

Fourth Quarter Budget Monitoring 2018/19

Strategic Planning and Infrastructure

Committee

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Executive Summary

This report is intended to provide Members with an overview of performance against revenue and capital budgets and outturn for the 2018/19 financial year for the services that fell within the remit of the Strategic Planning Sustainability and Transportation (SPST) Committee. Although the SPST Committee has now been decommissioned the service areas for which it was responsible now fall under this Committee.

Robust budget monitoring is a key part of effective internal financial control, and therefore is one of the elements underpinning good corporate governance.

The aim of reporting financial information to service committees at quarterly intervals is to ensure that underlying trends can be identified at an early stage, and that action is taken to combat adverse developments or seize opportunities.

It is advisable for these reports to be considered in conjunction with quarterly performance monitoring reports, as this may provide the context for variances identified with the budget and general progress towards delivery of the Council's strategic priorities.

Headline messages for this year are as follows:

- For the SPST Committee, after taking into account grants to be carried forward of £70,000 there is an overspend against the revenue budget of £54,000.
- Capital expenditure totalling £67,000 has been incurred during 2018/19 for the projects which sat within the remit of the SPST Committee. This represents slippage of £0.161m.

Revenue Budget 2018/19



Revenue Spending

At the end of the year, after taking into account grants to be carried forward of £70,000 there is an overspend against the revenue budget of £54,000 for this Committee.

The budgets for each service committee now include a figure for assumed salary slippage to reflect the forecast level of vacant posts across the year. This was previously shown as a figure for the whole Council as part of the budget monitoring report for this Committee.

As illustrated by the chart below all committees stayed within their expenditure budgets with the exception of Policy & Resources Committee, although this is offset by income in excess of the budget figure. With the exception of Heritage Culture & Leisure Committee the remaining committees have all underachieved on their income budgets.

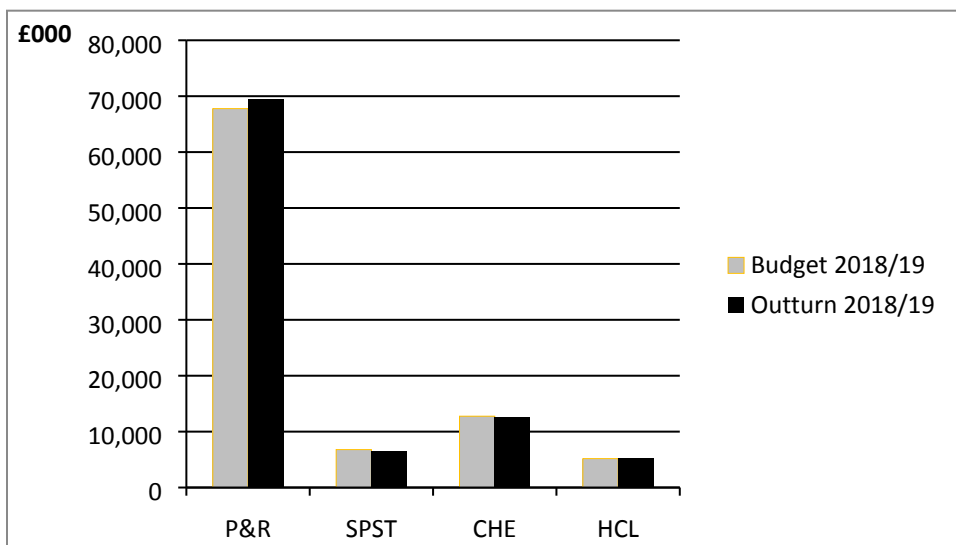


Chart 1 Performance against budget analysed by service committee (Expenditure)

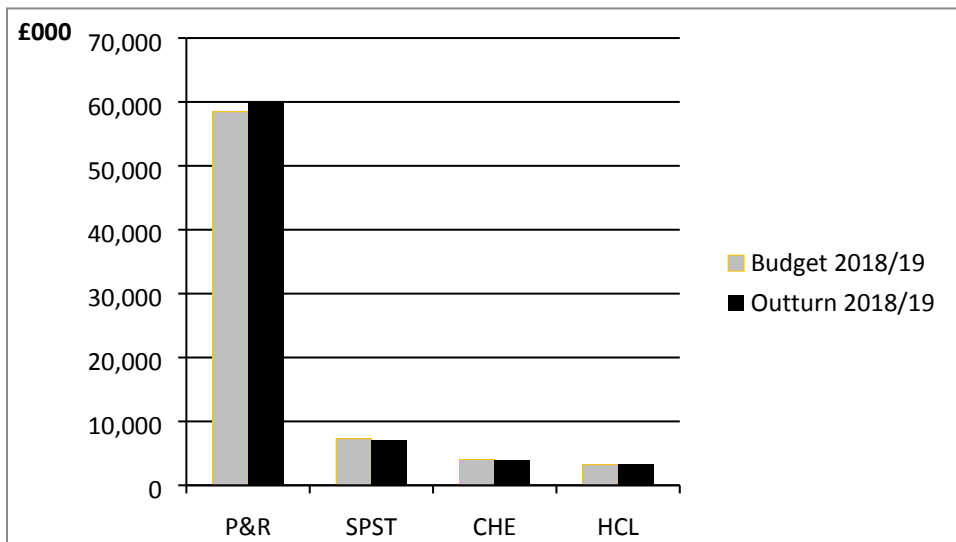


Chart 2 Performance against budget analysed by service committee (Income)

The table on the following page details the budget and expenditure position for the SPST Committee's services at the end of 2018/19. These figures represent the net budget for each cost centre. The actual position includes expenditure for goods and services which we have received but not yet paid for.

