

# APPENDIX 1 – THIRD QUARTER BUDGET MONITORING

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## Part A - Third Quarter Revenue Budget 2023/24

### **A1) Revenue Budget: Planning, Infrastructure & Economic Development (PIED) PAC**

A2.1 The table below provides a detailed summary of the budgeted net expenditure position for the services reporting directly into PIED PAC at the end of Quarter 3. The financial figures are presented on an accruals basis (i.e. expenditure for goods and services received, but not yet paid for, is included).

The budgets used in this report are the revised estimates for 2023/24.

A2.2 This table now shows the variance split between expenditure and income to give more of an insight into the nature of the variance.

**PIED Revenue Budget: NET EXPENDITURE (@ 3<sup>rd</sup> Quarter 2023/24)**

Cost Centre	Approved (Revised) Budget for Year	Approved (Revised) Budget to 31 December 2023	Actual as at 31 December 2023	Variance as at 31 December 2023			Forecast March 2024	
	Net £000	Net £000	Net £000	Expenditure £000	Income £000	Net £000	Forecast Net £000	Forecast Variance £000
<b>Planning &amp; Economic Development</b>								
Building Regulations Chargeable	-395	-300	-290	15	-24	-10	-395	0
Building Control	-1	-1	-3	-1	3	3	-1	0
Development Control Advice	-293	-220	-120	-6	-94	-100	-183	-110
Development Control Appeals	138	91	95	-4	0	-4	138	0
Development Control Majors	-557	-423	-304	-1	-117	-119	-407	-150
Development Control - Other	-775	-583	-522	-42	-19	-61	-715	-60
Development Control Enforcement	75	61	41	17	2	20	75	0
Planning Policy	549	382	351	32	0	32	549	0
Neighbourhood Planning	-20	-20	-20	0	0	0	-20	0
Conservation	-11	-7	-5	4	-6	-2	-11	0
Innovation Centre	-61	-65	-28	-25	-12	-37	-61	0
Business Support & Enterprise	23	21	20	1	0	1	23	0
Business Terrace - Incubator Units	100	106	112	4	-11	-7	100	0
Business Terrace - 1st Floor MH	-37	8	75	-7	-59	-67	53	-90
Economic Dev - Promotion & Marketing	126	123	144	-10	-11	-21	126	0
Land Charges	-262	-194	-181	11	-25	-13	-262	0
Spatial Policy Planning Section	489	394	387	3	4	7	489	0
Head of Planning and Development	116	87	89	-2	0	-2	116	0
Building Surveying Section	490	369	340	28	1	29	490	0
Economic Development Section	32	35	18	12	6	18	32	0
Mid Kent Planning Support Service	356	266	218	77	-30	47	291	65
Heritage Landscape and Design Section	351	263	210	53	0	53	351	0
Innovation Centre Section	221	150	109	42	0	42	143	78
CIL Management Section	12	9	1	9	-0	9	12	0
Mid Kent Local Land Charges Section	79	59	51	73	-65	8	79	0
Development Management Section – Majors	241	181	150	30	0	30	241	0
Development Management Section – Others	1,159	869	876	-6	0	-6	1,159	0
Head of Spatial Planning and Economic Deve	112	84	76	8	0	8	112	0
Salary Slippage	-175	-131	0	-131	0	-131	-175	0
<b>Sub-Total: Planning &amp; Economic Development</b>	<b>2,082</b>	<b>1,616</b>	<b>1,890</b>	<b>184</b>	<b>-458</b>	<b>-274</b>	<b>2,349</b>	<b>-267</b>

Cost Centre	Approved (Revised) Budget for Year	Approved (Revised) Budget to 31 December 2023	Actual as at 31 December 2023	Variance as at 31 December 2023			Forecast March 2024	
	Net £000	Net £000	Net £000	Expenditure £000	Income £000	Net £000	Forecast Net £000	Forecast Variance £000
<b>Parking Services</b>								
Environment Improvements	43	41	41	-1	0	-1	43	0
Name Plates & Notices	20	15	15	0	0	0	20	0
On Street Parking	-308	-226	-270	13	31	44	-371	63
Residents Parking	-197	-142	-178	3	33	36	-247	50
Pay & Display Car Parks	-1,335	-939	-897	-33	-9	-42	-1,295	-40
Non Paying Car Parks	15	13	-1	14	0	14	5	10
Off Street Parking - Enforcement	-93	-67	-75	6	2	7	-103	10
Mote Park Pay & Display	-194	-160	-171	7	3	10	-204	10
Sandling Road Car Park	-1	-1	-47	35	12	46	-62	61
Park & Ride	102	96	-13	109	0	109	2	100
Other Transport Services	-5	-4	-24	-11	31	20	-5	0
Parking Services Section	410	395	385	9	0	9	410	0
<b>Sub-Total: Parking Services</b>	<b>-1,542</b>	<b>-979</b>	<b>-1,233</b>	<b>150</b>	<b>104</b>	<b>254</b>	<b>-1,806</b>	<b>264</b>
<b>Totals:</b>	<b>540</b>	<b>636</b>	<b>657</b>	<b>334</b>	<b>-355</b>	<b>-21</b>	<b>543</b>	<b>-3</b>

