

Provisional Outturn Variance Analysis 2022/23 - EXTRACTS ONLY of key variances over £40k

APPENDIX 1

SERVICE DEPARTMENTS & TEAMS	Latest Approved Budget	Qtr 3 Projected Outturn	Provisional Outturn	Variance between Provisional Outturn and Latest Approved Budget	BRIEF EXPLANATION OF VARIANCE
REVENUE EXPENDITURE	£000	£000	£000	£000	
Human Resources					
Human Resoruce Team central costs	75	152	117	42	Advertising costs and supply side pressures due to inflation
Total Human Resources	75	152	117	42	Note - net of carry forward request of £11k
Finance, Strategy & Corporate Services					
Planning Policy	112	94	56	(56)	Reduced use of professional advice and fees
Community Infrastructure Levy	-	-	(52)	(52)	Additional CIL administration income - administration cost element
Climate Change Fees	141	241	228	88	Consultant support costs-offset from Climate Change Reserve
Corporate Management- Misc Expenditure	247	282	185	(62)	Overspend on external audit fees £40k, increases in treasury fee costs £22k
Covid-19	-	411	192	192	Covid-19 expenditure offset from Earmarked reserve
Homes for Ukraine	-	(38)	(44)	(44)	Ukraine Co-ordinator costs offset by income received from Kent County Council
Otterpool (Local Planning Authority)	(17)	107	28	45	Planning and temporary support costs
General Grants including UK prosperity grants	82	82	(232)	(314)	General grants & Napier Barracks income
Council Tax Collection	(413)	(340)	(285)	128	Reduction in Court Cost Income received - due to 97% collection rate
Council Tax Benefits	(15)	(15)	(277)	(262)	Additional discretionary CTAX rebate funding received (£414k), additional Energy Rebate payments £57k and Council Tax benefit payment administration costs £96k
Council Tax Reduction Scheme	(598)	(572)	(751)	(153)	Additional KCC grant funding plus unbudgeted Household Support payments offset by staffing costs to adminster scheme
Housing Benefits	(230)	(71)	(523)	(293)	Overpayment recovery subsidy and net difference on Rent Allowance subsidy & payments. The net difference on DHP subsidy & payments and lower than anticipated HB Admin grant £12k and receipt of Test & Trace grant (£236k)
Rent Rebates	316	197	162	(154)	Variance due to lower rent rebate payments and related subsidy
Finance	725	710	798	72	Net effect of staff vacancies and temporary staff costs
Treasury Management	50	50	98	48	Increase in Brokerage fees
Revenues & Benefits	700	624	582	(117)	Unbudgeted DWP & CTAX rebate grants
Strategy Policy & Performance	692	617	563	(128)	Vacancies and temporary staff savings
ICT Operations	1,497	1,425	1,328	(169)	Unbudgeted DCLG Cyber Security grant - £125k to be carried forward
Total Finance, Strategy & Corporate Services	3,289	3,335	2,058	(1,231)	Note (£845k) reflects carry forwards and reserve funding

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<u>Governance & Law</u>					
Conducting Elections	40	40	(12)	(52)	Underspend on election expenses
Communications	320	364	369	48	Filming for the council costs and reduced advertising income
Total Governance & Law	360	404	357	(3)	Note - net of carry forward request of £56k
<u>Leadership Support</u>					
Director of Transition and Transformation	3	51	51	48	Employee costs above budget
Director of Corporate Services	186	295	298	157	Overspend due to Interim Placements covering vacant posts
Total Leadership Support	189	346	349	205	Note - net of carry forward request of £8k
<u>Place</u>					
Recycling & Waste and Household Collection	439	599	144	(294)	Increase in waste contract recharges offset by additional green waste subscriptions income (£21k) and DCLG for funding for a recycling reward scheme. A funding bid was made jointly with Dover District Council and funding of £358,082 was received. Plans for a recycling reward scheme were not however progressed and the funding is not ring-fenced and contributes to the overall underspend. The claim against Veolia for costs related to the route optimisation project in 2021 has been settled. Settlement was agreed at £198K and covers the additional unbudgeted costs to the General Fund (additional working costs and garden waste rebate). This offsets any previous overspends for Waste Collections.
Hythe Swimming Pool	112	53	(11)	(124)	Surplus income following budget removal from Covid-19 period
Hackney Carriage Licensing	(104)	(112)	(153)	(49)	Additional income received against vehicle licensing and testing (£49k)
Cleansing	1,340	1,506	1,448	108	Increase in waste contract recharges £66k; additional costs for Weed spraying works £48k
Otterpool - Developer	4	(537)	(528)	(532)	Garden Communities Grant received (£525k) to fund capital in the technical budget section and is offset by a similar amount
Local Land Charges	(173)	(129)	(115)	59	Lower income received for fees due to economic downturn
Case Management (Place)	1,320	1,267	1,264	(56)	'Planning' post vacancy, and other short term vacancies
Total Place	2,937	2,646	2,050	(888)	Note - net of carry forward request of £9k

