

PLANNING AND INFRASTRUCTURE POLICY ADVISORY COMMITTEE MEETING

Date: Wednesday 9 November 2022
Time: 6.30 pm
Venue: Town Hall, High Street, Maidstone

Membership:

Councillors Mrs Blackmore (Chairman), Mrs Grigg (Vice-Chairman), Clark, Kimmance, Munford, Spooner, Springett, Trzebinski and Young

The Chairman will assume that all Members will read the reports before attending the meeting. Officers are asked to assume the same when introducing reports.

AMENDED AGENDA

Page No.

1. Apologies for Absence
2. Notification of Substitute Members
3. Urgent Items
4. Notification of Visiting Members
5. Disclosures by Members and Officers
6. Disclosures of Lobbying
7. To consider whether any items should be taken in private due to the possible disclosure of exempt information
8. Minutes of the Meeting Held on 17 October 2022
9. Presentation of Petitions (if any)
10. Question and Answer session from Local Residents (if any)
11. Questions from Members to the Chairman (if any)
12. Forward Plan relating to the Committee's Terms of Reference
13. Medium Term Financial Strategy 2023 - 2028
14. Governance and procedural arrangements for CIL Ward spend
 - a) **Financial Update & Performance Monitoring Report** **69 - 88**

Issued on 2 November 2022

Continued Over/:

Alison Broom

Alison Broom, Chief Executive

PART II

To move that the public be excluded for the items set out in Part II of the Agenda because of the likely disclosure of exempt information for the reasons specified having applied the Public Interest Test.

	Head of Schedule 12A and Brief Description
15. Minutes (Part II) of the Meeting held on 17 October 2022	3 – Financial / Business Affairs

INFORMATION FOR THE PUBLIC

In order to ask a question at this meeting, please call **01622 602899** or email committee@maidstone.gov.uk by 5 p.m. one clear working day before the meeting (i.e. by 5 p.m. on Monday 7 November 2022). You will need to provide the full text in writing.

If your question is accepted, you will be provided with instructions as to how you can access the meeting.

In order to make a statement in relation to an item on the agenda, please call **01622 602899** or email committee@maidstone.gov.uk by 5 p.m. one clear working day before the meeting (i.e. by 5 p.m. on Monday 7 November 2022). You will need to tell us which agenda item you wish to speak on.

If you require this information in an alternative format please contact us, call **01622 602899** or email committee@maidstone.gov.uk.

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PLANNING & INFRASTRUCTURE POLICY ADVISORY COMMITTEE	9 November 2022
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2nd Quarter Financial Update & Performance Monitoring Report 2022/23
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Timetable	
Meeting	Date
Planning & Infrastructure Policy Advisory Committee	9 November 2022

Will this be a Key Decision?	No
Urgency	Not Applicable
Final Decision-Maker	Not Applicable – report for noting by the Planning & Infrastructure Policy Advisory Committee
Lead Head of Service	Mark Green, Director of Finance, Resources & Business Improvement
Lead Officer and Report Author	Paul Holland, Senior Finance Manager Georgia Harvey, Senior Information Governance Officer
Classification	Public
Wards affected	All

Executive Summary

This report sets out the 2022/23 financial and performance position for the services reporting into the Planning & Infrastructure Policy & Advisory Committee (PI PAC) as at 30th September 2022 (Quarter 2). The primary focus is on:

- The 2022/23 Revenue and Capital budgets; and
- The 2022/23 Key Performance Indicators (KPIs) that relate to the delivery of the Strategic Plan 2019-2045.

The combined reporting of the financial and performance position enables the Committee to consider and comment on the issues raised and actions being taken to address both budget pressures and performance issues in their proper context, reflecting the fact that the financial and performance-related fortunes of the Council are inextricably linked.

Budget Monitoring

Overall net expenditure at the end of Quarter 2 for the services reporting to PI PAC is -£0.440m, compared to the approved profiled budget of £0.074m, representing an underspend of £0.514m.

Capital expenditure at the end of Quarter 2 was £0.0m against a total budget of £0.206m.

Performance Monitoring

60% (6 of 10) targetable quarterly key performance indicators reportable to the Strategic Planning & Infrastructure Committee achieved their Quarter 4 target.