## By Cabinet Member

Cost Centre	Approved (Revised) Budget for Year	Approved (Revised) Budget to 31 December 2023	Actual as at 31 December 2023	Variance as at 31 December 2023			Forecast March 2024	
	Net £000	Net £000	Net £000	Expenditure £000	Income £000	Net £000	Forecast Net £000	Forecast Variance £000
<b>Leader of the Council</b>								
Planning Policy	549	382	351	32	0	32	549	0
Economic Dev - Promotion & Marketing	126	123	144	-10	-11	-21	126	0
Spatial Policy Planning Section	489	394	387	3	4	7	489	0
Economic Development Section	32	35	18	12	6	18	32	0
<b>Sub-Total: Leader of the Council</b>	<b>1,196</b>	<b>935</b>	<b>900</b>	<b>37</b>	<b>-1</b>	<b>36</b>	<b>1,196</b>	<b>0</b>

Cost Centre	Approved (Revised) Budget for Year	Approved (Revised) Budget to 31 December 2023	Actual as at 31 December 2023	Variance as at 31 December 2023			Forecast March 2024	
	Net £000	Net £000	Net £000	Expenditure £000	Income £000	Net £000	Forecast Net £000	Forecast Variance £000
<b>Cabinet Member for Planning, Infrastructure &amp; Economic Development</b>								
Building Regulations Chargeable	-395	-300	-290	15	-24	-10	-395	0
Building Control	-1	-1	-3	-1	3	3	-1	0
Development Control Advice	-293	-220	-120	-6	-94	-100	-183	-110
Development Control Appeals	138	91	95	-4	0	-4	138	0
Development Control Majors	-557	-423	-304	-1	-117	-119	-407	-150
Development Control - Other	-775	-583	-522	-42	-19	-61	-715	-60
Development Control Enforcement	75	61	41	17	2	20	75	0
Neighbourhood Planning	-20	-20	-20	0	0	0	-20	0
Conservation	-11	-7	-5	4	-6	-2	-11	0
Innovation Centre	-61	-65	-28	-25	-12	-37	-61	0
Business Support & Enterprise	23	21	20	1	0	1	23	0
Business Terrace - Incubator Units	100	106	112	4	-11	-7	100	0
Business Terrace - 1st Floor MH	-37	8	75	-7	-59	-67	53	-90
Land Charges	-262	-194	-181	11	-25	-13	-262	0
Environment Improvements	43	41	41	-1	0	-1	43	0
Name Plates & Notices	20	15	15	0	0	0	20	0
On Street Parking	-308	-226	-270	13	31	44	-371	63
Residents Parking	-197	-142	-178	3	33	36	-247	50
Pay & Display Car Parks	-1,335	-939	-897	-33	-9	-42	-1,295	-40
Non Paying Car Parks	15	13	-1	14	0	14	5	10
Off Street Parking - Enforcement	-93	-67	-75	6	2	7	-103	10
Mote Park Pay & Display	-194	-160	-171	7	3	10	-204	10
Sandling Road Car Park	-1	-1	-47	35	12	46	-62	61
Park & Ride	102	96	-13	109	0	109	2	100
Other Transport Services	-5	-4	-24	-11	31	20	-5	0
Head of Planning and Development	116	87	89	-2	0	-2	116	0
Building Surveying Section	490	369	340	28	1	29	490	0
Mid Kent Planning Support Service	356	266	218	77	-30	47	291	65
Heritage Landscape and Design Section	351	263	210	53	0	53	351	0
Innovation Centre Section	221	150	109	42	0	42	143	78
CIL Management Section	12	9	1	9	-0	9	12	0
Mid Kent Local Land Charges Section	79	59	51	73	-65	8	79	0
Development Management Section – Majors	241	181	150	30	0	30	241	0
Development Management Section – Others	1,159	869	876	-6	0	-6	1,159	0
Head of Spatial Planning and Economic Develop	112	84	76	8	0	8	112	0
Parking Services Section	410	395	385	9	0	9	410	0
Salary Slippage	-175	-131	0	-131	0	-131	-175	0
<b>Sub-Total: Cabinet Member for Planning, Infrastructure &amp; Economic Development</b>	<b>-657</b>	<b>-299</b>	<b>-243</b>	<b>297</b>	<b>-353</b>	<b>-56</b>	<b>-653</b>	<b>-3</b>
<b>Totals:</b>	<b>540</b>	<b>636</b>	<b>657</b>	<b>334</b>	<b>-355</b>	<b>-21</b>	<b>543</b>	<b>-3</b>

