

Appendix A : Forecast expenditure and income for Taxi licensing (Note a) and movement on the licensing reserve.

	Actual 2019/20 £	Forecast 2020/21 £	Forecast 2021/22 £	Forecast 2022/23 £
Expenditure (b)	576,317	464,325	634,321	646,474
Income (c)	565,769	419,546	647,742	647,742
Deficit/Surplus (-ve is deficit)	-10,548	-44,779	13,421	1,268
Reserve balance b/f	90,273	79,725	34,946	48,367
Reserve balance c/f	79,725	34,946	48,367	49,635

Notes

- (a) The expenditure relates to the costs incurred in year processing and issue of applications and also includes checks to ensure standards are adhered to.
- (b) i) Assumption of 2% annual inflation on supplies and services, 2% pay awards and contractual salary increments.
 ii) Staffing costs are based on surveyed number of hours spent on processing licence applications and checks to ensure standards are adhered to.
 iii) Expenditure includes overhead costs for the licensing department allocated on fair and proportionate bases i.e. office accommodation costs are based on square footage occupied and ICT costs are allocated on basis of software/hardware used etc.
 iv) In computing the expenditure a churn rate of 10% has been used i.e. an assumption that 10% of driver licences are given up in the following year.
- (c) Income forecast assume the following estimated number of licences.

Estimated number of licences

	Forecast 2020/21	Forecast 2021/22	Forecast 2022/23
New vehicle licences	1270	1700	1700
Renewal licences	968	970	970
New driver licences	420	600	600
Renewal driver licences	205	530	530
New Operator licences	7	7	7
Renewal Operator licences	99	7	7