Purpose of Report

The report enables the Committee to consider and comment on the issues raised and actions being taken to address both budget pressures and performance issues as at 30th September 2022.

This report makes the following recommendations to the Planning & Infrastructure Policy Advisory Committee:

1. That the Revenue position as at the end of Quarter 2 for 2022/23, including the actions being taken or proposed to improve the position, where significant variances have been identified, be noted;
2. That the Capital position at the end of Quarter 2 be noted; and
3. That the Performance position as at Quarter 2 for 2022/23, including the actions being taken or proposed to improve the position, where significant issues have been identified, be noted.

2nd Quarter Financial Update & Performance Monitoring Report 2022/23

1. CROSS-CUTTING ISSUES AND IMPLICATIONS

Issue	Implications	Sign-off
Impact on Corporate Priorities	<p>This report monitors actual activity against the revenue budget and other financial matters set by Council for the financial year. The budget is set in accordance with the Council's Medium-Term Financial Strategy which is linked to the Strategic Plan and corporate priorities.</p> <p>The Key Performance Indicators and strategic actions are part of the Council's overarching Strategic Plan 2019-45 and play an important role in the achievement of corporate objectives. They also cover a wide range of services and priority areas.</p>	Director of Finance, Resources and Business Improvement (Section 151 Officer)
Cross Cutting Objectives	This report enables any links between performance and financial matters to be identified and addressed at an early stage, thereby reducing the risk of compromising the delivery of the Strategic Plan 2019-2045, including its cross-cutting objectives.	Director of Finance, Resources and Business Improvement (Section 151 Officer)
Risk Management	This is addressed in Section 5 of this report.	Director of Finance, Resources and Business Improvement (Section 151 Officer)
Financial	<p>Financial implications are the focus of this report through high level budget monitoring. Budget monitoring ensures that services can react quickly enough to potential resource problems. The process ensures that the Council is not faced by corporate financial problems that may prejudice the delivery of strategic priorities.</p> <p>Performance indicators and targets are closely linked to the allocation of resources and determining good value for money.</p>	Senior Finance Manager (Client)

	<p>The financial implications of any proposed changes are also identified and taken into account in the Council's Medium-Term Financial Strategy and associated annual budget setting process. Performance issues are highlighted as part of the budget monitoring reporting process.</p>	
Staffing	<p>The budget for staffing represents a significant proportion of the direct spend of the Council and is carefully monitored. Any issues in relation to employee costs will be raised in this and future monitoring reports.</p> <p>Having a clear set of performance targets enables staff outcomes/objectives to be set and effective action plans to be put in place.</p>	<p>Director of Finance, Resources and Business Improvement (Section 151 Officer)</p>
Legal	<p>The Council has a statutory obligation to maintain a balanced budget and the monitoring process enables the Committee to remain aware of issues and the process to be taken to maintain a balanced budget.</p> <p>There is no statutory duty to report regularly on the Council's performance. However, under Section 3 of the Local Government Act 1999 (as amended) a best value authority has a statutory duty to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness. One of the purposes of the Key Performance Indicators is to facilitate the improvement of the economy, efficiency and effectiveness of Council services. Regular reports on Council performance help to demonstrate best value and compliance with the statutory duty.</p>	<p>Senior Lawyer (Corporate Governance), MKLS</p>
Information Governance	<p>The performance data is held and processed in accordance with the data protection principles contained in the Data Protection Act 2018 and in line with the Data Quality Policy, which sets out the requirement for ensuring data quality.</p>	<p>Policy and Information Team</p>

	There is a program for undertaking data quality audits of performance indicators.	
Equalities	There is no impact on Equalities as a result of the recommendations in this report. An EqIA would be carried out as part of a policy or service change, should one be identified.	Equalities and Communities Officer
Public Health	The performance recommendations will not negatively impact on population health or that of individuals.	Public Health Officer
Crime and Disorder	There are no specific issues arising.	Director of Finance, Resources and Business Improvement (Section 151 Officer)
Procurement	Performance Indicators and Strategic Milestones monitor any procurement needed to achieve the outcomes of the Strategic Plan.	Director of Finance, Resources and Business Improvement (Section 151 Officer)
Biodiversity and Climate Change	The implications of this report on biodiversity and climate change have been considered and there are no direct implications on biodiversity and climate change.	Biodiversity and Climate Change Manager

