

Explanation of variances – pro forma

Name of smaller authority: **Bracebridge Heath Parish Council**
County area (local councils and parish meetings only): **Lincolnshire**
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;

	2022/23 £	2023/24 £	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	253,617	259,847				Explanation of % variance from PY opening balance not required - Balance brought forward agrees	
2 Precept or Rates and Levies	152,025	186,351	34,326	22.58%	YES		The council increased the precept in 2023/2024 primarily in order to meet loan repayments and expected increases in staffing costs. During the budget setting process, other adjustments were made in order to reduce the overall increase in precept. The precept value was arrived at following these budgetary considerations which are shown below: £152025 (Precept in 2022/2023) + £30787 (expected loan repayments during 2023-2024) + £7739 (expected increase in staffing costs during 2023/2024) + 6573 (expected running costs for the village hall in 2023/2024) - £2000 (reduced budgeted expenditure on parish council grants in 2023/2024) - £1204 (reduced budgeted expenditure on streetlighting repairs in 2023/2024) - £3500 (reduced budgeted expenditure on play equipment in 2023/2024) - £2000 (reduced budgeted expenditure on professional fees in 2023/2024) - £1969 (expected increase in income from hire of the pavilion in 2023/2024) = £186451 (Precept in 2023/2024)
3 Total Other Receipts	33,580	527,694	494,114	1471.45%	YES		The council had significantly more income in 2023/2024 largely due to a receipt of a £500,000 loan to fund the village hall refurbishment. £33580 (income in 2022/2023) + £500000 (loan income received in 2023/2024) + £2891 (increased income received from village hall hire in 2023/2024) + £2738 (increased income received from pavilion hire in 2023/2024) + £6741 (increased income from grants (Awards for All) in 2023/2024) + £232 (increased income from county council grass cutting contribution in 2023/2024) - £18457 (CIL income received in 2022/2023 totalled £10876.26. The council was overpaid CIL income in 2023/2024 which had to be refunded. This resulted in a net loss in 2023/2024 of £18457). = £527725 (income in 2023/2024)
4 Staff Costs	73,683	84,784	11,101	15.07%	YES		Increased staff costs in 2023/2024 are as a result of the NJC pay award agreed by unions. £73683 (staff costs in 2022/2023) + £4572 (implementation of NJC pay award) + £2413 (increase in employer pension contributions) + £1166 (increase in employer NI) + £1210 (salary increases within the year 2023/2024) +£1641 (increase in contracted hours for staff) = £84685 (staff costs in 2023/2024)
5 Loan Interest/Capital Repayment	0	15,719	15,719	#DIV/0!	#DIV/0!	#DIV/0!	The council took out a loan for the refurbishment and extension of the village hall in the year ending March 2024. It did not have a loan previously. One repayment was due and made during the financial year. £0 (Loan repayments in 2022/2023) +£15719 (Loan repayments (total of capital and interest) made in 2023/2024) = £15719 (Loan repayments in 2023-2024)
6 All Other Payments	105,692	598,205	492,513	465.99%	YES		The council had significant expenditure relating to the extension and refurbishment of the village hall in 2023/2024 which did not occur in the prior year. The amounts are illustrated below. £105692 (other payments in 2022/2023) +£519509(Expenditure on the village hall refurbishment in 2023/2024) - £19905 (new trim train in play park in 2022/2023) - £5284 (insurance costs were higher in 2022/2023) - £1558 (subscription costs were higher in 2022/2023) - £220 (telephone costs were higher in 2022/2023) = £598234 (other payments in 2023/2024)
7 Balances Carried Forward	259,847	275,184				VARIANCE EXPLANATION NOT REQUIRED	
8 Total Cash and Short Term Investments	262,177	290,676				VARIANCE EXPLANATION NOT REQUIRED	
9 Total Fixed Assets plus Other Long Term Investments and Assets	770,426	790,237	19,811	2.57%	NO		
10 Total Borrowings	0	496,156	496,156	#DIV/0!	#DIV/0!	#DIV/0!	The council took out a loan of £500,000 from the District Authority for the extension and refurbishment of the village hall. The loan was for a term of 30 years. Capital repayments of £3844.08 were made in the financial year 2023/2024.

Rounding errors of up to £2 are tolerable

Variances of £200 or less are tolerable