

## Explanation of variances – pro forma

Insert name of smaller authority: East Farleigh Parish Council

The 'Practitioners' Guide' provides guidance on explaining significant variances. **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);
- if the total reserves (Box 7) figure is more than twice the annual precept value (Box 2).

<b>Section 2</b>	<b>2015/16 £</b>	<b>2016/17 £</b>	<b>Variance £</b>	<b>Variance %</b>	<b>Detailed explanation of variance (with amounts £)</b>
<b>Box 2</b> <i>Precept or Rates and Levies</i>	31,514	39,166	7,652	24	The Parish Council created a new budget line for 2016-17 for Highways Improvements of £6,000. Without this, the variance percentage would have been 5.2% and this was due to normal variation on other budget lines.
<b>Box 3</b> <i>Total other receipts</i>	6,079	7,158	1,079	17.8	The increase in variance is predominantly explained by two items: (1) The Council recovered £923 through the small claims court from a contractor. (2) The Council received £252 from an insurance claim following damage to the village car park gates. Without these two receipts, miscellaneous income would have fallen by £96 (1.6%).
<b>Box 4</b> <i>Staff costs</i>	10,561	12,294	1,773	16	The Council employed a car park attendant from June 2016 onwards who was paid £994 to 31 <sup>st</sup> March 2017. The remainder was paid to the Clerk, whose workload has increased so she tended to work more hours.
<b>Box 5</b> <i>Loan interest/ capital repayments</i>	2,011	2,011	0	0	N/A
<b>Box 6</b> <i>All other payments</i>	16,982	27,253	10,271	60.5	Maintenance costs to playground equipment increased by £3,204 (urgent work required) Maintenance costs to village signs increased by £2,301 (urgent work required) The Council commissioned a traffic feasibility study around the village's medieval bridge, costing £3,506. The Council produced a local history booklet at a cost of £1,799. Without this total increase in expenditure of £10,810, other payments would have reduced by £539 (3.1%)
<b>Box 9</b> <i>Total fixed assets &amp; long term investments &amp; assets</i>	207,633	184,179	(23,454)	(11.3)	N/A

<b>Box 10</b> <i>Total borrowings</i>	31,225	31,225	0	0	N/A
<b>Explanation for 'high' reserves</b>	N/A				