

Appendix A – Quarter 2 - 2023/24 Financial Report - Planning Policy Committee

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Revenue Commentary – Planning Policy Committee

2022/23		Forecast Annual	Outturn	Change	One-off	Ongoing	
Outturn		Qtr 2	Budget	Variance	from Qtr 1	events	Pressures
£k		£k	£k	£k	£k	£k	£k
409	Planning Applications & Advice	484	391	93	97	4	89
324	Planning Strategy & Policy Guidance	332	332	0	0		
259	Enforcement	372	239	133	122	133	
	Appeals	210	80	130	(2)		130
95	Tree Preservation & Advice	100	100	0	0		
-	Community Infrastructure Levy (CIL)	2	2	0	0		
182	Local Development Plan - Evidence	178	178	0	0		
2	Gatwick Airport DCO	52	0	52	25	52	
(11)	Land Charges and Street Naming	27	16	11	(20)		11
1,259	Planning	1,757	1,338	419	222	189	230

Note – the forecast currently assumes that the budgets for the local plan and other planning policy team matters are spent in full in 2023/24 or remain ringfenced to the local plan if not.

This ensures that funding approved for such matters is retained to meet uncertain future costs and not used to offset overspends elsewhere in the budget.

Planning Policy Committee overspend £419k. Change: £222k from M3. The variance mainly comprises of:

- **£93k Planning Application and Advice overspend** Change: £97k from M3, negative variance at year end predicted based upon the following:
 - £222k overspend on salaries (M3 £86k over) due to reliance on contract staff for longer than originally anticipated. £42k overspend on running costs (M3 £47k over) related mainly to third party external consultant advice including retail impact assessments and highways matters.
 - (£171k) surplus (M3 £136k surplus) on planning application fee and expected planning performance agreement income. It is expected that the budget will be supported by income from some major sites where planning applications are anticipated, as well as future fee increases.
- **£133k Enforcement overspend** Change: £122k from M3, predicted. £144k salary overspend (£21k over in M3) due to reliance on contract staff offset by one-off lower running costs (M3 £10k under) and a small amount of income.
- **£130k Appeals overspend** Change: (£2k) from M3, due to a change in the forecast Appeals provision, based on doubling the 2022/23 provision, and application of the prior provision where associated expenditure is realised in year.
- **£52k Gatwick DCO overspend** Change: £25k from M3, associated with consultant commission for bespoke assessment of air quality and noise impacts on Tandridge arising from Gatwick Airport Northern Runway project. Approved by Planning Policy Committee in March and Sept 2023.
- **£11k Land Charges and Street Naming & Numbering overspend.** Change: (£20k) from M3. Land Charges income worse than budget caused by transient external pressures of rising inflation and high interest rates. Officers will closely monitor search numbers/income whilst delivering new initiatives to improve and promote the service. Includes an expected Government grant of £20k to facilitate Land Charges LLC1 data migration to Central Government.

Revenue Risks

These risks have not been included in the budget monitoring position unless otherwise stated

Committee	Outline of Risk	Mitigation	Range Max - Min £k
Planning	The need for externalising work may increase now that the Local Plan has been found unsound with more appeals requiring external legal output.	Monitor and report, taking commensurate actions where opportunities arise	
Planning	Unexpected fall of in planning application fee income, driven by the national economic situation	Monitor and report, taking commensurate actions where opportunities arise	

Capital Budget – Planning Policy Committee (CIL)

Service	Annual Budget 2023-24 £k	Forecast M6 2023/24 £k	Variance M6 2023/24 £k	Nature of Variance	
				Variance Overspend/ (Underspend) £k	Variance Acceleration/ (Slippage) £k

Planning Policy					
Capital contributions to third parties from CIL	500	104	(396)	0	(396)
Total Planning Policy	500	104	(396)	0	(396)

- The Capital Budget was approved by Full Council on 9th February 2023 at £500k.
- The request for Capital carry forwards of £2,108k from 2022/23 was approved in the S&R Committee on 29th June 2023.
- The total available budget for 2023/24 was therefore £2,608k.
- Due to match funding and project delivery delays, £2,108k slippage in the projected scheme expenditure was requested to be carried forward to 2024/25. This is normal practice with grant allocations. This was approved in the S&R committee on 28th September 2023.
- The budget 2023/24 now stands at £500k.
- The budget has been reviewed for deliverability at M6 with a forecast variance - slippage of (£396k)