

Queries on Explanations of Variance 2023-2024 for PKF Auditors

Box 1 – The increase of the Precept was 30%. The increase of £6,000.00 can be justified by the substantial increase in costs to the Parish Council. The Budget is reviewed regularly and the predictions of expenditure lead to a final Budget being set in December for the following financial year. The Council still need to build reserves, so a higher Budget means a higher Precept is required.

Justification:

- There have been 2 new housing developments comprising 23 houses and there are another 40 houses in the offing still to be started, so the Parish is growing quickly. The Parish Council wish to be proactive and respond to the demands of a larger Community.
- The New Somerset Council was formed in April 2023 and some services were expected to be devolved, £1,000.00 was set aside for this in the Budget.
- The National Pay Increase was £1.00 per hour, and combined with National Insurance meant an actual increase of £1087.00
- Grounds Maintenance increased by 37.5% or £1424.00 (£3686.00 to £5110.00). This was due to having to take on extra areas of responsibility.
- There was a new project Chatty Hour (a warm space for those to meet, have a meal and a hot drink was introduced) and the cost of that with a Coronation Day special was £1665.00 spread over the year.
- Lympsham in Bloom cost net figure of £1012.00 which was mostly funded by the Parish Council / Grants obtained.

Totals -£1000.00+£1087.00+ £1424.00+£1665.00+£1012.00= Total of £6188.00

These figures show why the Precept had to increase.

Box 3- Total Other Receipts

- -Community Infrastructure Levy (CIL) of £15,243.00 was received in 2022-2023
- -Community Infrastructure Levy (CIL) of £1,929.00 was received in 2023-2024

The difference is £12,314.00 which explains the 50%+ difference.

In summary, the percentage variances on the AGAR submitted can be seen to be quantified clearly by the above explanations and figures.

Sally Ferguson –Clerk and RFO Lympsham Parish Council.

April 2024