

# **FAREHAM**

## **BOROUGH COUNCIL**

### **Report to Licensing and Regulatory Affairs Committee**

**Date**                    **23 January 2018**

**Report of:**           **Director of Finance and Resources**

**Subject:**             **ACTUAL REVENUE EXPENDITURE 2016/17**

#### **SUMMARY**

This report sets out for the information of Members details of the actual revenue expenditure for 2016/17 in respect of the services for which this Committee is responsible.

#### **RECOMMENDATION**

It is recommended that the Licensing and Regulatory Affairs Committee notes the content of the report.

## INTRODUCTION

1. The final accounts for the financial year 2016/17 for this Committee show that the actual expenditure of £529,575 represented an overspend of £7,775 compared with the revised budget of £521,800 that was approved by this Committee on 24 January 2017. The actual totals of gross expenditure and income are set out in the table below:

	<b>Base Budget 2016/17</b>	<b>Revised Budget 2016/17</b>	<b>Actual 2016/17</b>	<b>Variance</b>
	£	£	£	£
EMPLOYEE RELATED EXPENDITURE	180,800	230,300	223,407	-6,893
PREMISES RELATED EXPENDITURE	15,000	23,000	22,860	-140
TRANSPORT RELATED EXPENDITURE	1,100	2,900	2,566	-334
SUPPLIES AND SERVICES	245,700	333,500	322,446	-11,054
THIRD PARTY PAYMENTS	276,100	257,500	322,871	65,371
INTERNAL SUPPORT	55,100	55,500	64,953	9,453
<b>GROSS EXPENDITURE</b>	<b>773,800</b>	<b>902,700</b>	<b>959,103</b>	<b>56,403</b>
GOVERNMENT GRANTS	-110,000	-190,200	-222,578	-32,378
OTHER GRANTS AND REIMBURSEMENTS	0	0	0	0
SALES	-1,700	-1,700	-3,529	-1,829
FEES AND CHARGES	-170,700	-189,000	-203,421	-14,421
<b>GROSS INCOME</b>	<b>-282,400</b>	<b>-380,900</b>	<b>-429,528</b>	<b>-48,628</b>
<b>NET EXPENDITURE</b>	<b>491,400</b>	<b>521,800</b>	<b>529,575</b>	<b>7,775</b>

2. The main variations reflect reduced spending of £6,893 on employees and £11,054 on supplies and services. Additional expenditure against third party payments and internal support reflect higher than budgeted recharges in respect of ICT and the Civic Offices building. These are not only recorded directly against internal support for Election Services but also feed into third party payments as the charge is originally recorded in the Environmental Health Partnership. Additional income of £48,628 was generated through fees and charges, and Grants and Reimbursements.
3. There has been a small underspend against employee budgets in Election Services during the year, and the decrease in supplies and services costs are due to election fees during 2016/17.
4. The actual revenue expenditure for the year analysed over the main service headings is shown in the following table:

	Base Budget 2016/17	Revised Budget 2016/17	Actual 2016/17	Variance
	£	£	£	£
HACKNEY CARRIAGE LICENCES	1,900	-15,000	1,584	16,584
LICENSING	-23,300	-34,800	-12,494	22,306
HEALTH & SAFETY ENFORCEMENT	152,000	143,500	171,945	28,445
ELECTION SERVICES	360,800	428,100	368,540	-59,560
	<b>491,400</b>	<b>521,800</b>	<b>529,575</b>	<b>7,775</b>

5. A detailed breakdown of the actual cost of the individual services is shown in Appendix A. The main variations from the approved budgets are examined in the following paragraphs.

### **HACKNEY CARRIAGE AND PRIVATE HIRE VEHICLES**

6. This service was overspent by £16,600 for the financial year. The main variations were increases of £24,400 in third party payments as a result of higher than budgeted recharges in respect of ICT and the Civic Offices building. There was also an increase in income of £14,200 largely as a result of Driver's Licences now being renewable on either a 3 yearly or annual basis.

### **LICENSING**

7. This service was overspent by £22,300 for the financial year. The main variations were increases of £21,400 in third party payments as a result of higher than budgeted recharges in respect of ICT and the Civic Offices building.

### **HEALTH AND SAFETY ENFORCEMENT**

8. This service was overspent by £28,500 for the financial year. The main variations were increases of £19,500 in third party payments as a result of higher than budgeted recharges in respect of ICT and the Civic Offices building.

### **ELECTION SERVICES**

9. The underspend of almost £60,000 reflects a savings against the budget for conducting elections of almost £47,000 and around £13,000 lower than anticipated expenditure for register of electors
10. There were four different elections conducted in the 2016/17 financial year. This comprised of the Police and Crime Commissioner (PCC) election, Hampshire County Council by-election, and our own borough local elections in May, and the EU referendum in June. We received around £32,000 more funding than anticipated and expenditure was also just over £14,000 less, this was largely down to lower than anticipated spending on supplies and services.
11. The savings of around £13,000 relating to register of electors consists of £10,000 less than budget for employee costs. We spent almost £7,000 less in supplies and services, predominantly relating to printing costs, although this was largely offset by higher than budgeted recharges in respect of ICT and the Civic Offices building.

### **RISK ASSESSMENT**

12. There are no significant risk considerations in relation to this report.

### **CONCLUSION**

13. The cost of the services provided by this Committee was £7,775 higher than anticipated when the revised budgets were prepared and the reasons for this are set out in this report.

