

## **Worldham Parish Council Significant Variances for the year ending 31<sup>st</sup> March 2017**

### **Introduction**

As explained in previous year's reports, Worldham Parish Council undertakes each year one off projects which are outside the normal yearly day to day expenditure. In order to compare like for like from one year to another In the Summary of Income and Expenditure Account the Parish Council has separately accounted for the income and expenditure of the projects.

### **Line 2 Precept**

The Parish Council voted for a precept total of £10,278 for 2016/17, the precept amount is made up of the precept element of £10,005 and a Council Support Tax of £273, which as instructed is included in Total Other Receipts.

### **Line 3 Total Other Receipts**

Total Other receipts increased from £1,630 to £10,556 an increase of £8,936. To compare like for like, I have broken the Total Other receipts under 2 headings;

- Line 3 Total Other Receipts - projects
- Line 3 Total Other Receipts – excluding projects

### **Line 3 Total Other Receipts - projects**

Total receipts increased from £0 to £465

In 2016-17 the Parish Council received a grant from its District Councillor of £465 to purchase a picnic table for the East Worldham playground. No grants were received in 2015/16 for one off projects. The VAT of £93 was reclaimed compared to Nil in 2015/16

### **Line 3 Total Other Receipts – excluding projects**

The majority of the increase relates to income of £8,083.70 received from the solar farm.

A solar farm has been built within the parish boundaries and started producing electricity In 2016/17. The solar farm was commissioned by Lightsource Renewable Energy Holdings Ltd and subsequently sold to Canadian Solar UK Projects Ltd. The Parish Council had signed an agreement with Lightsource that they would pay the Parish Council £1,000 per Megawatt of electricity produced for 20 years. The fee to be increased by the RPI each year.

The agreement states *“The Parish Council agrees to apply the Payment towards projects that will benefit the communities of the Parish Council and which have been approved by a meeting of the Parish Councillors prior to the allocation of any Payment”*. In order to keep an audit trail of these payments a separate bank account has been opened called *“The Worldham Community Benefit Fund*.

The Total Installed Capacity of the site is 4.005795 MW which resulted in an initial first years payment of £4,005.80. The second year's payment was received on 28th March 2017, just before the year end of £4,077.90 to late for the money to be transferred from the Parish Councils TSB Treasurers Account to the Worldham Community Benefit Fund Treasurers Account.

The other major variations which mainly account for the increase are:

- Increase in village hall income £209 (greater use of the hall – start of regular use for weekly yoga class)
- Increase in fund raising for village hall £300 (The community held its first pantomime and donated £300 of the ticket income to the Parish Council for the use of the hall)
- This is offset by
- Decrease in VAT repaid £222

#### **Line 4 Staff costs**

Staff costs increased by £668 from £5,960 to £6,628. The Clerks pay increased by £668

The following is an extract from the Minutes of The Annual Worldham Parish Council Meeting held on 4th May 2016

#### **6/14 Salaries and expenses**

**a). Clerk's remuneration** - it was noted that at the February Parish Council it was proposed that the clerk's pay should go up one incremental point (from Spinal Column Point 25 (£11,545) to Spinal Column Point 26 (£11,922)) and should rise in line with any increase in the National Joint Council for Local Government Services pay scale.

Councillors proposed that the number of hours that the Clerk is contracted to work should be increased from 10 hours to 11 hours a week.

The resolution to increase the Clerks hours from 10 to 11 per week and to raise his pay to Spinal Column 26 was:

- Proposed by Cllr Trigwell-Jones
- Seconded by Cllr Fife                      AIF

#### **Line 6 All Other Payments**

Total expenditure (excluding staff costs) decreased from £7,092 to £5,691, a decrease of £1,401. To compare like for like, I have broken the Total All Other Payments under 2 headings;

- Line 6 Total All Other Payments - projects
- Line 6 Total All Other Payments – excluding projects

#### **Line 6 Total All Other Payments – projects**

Total expenditure increased from £350 to £465.

In 2015-16 the cost of £350 was for printing 125 copies of the Village Design Statement. In 2016-17 the cost of £465 was for the purchase of a picnic table in the East Worldham playground.

#### **Line 6 Total All Other Payments – excluding projects**

Total expenditure decreased from £6,742 to £5,134 a decrease of £1,607. The significant variations (of over £50) which mainly accounts for the £1,607 are an increase of:

a) Increase in the Electricity for the village hall	£152
b) Increase in Inspections for the village hall	£558
<b>Total increase</b>	<b>£710</b>

This was offset by a decrease in the following costs:

c) Grants to churchyards	£100
d) water rates	£31
e) Repairs to the village hall	£597
f) Village hall other expenses	£107
g) Election costs	£119
h) Other expenses Administration	£834
i) Decrease in Donations	£90
j) Playground expenses	£183
k) Decrease in Vat paid	£214
<b>Total decrease</b>	<b>£2,275</b>

### **Explanations of increases**

a) Increase in the Electricity for the village hall – This was due to the increase in the usage of the hall (reflected in the increase in village hall income)

b) Increase in Inspections for the village hall - This was due, as budgeted, for the cost of the 5 yearly electrical inspection of the village hall

### **Explanations of decreases**

c) Grants to churchyards - The Parish Council as they were budgeting for an overall deficit in the financial year, took the decision to reduce the amount of grants payable to the 3 churches within the parish from £700 to £600

d) Decrease in water rates - a water meter for the village hall was installed in December 2016. Bills will now be levied on the actual amount of water used rather than on the rateable value of the hall. The water meter has not been read since its installation, despite request for it to be, so no invoice has been received.

e) Repairs to the village hall - There was less work carried out on maintaining the fabric of the village hall in East Worldham

f) Village hall other expenses - There was less expenses incurred in maintaining the village hall in East Worldham

g) Election Costs - There were no Parish Council elections in 2016/17 compared to the holding of the statutory 4 yearly election of Parish Councillors in 2015/16.

h) Other expenses Administration - In 2015/16 £849 was paid for legal expenses incurred by the Parish Council on determining the Parish Council's responsibility for the hall at West Worldham/Hartley Mauditt. It was determined that the Parish Council had no responsibility. No legal expenses were incurred in 2016/17

i) Decrease in Donations - The Parish Council as they were budgeting for an overall deficit in the financial year, took the decision to reduce the amount of grants payable to outside organisations from £190 to £100

j). Playground expenses - In 2015/16 new gates for the playground in East Worldham were installed at a cost of £263. No expenses were incurred in 2016/17. The cost of the grass cutting increased by £78 for 2016/17 compared to 2015/16.

d) Vat – This reflects the decrease in costs to the Parish Council which incurs VAT and can be reclaimed.

### **Section 4 Annual internal audit**

F. The Parish Council does not have any petty cash or operate a petty cash system.

K. The Parish Council does not operate any trusts or have any trust funds.

9<sup>th</sup> June 2017