

## **Worldham Parish Council Significant Variances for the year ending 31<sup>st</sup> March 2018**

### **Introduction**

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 £10,312 for 2017/18, the precept amount is made up of the precept element of £10,312.58 and a Council Support Tax of £273.42, which as instructed is included in Total Other Receipts.

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

Total Other receipts decreased from £10,556 to £6,653 a decrease of £3,903. 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 £465 to £4,558

In 2017-17 the Parish Council received grants of £4,558 made up of:  
£2,840 from Awards for All for a Defibrillator,  
£1,000 from District Councillor  
£289.50 from Countryside Access Grant  
£289.50 from Worldham Community Benefit Fund  
£139 from Worldham Community Benefit Fund

Compared to 2016-17 when the Parish Council received a grant from its District Councillor of £465. The VAT of £148.52 was reclaimed compared to £93 in 2016-17

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

Grants received for 2017-18 totalled £670.77 (2017-18 £397.35 from Transparency Fund and £273.42 from Community Support grant) compared to £561 in 2016-17

Sundries for 2017-18 totalled £135 (Donation to purchase 3 village hall chairs) compared to £53.91 for 2016-17. There was Increase in VAT repaid of £111

The majority of the decrease relates to the income of £8,083.70 received from the solar farm In 2016/17 relating to the first 2 years payments. By the year end the Parish Council had not received the third year's payment. This is being chased.

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.

### Summary of line 3

Total Other receipts decreased from £10,556 to £6,653 a decrease of £3,903.

	Increase	Decrease
Grants for one of projects	£4,093	
Vat repaid on Projects	£55	
Grants	£109	
Fund Raising for village hall		£300
Village hall income	£33	
Sundries	£81	
Income from solar farm		£8,083
Vat repaid	£110	
Total	£4,481	£8,383

Total Decrease £3,902

### Line 4 Staff costs

Staff costs (The Clerks pay) decreased by £548 from £6,628 to £6,080. This was because the Clerk reduced his hours of employment from 11 hours per week to 10.

The following is an extract from the Minutes of The Annual Worldham Parish Council Meeting held on 3rd May 2017

#### 6/17 Salaries and expenses

a). **Clerk's remuneration** - it was noted that when setting the budget and the precept for 2017-18 the Clerk stated that he wished to reduce the number of hours that he is contracted to work from 11 hours per week to 10 hours per week. That his salary remain on Spinal Point 26 but should rise in line with any increase in the National Joint Council for Local Government Services pay scale

Councillors accepted the Clerk's statement regarding his pay. AIF.

#### Line 6 All Other Payments

Total expenditure (excluding staff costs) increased from £5,691 to £7,464, an increase of £1,773. To compare like for like, I have broken the Total All Other Payments under 3 headings;

- Line 6 Total All Other Payments - projects
- Line 6 Total All Other Payments – excluding projects
- Line 6 Payments from Worldham Community Benefit Fund

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

Total expenditure increased from £465 to £881.

In 2016-17 the cost of £465 was for the purchase of a picnic table in the East Worldham playground. In 2017-18 2 projects were paid for - £742 for repairs to the footpath at Clay's Lane, and £139 for the Parish Plan.

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

Total expenditure increased from £5,134 to £5,205 an increase of £68. The significant variations (of over £50) which mainly accounts for the increase are:

a) Increase in the Electricity for the village hall	£68
b) Increase in other expenses	£229
c) Clerk's expenses	£58
d) VAT paid out	£94
<b>Total increase</b>	<b>£449</b>

Worldham Parish Council

This was offset by a decrease in the following costs:

e) Inspections	£301
f) Playground expenses	£110
<b>Total decrease</b>	<b>£411</b>

#### **Explanations of increases**

a) Increase in the Electricity for the village hall – This was due to paying 5 quarters of electricity bills in the year. (March 2018 bill was paid before the year end, which accounts for the 5<sup>th</sup> bill).

b) Increase in other expenses – this included a one off cost of £240 for materials for repairs to the footpath leading up from Old School House.

c) Clerk's expenses – this included the purchase of printer toner in 2017-18. None was purchased in 2016-17

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

#### **Explanations of decreases**

e) Inspections for the village hall – Last year included the cost of the 5 yearly electrical inspection of the village hall.

f). Playground expenses - The cost of the grass cutting decreased by £110 for 2017/18 compared to 2016/17

#### **Line 6 Payments from Worldham Community Benefit Fund**

In 2016-17 there were no payments from the Worldham Community Benefit Fund. In 2017-18 there were 4 payments made totalling £1,228.50

#### **Summary Of Line 6**

Total expenditure (excluding staff costs) increased from £5,691 to £7,464, an increase of £1,773.

	Increase	Decrease
Payments for one off projects	£416	
Total All Other Payments – excluding projects	£68	
Payments from Worldham Community Benefit Fund	£1,228	
Training (none undertaken in 2016-17)	£40	
Website (no costs in 2016-17)	£30	
Total increase	£1,782	£0

#### **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.

4<sup>th</sup> June 2018