

Explanation of variances – pro forma

Name of smaller authority: **Hemsby Parish Council**

County area (local councils and): **Norfolk**

Insert figures from Section 2 of the AGAR in all **Blue** highlighted boxes

Next, please provide full explanations, including numerical values, for the following that will be flagged in the green boxes where relevant:

- variances of more than 15% between totals for individual boxes (except variances of less than £200);
- **New from 2020/21 onwards:** variances of £100,000 or more require explanation regardless of the % variation year on year;
- a breakdown of approved reserves on the next tab if the total reserves (Box 7) figure is more than twice the annual precept/rates & levies value (Box 2).

	2020/21 £	2021/22 £	Variance £	Variance %	Explanation Required?	Automatic responses trigger below based on figures input, DO NOT OVERWRITE THESE BOXES	Explanation from smaller authority (must include narrative and supporting figures)
1 Balances Brought Forward	31,425	67,676					
2 Precept or Rates and Levies	53,595	83,162	29,567	55.17%	YES		Council had under-budgeted for a number of years and had a worryingly low bank balance therefore the budget set had to reflect the commitments of the Council, the bank loan taken out to pay for a committed capital project which the Council did not have the money for at the time, and a sum to start to build up the General Reserve to an acceptable level. See 2021/22 Budget document for full figures.
3 Total Other Receipts	110,886	78,832	-32,054	28.91%	YES		2020/21 - received loan of £23,000; SAM2 grant £6,400. More burials than previous years due to Covid.
4 Staff Costs	35,291	42,031	6,740	19.10%	YES		Clerk's pay was reviewed in 2021/22 (SCP29 to SCP32 - difference £1,923.96 plus backdated - £998.98), plus overtime paid (£2,256). RFO's salary reviewed in 2021/22 (£119.52 difference). Remainder is 0.5% employers pension contribution increase, plus PAYE cost differences.
5 Loan Interest/Capital Repayment	0	9,848	9,848	#DIV/0!	#DIV/0!	#DIV/0!	First years payments
6 All Other Payments	92,939	64,261	-28,678	30.86%	YES		2020/21 - paid for toilet refurbishment (£31,278)
7 Balances Carried Forward	67,676	113,531			NO	VARIANCE EXPLANATION NOT REQUIRED	
8 Total Cash and Short Term Investments	67,676	113,532				VARIANCE EXPLANATION NOT REQUIRED	
9 Total Fixed Assets plus Other Long Term Investments and	1,061,605	1,337,894	276,289	26.03%	YES		Insurance revaluation of toilets - +£55,000; Insurance revaluation of Pavilion - +£227,000; Disposal off office furniture - -£2,961; Return of leased photocopier - -£4,750; Addition of phone box +£2,000;
10 Total Borrowings	24,245	13,868	-10,377	42.80%	YES		Council made an additional loan repayment of £5,000 in the year

Rounding errors of up to £2 are tolerable

Variances of £200 or less are tolerable

HEMSBY PARISH COUNCIL BUDGET 2021/22

Line No.	Details	2019/20		2020/21			2021/22		
		Budget	Actual to Year End	Suggested Precept	Actual to end Q2	Projected to Year End	Suggested Precept	Inc/Dec on 2020/21	Inc/Dec on 2020/21 Budget.
	EXPENDITURE								
	Salaries								
1	Parish Clerk	18,459.00	23,216.18	18,000.00	9,143.25	18,286.50	18,675.00	2.12%	3.75%
2	Responsible Financial Officer		118.84	4,000.00	1,879.81	3,759.62	3,850.00	2.40%	-3.75%
3	PAYE / NI		7,761.17	3,200.00	2,731.37	5,462.74	5,600.00	2.51%	75.00%
4	Pension		2,540.58	7,500.00	3,895.14	7,790.28	8,000.00	2.69%	6.67%
	Sub Total	18,459.00	33,636.77	32,700.00	17,649.57	35,299.14	36,125.00	2.34%	10.47%
	General Administration								
5	Audit fees	800.00	800.95	800.00	195.00	595.00	600.00	0.84%	-25.00%
6	Insurance	3,669.00	3,746.91	4,000.00	4,029.50	4,029.50	4,250.00	5.47%	6.25%
7	Office Administration	1,400.00	1,561.78	400.00	107.84	657.84	400.00	-39.19%	0.00%
8	Parish Office	3,123.00	3,973.70	3,400.00	1,055.02	2,110.04	2,850.00	35.07%	-16.18%
9	Mileage		32.85	150.00	-	50.00	150.00	200.00%	0.00%
10	Burial Books	-	-	-	-	-	500.00	#DIV/0!	#DIV/0!
11	Consultancy	1,500.00	-		-	-	-	#DIV/0!	#DIV/0!
12	Election Costs	2,000.00	-		-	-	-	#DIV/0!	#DIV/0!
13	Training	1,000.00	117.50	250.00	-	250.00	250.00	0.00%	0.00%
14	Subscriptions	2,379.00	1,747.60	660.00	604.65	604.65	£930.00	53.81%	40.91%
15	Hemsby Herald	2,000.00	-	-	-	-	-	#DIV/0!	#DIV/0!
	Sub Total	17,871.00	11,981.29	9,660.00	5,992.01	8,297.03	9,930.00	19.68%	2.80%
	Burial Ground								
16	Grass Cutting	5,950.00	3,760.00	3,854.00	2,688.00	3,584.00	3,656.00	2.01%	-5.14%
17	Additional weeding Memorial Garden	-	-	-	-	340.00	500.00	47.06%	#DIV/0!
18	Seat	200.00	-	-	-	-	-	#DIV/0!	#DIV/0!

