

FAREHAM

BOROUGH COUNCIL

Report to Licensing and Regulatory Affairs Committee

Date **30 January 2024**

Report of: **Assistant Chief Executive Officer**

Subject: **SPENDING PLANS 2024/25**

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 2023/24 and the base budget for 2024/25 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 2023/24;
- (b) reviews and agrees the base budgets for 2024/25; and
- (c) recommends the budget to Full 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 8 January 2024 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 2023/24

5. The base budgets for 2023/24 were considered by this Committee in January 2023 and were confirmed by the Full Council on 24 February 2023. The base budget for 2023/24 amounted to £540,400.

Revised Budget 2023/24

6. The overall revised budget for 2023/24 is £495,700 a decrease of £44,700 or 8.3% from the base budget which is mainly due to reduced election costs.

Base Budget 2024/25

7. The overall base budget for 2024/25 is £699,100 an increase of £158,700 or 29.4% from the base budget for 2023/24.

Revenue Budget Comparisons

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

	Revised Budget 2023/24 £	Base Budget 2024/25 £
Base Budget 2023/24	540,400	540,400
Hackney Carriage & Private Hire Vehicles	-5,500	-5,400
Licensing	-5,900	-5,100
Health and Safety	-4,300	-4,000
Election Services	-29,000	173,200
TOTAL	495,700	699,100

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 2023/24 and the base budget for 2024/25.
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 2024/25 for the EHP has decreased by £2,600 in comparison the previous year to a total of £1,657,500.
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 £5,400, this is due to a small decrease in partnership costs and a small increase in fees and charges income.

Licensing

17. There has been a decrease in the budget for this service of £5,100, this is due to an increase in partnership costs. this is due to a small decrease in partnership costs and an increase in fees and charges income.

Health & Safety

18. There has been a decrease of £4,000, this due to a reduction in partnership costs.

Election Services

19. There has been an increase in the budget of £173,200 as there are local elections, police and crime commissioner election and a general election 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 2024/25 are considered.

APPENDICES

Appendix A: Revised budgets for 2023/24 and Base Budgets for 2024/25

Background Papers:

Reference Papers:

Enquiries:

For further information on this report please contact Neil Wood 01329 824506

ESTIMATE OF EXPENDITURE AND INCOME FOR THE COUNCIL TAX 2024/25**LICENSING AND REGULATORY AFFAIRS COMMITTEE**

	Base Budget 2023/24	Revised Budget 2023/24	Base Budget 2024/25
	£	£	£
Hackney Carriage & Private Hire Vehicles	5,500	0	100
Licensing	9,400	3,500	4,300
Health and Safety	159,000	154,700	155,000
Election Services	366,500	337,500	539,700
	540,400	495,700	699,100

SUBJECTIVE ANALYSIS

	Base Budget 2023/24	Revised Budget 2023/24	Base Budget 2024/25
	£	£	£
Employee Expenditure	184,200	184,900	199,500
Premises Expenditure	0	500	20,500
Transport Expenditure	3,200	2,900	3,500
Supplies and Services Expenditure	131,700	123,600	390,500
Third Party Payments	321,000	311,600	312,100
Internal Recharges	66,700	48,500	49,900
Gross Expenditure	706,800	672,000	976,000
Government Grants	-600	-600	-600
Other Grants	0	-3,700	-105,000
Sales	-2,000	-2,000	-2,000
Fees and Charges	-163,800	-170,000	-169,300
Gross Income	-166,400	-176,300	-276,900
Net Expenditure	540,400	495,700	699,100

**HACKNEY CARRIAGE & PRIVATE
HIRE VEHICLES**

	Base Budget 2023/24	Revised Budget 2023/24	Base Budget 2024/25
	£	£	£
Transport Expenditure	2,000	2,000	2,000
Supplies and Services Expenditure	0	0	0
Third Party Payments	86,100	83,600	83,700
Gross Expenditure	88,100	85,600	85,700
Government Grants	-600	-600	-600
Sales	-500	-500	-500
Fees and Charges	-81,500	-84,500	-84,500
Gross Income	-82,600	-85,600	-85,600
Net Expenditure	5,500	0	100

LICENSING

	Base Budget 2023/24	Revised Budget 2023/24	Base Budget 2024/25
	£	£	£
Supplies and Services Expenditure	300	300	300
Third Party Payments	91,400	88,700	88,800
Gross Expenditure	91,700	89,000	89,100
Fees and Charges	-74,800	-83,500	-82,800
Other Charges	-7,500	-2,000	-2,000
Gross Income	-82,300	-85,500	-84,800
Net Expenditure	9,400	3,500	4,300

<u>HEALTH AND SAFETY</u>	Base Budget 2023/24	Revised Budget 2023/24	Base Budget 2024/25
	£	£	£
Employee Expenditure	2,000	3,600	3,600
Supplies and Services Expenditure	13,500	11,800	11,800
Third Party Payments	143,500	139,300	139,600
Internal Recharges	0	0	0
Gross Expenditure	159,000	154,700	155,000
Net Expenditure	159,000	154,700	155,000

<u>ELECTIONS</u>	Base Budget 2023/24	Revised Budget 2023/24	Base Budget 2024/25
	£	£	£
Employee Expenditure	182,200	181,300	195,900
Premises Expenditure	0	500	20,500
Transport Expenditure	1,200	900	1,500
Supplies and Services Expenditure	117,900	111,500	378,400
Internal Recharges	66,700	48,500	49,900
Gross Expenditure	368,000	342,700	646,200
Other Grants	0	-3,700	-105,000
Sales	-1,500	-1,500	-1,500
Gross Income	-1,500	-5,200	-106,500
Net Expenditure	366,500	337,500	539,700