Proposed Allocation of the General Fund Outturn Variance 2025/26 and In-Year Budget Adjustments for 2026/27 and 2027/28

	2026/27		2027/28	
Description	Expenditure Budget (including Reserve Adjs)	Income Budget	Expenditure Budget	Reason for Adjustment
	£	£	£	
Section 1a - ALLOCATION OF GENERAL FUND OUTTURN VARIANCE 2025/26				
Cost Pressures				
Use of GF Outturn Variance 2025/26 Carried Forward within the Corporate Investment Fund (Revenue) via the Revenue Commitments Reserve	(3,389,196)			
Air Show Net Costs	46,000		46,000	As referenced within the detailed Portfolio Holder Outturn Report, it is proposed to the fund the cost of the Airshow in 2026 and 2027 via the 2025/26 favourable outturn variance. This is also in-line with the delegation set out within the earlier separate report agreed in June 2026.
*Contingency	250,000			The Council currently maintains a general contingency budget of £0.690m. Although this has been used in previous years to support the volatility in energy costs, it is proposed to increase the budget to £0.940m in 2026/27 to provide additional funding to meet the potential non-reimbursable costs that may emerge from the upcoming parliamentary by-election.

Proposed Allocation of the General Fund Outturn Variance 2025/26 and In-Year Budget Adjustments for 2026/27 and 2027/28				
	2026/27		***2027/28***	
Description	**Expenditure Budget (including Reserve Adjs)**	**Income Budget**	**Expenditure Budget**	**Reason for Adjustment**
	£	**£**	**£**	
Enforcement Capacity	115,000		165,000	Following on from earlier commitments, it is proposed to provide on-going additional capacity to strengthen this important element of the Council's activities. If agreed, it is proposed to create a new enforcement team to meet the changing needs of enforcement within town centres and the wider district, which helps support the following key priorities: 1) Pride in our Area 2) Championing our Local Environment 3) Working with Partners to Improve Quality of Life It also aligns with the Clacton Town Board's commitment to stronger, more visible enforcement within Town Centres, which is supported via a planned contribution by them of £50k in 2026/27.
Local Plan Costs	375,000		175,000	To reflect updated Government policy / guidance, it has been necessary to effectively accelerate the timeframe for the Local Plan to achieve submission before the 'cut-off' date. This has essentially condensed work that would have been undertaken across four years down to just two, that will therefore require additional funding to successfully deliver.

Proposed Allocation of the General Fund Outturn Variance 2025/26 and In-Year Budget Adjustments for 2026/27 and 2027/28				
	2026/27		**2027/28**	
Description	**Expenditure Budget (including Reserve Adjs)**	**Income Budget**	**Expenditure Budget**	**Reason for Adjustment**
	£	**£**	**£**	
*General capacity to support the delivery of a range of key activities including LGR and the two-year financial plan.	1,000,000			To reflect the emerging / recognised risk relating to staff capacity required across a range of functions and activities such as business as usual, existing priorities and projects alongside the work associated with LGR which includes meeting statutory duties etc. In effect the sum proposed 'recycles' part of the total outturn variance relating to employee costs, back into the 2026/27 budget to broadly support existing activities, functions and projects alongside LGR.
Coastal Tourism and Trail Works	20,000		17,500	To enable a number of key tourism related activities to be undertaken, including the development of a coastal trails digital map, related coastal murals in addition to responding to related maintenance requirements.
Theatre Digital Signage	60,000		15,000	To provide external and internal modern signage to continue to provide brand awareness and to support sales etc.
Upgrades to the Princes Theatre Auditorium	15,000		11,500	To enable a number of key activities to be undertaken including re-carpeting, fire exit improvements and emergency lighting modernisation.

Proposed Allocation of the General Fund Outturn Variance 2025/26 and In-Year Budget Adjustments for 2026/27 and 2027/28

	2026/27		***2027/28***	
Description	**Expenditure Budget (including Reserve Adjs)**	**Income Budget**	**Expenditure Budget**	**Reason for Adjustment**
	£	**£**	**£**	
*Extension of sports grant scheme	50,000		50,000	Following the successful sports grant schemes administered in 2025/26, it is proposed to extend them into 2026/27 and 2027/28 to enable further awards to be made to local groups in respect of widening sport and participation as part of the Council's priority relating to improving wellbeing and encouraging healthier lifestyles
Review of Outturn 2025/26 - Corporate Postage Costs	33,000		33,000	Although a wider outturn review remains in progress, an early item identified relates to postage costs that largely reflect increases in external prices alongside underlying internal demand.

Proposed Allocation of the General Fund Outturn Variance 2025/26 and In-Year Budget Adjustments for 2026/27 and 2027/28

	2026/27		2027/28	
Description	**Expenditure Budget (including Reserve Adjs)**	**Income Budget**	**Expenditure Budget**	**Reason for Adjustment**
	£	**£**	**£**	
Other Adjustments				
Business Rates Resilience Reserve - no longer required *(transfer funds to the Corporate Investment Fund (Revenue)*	(1,758,422)			The timely opportunity is being taken to transfer money that is currently held in this reserve to the Corporate Investment Fund (Revenue) that reflects the principles behind the two-year financial approach adopted earlier in the year. Following the Government's recent business rates 'reset' and Local Government Financial Settlement, it is felt that the risk has significantly reduced that allows for this proposed approach to be taken. Any residual underlying economic risk can be addressed via the Council's wider financial position and forecast, that includes the Forecast Risk Fund and uncommitted reserves as necessary.
Corporate Investment Fund (Revenue) - Balance of Above - Contributed to / (from) this Fund	3,183,618		(513,000)	Net position of above items transferred to / (from) the CIF (Revenue) across 2026/27 and 2027/28
TOTAL Section 1a GENERAL FUND REVENUE	**0**	**0**	**0**	

Proposed Allocation of the General Fund Outturn Variance 2025/26 and In-Year Budget Adjustments for 2026/27 and 2027/28

Description	2026/27 Expenditure Budget (including Reserve Adjs)	2026/27 Income Budget	2027/28 Expenditure Budget	Reason for Adjustment
	£	£	£	
Section 1b GENERAL FUND CAPITAL				
Housing in Jaywick - transfer funds to Corporate Investment Fund (Capital)	(76,280)			This sum remains within the Capital Programme via the carry forwards from 2025/26. It is proposed to transfer this to the CIF (Capital) for wider consideration as part of the development of the two-year plan rather than leave a residual sum from earlier schemes / projects.
Corporate Investment Fund (Capital) - Contribution to this Fund	76,280			
TOTAL Section 1b GENERAL FUND CAPITAL	**0**	**0**	**0**	
Section 2a HRA Revenue				
The following items will be adjusted against the HRA General Balance				
None				
TOTAL Section 2a HRA REVENUE	**0**	**0**	**0**	
Section 2b HRA CAPITAL				
None				

** In terms of the adjustments 'marked' with an asterisk above, associated delegations are included in the recommendations within the main body of the report.*