

HLHR APPENDIX 2

BUDGET & PERFORMANCE PANEL 16 SEPTEMBER 2008

CONSIDERATION OF 2007/08 BUDGET VARIANCES

SERVICE: LEGAL AND HR

BUDGET/SERVICE AREA	£ (FAVOURABLE)/ ADVERSE	KEY REASONS/CIRCUMSTANCES	LESSONS & ACTIONS ARISEN
Gambling Act 2005	(14,000)	<ul style="list-style-type: none"> <li>• Additional licensing income particularly from the division of amusement arcades by operators into a number of separate licensable units.</li> <li>• New legislation - always difficult to estimate licensing income, but particularly so under a new licensing regime, implemented in 2007</li> </ul>	<ul style="list-style-type: none"> <li>• Future budgets will be based on renewal of licences applied for in 2007/08</li> </ul>
Hackney Carriage Licences	(7,400)	<ul style="list-style-type: none"> <li>• More licence income than anticipated</li> <li>• Taxi driving is a transitory trade and it is impossible to estimate in advance how many new and renewal applications there will be for drivers' licences and for private hire vehicle licences, which fall within this budget area</li> </ul>	<ul style="list-style-type: none"> <li>• Budgets will continue to be set on best estimates to ensure so far as possible that level of fees is sufficient to meet the costs of the service but without making a profit</li> </ul>

<p>HR:Consultancy/ Corporate Training/Equality and Diversity</p>	<p>(28,000)</p>	<ul style="list-style-type: none"> <li>• Consultancy was underspent because it was not possible to recruit an Interim Principal HR Officer to assist with routine workload during Fair Pay Project</li> <li>• Corporate Training was slightly overspent compared with the original budget as a result of the liP accreditation costs. The budget was actually increased at revised budget time as a result of a misunderstanding of the expenditure to date as indicated on Powersolve, and this increase led to an apparent underspend compared with the revised figure</li> <li>• Equality and Diversity was underspent because of a decision in consultation with Cabinet members not to pursue level 2 of the equality standard in 2007/08</li> </ul>	<ul style="list-style-type: none"> <li>• Consultancy situation arose as a result of the fair pay project, and was therefore a one-off</li> <li>• The misunderstanding of Powersolve should not recur under the new financial system</li> <li>• It is noted that the request to carry forward equality and diversity budget was not allowed. Cabinet is to consider community cohesion in November and it is anticipated that the Council's aspirations with regard to the Equality Standard will be considered at that time.</li> </ul>
<p>Miscellaneous Licences Income</p>	<p>(5300)</p>	<ul style="list-style-type: none"> <li>• Favourable variance arose as a result of a single application for a sex shop licence, for which the current fee is £5125</li> <li>• This was the first such application for very many years and could not have been budgeted for</li> </ul>	<ul style="list-style-type: none"> <li>• The shop has now closed, and the 2008/09 budget does not in any event include provision for renewal of the licence. If this changes, the budget will be updated at revised budget time.</li> <li>• Nor can there be any assumption that further such applications will be received in the future</li> </ul>

Searches	(8,000)	<ul style="list-style-type: none"><li>• Favourable variance on budgeted income from search fees</li><li>• Outside the control of the Service as led by customer demand and the housing market</li></ul>	<ul style="list-style-type: none"><li>• With current decline in housing market, future budgets will assume a reduction in search fee income</li></ul>
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