19	Waste		1,031.90	1,000.00	191.70	383.40	500.00	30.41%	-50.00%	
20	Litter Picking		1,757.00	1,350.00	675.30	1,350.60	1,350.00	-0.04%	0.00%	
21	Grave Digging		4,240.00	4,500.00	1,600.00	4,500.00	4,500.00	0.00%	0.00%	
22	Water		65.99	75.00	18.76	37.52	50.00	33.26%	-33.33%	
23	Miscellaneous		1,291.28	500.00	217.94	435.88	500.00	14.71%	0.00%	
	Sub Total		6,150.00	12,146.17	11,279.00	5,391.70	10,631.40	11,056.00	3.99%	-1.98%
	Pavilion									
24	Electric	1,050.00	672.58	750.00	196.21	392.42	750.00	91.12%	0.00%	
25	Water		104.18	150.00	72.46	144.92	150.00	3.51%	0.00%	
26	Cleaning		3,193.25	2,500.00	427.50	855.00	2,500.00	192.40%	0.00%	
27	Heating Oil		499.50	500.00	-	500.00	500.00	0.00%	0.00%	
28	Maintenance		-	1,000.00	662.51	1,062.51	1,500.00	41.18%	50.00%	
29	Other		3,828.00	500.00	-	500.00	500.00	0.00%	0.00%	
	Sub Total	1,050.00	8,297.51	5,400.00	1,358.68	3,454.85	5,900.00	70.77%	9.26%	
	Outside Spaces									
30	Capital and Improvements		387.14	4,500.00	27.68	1,127.68				
31	Benches	4,000.00	1,077.99			-				
32	Projector	1,500.00	-			-				
33	Outdoor Gym	10,000.00	10,300.00			-				
34	Playing Field	4,000.00						#DIV/0!	#DIV/0!	
35	Grass		3,950.00	3,708.00	3,152.28	4,203.28	4,287.00	1.99%	15.61%	
36	Hedge Cutting				-	1,600.00	400.00	-75.00%	#DIV/0!	
37	Outdoor Gym Inspection					75.00	75.00	0.00%	#DIV/0!	
38	Floodlights		265.30	275.00		-	-	#DIV/0!	-100.00%	
39	Litter Picking		1,756.88	1,350.00	675.30	1,350.60	1,350.00	-0.04%	0.00%	
40	Misc		585.02	500.00	120.00	500.00	500.00	0.00%	0.00%	
41	Toilets	2,500.00						#DIV/0!	#DIV/0!	
42	Water		1,167.22	800.00		500.00	1,250.00	150.00%	56.25%	
43	Electric		688.29	700.00	144.76	361.90	700.00	93.42%	0.00%	
44	Maintenance		490.00	500.00			500.00	#DIV/0!	0.00%	
45	Business Rates		1,374.80	1,400.00	698.20	1,396.40	1,450.00	3.84%	3.57%	
46	Cleaning		-		1,200.00		7,300.00	#DIV/0!	508.33%	
47	Other		256.65	250.00		250.00	100.00	-60.00%	-60.00%	
48	Bus Shelter		-					#DIV/0!	#DIV/0!	

