**Explanation of variances – pro forma**

Name of smaller authority: **Blofield Parish Council**

County area (local councils and parish meetings only: **Norfolk County Council, Broadland District Council**

**Please provide full explanations, including numerical values**, for the following:

* variances of more than 15% between totals for individual boxes (except variances of less than £200);
* a breakdown of approved reserves if the total reserves (Box 7) figure is more than twice the annual precept/rates & levies value (Box 2).

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Section 2** | **2016/17****£** | **2017/18****£** | **Variance****£** | **Variance****%** | **Detailed explanation of variance (with amounts £)** |
| **Box 2***Precept or Rates and Levies* | 35,780 | 43,000 | 7220 | 17% | The precept has been increased significantly as the due to significant development in the village (circa 500 homes over 5 years) both the work volumes and costs of the council are increasing quickly too. See box 4.  |
| **Box 3***Total other receipts* | 106,090 | 148,865 | 42,775 | 29% | The Council has received £124,773.91 in Community Infrastructure Levy (CIL) in 2017/18 an increase from £102,305.30 in 2016/17.In 2017/18 the Council received £8,412.47 in Section 106 funds for repairs to the community centre hall. No VAT reclaim was made in 2016/17, one was made in 2017/18 for £2,492.31.No grants / donations were received in 2016/17, A grant for the Orchard Group noticeboard of £1,139 and a donation from Blofield Courthouse for £3,000 were received in 2017/18.The recycling credits reclaim increased from £605.91 in 2016/17 to £2,862.02 in 2017/18.A refund was received from HMRC for £4,806.48 in 2017/18. |
| **Box 4***Staff costs*  | 13,320 | 17,191 | 3,871 | 23% | Staff costs have increased significantly as work volumes have increased. With large volumes of housing comes large sums of CIL to the parish. Additional clerk time is required to consult with the parishioners and manage projects and improvements within the village. In addition the council have moved from 1 meeting a month to 2.Clerk hours increased from 16hrs per week to 30hrs per week by December 2017. The full impact of this as not yet been seen on the salaries. |
| **Box 5***Loan interest/ capital repayments* | Nil | Nil | Nil  | Nil | Nil |
| **Box 6***All other payments* | 25,791 | 74,612 | 48821 | 65% | No reserves were spent in 2016/17, however £20,291 of reserves were spent in 2017/18, £16,910 on churchyard wall replacement and essential tree maintenance. In addition, £3,381 was spent on a speed sign for the village. £8,412 from Section 106 payments were made to improve the community centre car park.VAT payments were increased from £1,202 in 2016/17 to £9,212 in 2017/18.Significant work too place to improve the blofield courthouse facilities during 2017/18 at a cost of £6,387.68.All budgetted funds of £5,500 were spent on the Churchyard during 2017/18.Village maps were installed in 10 locations the parish at a cost of £1,463.The Speed sign received a new battery and upgrade in 201718 at a cost of £430.The recycling payment increased form £724 in 2016/17 to £2,693 in 2017/18.Allotments expenditure increased by 1/3, from £950 in 2016/17 to £1,480 in 2017/18.A refund of £1,205 was made to HMRC due to an overpayment of Statutory Maturnity Pay from them.In addition notable increases have been seen in adminstration costs and council running costs, as a result of additional parish clerk hours. |
| **Box 9***Total fixed assets & long term investments & assets* | 438096 | 440379 | 2283 | 0.6% |  |
| **Box 10***Total borrowings* | Nil | Nil | Nil | Nil | Nil |
| **Explanation for ‘high’ reserves** | Box 7 is more than twice Box 2 because the authority held the following breakdown of reserves at the year end:

|  |  |  |
| --- | --- | --- |
| Community Infrastructure LEVY (CIL) |  |  £253,354.06  |
| Earmarked Reserves |  |  | £40,799.27  |
| General Fund (unallocated reserves) |  | £24,895.20  |
|  |  |  | TOTAL | : |  £319,048.53  |

See attached report page 3 (item 3) and page 4 (item 8) for further detail on reserves and CIL funds. |