

Explanation of variances

KIDDERMINSTER FOREIGN PARISH COUNCIL - Worcestershire

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> | | | N/A | | |
| Box 3 <i>Total other receipts</i> | | | N/A | | |
| Box 4 <i>Staff costs</i> | | | N/A | | |
| Box 5 <i>Loan interest/</i> | | | N/A | | |
| Box 6 <i>All other payments</i> | 8914 | 11183 | 2269 | 25.5% | £1944 Paid for provision of Smartwater Kits to parish households. (one off project). £1184 Paid for Defibrillator at Village Hall – part of which may be offset by grant money we have applied for but not yet received *These are examples of one-off projects undertaken to reduce capital reserves |
| Box 9 <i>Total fixed assets & long term investments & assets</i> | | | N/A | | |
| Box 10 <i>Borrowings</i> | | | N/A | | |
| Explanation for 'high' reserves | <p>Box 7 (£33706) is more than twice Box 2 (£9787) because the authority held the following breakdown of reserves at the year end</p> <ul style="list-style-type: none"> - Grant received re set up of new website – but expenditure in this respect has not yet been fully paid out – and so will be evident in the 2018/19 expenditure. - Probable need to top up Lengthsman funding since there has been no increase in the contract grant given by Worcs. County Council for 10 years, whilst the cost to the parish / contractors rates are continually increasing – even though we have managed to keep this below inflation. Dependent upon weather, work on highways may need additional funding above the amount of the grant received – and hence we need to keep reserves to maintain basic local services. - Possible on-going IT requirement expenditure re Transparency Code and new Website - Possible expenditure particularly IT related in connection with bringing Council in to line with legal requirements of the GDPR – including storage and protection of data - Any extra expenditure in connection with a large planning application expected in the parish concerning a proposed adventure trail. - Any possible legal costs for the Parish in the event of illegal traveller encampments. - Any possible costs related to the prevention or removal of illegal fly-tipping, prevalent in the parish <p>We are a small parish with only a modest precept. Any, or a combination of these eventualities, could result in most of our precept being totally spent in a one-off unexpected cost. We cannot give a monetary value to the majority of these unexpected eventualities, and need to hold a realistic reserve for modern-day costs, in a parish of small means.</p> <p>Also, we pride ourselves in searching and applying for grant aid wherever available. This we believe makes sound business sense, and is in the interests of our small electorate. As can be seen in Box 6 * above, efforts are consciously being made to make large purchases to improve the quality of life in our parish, to help with safety and security of our electorate, and indeed, we will continue to make similar purchases in the future. However, through our efforts, we will also track down any available grant funding for such projects, to assist our parishioners so that large precept increases to cover these are not necessary. Also, to counteract the high reserves held, we have not increased our precept for 2018/19. So you can see we are taking steps to reduce our reserves, whilst working towards a better life for our parishioners.</p> | | | | |