

FAREHAM

BOROUGH COUNCIL

Report to Planning Committee

Date **23rd January 2023**

Report of: **Deputy Chief Executive Officer**

Subject: **ACTUAL REVENUE EXPENDITURE**

SUMMARY

This report sets out for the information of Members details of the actual revenue expenditure for 2021/22 in respect of the services for which this Committee is responsible.

RECOMMENDATION

The Committee is asked to note the content of the report.

INTRODUCTION

1. The final accounts for the financial year for this Committee shows that the actual expenditure of £1,191,930 was £336,590 (39%) above the revised budget of £854,800 which was agreed by the executive in January 2022.
2. The actual totals of gross expenditure and income are set out in the table below.

| Planning Committee | Revised | Actual | Variance |
|--------------------------|------------------|------------------|----------------|
| | Budget | | |
| | 2021/22 | 2021/22 | 2021/22 |
| | £ | £ | £ |
| Employees | 764,300 | 1,025,294 | 260,994 |
| Transport | 10,900 | 9,858 | -1,042 |
| Supplies & Services | 517,800 | 619,063 | 101,263 |
| Third Party Payments | 92,100 | 83,604 | -8,496 |
| Internal Recharges | 179,700 | 202,192 | 22,492 |
| GROSS EXPENDITURE | 1,564,800 | 1,940,011 | 375,211 |
| Other Income | -17,600 | 0 | 17,600 |
| Fees & Charges | -692,400 | -748,621 | -56,221 |
| GROSS INCOME | -710,000 | -748,621 | -38,621 |
| NET EXPENDITURE | 854,800 | 1,191,390 | 336,590 |

3. The main reasons for the variance was because of additional spend on employee costs due to additional pension costs that are removed from the overall council position. There was also increased spend on consultants and legal costs in relation to planning applications and appeals, plus costs associated with the judicial reviews in Warsash. Application fee income and work from the legal partnership exceeded the budgeted fees and charges projection, offsetting the overall appeals costs.
4. The actual net revenue expenditure for the year analysed over the main services heading is shown in the following table:-

| | Revised | Actual | Variance |
|-----------------------|---------|-----------|----------|
| | Budget | | |
| | 2021/22 | 2021/22 | 2021/22 |
| | £ | £ | £ |
| Planning Applications | 109,600 | 246,807 | 137,207 |
| Planning Advice | 178,600 | 246,129 | 67,529 |
| Planning Enforcement | 129,400 | 166,586 | 37,186 |
| Planning Appeals | 437,200 | 531,868 | 94,668 |
| | 854,800 | 1,191,390 | 336,590 |

5. A detailed breakdown of the actual cost of the individual services is shown in Appendix A. The main variations which exceed £5,000 from the approved budgets are detailed below.

PLANNING APPLICATIONS

6. The service was overspent by just over £137,200, the main reason for variance was a large overspend in the employee budget of £150,000. This was due to additional pension costs of £163,600 and an annual leave adjustment of £5,000 due to annual leave owed to employees due to covid. This has been offset by various staffing savings during the year of £18,600.
7. There was additional use of consultants advice to determine major planning applications contributing to a £15,000 overspend in this area.
8. There was additional income of £28,000 from the Southampton and Fareham Legal Partnership from costs recovered for work on S106 agreements. This was mostly due to Welborne.
9. Planning application income peaked in the last quarter with a total of £647,300. The overall variance in income from applications was a surplus of £20,600.

PLANNING ADVICE

10. The overall overspend for this service was just over £67,500. There was an overspend due to pension costs of £54,400 and overspend in the employee budget of £9,600.
11. Income was less than budgeted by £6,500.

PLANNING ENFORCEMENT

12. The overall overspend for this service was just over £37,000. The main reason for this was additional pension costs of £35,300.

PLANNING APPEALS

13. The overall overspend for this service was £94,700. There were a number of high-profile planning appeals requiring the use of consultants and legal representation.
14. The largest spend was on appeals during the year including Land South of Romsey Avenue South, Downend Road Portchester, Posbrook Lane, Land South of Funtley Road, East Crofton Cemetery, Newgate Lane East, Land East of New Road (Borderland fencing). This overspend excludes officer time.
15. There were also two continuing judicial reviews during the year, Save Warsash and Egmont Nurseries.

RISK ASSESSMENT

16. The council notes the ongoing costs of appeals. This is being monitored and managed within existing council resources.

CONCLUSION

17. The cost of the services provided by this Committee was £336,590 higher than anticipated when the revised budgets were prepared and the reasons for this are set out in this report.
18. Any overspends against the overall budget will have to be offset by corresponding underspends within other committees or portfolio budgets. Where this is not possible then reserves will have to be used to balance the council's accounts.

