

FAREHAM

BOROUGH COUNCIL

Report to Licensing and Regulatory Affairs Committee

Date **31 January 2023**

Report of: **Deputy Chief Executive Officer**

Subject: **SPENDING PLANS 2023/24**

SUMMARY

This report sets out the overall level of revenue spending on this Committee's services and seeks agreement for the revised revenue budget for 2022/23 and the base budget for 2023/24 before being recommended to Council for approval.

RECOMMENDATION

It is recommended that the Licensing and Regulatory Affairs Committee:-

- (a) reviews and agrees the revised budget for 2022/23;
- (b) reviews and agrees the base budgets for 2023/24; and
- (c) recommends the budget to Council for approval.

INTRODUCTION

1. The Council has a co-ordinated strategic, service and financial planning process and this report allows the Committee to consider in detail these plans for the provision of Licensing and Regulatory Affairs services during the next financial year.
2. This report and the revenue budgets have been prepared in accordance with the Medium-Term Finance Strategy that was presented to the Executive on 9 January 2023 and will cover the capital programme and the revenue budget.

CAPITAL PROGRAMME

3. For this Committee there are no capital projects planned.

REVENUE BUDGET

4. Appendix A analyses the overall budget total over the individual Licensing and Regulatory Affairs Committee services and by the different types of expenditure and income.

Base Budget 2022/23

5. The base budgets for 2022/23 were considered by this Committee in January 2022 and were confirmed by the Full Council on 25 February 2022. The base budget for 2022/23 amounted to £574,400.

Revised Budget 2022/23

6. The overall revised budget for 2022/23 is £639,200 an increase of £64,800 or 11.28% from the base budget which is mainly due to increased costs from the local and county elections.

Base Budget 2023/24

7. The overall base budget for 2023/24 is £540,400 a decrease of £34,000 or 5.91% from the base budget for 2022/23.

Revenue Budget Comparisons

8. The major variations in the individual service budgets are summarised in the following table:

	Revised Budget 2022/23 £	Base Budget 2023/24 £
Base Budget 2022/23	574,400	574,400
Hackney Carriage and Private Hire Vehicles	-11,100	-6,500
Licensing	1,200	5,700
Health and Safety Enforcement	11,700	18,800
Election Services	63,000	-52,000
TOTAL	639,200	540,400

9. Appendix A of this report shows the analysis of expenditure and income for individual services and the following paragraphs of this report set out issues affecting individual services that have arisen in the current year in order to explain the variations between the base and revised budgets for 2022/23 and the base budget for 2023/24.
10. The budgets for this committee do not reflect the cost of providing members services support to this committee and to the panels that are held during the year. This overall cost to the council is shown within the Executive Portfolio for Policy and Resources. The cost to the council for this function is just over £1.1 million a year.

SERVICES ISSUES

Environmental Health Partnership

11. From 1 April 2014 the Environmental Health service has been provided by way of a Partnership between Fareham and Gosport Councils in order to provide a more resilient service and to bring savings to both Councils under the control of the Environmental Health Panel.
12. Under this arrangement, the direct costs for the service have been combined into a single Trading Account. This is where expenditure under the headings of employees, premises, supplies and services and third-party payments incurred by the Partnership are recorded, and recharged to both Fareham and Gosport Councils on the basis of a 50: 50 split.
13. Internal Recharges and income attributable to Fareham and Gosport Councils are recorded directly in the respective service areas of the two local authorities, along with the cost of DVLA Licence checks under supplies and services.
14. The overall budget for 2023/24 for the EHP has increased by £107,500 in comparison the previous year to a total of £1,686,800, this increase is in relation to increased employee expenditure and an increase in internal recharges.
15. The percentage charges from the Environmental Health Partnership to this committee are reviewed annually. The percentages are shown in the table:

Service	Recharge Percentage
HACKNEY CARRIAGE LICENSES	9%
LICENSING	10%
HEALTH AND SAFETY	15%

Hackney Carriage Licences

16. There has been a decrease in the budget for this service of £6,500, this is due to a reduction in legal costs.

Licensing

17. There has been an increase in the budget for this service of £5,700, this is due to an increase in partnership costs.