49	Litter Picking		1,757.01	1,350.00	675.36	1,350.72	1,350.00	-0.05%	0.00%
50	Repairs and Replacements			4,149.00	-	4,149.00	4,149.00	0.00%	0.00%
51	Kingsway Island - Increased Cutting						1,350.00	#DIV/0!	#DIV/0!
52	Painting Railings & Blue Bench						500.00	#DIV/0!	#DIV/0!
53	Beach Cleaning	5,000.00	5,000.00	5,000.00	-	5,000.00	5,000.00	0.00%	0.00%
54	Litter Picking	6,000.00	45.29	-	54.08	54.08	-	-100.00%	#DIV/0!
55	Recycling	-	432.75	450.00	181.20	362.40	400.00	10.38%	-11.11%
56	Tree Survey				-	600.00		-100.00%	#DIV/0!
57	Tree Works				-	1,050.00	5,000.00	376.19%	#DIV/0!
	Sub Total	33,000.00	29,534.34	26,132.00	5,728.86	23,931.06	35,661.00	49.02%	36.46%
	Miscellaneous								
58	Flegg CLT		5,000.00	-	-	-	-	#DIV/0!	#DIV/0!
59	Highways		-	-	-	-	-	#DIV/0!	#DIV/0!
60	Events / Hemsby In Bloom	5,000.00	550.00	500.00	500.00	500.00	-	-100.00%	-100.00%
61	Section 137	530.00	283.95	500.00	-	500.00	500.00	0.00%	0.00%
	Sub Total	5,530.00	5,833.95	1,000.00	500.00	1,000.00	500.00	-50.00%	-50.00%
	Projects								
62	Toilet Refurbishment		-	31,000.00	14,672.00	32,672.00	-		
63	Gateways	5,000.00	5,000.00						
64	SAM2		1,402.00	6,400.00	6,400.00	6,400.00	-		
65	SAM2 Replacement Batteries	-	-	-	-	-	400.00	#DIV/0!	#DIV/0!
66	Neighbourhood Plan		-	-	1,665.78	7,065.78	3,435.00	-51.39%	#DIV/0!
67	Phone Box Refurbishment	-	-	-	-	1,000.00	-	-100.00%	#DIV/0!
68	Pitt Road railings refurbishments	-	-	-	-	-	500.00	#DIV/0!	#DIV/0!
69	Tennis Court MUGA refurbishment						5,000.00	#DIV/0!	#DIV/0!
70	Miscellaneous		369.60		-	-			
	Sub Total	5,000.00	6,771.60	37,400.00	22,737.78	47,137.78	9,335.00		
71	Contingency			4,318.00			4,750.00		
72	PWLB Loan Repayments						4,850.00		
73	Make up General Reserve						15,000.00		
	TOTAL EXPENDITURE	87,060.00	108,201.63	127,889.00	59,358.60	129,751.26	133,107.00	2.59%	4.08%
	INCOME								

74	Concurrent Functions							#DIV/0!	#DIV/0!
75	Burial Ground	5,800.00	5,800.00	5,800.00	5,800.00	5,800.00	5,800.00	0.00%	0.00%
76	Beach Cleaning	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	0.00%	0.00%
77	Park & Open Spaces	9,750.00	9,750.00	9,750.00	9,750.00	9,750.00	9,750.00	0.00%	0.00%
78	Bus shelter	5,899.00	5,899.00	5,899.00	5,899.00	5,899.00	5,899.00	0.00%	0.00%
	Sub Total	26,449.00	26,449.00	26,449.00	26,449.00	26,449.00	26,449.00	0.00%	0.00%
79	Other Income	5,800.00							
80	Pavilion		2,206.34	2,500.00	625.00	625.00	2,500.00	300.00%	0.00%
81	Burial Ground		10,213.00	9,500.00	5,087.50	9,587.50	9,500.00	-0.91%	0.00%
82	Playing Field		4,458.33	4,500.00	2,206.66	2,806.66	4,500.00	60.33%	0.00%
83	Other		1,389.81	1,500.00	-	-	1,500.00	#DIV/0!	0.00%
84	Neighbourhood Plan				6,820.00	6,820.00	3,180.00	-53.37%	#DIV/0!
85	Village Gates Reimbursement			1,634.00	-	1,800.00	-	-100.00%	-100.00%
86	Parish Partnership - SAM2			2,300.00	-	2,300.00	-	-100.00%	-100.00%
87	Small Business Rate Relief Grant (Covid-19)			10,000.00	10,000.00	10,000.00	-	-100.00%	-100.00%
88	Covid Grant				1,000.00	1,000.00	-	-100.00%	#DIV/0!
89	Public Works Loan Board Loan			13,000.00	-	23,000.00	-	-100.00%	-100.00%
90	Interest		102.07	100.00	23.08	46.16	50.00	8.32%	-50.00%
		5,800.00	18,369.55	45,034.00	25,762.24	57,985.32	21,230.00	-63.39%	-52.86%
	Reserves								
91	Use of Reserves								
92	N Plan Earmarked Reserve held over						1,255.00	#DIV/0!	#DIV/0!
	Sub Total	-	-	-	-	-	1,255.00	#DIV/0!	#DIV/0!
	TOTAL INCOME	32,249.00	44,818.55	71,483.00	52,211.24	84,434.32	48,934.00		
93	SHORTFALL GRANT	1,216.00	1,216.00	1,011.00	1,011.00	1,011.00	1,011.00		
94	PRECEPT	53,595.00	53,595.00	53,595.00	53,595.00	53,595.00	83,162.00		
95									
96	TOTAL INCOME	87,060.00	99,629.55	126,089.00	106,817.24	139,040.32	133,107.00		
	EXCESS / LOSS	-	- 8,572.08	- 1,800.00		9,289.06	-		
	Minus Covid Grant					8,289.06			
	Inc/Dec on Council Tax Bill				-1.97%		55.83%		

Explanation for 'high' reserves

(Please complete the highlighted boxes.)

Box 7 is more than twice Box 2 because the authority held the following breakdown of reserves at the year end:

	£	£	£
Earmarked reserves:			
Reserve 1			
Reserve 2			
Reserve 3			
Reserve 4			
Reserve 5			
Reserve 6			
Reserve 7			
			0
General reserve			0
Total reserves (must agree to Box 7)			<u>0</u>