

FAREHAM

BOROUGH COUNCIL

Report to Licensing and Regulatory Affairs Committee

Date **8 July 2014**

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

Subject: **ACTUAL REVENUE EXPENDITURE 2013/14**

SUMMARY

This report sets out for the information of Members details of the actual revenue expenditure for 2013/14 in respect of the services for which this Committee is responsible.

RECOMMENDATION

The Committee is asked to note the report.

INTRODUCTION

1. The final accounts for the financial year 2013/14 for this Committee show that the actual expenditure of £358,955 represented a saving of £40,745 compared with the revised budget of £399,700 that was approved by this Committee on 19 November 2013. The actual totals of gross expenditure and income are set out in the table below:

	Base Budget 2013/14	Revised Budget 2013/14	Actual 2013/14	Variance
	£	£	£	£
Employees	393,000	376,900	408,116	31,216
Premises-Related Expenditure	15,000	15,000	9,542	-5,458
Transport	1,400	2,500	3,069	569
Supplies & Services	151,400	162,800	130,439	-32,361
Contract Payments	3,100	5,500	7,819	2,319
Internal Support	118,300	130,200	131,093	893
GROSS EXPENDITURE	682,200	692,900	690,078	-2,822
Other Grants and Reimbursements	-110,000	-116,800	-140,373	-23,573
Sales	-1,800	-1,800	-1,644	156
Fees & Charges	-174,600	-174,600	-189,106	-14,506
GROSS INCOME	-286,400	-293,200	-331,123	-37,923
NET EXPENDITURE	395,800	399,700	358,955	-40,745

2. The main variations reflect increased spending of £31,000 on employees, and savings of £32,000 on supplies and services. Additional income of £14,500 was generated through fees and charges, and receipts of Grants and Reimbursements were nearly £23,500 more than anticipated.
3. The increase in employee costs have been impacted by severance payments set out in the Efficiency Savings report of the Chief Executive Officer that was approved by the Executive on 3 March 2014, this has impacted predominantly on the Licensing and Health and Safety Enforcement services.
4. The actual revenue expenditure for the year analysed over the main service headings is shown in the following table:

	Base Budget 2013/14	Revised Budget 2013/14	Actual 2013/14	Variance
	£	£	£	£
Hackney Carriage & Private Hire Vehicles	-3,800	-3,900	-5,603	-1,703
Licensing	-9,000	-6,800	4,736	11,536
Health & Safety Enforcement	157,900	146,400	173,149	26,749
Election Services	250,700	264,000	186,673	-77,327
NET EXPENDITURE	395,800	399,700	358,955	-40,745

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 saw additional income of £1,700 for the financial year. The main variations were an increase of nearly £4,000 in employee costs and a reduction of nearly £1,500 on supplies and services; this was mainly due to a reduction in payments to the Disclosure and Barring Service (DBS). There was also an increase in income of £5,000 mainly from additional charges and costs recovered from drivers.
7. Although this heading shows a small surplus of income over expenditure it does not reflect the cost of providing member support to this committee. This cost is shown in the Executive's Policy, Strategy and Finance Portfolio and has a cost for the whole council of over £1million for 2013/14.

LICENSING

8. The reduction in income of just over £11,500 on this service was mainly as a result of increases in employee expenditure of just over £14,000, charges relating to legal services of just over £2,000 and internal recharges of just over £4,000, this was partly offset by increased income of just over £9,000 during the year mainly from animal boarding, scrap metal and gambling licences.

HEALTH AND SAFETY ENFORCEMENT

9. The overspend of nearly £27,000 on this service was as a result of increased spending on employees of approximately £22,500 and on health and safety expenses of £3,500.

ELECTION SERVICES

10. The saving of just over £77,000 reflects lower than anticipated expenditure for conducting elections of nearly £23,000 and higher than expected income of £12,000. The savings for register of electors reflects lower than anticipated expenditure of just over £30,000 and additional income of nearly £12,000.
11. The £23,000 savings relating to the HCC elections include reduced employee costs of just over £2,000 and reductions in expenditure of just over £20,000 relating to printing costs (£7,500), the hiring of polling stations (£6,000) and furniture and equipment (£6,500). The cost of staging the Police Commissioner's election in 2012/13 was less than anticipated, the settlement for which was made in 2013/14 and was just over £10,000 less than estimated.
12. The £30,000 savings relating to the register of electors consists of reductions in staff costs of £7,000 and internal recharges of £5,000. In addition there was almost £19,000 reduction in supplies and services, mainly due to the budget being increased for Individual Electoral Registration (IER) but was not spent in 2013/14,

plus additional income of nearly £12,000 relating to IER which is to be implemented from 2014/15.

RISK ASSESSMENT

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

CONCLUSION

14. The cost of the services provided by this Committee was £40,745 less 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 2013/14

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 19 November 2013 - Spending Plans 2013/14.

Enquiries:

For further information on this report please contact Linda Arthur (Ext 4515).

APPENDIX A

**HACKNEY CARRIAGE AND
PRIVATE HIRE VEHICLES**

	Base 2013/14	Revised 2013/14	Actual 2013/14
	£	£	£
Employees	57,900	52,700	56,576
Transport	100	100	0
Supplies & Services	15,700	14,200	12,817
Contract Payments	0	1,200	1,268
Internal Support	11,400	16,800	17,496
GROSS EXPENDITURE	85,100	85,000	88,157
Sales	-300	-300	-104
Fees & Charges	-88,600	-88,600	-93,656
GROSS INCOME	-88,900	-88,900	-93,760
NET EXPENDITURE	-3,800	-3,900	-5,603

LICENSING

	Base 2013/14	Revised 2013/14	Actual 2013/14
	£	£	£
Employees	53,100	52,700	67,017
Transport	100	300	609
Supplies & Services	3,800	2,700	2,210
Contract Payments	3,100	4,300	6,550
Internal Support	16,900	19,200	23,464
GROSS EXPENDITURE	77,000	79,200	99,850
Fees & Charges	-86,000	-86,000	-95,114
GROSS INCOME	-86,000	-86,000	-95,114
NET EXPENDITURE	-9,000	-6,800	4,736

**HEALTH & SAFETY
ENFORCEMENT**

	Base 2013/14	Revised 2013/14	Actual 2013/14
	£	£	£
Employees	120,800	106,500	129,004
Transport	200	1,000	935
Supplies & Services	13,500	12,400	15,815
Internal Support	23,400	26,500	27,425
GROSS EXPENDITURE	157,900	146,400	173,179
Fees & Charges	0	0	-30
GROSS INCOME	0	0	-30
NET EXPENDITURE	157,900	146,400	173,149

<u>ELECTION SERVICES</u>	Base 2013/14	Revised 2013/14	Actual 2013/14
	£	£	£
Employees	161,200	165,000	155,519
Premises	15,000	15,000	9,542
Transport	1,000	1,100	1,525
Supplies & Services	118,400	133,500	99,597
Internal Support	66,600	67,700	62,709
GROSS EXPENDITURE	362,200	382,300	328,892
Other Grants & Reimbursements	-110,000	-116,800	-140,373
Sales	-1,500	-1,500	-1,540
Fees & Charges	0	0	-306
GROSS INCOME	-111,500	-118,300	-142,219
NET EXPENDITURE	250,700	264,000	186,673