2. INTRODUCTION AND BACKGROUND

- 2.1 The Medium-Term Financial Strategy for 2022/23 to 2026/27 - including the budget for 2022/23 - was approved by full Council on 23rd February 2022. This report updates the Committee on how its services have performed over the last quarter with regard to revenue and capital expenditure against approved budgets.
- 2.2 This report also includes an update to the Committee on progress against its Key Performance Indicators (KPIs).

- 2.3 Attached at Appendix 1 is a report setting out the revenue and capital spending position at the Quarter 2 stage. Attached at Appendix 2 is a report setting out the position for the KPIs for the corresponding period.
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3. AVAILABLE OPTIONS

- 3.1 There are no matters for decision in this report. The Committee is asked to note the contents but may choose to comment.
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4. PREFERRED OPTION AND REASONS FOR RECOMMENDATIONS

- 4.1 In considering the current position on the Revenue budget, the Capital Programme, and the KPIs at the end of September 2022, the Committee can choose to note this information or could choose to comment.
- 4.2 The Committee is requested to note the content of the report.
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5. RISK

- 5.1 This report is presented for information only and has no direct risk management implications.
- 5.2 The Council produced a balanced budget for both revenue and capital income and expenditure for 2022/23. The budget is set against a continuing backdrop of limited resources and a difficult economic climate, even before the impact of the Covid-19 pandemic became clear. Regular and comprehensive monitoring of the type included in this report ensures early warning of significant issues that may place the Council at financial risk. This gives the Executive the best opportunity to take actions to mitigate such risks.
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6. CONSULTATION RESULTS AND PREVIOUS COMMITTEE FEEDBACK

- 6.1 The KPIs update ("Performance Monitoring") have been reported to the Policy Advisory Committees (PAC) quarterly: Communities, Housing & Environment PAC; Economic Regeneration & Leisure PAC; and the Planning & Infrastructure PAC. Each committee also received a report on the relevant priority action areas. The report was also presented to the Corporate Services PAC, reporting on the priority areas of "A Thriving Place", "Safe, Clean and Green", "Homes and Communities" and "Embracing Growth and Enabling Infrastructure".

7. NEXT STEPS: COMMUNICATION AND IMPLEMENTATION OF THE DECISION

- 7.1 The Quarter 2 Budget & Performance Monitoring reports are being considered by the relevant Policy Advisory Committees during November 2022.

8. REPORT APPENDICES

- Appendix 1: Second Quarter Budget Monitoring 2022/23
- Appendix 2: Second Quarter Performance Monitoring 2022/23

9. BACKGROUND PAPERS

None.

Second Quarter Financial Update 2022/23

Planning & Infrastructure – Policy Advisory Committee
9th November 2022

Lead Officer: Mark Green

Report Author: Paul Holland

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Part C: Capital Budget Q2 2022/23

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Part A

Executive Summary & Overview



This report provides members with the financial position as at 30th September 2022, covering activity for the Planning & Infrastructure Policy Advisory Committee's (PI PAC) revenue and capital accounts for the second quarter of 2022/23.

In 2021/22, income recovered more strongly than expected from the pandemic and the Council generated a modest surplus compared with budget. For 2022/23, there is no more direct government funding to cover the costs of Covid, but the Council has been able to set a balanced budget. Additional provision of £1.3 million was made within the 2022/23 budget for the expected impact of higher inflation on the Council's input costs. The projected peak level of inflation has continued to increase since the budget was set and this is likely to have an impact in particular on contract and energy costs, so the requirement for this provision will be monitored carefully to assess whether it will be adequate. If at any stage it appears that an overspend is likely, measures will need to be taken in-year to bring the budget back into balance.

The headlines for Quarter 2 are as follows:

Part B: Revenue budget – Q2 2022/23

- Overall net expenditure at the end of Quarter 2 for the services reporting to PI PAC is -£0.440m, compared to the approved profiled budget of £0.074m, representing an underspend of £0.514m.

