract indexation cost applied to the estimated contract costs for the year.
On-Street Parking Enforcement	(627)	(319)	(422)	205	£236k adverse variance due to Road of Rememberance cost input, this is to be funded from reserve, £45k favourable variance due to additional income from extended zones and favourable weather conditions increasing demand and usage. Partially offset £14k adverse variance due to the lining and signing works required for the new extended zones.
Hackney Carriage Licensing	(121)	(71)	(99)	22	£22k adverse variance due to increased volume for taxi vehicle complianace checks.
Cleansing	1,905	475	1,932	27	£10k adverse variance due to required expenditure for asbestos clearance. Additional adverse variance of £17k due to an increased contract indexation cost applied to the estimated contract costs for the year.
Pollution Reduction	57	12	35	(22)	£22k favourable variance due to a reduction in costs associated with Princes Parade.
Env Protection	729	328	820	91	£91k variance for new staffing posts which are funded by carry forwards.
Waste Contract		(146)	(137)	(137)	£137k favourable variance as a result of the reflection of the reversal of the 2022-24 indexation error accrual. Confirmation received that the outstanding balance will not be payable in return for prompt settlement of the agreed amount, resulting in a favourable variance.
Community Grants	96	113	149	53	Contribution to community and youth projects including the Charivari event and Dame Kelly Holmes Trust Community project. This is funded from the carry forward reserve.

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Regulatory & Community Services	280	135	320	41	£41k variance for new staffing posts which are funded by carry forwards.
Other cost centres within this service area	1,151	(430)	1,171	20	£20k adverse variance is made up of various smaller variances within the service area.
Housing					
Homelessness (Grant Funded Exp	(32)	2	120	151	£151k variance related to the TA grant amount being recoded to the Revenue Support Grant line on the summary.
Afghan Resettlement Flexible Fund		(96)	(73)	(73)	£96k favourable variance due to Afghan Flexible Funding received. £23k adverse variance due to additional employee costs relating to the administration of the Afghan Flexible Funding Grant. The balance will be requested to be put into reserve for future year utilisation.
Housing Options	433	139	475	42	£42k adverse variance due to extension of temporary staffing.
Private Sector Housing	368	26	254	(114)	£176k favourable variance due to grant funding for new burdens which will be requested to be a carry forward at year end. £67k adverse variance due to new staff member funded by carry forward. £5k favourable balance from various smaller variances.
Housing Strategy & Support	170	89	223	53	£53k adverse variance due to new staff funded from carry forwards.
Other cost centres within this service area	2,859	954	2,832	(27)	£27k favourable variance is made up of various smaller variances within the service area.
Place & Growth					
Regen & Economic Development Service Code	124	(75)	74	(50)	£50k favourable for annual contribution to reserve towards the Folkestone Triennial event reflected in the reserve line on the summary.
Town of Culture	100	1		(100)	£100k favourable variance as this budget is no longer expected to be spent.
Green Business Grant Scheme		22	83	83	£83k variance for green business grant related expenditure which will be offset by a reserve utilisation.
Reg & Eco Dev Staff Code	430	200	450	20	£20k adverse variance due to new staffing costs funded from carry forward.
Other cost centres within this service area	2,881	1,336	2,904	23	£23k adverse variance is made up of various smaller variances within the service area.
Corporate Estates & Development					
Coast Protection	(163)	20	(138)	25	£25k adverse variance due to; £15k reduction in KCC grant income towards coast protection and £10k residual repair work following storm Goretti in January 2026
Otterpool - Developer	10	(35)	(25)	(35)	£35k favourable variance relating to the recognition of historical income received from Homes England from prior years.
Mountfield Ind Estate	(105)	(15)	(56)	48	£48k adverse variance due to loss of rental income and business rates liability for untenanted units at Mountfield Industrial Estate.
Car Parks	239	210	307	68	£68k adverse variance due to £71k increased business rates liability following revaluation of car parks by the Valuation Office partly offset by small underspend on electricity for car parks (£3k).

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Folca	200	120	145	(55)	£55k favourable saving due to lower than anticipated electricity costs (£40k) and business rates (£15k).
Misc Otterpool Property	(28)	29	8	36	£50k adverse variance due to an increase in damp and fixture related repairs, this is however partially offset by a £20k favourable variance from rental income for the site. £6k additional adverse variance due to an increase in water service fees in line with prior year.
Westenhanger Castle	(37)		(2)	35	£35k adverse variance due to a reduction in assumed rental income as rental negotiations are ongoing.
Changing Tides	(135)	(64)	(79)	56	£42k adverse variance due to beach huts not being at full occupancy driving income down. £14k additional adverse variance due to increased daily rate for electricity on the beach huts, this increase is being contested.
Estates and Assets	212	106	319	108	£108k adverse variable for new staffing costs funded by carry forwards.
Maintenance Officers	295	124	338	44	£44k adverse variable for new staffing costs funded by carry forwards.
Other cost centres within this service area	908	726	894	(14)	£14k favourable variance is made up of various smaller variances within the service area.