Enquiries:

For further information on this report please contact Neil Wood. (Ext 4506)

APPENDIX A

PLANNING COMMITTEEACTUAL OF EXPENDITURE AND INCOME 2021/22

| | Revised Budget 2021/22 £ | Actual 2021/22 £ | Variance 2021/22 £ |
|-----------------------|---|---------------------------------|-----------------------------------|
| Planning Applications | 109,600 | 246,807 | 137,207 |
| Planning Advice | 178,600 | 246,129 | 67,529 |
| Planning Enforcement | 129,400 | 166,586 | 37,186 |
| Planning Appeals | 437,200 | 531,868 | 94,668 |
| | <u>854,800</u> | <u>1,191,390</u> | <u>336,590</u> |

| | Revised Budget 2021/22 £ | Actual 2021/22 £ | Variance 2021/22 £ |
|-----------------------------------|---|---------------------------------|-----------------------------------|
| <u>SUBJECTIVE ANALYSIS</u> | | | |
| Employees | 764,300 | 1,025,294 | 260,994 |
| Transport | 10,900 | 9,858 | -1,042 |
| Supplies & Services | 517,800 | 619,063 | 101,263 |
| Third Party Payments | 92,100 | 83,604 | -8,496 |
| Internal Recharges | 179,700 | 202,192 | 22,492 |
| GROSS EXPENDITURE | <u>1,564,800</u> | <u>1,940,011</u> | <u>375,211</u> |
| Other Income | -17,600 | 0 | 17,600 |
| Fees & Charges | -692,400 | -748,621 | -56,221 |
| GROSS INCOME | <u>-710,000</u> | <u>-748,621</u> | <u>-38,621</u> |
| NET EXPENDITURE | <u>854,800</u> | <u>1,191,390</u> | <u>336,590</u> |

| | Revised Budget 2021/22 | Actual 2021/22 | Variance 2021/22 |
|-------------------------------------|---------------------------------------|---------------------------|-----------------------------|
| | £ | £ | £ |
| <u>PLANNING APPLICATIONS</u> | | | |
| EMPLOYEES | 491,200 | 641,367 | 150,167 |
| TRANSPORT EXPENDITURE | 7,000 | 6,236 | -764 |
| SUPPLIES AND SERVICES | 101,200 | 123,126 | 21,926 |
| THIRD PARTY PAYMENTS | 73,300 | 69,929 | -3,371 |
| INTERNAL RECHARGES | 117,200 | 131,491 | 14,291 |
| GROSS EXPENDITURE | 789,900 | 972,149 | 182,249 |
| OTHER INCOME | -17,600 | 0 | 17,600 |
| FEES AND CHARGES | -692,400 | -748,621 | -56,221 |
| GROSS INCOME | -680,300 | -725,342 | -45,042 |
| NET EXPENDITURE | 109,600 | 246,807 | 137,207 |

| | Revised Budget 2021/22 | Actual 2021/22 | Variance 2021/22 |
|-------------------------------|---------------------------------------|---------------------------|-----------------------------|
| | £ | £ | £ |
| <u>PLANNING ADVICE</u> | | | |
| EMPLOYEES | 149,300 | 213,296 | 63,996 |
| TRANSPORT EXPENDITURE | 1,300 | 1,367 | 67 |
| SUPPLIES AND SERVICES | 5,800 | 1,883 | -3,917 |
| THIRD PARTY PAYMENTS | 13,100 | 9,151 | -3,949 |
| INTERNAL RECHARGES | 38,800 | 43,711 | 4,911 |
| GROSS EXPENDITURE | 208,300 | 269,408 | 61,108 |
| FEES AND CHARGES | -29,700 | -23,279 | 6,421 |
| GROSS INCOME | -29,700 | -23,279 | 6,421 |
| NET EXPENDITURE | 178,600 | 246,129 | 67,529 |

| | Revised Budget 2021/22 | Actual 2021/22 | Variance 2021/22 |
|------------------------------------|---------------------------------------|---------------------------|-----------------------------|
| | £ | £ | £ |
| <u>PLANNING ENFORCEMENT</u> | | | |
| EMPLOYEES | 100,300 | 138,321 | 38,021 |
| TRANSPORT EXPENDITURE | 2,600 | 2,162 | -438 |
| SUPPLIES AND SERVICES | 2,700 | 1,013 | -1,687 |
| THIRD PARTY PAYMENTS | 5,700 | 4,524 | -1,176 |
| INTERNAL RECHARGES | 18,100 | 20,565 | 2,465 |
| NET EXPENDITURE | 129,400 | 166,585 | 37,185 |

| | Revised Budget 2021/22 | Actual 2021/22 | Variance 2021/22 |
|--------------------------------|---------------------------------------|---------------------------|-----------------------------|
| | £ | £ | £ |
| <u>PLANNING APPEALS</u> | | | |
| EMPLOYEES | 23,500 | 32,309 | 8,809 |
| TRANSPORT EXPENDITURE | 0 | 93 | 93 |
| SUPPLIES AND SERVICES | 408,100 | 493,042 | 84,942 |
| INTERNAL RECHARGES | 5,600 | 6,424 | 824 |
| NET EXPENDITURE | 437,200 | 531,868 | 94,668 |

| | | | |
|---------------------------------|----------------|------------------|----------------|
| TOTAL PLANNING COMMITTEE | 854,800 | 1,191,389 | 336,589 |
|---------------------------------|----------------|------------------|----------------|