Health & Safety

18. There has been an increase of £18,800 this due to an increase in partnership costs.

Election Services

19. There has been a decrease in the budget of £52,000 as there are no scheduled elections due to take place.

RISK ASSESSMENT

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

CONCLUSION

21. A number of Licensing and Regulatory Affairs Committee services are partly funded from fees and charges and other types of income. After taking service income into account, the following sources of income reduce the overall cost of services to be met by council taxpayers:

- Investment income; and
- The Council's share of business rate income

22. These sources of income are generally outside the Council's control and do not reflect changes in the overall level of spending on local services. With these sources of income effectively "fixed", members need to be aware that, unless it can be matched by increased service income, additional spending on services has to be fully funded by council taxpayers.

23. It follows that members must give full weight to the Council's overall position and future council tax levels when the revenue budgets for 2023/24 are considered.

APPENDICES Appendix A: Revised budgets for 2022/23 and Base Budgets for 2023/24

Background Papers:

Reference Papers:

Enquiries:

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

ESTIMATE OF EXPENDITURE AND INCOME FOR THE COUNCIL TAX 2023/24LICENSING AND REGULATORY AFFAIRS COMMITTEE

	Base Budget 2022/23	Revised Budget 2022/23	Base Budget 2023/24
	£	£	£
Hackney Carriage and Private Hire Vehicles	12,000	900	5,500
Licensing	3,700	4,900	9,400
Health and Safety	140,200	151,900	159,000
Election Services	418,500	481,500	366,500
	574,400	639,200	540,400

SUBJECTIVE ANALYSIS

	Base Budget 2022/23	Revised Budget 2022/23	Base Budget 2023/24
	£	£	£
Employee Related Expenditure	169,900	182,200	184,200
Premises Related Expenditure	12,000	5,700	0
Transport Related Expenditure	3,900	3,200	3,200
Supplies & Services	190,000	273,300	131,700
Third Party Payments	300,300	305,200	321,000
Internal Recharges	64,500	66,400	66,700
GROSS EXPENDITURE	740,600	836,000	706,800
Government Grants	-600	-30,600	-600
Other Grants	-2,000	-2,400	-2,000
Sales	-160,000	-156,700	-156,700
Fees And Charges	-3,600	-7,100	-7,100
GROSS INCOME	-166,200	-196,800	-166,400
NET EXPENDITURE	574,400	639,200	540,400

**HACKNEY CARRIAGE & PRIVATE
HIRE VEHICLES**

	Base Budget 2022/23	Revised Budget 2022/23	Base Budget 2023/24
	£	£	£
Transport Related Expenditure	2,000	2,000	2,000
Supplies & Services	12,000	0	0
Third Party Payments	80,600	81,900	86,100
GROSS EXPENDITURE	94,600	83,900	88,100
Government Grants	-600	-600	-600
Other Grants	-500	-900	-500
Sales	-81,500	-81,500	-81,500
GROSS INCOME	-82,600	-83,000	-82,600
NET EXPENDITURE	12,000	900	5,500

LICENSING

	Base Budget 2022/23	Revised Budget 2022/23	Base Budget 2023/24
	£	£	£
Supplies & Services	300	300	300
Third Party Payments	85,500	86,900	91,400
GROSS EXPENDITURE	85,800	87,200	91,700
Sales	-78,500	-75,200	-75,200
Fees & Charges	-3,600	-7,100	-7,100
GROSS INCOME	-82,100	-82,300	-82,300
NET EXPENDITURE	3,700	4,900	9,400

HEALTH AND SAFETY

	Base Budget 2022/23	Revised Budget 2022/23	Base Budget 2023/24
	£	£	£
Employee Related Expenditure	2,000	2,000	2,000
Supplies & Services	4,000	13,500	13,500
Third Party Payments	134,200	136,400	143,500
NET EXPENDITURE	140,200	151,900	159,000

<u>ELECTIONS</u>	Base Budget 2022/23	Revised Budget 2022/23	Base Budget 2023/24
	£	£	£
Employee Related Expenditure	167,900	180,200	182,200
Premises Related Expenditure	12,000	5,700	0
Transport Related Expenditure	1,900	1,200	1,200
Supplies & Services	173,700	259,500	117,900
Internal Recharges	64,500	66,400	66,700
GROSS EXPENDITURE	420,000	513,000	368,000
Government Grants	0	-30,000	0
Other Grants	-1,500	-1,500	-1,500
GROSS INCOME	-1,500	-31,500	-1,500
NET EXPENDITURE	418,500	481,500	366,500