## A2) PIED Revenue Budget: Significant Variances

A2.1 Within the headline figures, there are a number of both adverse and favourable net expenditure variances for individual cost centres. It is important that the implications of variances are considered at an early stage, so that contingency plans can be put in place and, if necessary, be used to inform future financial planning. Variances will be reported to each of the Policy Advisory Committees on a quarterly basis throughout 2023/24.

A2.2 The table below highlights and provides further detail on the most significant variances at the end of Quarter 3.

### PIED PAC Variances (@ 3<sup>rd</sup> Quarter 2023/24)

	Positive Variance Q3	Adverse Variance Q3	Year End Forecast Variance
<b>Planning, Infrastructure &amp; Economic Development</b>	<b>£000</b>		
<b>PLANNING &amp; ECONOMIC DEVELOPMENT</b>			
<b>Development Control Advice</b> - Income from Planning Performance Agreements (PPAs) and pre-application planning advice generally continues to be significantly down as developers are waiting for the new Local Plan to be adopted before progressing with further applications.		-100	-110
<b>Development Control Majors</b> - Income from major applications also continues to be significantly down this year, as with the Planning Performance Agreements developers are waiting for the new Local Plan to be adopted before progressing with further applications.		-119	-150
<b>Business Terrace (1<sup>st</sup> Floor Maidstone House)</b> - Service charge costs are significantly higher than forecast, and there are also two units vacant meaning there is a shortfall in income.		-67	-90
<b>Innovation Centre</b> - This variance is a combination of an overspend on running costs and a shortfall of income. However, there is a projected underspend in the section budget (see below) which will offset this variance.		-37	0
<b>Mid Kent Planning Support Service</b> - This team had a restructure earlier in the year with a number of posts being vacant. The new structure needed to embed before vacant posts were recruited to. Two posts are currently being held vacant with a view to recruit in April 2024.	47		65
<b>Innovation Centre Section</b> – The projected underspend on running costs will offset the negative variance referred to above.	42		77

Given the continuing significantly negative variance between estimated income from major planning applications and PPAs based on a carry forward of the high estimates from previous business years, this has resulted in the deletion of the Major Projects Officer post and will result in the loss of the sole consultant in the Development Management service.

	Positive Variance Q3	Adverse Variance Q3	Year End Forecast Variance
<b>Planning, Infrastructure &amp; Economic Development</b>	<b>£000</b>		
<b>PARKING SERVICES</b>			
<b>Sandling Road Car Park</b> – Running costs are lower than expected and will continue to be so for the final quarter.	46		61
<b>Park &amp; Ride</b> - These are budgets that were used to fund the Business Rates and running costs for the site. They are no longer required and will be removed for 2024/25.	108		100

# Part B - Third Quarter Capital Budget 2023/24

## B1) Capital Budget 2023/24 (@ 3<sup>rd</sup> Quarter 2023/24)

Capital Programme Heading	Revised Estimate 2023/24	Actual to December 2023	Budget Remaining	Q4 Profile	Projected Total Expenditure	Projected Slippage to 2024/25
	£000	£000	£000	£000	£000	£000
<b>Planning, Infrastructure &amp; Economic Development</b>						
Bridges Gyratory Scheme	206		206	50	50	156
Public Realm & Greening relating to the Town Centre	450		450			450
<b>Total</b>	<b>656</b>		<b>656</b>	<b>50</b>	<b>50</b>	<b>606</b>

## B2) Capital Budget Variances (@ 3<sup>rd</sup> Quarter 2023/24)

Planning, Infrastructure & Economic Development
<p><b>Bridges Gyratory Scheme</b> - Plans are in place for the construction of a flood barrier at the bottom of Medway Street as the final element of the Bridges Gyratory Scheme. It has unfortunately proved a slow process getting the necessary approvals for the barrier, as it will be situated on highways land. It is envisaged that construction will take place this summer.</p>
<p><b>Public Realm &amp; Greening relating to the Town Centre</b> - The current strategy is being developed and is likely to be adopted in early 2024, and it is unlikely there will be any spend in the final quarter of the year.</p>