The columns of the table show the following detail:

- a) The cost centre description;
- b) The value of the total budget for the year;
- c) The actual spend to that date;
- d) The variance between expected and actual spend;

The table shows net income of £471,000 against a net income budget of £525,000 which is an overspend of £54,000. The table separates the overall figures into the two main functions of this committee, Planning Services and Parking Services, in order to show the budget and outturn for each function.

Revenue Budget Summary Q4 2018/19

Cost Centre	Budget for Year	Outturn	Variance
	£000	£000	£000
Building Regulations Chargeable	-320	-358	38
Building Control	-1	1	-2
Street Naming & Numbering	-49	-131	82
Development Control Advice	-56	-201	145
Development Control Appeals	117	88	29
Development Control Majors	-893	-599	-294
Development Control - Other	-621	-631	10
Development Control Enforcement	66	66	0
Planning Policy	219	96	123
Neighbourhood Planning	56	56	-0
Conservation	-11	4	-15
Town Centre Opportunity Area Project	55	55	0
Land Charges	-289	-222	-67
Development Management Section	1,063	1,200	-137
Spatial Policy Planning Section	405	414	-9
Head of Planning and Development	150	149	1
Development Management Enforcement Section	287	210	77
Building Surveying Section	401	420	-19
Mid Kent Planning Support Service	502	478	24
Heritage Landscape and Design Section	200	201	-1
Planning Business Management	155	165	-10
Mid Kent Local Land Charges Section	52	47	4
Salary Slippage	-74	0	-74
Sub-Total - Planning Services	1,414	1,507	-94
Environment Improvements	17	17	0
Name Plates & Notices	18	17	0
On Street Parking	-364	-367	2
Residents Parking	-263	-215	-48
Pay & Display Car Parks	-1,777	-1,887	110
Non Paying Car Parks	11	10	1
Off Street Parking - Enforcement	-75	-147	72
Mote Park Pay & Display	-174	-158	-16
Sandling Road Car Park	-1	-9	9
Park & Ride	241	360	-118
Socially Desirable Buses	48	57	-9
Other Transport Services	-10	-18	9
Parking Services Section	390	362	27
Sub-Total - Parking Services	-1,939	-1,978	39
Total	-525	-471	-54

Table 1 Revenue Budget Position Q4 2018/19 – Planning Services (Strategic Planning, Sustainability and Transportation Committee)

Significant Variances

Within the headline figures, there are a number of adverse and favourable variances for individual service areas. This report draws attention to the most significant variances, i.e. those exceeding £30,000, and the table below provides further detail regarding these variances.

	Positive Variance Q4	Adverse Variance Q4
Planning Services		
Building Regulations Chargeable - Income has performed ahead of budget for the whole year, and the year-end surplus will be transferred to earmarked reserves.	38	
Street Naming and Numbering - Income has exceeded the budgeted figure as a result of the number of new developments in the borough.	82	
Development Control Advice - There has been significant additional income from both pre-application advice and the new Planning Performance Agreements.	145	
Development Control Majors - As has been forecast in previous reports this area has shown a significant fall in income due to the reduced number of planning applications received compared to estimates.		-294
Planning Policy – This variance represents unused budget that will be set aside for local plan development work.	123	
Development Management Section - This variance is predominantly due to high agency staff costs. Unfortunately the costs have not declined as planned due to agency cover for the Major Projects Manager who left in September and also another staff member on maternity leave.		-137
Development Management Enforcement Section - This variance represents unused budgets for appeals costs.	77	
Salary Slippage - Assumed saving from normal level of turnover in staff. The actual savings are reflected in individual cost centres.		-74

	Positive Variance Q4	Adverse Variance Q4
Parking Services		
Residents Parking - The 'overspend' in this area is entirely due to under-achieved Penalty Charge Notice (PCN) income in residents' areas. This is partly due to lower contraventions having to be issued due to an adjudicator ruling. This however is offset by the over-achieved PCN income in Off Street Parking.		-48
Pay & Display Car Parks - Income was £146,000 below budget at year end. However this has been offset by a favourable variance of £43,000 from Season tickets and the parking reserve budget which is £165,000, thus leaving a favourable variance overall.	110	
Off Street Parking – Enforcement - PCN income in car parks is above expectation, this is however offset by a reduction of income for PCN's in resident areas.	72	
Park & Ride - The introduction of pay to park has not generated the income that was expected. Income was £104,000 below expectation at year end. The Park and Ride model will change again for 19/20.		-118

Table 3 Significant Variances – Parking Services (Strategic Planning, Sustainability and Transportation Committee)

Capital Budget 2018/19



Capital Spending

The five-year capital programme for 2018/19 onwards was approved by Council on 7th March 2018. Funding for the programme remains consistent with previous decisions of Council in that the majority of capital resources come from New Homes Bonus (NHB) along with a small grants budget.

The outturn position for 2018/19 is set out in the table below. For the year expenditure totaling £67,000 has been incurred against a budget of £0.228m, representing slippage of £0.161m.

Capital Budget Summary 2018/19

Capital Programme Heading	Revised Estimate 2018/19 £000	Outturn 2018/19 £000	Budget Remaining £000	Budget Not Required £000
Riverside Towpath	40		40	
Bridges Gyratory Scheme	188	67	121	260
Total	228	67	161	260

Table 4 Capital Expenditure 2018/19

- The remaining budget for the Bridges Gyratory Scheme is for residual costs around the landscaping elements of the scheme and flood defence works that will be undertaken around the Medway Street underpass.