

Explanation of variances – pro forma

Name of smaller authority: **ELM PARISH COUNCIL**

County area (local councils and parish meetings only): **CAMBRIDGESHIRE**

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 <i>Precept or Rates and Levies</i>	49,150	55,229	6,079		
Council Tax Support Grant Box 3 <i>Total other receipts</i>	49,746	37,072	12,674	25.477	The Council's VAT refund of £11,312 in 16/17 was due to a large play scheme purchase; in 17/18 VAT was £4,874 a difference of £6,438. Income from burials was £2,485 less than 16/17. Concurrent Functions Grant down by £2,653 and the Council Tax Support Grant reduced by £786.00. Interest income was reduced by £206.
Box 4 <i>Staff costs</i>	11,073	11,033	40	N/A	N/A
Box 5 <i>Loan interest/ capital repayments</i>	NIL	NIL	N/A	N/A	N/A
Box 6 <i>All other payments</i>	34,686	47,696	13,010	37	Additional £3,115 on Cemetery Grounds Maintenance. A number of Maintenance costs have been spent on the Cottage £1,106. £6,160 on the playing fields maintenance including a payment to a third party as part of a WREN grant application condition. £487 additional street lighting costs. £689 extra on general admin costs. £1,050 on S137 payments
Box 9 <i>Total fixed assets & long term investments & assets</i>	164,853	198,425	33,572	20	See explanation below street lighting reserves.

Box 10 <i>Total borrowings</i>	NIL	NIL	N/A	N/A	N/A
Explanation for 'high' reserves	<p>Box 7 is more than twice Box 2 because the authority held the following breakdown of reserves at the year end:</p> <p>The Council along with most of the other PC's in Fenland District, are awaiting the awarding and implementation of a new street lighting Contract. This will involve an overhaul of all the street lighting stock that EPC are responsible for. It is anticipated that quite a number of the street lights will need to be replaced (approx. £1250 per light) and the rest will need varying degrees of maintenance. In addition when the Contract is in place, EPC will be responsible for the electricity costs of the lights per annum. We have been advised to reserve or precept for at least £100k prior to the start of the Contract and there will be ongoing annual costs thereafter. We have approx. 158 lights.</p> <p>In addition the Parish is running out of plots for burial and cremation and need to spend money on the Cemetery extension which is expected to cost tens of thousands to fund. It is anticipated that the new area will be set out in such a way as to maximise the number of plots available and reduce the maintenance costs per annum. It is anticipated/hoped that the actual costs of both schemes will be known by the end of this financial year.</p> <p>The Council generally hold a general reserve of £55k. The remainder of the reserves are for anticipated invoices from agreed purchase/works from the previous financial year. These include a £7.5k for a play scheme, £5k for a community land purchase, £17,000 for highway works and other possible general expenditure.</p>				