

Third Quarter Financial Update 2022/23

Planning & Infrastructure – Policy Advisory Committee

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Part A

Executive Summary & Overview



This report provides members with the financial position as at 31st December 2022, covering activity for the Planning & Infrastructure Policy Advisory Committee's (PI PAC) revenue and capital accounts for the third 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 3 are as follows:

Part B: Revenue budget – Q3 2022/23

- Overall net expenditure at the end of Quarter 3 for the services reporting to PI PAC is -£0.102m, compared to the approved profiled budget of £0.595m, representing an underspend of £0.697m.

Part C: Capital budget – Q3 2022/23

- This Policy Advisory Committee has no capital projects.

Part B

Third 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 3. 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 3

Planning Services

(a)	(b)	(c)	(d)	(e)	(f)	(g)
Cost Centre	Approved Budget for Year £000	Budget to 31 December 2022 £000	Actual £000	Variance £000	Forecast 31 March 2023 £000	Forecast Variance 31 March 2023 £000
Building Regulations Chargeable	-375	-285	-312	27	-375	0
Building Control	-1	-1	-7	7	-1	0
Development Control Advice	-293	-220	-151	-68	-202	-91
Development Control Appeals	132	44	49	-6	132	0
Development Control Majors	-558	-423	-383	-40	-557	-1
Development Control - Other	-772	-581	-539	-43	-729	-43
Development Control Enforcement	71	71	51	20	71	0
Planning Policy	1,233	729	362	366	1,233	0
Neighbourhood Planning	-20	-20	0	-20	-20	0
Conservation	-11	-7	0	-7	-11	0
Land Charges	-265	-196	-179	-17	-265	0
Environment Improvements	7	6	9	-3	7	0
Name Plates & Notices	19	15	17	-2	19	0
Spatial Policy Planning Section	511	383	372	11	496	14
Head of Planning and Development	121	91	88	3	118	3
Building Surveying Section	472	356	316	40	472	0
Mid Kent Planning Support Service	323	241	174	67	267	56
Heritage Landscape and Design Section	359	276	228	48	294	65
CIL Management Section	56	42	-26	68	6	50
Mid Kent Local Land Charges Section	94	70	17	54	64	30
Development Management Section – Majors	293	220	218	2	290	3
Development Management Section – Others	1,077	812	802	10	1,064	13
Salary Slippage 2SPI	-97	-73	0	-73	0	-97
Sub-Total: Planning Services	2,376	1,548	1,104	444	2,375	1

Parking Services

(a)	(b)	(c)	(d)	(e)	(f)	(g)
Cost Centre	Approved Budget for Year £000	Budget to 31 December 2022 £000	Actual £000	Variance £000	Forecast 31 March 2023 £000	Forecast Variance 31 March 2023 £000
On Street Parking	-305	-224	-255	31	-350	46
Residents Parking	-202	-146	-150	4	-202	0
Pay & Display Car Parks	-1,203	-837	-955	118	-1,343	140
Non Paying Car Parks	15	13	9	4	15	0
Off Street Parking - Enforcement	-107	-78	-102	24	-107	0
Mote Park Pay & Display	-195	-161	-156	-5	-195	0
Sandling Road Car Park	-1	-1	-47	47	-61	60
Park & Ride	136	122	87	34	86	50
Other Transport Services	-4	-3	8	-11	-4	0
Parking Services Section	373	362	355	7	363	10
Sub-Total: Parking Services	-1,494	-953	-1,206	253	-1,799	305
Total	882	595	-102	697	576	307

B1.2 The table shows that at the end of the third quarter overall net expenditure for the services reporting to PI PAC is -£0.102m, compared to the approved profiled budget of £0.595m, representing an underspend of £0.697m.

B1.3 The table indicates that in certain areas, significant variances to the budgeted income levels have emerged during the third 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 Q3	Adverse Variance Q3	Year End Forecast Variance
Planning & Infrastructure	£000		
PLANNING SERVICES			
Development Control Advice – Income from Pre-application discussions and Planning Performance Agreements is down against the budgeted figures.		-68	-91
Planning Policy – The budget is projected to be fully spent by the end of the year.	366		0
Salaries - This variance broadly reflects vacant posts throughout the year, after taking into account projected slippage.	236		199

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 December 2022.

Opening Balance 01/04/2022	Spending April - December 2022	Forecast Spending January - March 2023	Forecast Spending Balance 31/03/2023
£'s	£'s	£'s	£'s
1,461,727	546,956	950,644	-35,873

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

	Positive Variance Q3	Adverse Variance Q3	Year End Forecast Variance
Planning & Infrastructure	£000		
PARKING SERVICES			
Pay & Display Car Parks – Occupancy levels continue to be higher than forecast with the majority of car parks performing better than budgeted for.	118		140
Sandling Road Car Park – Running costs budgets are underspent and income greater than forecast.	47		60
Former Park & Ride Sites – Spend against the running costs budgets is lower than forecast.	34		50

Part C

Third Quarter Capital Budget 2022/23



B1) Capital Budget: Planning & Infrastructure PAC

- B1.1 This Policy Advisory Committee has no capital projects.