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<u>Economic Development</u>					
Regeneration & Economic Development	127	120	46	(81)	Reduced costs on various budgets including supplies and services, third party payments and staffing.
High Street Innovation Fund	421	423	254	(167)	Lower costs on High Street Fund projects offset by reserve funding
Folkestone CLLD	(9)	(9)	36	45	Additional costs for ERDF mid-term evaluation £14k; Reduced income £30k due to non-recoverable staffing costs - budget adjustment needed however scheme terminates 22/23.
RM Business Hub Grant Scheme	-	-	(125)	(125)	Balance of Romney Marsh funding received and grant payments, requested to be carried forward
UK Shared Prosperity Fund	-	-	(107)	(107)	Balance of funding received and supplier payments, carry forward requested
Total Economic Development	539	534	104	(435)	Note (£324k) reflects carry forwards and reserve funding
<u>Planning</u>					
Building Control	(292)	(223)	(198)	94	Lower building regulation fee income than anticipated £45k; Unbudgeted cost on Dangerous Structure work/assessment £50k
Development Control	(956)	(907)	(882)	74	Lower than budgeted Planning Application fees £137k and higher PPA & Pre-App fees (£63k)
Development Management	1,109	1,060	1,055	(55)	Net effect of vacancies & temporary staff (£55k)
Total Planning	(138)	(70)	(26)	113	
<u>Operations</u>					
Street Lighting	157	157	90	(67)	Underspend is due to LED Light work which has not yet been invoiced by KCC, this will be accrued for however there is a net underspend on this cost centre.
Off-Street Parking	(1,192)	(1,295)	(1,286)	(94)	£94k additional income from; Parking Charges, Parking Fines & Permits offset against RingGo processing fees.
On-Street Parking Enforcement	(320)	(429)	(514)	(194)	£194k additional income from; Parking Permits, Waivers and reduced expenditure costs
Coast Protection	(164)	(166)	(217)	(53)	Underspend on structural maintenance (£11k). Underspend on shingle clearance and buoys (£7k) Government Grant (£28k) Increased income on shingle extract licence (£7k)
Lifeline Facilities	(151)	(38)	(29)	122	Reduction in lifeline income £146k, saving against Staff Vacancy (£38k) and overspend against Consortium Maintenance £16k
Grounds Maintenance	1,520	1,537	1,596	76	Various vacancies, some covered by temporary staff, overall position on staffing (£27k). Other variances: Planting/Shrubs and general costs £47k; Vehicle maintenance and hire, and fuel £48k; less income £34k
Folca	152	166	95	(57)	Reduced Business Rates (£108k); income received for use of Folca (£15k); maintenance costs £11k; Utilities £54k
Connect 38	(1,177)	(1,177)	(1,006)	171	Net impact on unbudgeted service charges £242k; contribution received for remedial works (£79k) requested to be carried forward
Total Operations	(1,175)	(1,246)	(1,270)	(95)	Note (£79k) reflects carry forwards and reserve funding

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Housing					
Homelessness (Grant Funded Exp)	(62)	(99)	(193)	(131)	Additional grant income received (£83k); reduced spend on prevention fund and housing costs (£44k) requested to be carried forward homeless funds of £110k
FHDC Temporary Accommodation	(22)	(73)	(84)	(62)	(£55k) additional income due to Housing Benefit payments
Renovation Grants	-	-	(121)	(121)	DFG money offsetting capital expenditure - net neutral
Other Housing Improvement Services	100	100	(24)	(124)	Underspend on Home Safe Loans (£63k) Repaid Warm Home loans (£27k) and repaid Home Safe loans (£33k)
Compliance	245	207	196	(49)	Net effect of Compliance Specialist vacancy, temporary staff, recruitment finders fee, subscriptions & insurance costs (£49K)
Neighbourhood Management	623	600	571	(53)	Reduced spend on Your District Today (£21k) Savings to staff costs, insurance, equipment & uniforms (£32k)
Supported Housing	384	337	326	(58)	Staff related savings due to operational changes (£58k)
Housing Strategy & Support	193	146	146	(47)	Housing Strategy & Partnership Officer vacancy
Total Housing	1,462	1,241	817	(645)	Note (£198k) reflects carry forwards and reserve funding

Variations over £40k only					
Technical & Funding Budgets	Latest Approved Budget	Qtr 3 Projected Outturn	Provisional Outturn	Variance between Provisional outturn at Latest Approved Budget	BRIEF EXPLANATION OF VARIANCE
Interest Payable and Similar Charges	801	646	586	(215)	Interest savings from capital slippage - and lower costs
Other Non-Service Related Government Grants	(1,858)	(2,629)	(3,386)	(1,528)	Additional S31 grant and other technical grants
Capital Expenditure Financed from Revenue	2,363	1,486	905	(1,458)	Reduced capital expenditure due to slippage - less revenue funding requirement
Total Technical & Funding Budgets	1,306	(497)	(1,895)	(3,201)	
Net Transfer to/from(-) Earmarked Reserves	(6,023)	(6,400)	(2,916)	3,107	Net movement from reserves - reduced capital contributions needed
Transfer to/from(-) the Collection Fund					
Business Rates Income	(2,816)	(3,198)	(2,041)	775	Offset by Section 31 Grant from Other Non service grants
Demand on the Collection Fund	(13,592)	(13,896)	(14,152)	(560)	Additional council tax collection during the year