Part C: Capital budget – Q2 2022/23

- Capital expenditure at the end of Quarter 2 was £0.000m against a total budget of £0.206m.

Part B

Second Quarter Revenue Budget 2022/23

B2) Revenue Budget

B1.1 The table below provides a detailed summary on the budgeted net income position for PI PAC services at the end of Quarter 2. The financial figures are presented on an accruals basis (e.g., expenditure for goods and services received, but not yet paid for, is included). The Lead Member for Planning & Infrastructure is responsible for all the services shown below.

PI PAC Revenue Budget & Outturn – Quarter 2

Planning Services

(a)	(b)	(c)	(d)	(e)	(f)	(g)
Cost Centre	Approved Budget for Year £000	Budget to 30 September 2022 £000	Actual £000	Variance £000	Forecast 31 March 2023 £000	Forecast Variance 31 March 2023 £000
Building Regulations Chargeable	-354	-187	-243	56	-354	0
Building Control	-1	-0	-4	3	-1	0
Development Control Advice	-257	-129	-94	-35	-182	-76
Development Control Appeals	132	8	14	-6	132	0
Development Control Majors	-511	-259	-367	108	-511	0
Development Control - Other	-640	-322	-366	45	-640	0
Development Control Enforcement	71	27	45	-18	71	0
Planning Policy	270	152	173	-21	270	0
Neighbourhood Planning	-20	-20	0	-20	-20	0
Conservation	-11	-7	0	-7	-11	0
Land Charges	-265	-131	-130	-0	-265	0
Environment Improvements	7	3	7	-3	7	0
Name Plates & Notices	19	10	13	-3	19	0
Spatial Policy Planning Section	479	240	211	28	479	0
Head of Planning and Development	122	61	61	-0	122	0
Building Surveying Section	458	205	202	3	458	0
Mid Kent Planning Support Service	325	161	104	57	325	0
Heritage Landscape and Design Section	225	119	143	-24	225	0
CIL Management Section	64	32	-42	74	64	0
Mid Kent Local Land Charges Section	98	49	13	36	98	0
Development Management Section – Majors	298	149	118	31	298	0
Development Management Section – Others	986	497	504	-7	986	0
Salary Slippage 2SPI	-97	-49	0	-49	-97	0
Sub-Total: Planning Services	1,397	610	362	248	1,473	-76

Parking Services

(a)	(b)	(c)	(d)	(e)	(f)	(g)
Cost Centre	Approved Budget for Year £000	Budget to 30 September 2022 £000	Actual £000	Variance £000	Forecast 31 March 2023 £000	Forecast Variance 31 March 2023 £000
On Street Parking	-305	-144	-179	35	-362	57
Residents Parking	-202	-118	-116	-2	-202	0
Pay & Display Car Parks	-1,192	-468	-567	100	-1,346	154
Non Paying Car Parks	15	12	9	2	15	0
Off Street Parking - Enforcement	-107	-49	-99	50	-167	60
Mote Park Pay & Display	-195	-116	-128	12	-195	0
Sandling Road Car Park	0	0	-32	32	-34	34
Park & Ride	166	120	95	25	116	50
Other Transport Services	-4	-2	-11	8	-4	0
Parking Services Section	324	230	226	4	324	0
Sub-Total: Parking Services	-1,500	-536	-802	266	-1,855	355
Total	-103	74	-440	514	-383	279

B1.2 The table shows that at the end of the fourth quarter overall net expenditure for the services reporting to PI PAC is -£0.440m, compared to the approved profiled budget of £0.074m, representing an underspend of £0.514m.

B1.3 The table indicates that in certain areas, significant variances to the budgeted income levels have emerged during the second 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 Q2	Adverse Variance Q2	Year End Forecast Variance
Planning & Infrastructure	£000		
PLANNING SERVICES			
Building Regulations Chargeable – There has been an increase in income received so far this year, but there is some uncertainty around the level of income we might receive for the remainder of the year, so it is forecast that the budget will break-even by the end of the year.	56		0
Development Control Advice – Demand for pre-application discussions and Planning Performance Agreements is down this year and this trend is expected to continue for the remainder of the year.		-34	-76
Development Control Majors – There has been an increase in the number of major planning applications received this year, but there is some uncertainty around the number of applications we might receive for the remainder of the year, so it is forecast that the budget will break-even by the end of the year.	108		0

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 30th September 2022.

