

## Appendix C

### LICENSING COSTS (2012/13)

**Licensing in principle should only recover legitimate costs in administering the system.** Bearing this principle in mind there is an argument that licensing costs should be removed from the calculations relating to what savings of 5% etc would look like. Any savings taken from licensing should be reflected in reduced licensing fees, thus reduced income for partners and no net gain. The figures below reflect savings once licensing costs have been removed.

Licensing costs:	£614,665
Support costs:	£101,440
Senior Management Overhead:	£34,527

Total £750,632

2012/13 budget	£5,626,387
Licensing Cost	£750,632

Overall Budget less licensing £4,875,755

	5%	10%	15%
12/13			
13/14	£243,782 (£374,562)	£487,575 (£618355)	£731,363 (£862143)
14/15			

Figure in Brackets indicate total amount to be saved i.e. % saving plus inflationary costs.