

Fourth Quarter Financial Update 2021/22

Planning & Infrastructure – Policy Advisory Committee

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Part A

Executive Summary & Overview



This report provides members with the provisional outturn for 2021/22, covering activity for the Strategic Planning & Infrastructure Committee's revenue and capital accounts for the fourth quarter of 2021/22. Whilst the Strategic Planning & Infrastructure Committee (SPI) no longer exists under the new Executive structure this Policy Advisory Committee has inherited essentially the same budgetary responsibilities and it is therefore appropriate for it to be considering this report.

Members will be aware that there was significant uncertainty in the 2021/22 budget estimates arising from the ongoing impact of the Covid-19 pandemic, both in relation to demands on the Council to respond and the speed of local economic recovery. Financial support from central government received during 2020/21 continued to support specific activities, and the unringfenced Covid-19 grant of £860,000 was used to support recovery and renewal activities. However, the impact on the Council's financial position from the pandemic has continued to reduce throughout the year, although there will continue to be some residual impact into 2022/23.

The headlines for Quarter 4 are as follows:

Part B: Revenue budget – Q4 2021/22

- Overall net expenditure at the end of Quarter 4 for the services reporting to SPI is -£0.715m, compared to the approved profiled budget of -£0.434m, representing an underspend of £0.281m.

Part C: Capital budget – Q4 2021/22

- Capital expenditure at the end of Quarter 4 was £0.000m against a total budget of £0.086m.

The budgets in this report are the revised estimates for 2021/22.

Part B

Fourth Quarter Revenue Budget 2021/22

B2) Revenue Budget

B1.1 The table below provides a detailed summary on the budgeted net income position for SPI services at the end of Quarter 4. The financial figures are presented on an accruals basis (e.g., expenditure for goods and services received, but not yet paid for, is included).

SPI Revenue Budget & Outturn – Quarter 4

Planning Services

(a)	(b)	(c)	(d)
Cost Centre	Approved Budget for Year £000	Actual £000	Variance £000
Building Regulations Chargeable	-347	-442	95
Building Control	-1	0	-1
Street Naming & Numbering	-73	-67	-6
Development Control Advice	-253	-198	-55
Development Control Appeals	129	18	112
Development Control Majors	-507	-508	2
Development Control - Other	-656	-748	91
Development Control Enforcement	70	132	-63
Planning Policy	446	528	-82
Neighbourhood Planning	0	-37	37
Conservation	-11	10	-21
Land Charges	-265	-282	17
Spatial Policy Planning Section	434	424	11
Head of Planning and Development	110	112	-2
Development Management Enforcement Section	0	0	0
Building Surveying Section	472	465	8
Mid Kent Planning Support Service	315	275	40
Heritage Landscape and Design Section	206	210	-4
CIL Management Section	61	17	44
Mid Kent Local Land Charges Section	80	55	25
Development Management Section – Majors	288	283	5
Development Management Section – Others	928	928	-1
Salary Slippage	-92	0	-92
Sub-Total Planning Services	1,333	1,174	160

Parking Services

(a)	(b)	(c)	(d)
Cost Centre	Approved Budget for Year £000	Actual £000	Variance £000
Environment Improvements	7	17	-9
Name Plates & Notices	19	23	-4
On Street Parking	-440	-440	0
Residents Parking	-217	-217	0
Pay & Display Car Parks	-1,194	-1,230	36
Non Paying Car Parks	15	9	6
Off Street Parking - Enforcement	-219	-223	4
Mote Park Pay & Display	-186	-226	41
Sandling Road Car Park	3	-2	5
Park & Ride	131	131	0
Other Transport Services	-4	-30	26
Parking Services Section	317	301	16
Sub-Total Parking Services	-1,768	-1,889	121
TOTAL	-434	-715	281

B1.2 The table shows that at the end of the fourth quarter overall net expenditure for the services reporting to SPI is -£0.715m, compared to the approved profiled budget of -£0.434m, representing an underspend of £0.281m.

B1.3 The table indicates that in certain areas, significant variances to the budgeted income levels have emerged during the fourth quarter of the year. The reasons for the more significant variances are explored in section B2 below.

B2) Variances

B2.1 The most significant variances for this Committee are as follows:

	Positive Variance Q4	Adverse Variance Q4
Strategic Planning & Infrastructure Committee	£000	
PLANNING SERVICES		
Building Regulations Chargeable - The budget figure was reduced by 10% for this year, and income was higher than expected.	95	
Development Control (Advice) – The negative variance was mainly down to income from Planning Performance Agreements being lower than forecast.		-54
Development Control (Appeals) – There have been fewer appeals than was anticipated at the start of the year.	111	
Development Control (Minors) - The positive variance is due to a high level of income being generated coupled with the 10% decrease in income budget. The excess in income is due to a substantial increase in principally householder applications.	91	
Development Control (Enforcement) - The costs for two enforcement cases have been higher than was forecast.		-62
Planning Policy – Costs associated with the Local Plan Review have been higher than was forecast. There is a separate section on the review below.		-82
Neighbourhood Planning – Grants have been received for the work, but expenditure for the year was minimal.	37	

Local Plan Review

The Local Plan Review (LPR) process is an important, high profile and continuous task undertaken by the Planning Services team. The associated revenue spending profile however is cyclical and does not fit the conventional 12-month financial planning process for general revenue expenditure. Instead, spending tends to follow the five-year production period of each Local Plan with various peaks and troughs over that time period.

The LPR process is therefore funded through an annual £200,000 revenue contribution, in addition to the existing service budget, with any remaining unspent balances at year end automatically rolled forward into the following financial year. The table below shows the available revenue resources currently allocated to fund LPR activities, and the spend as at 31st March 2022.

Opening Balance 01/04/2021	Spending April 2021 - March 2022	Variance
£'s	£'s	£'s
416,912	539,401	-122,489

The figures above exclude expenditure on the Town Centre Strategy, which was covered by a previous separate report to this committee.

The residual overspend will be funded from corporate contingency budgets, as agreed by Policy and Resources Committee on 24 March 2021.

In addition to the resources and planned expenditure outlined above, £140,000 was allocated from the 2020/21 underspend for non-spatial planning policy development. This will be overseen by the Interim Local Plan Review Director in consultation with the Chairman and Vice-Chairman of the Strategic Planning and Infrastructure Committee. Planned expenditure on these activities has not been included within the table above.

	Positive Variance Q4	Adverse Variance Q4
Strategic Planning & Infrastructure Committee	£000	
PARKING SERVICES		
Pay & Display Car Parks – Income levels recovered strongly in March, and while they were still £28,000 below budget this was offset by a reduced level of running costs.	36	
Mote Park Pay & Display – The income target was exceeded by £12,000, and there was a reduced level of running costs.	41	

Part C

Fourth Quarter Capital Budget 2021/22

B1) Capital Budget: Strategic Planning & Infrastructure Committee (SPI)

B1.1 The position of the 2021/22 SPI element of the Capital Programme at the Quarter 4 stage is presented in Table 3 below. The budget for 2021/22 includes resources brought forward from 2020/21.

SPI Capital Programme 2021/22 (@ Quarter 4)

	Revised Estimate 2021/22 £000	Actual to March 2022 £000	Budget Remaining £000
Strategic Planning & Infrastructure			
Bridges Gyrotory Scheme	86		86
Total	86		86

There was no spend incurred against this budget during 2021/22.