Opening Balance 01/04/2022	Spending April - September 2022	Forecast Spending October 2022 - March 2023	Forecast Spending Balance 31/03/2023
£'s	£'s	£'s	£'s
1,461,727	271,833	1,196,767	-6,873

In addition to the annual funding a further £1m was allocated from the New Homes Bonus for 2022/23 for the LPR.

	Positive Variance Q2	Adverse Variance Q2	Year End Forecast Variance
Planning & Infrastructure	£000		
PARKING SERVICES			
On Street Parking – Income is up against the budgets for parking meter income and dispensation payments.	35		57
Pay & Display Car Parks – Occupancy levels continue to be higher than forecast with long stay car parks performing particularly well so far this year.	100		154
Off Street Parking Enforcement - Income is up against the budget for Penalty Charge Notices.	50		60
Park & Ride – Spend against the running costs budgets is lower than forecast.	25		50

Part C





Second Quarter Capital Budget 2022/23




B1) Capital Budget: Planning & Infrastructure PAC

B1.1 The position of the 2022/23 PI PAC element of the Capital Programme at the Quarter 2 stage is presented in Table 3 below. The budget for 2022/23 includes resources brought forward from 2021/22.

Capital Programme Heading	Adjusted Estimate 2022/23 £000	Actual to September 2022 £000	Budget Remaining £000	Q3 Profile £000	Q4 Profile £000	Projected Total Expenditure £000	Projected Slippage to 2023/24 £000
Planning & Infrastructure							
Bridges Gyrotory Scheme	206		206	10	10	20	186
Total	206		206	10	10	20	186

Key to performance ratings

RAG Rating	
	Target not achieved
	Target slightly missed (within 10%)
	Target met
	Data Only














Direction	
	Performance has improved
	Performance has been sustained
	Performance has declined
N/A	No previous data to compare

Performance Summary

RAG Rating	Green	Amber	Red	N/A ¹	Total
KPIs	6	0	0	4	10
Direction	Up	No Change	Down	N/A	Total
Last Quarter	3	1	4	2	10
Last Year	4	1	3	2	10

- 60% 6 of 10 targetable quarterly key performance indicators (KPIs) reportable to this Committee achieved their Quarter 2 (Q2) target¹.
- Compared to last quarter (Q1 2022/23), performance for 30% 3 of 10 KPIs have improved, 10% 1 of 10 had no change and for 40% 4 of 10 have declined¹.
- Compared to last year (Q2 2022/23), performance for 40% 4 of 10 KPIs have improved, 1% 1 of 10 had no change and 30% 3 of 10 have declined¹.

Embracing Growth & Enabling Infrastructure

Performance Indicator	Q2 2022/23				
	Value	Target	Status	Short Trend (Last Quarter)	Long Trend (Last Year)
Percentage of priority 1 enforcement cases dealt with in time	100%	95%			
Percentage of Priority 2 enforcement cases dealt with in time	91.55%	90%			
Number of enforcement complaints received	72				
Processing of planning applications: Major applications (NI 157a)	91.30%	90.00%			

¹ PIs rated N/A are not included in the summary calculations.

Performance Indicator	Q2 2022/23				
	Value	Target	Status	Short Trend (Last Quarter)	Long Trend (Last Year)
Processing of planning applications: Minor applications (NI 157b)	97.54%	95.00%	✓	↓	↑
Processing of planning applications: Other applications (NI 157c)	98.11%	98.00%	✓	↓	↓
Number of affordable homes delivered (Gross)	80	50	✓	↓	↓
Affordable homes as a percentage of all new homes	Annual KPI				
Net additional homes provided (NI 154)	Annual KPI				

	Open planning enforcement cases (as of the start of each month)				
	Value	Target	Status	Short Trend (Last Month)	Long Trend (Last Year)
July 2022	368			↑	↓
August 2022	383			↑	↓
September 2022	361			↓	↓