## **APPENDIX A - Actual Cost of Individual Services 2016/17**

### **Background Papers:**

None.

### **Reference Papers:**

Report of the Director of Finance and Resources, and the Director of Regulatory and Democratic Services to this Committee on 17 November 2015 - Spending Plans 2016/17.

### **Enquiries:**

For further information on this report please contact Kate Busby (Ext 4685).

## APPENDIX A

<b><u>HACKNEY CARRIAGE LICENCES</u></b>	<b>Base Budget 2016/17</b>	<b>Revised Budget 2016/17</b>	<b>Actual 2016/17</b>	<b>Variance</b>
	£	£	£	£
EMPLOYEE RELATED EXPENDITURE	0	0	0	0
TRANSPORT RELATED EXPENDITURE	0	0	0	0
SUPPLIES AND SERVICES	7,000	7,000	13,217	6,217
THIRD PARTY PAYMENTS	78,300	72,700	97,142	24,442
INTERNAL SUPPORT	1,500	1,500	1,409	-91
<b>GROSS EXPENDITURE</b>	<b>86,800</b>	<b>81,200</b>	<b>111,768</b>	<b>30,568</b>
SALES	-200	-200	-5	195
FEES AND CHARGES	-84,700	-96,000	-110,179	-14,179
<b>GROSS INCOME</b>	<b>-84,900</b>	<b>-96,200</b>	<b>-110,184</b>	<b>-13,984</b>
<b>NET EXPENDITURE</b>	<b>1,900</b>	<b>-15,000</b>	<b>1,584</b>	<b>16,584</b>

<b><u>LICENSING</u></b>	<b>Base Budget 2016/17</b>	<b>Revised Budget 2016/17</b>	<b>Actual 2016/17</b>	<b>Variance</b>
	£	£		
EMPLOYEE RELATED EXPENDITURE	300	300	322	22
SUPPLIES AND SERVICES	0	0	930	930
THIRD PARTY PAYMENTS	60,800	56,300	77,698	21,398
INTERNAL SUPPORT	1,600	1,600	1,708	108
<b>GROSS EXPENDITURE</b>	<b>62,700</b>	<b>58,200</b>	<b>80,658</b>	<b>22,458</b>
FEES AND CHARGES	-86,000	-93,000	-93,152	-152
<b>GROSS INCOME</b>	<b>-86,000</b>	<b>-93,000</b>	<b>-93,152</b>	<b>-152</b>
<b>NET EXPENDITURE</b>	<b>-23,300</b>	<b>-34,800</b>	<b>-12,494</b>	<b>22,306</b>

<b><u>HEALTH &amp; SAFETY</u></b>	<b>Base Budget 2016/17</b>	<b>Revised Budget 2016/17</b>	<b>Actual 2016/17</b>	<b>Variance</b>
	£	£	£	£
EMPLOYEE RELATED EXPENDITURE	2,800	2,800	4,290	1,490
PREMISES RELATED EXPENDITURE	0	0	0	0
TRANSPORT RELATED EXPENDITURE	0	0	0	0
SUPPLIES AND SERVICES	12,000	12,000	19,405	7,405
CONTRACT PAYMENTS	137,000	128,500	148,031	19,531
INTERNAL SUPPORT	300	200	309	109
<b>GROSS EXPENDITURE</b>	<b>152,100</b>	<b>143,500</b>	<b>172,035</b>	<b>28,535</b>
FEES AND CHARGES	0	0	-90	-90
<b>GROSS INCOME</b>	<b>0</b>	<b>0</b>	<b>-90</b>	<b>-90</b>
<b>NET EXPENDITURE</b>	<b>152,100</b>	<b>143,500</b>	<b>171,945</b>	<b>28,445</b>

	Base Budget 2016/17	Revised Budget 2016/17	Actual 2016/17	Variance
<b><u>ELECTION SERVICES</u></b>	£	£	£	£
EMPLOYEE RELATED EXPENDITURE	177,700	227,200	218,795	-8,405
PREMISES RELATED EXPENDITURE	15,000	23,000	22,860	-140
TRANSPORT RELATED EXPENDITURE	1,100	2,900	2,566	-334
SUPPLIES AND SERVICES	226,700	314,500	288,894	-25,606
CONTRACT PAYMENTS	0	0	0	0
INTERNAL SUPPORT	51,800	52,200	61,527	9,327
<b>GROSS EXPENDITURE</b>	<b>472,300</b>	<b>619,800</b>	<b>594,642</b>	<b>-25,158</b>
GOVERNMENT GRANTS	-110,000	-190,200	-222,578	-32,378
OTHER GRANTS AND REIMBURSEMENTS	0	0	0	0
SALES	-1,500	-1,500	-3,524	-2,024
FEES AND CHARGES	0	0	0	0
GROSS INCOME	<b>-111,500</b>	<b>-191,700</b>	<b>-226,102</b>	<b>-34,402</b>
<b>NET EXPENDITURE</b>	<b>360,800</b>	<b>428,100</b>	<b>368,540</b>	<b>-59,560</b>
<b>LICENSING AND REGULATORY</b>				
<b>AFFAIRS NET EXPENDITURE</b>	<b>491,500</b>	<b>521,800</b>	<b>529,575</b>	<b>7,775</b>