

FREELAND PARISH COUNCIL – FINANCIAL YEAR 2018-19

EXPLANATION OF SIGNIFICANT VARIANCES

Box No.	This yr (£)	Last yr (£)	Diff (£)	Diff (%)	Explain?	Explanation
2) Precept	59,356	61,516	-2,160	-3.51	Y	<p>With the Scribe Accounts Software package working well, it has been much easier to identify unspent funds and these have been utilized again in the 2018/19 Precept. Please see details below regarding decisions about the Precept setting; the overall total Precept figure decreased by £2,160.</p> <p>ADMINISTRATION ITEMS:</p> <p><u>Clerk's Salary</u> - Council agreed to increase the budget figure from £7,725 to £7,900 to allow for a potential increase of up to 2%, although it was recognised this may not be the actual salary figure. This would be agreed once the outcome of the national pay negotiations was known.</p> <p><u>Insurance</u> – The insurance budget figure was showing a positive balance of £480.21, with £2,019 having been spent in 2017/18 on insurance. It was therefore agreed to reduce the budgeted figure for 2018-19 from £2,500 to £2,000 in light of the remaining balance.</p> <p><u>Audit fee</u> –The audit fee for the 2016/17 audit had amounted to £400 due to increased expenditure on the play park and the Garden of Remembrance landscaping. There had been no significantly high income or expenditure during 2017/18, so the audit fee was expected to decrease to £300 for this year. However, the Parish Council would have a new external auditor provider from 2018/19, which will be Moore Stephens (no longer BDO). It remained to be seen how strict they would be and if any other charges would apply, therefore Council agreed to keep the audit figure at £400 for the coming year.</p> <p><u>Office Equipment</u> – No new equipment was currently required, and as there was already £368.84 remaining in the current year's budget, it was agreed not to allocate any further funds for the coming year.</p> <p><u>Training - Clerks and Councillors</u> – As there was an unspent balance of £365 in the current year's budget, it was agreed not to allocate any further funds for training for the coming year.</p> <p><u>Hall Hire</u> – The hall hire budget was showing a negative balance of -£5, which would be insufficient to cover the remaining hall hire charges for this year. This was due to meetings being moved to the Village Hall to</p>

					<p>enable more residents to attend. Although most of the meetings were being held in the Newell Room, it was agreed to increase the payment slightly from £200 to £250 to cover any additional Hall usage and to cover the overspend.</p> <p><u>Elections</u> – Elections had been held in 2016, and paid for in 2017-18, with the elections budget showing a negative balance of -£0.63. No election expenses needed to be included for 2018-19, although it was agreed to include £50 to cover the overspend (budget figure reduced from £877 to £50).</p> <p><u>Website/software</u> –£100 has previously been allocated to cover the running costs of the website hosting by EverWeb. There was already £126.59 remaining in the website software budget (although the cost for this year had not yet been paid). There was £8.00 remaining in the mapping software budget, with no budget allocated to it in 2018/19 due to a £36 balance carried forward from 2017/18. It was agreed to continue the £100 allocation for the website and to allocate £30 to the mapping software to cover these expenses.</p> <p><u>Accounts software</u> – The £200 allocated to cover the annual fee for the Scribe accounts software would be continued for 2018/19.</p> <p><u>Stationery/printer items/postage/notices</u> – all of these budgets showed unspent balances brought forward from last year with no budget allocation for 2017/18. Whilst the Clerk did have some expenses claims to submit, it was agreed that no further funds would be allocated to these budgets for the 2018/19 apart from the printer items budget where it was agreed to allocate £50. Balances brought forward at the start of 2017/18 were: Brought forward balances for stationery = £102.53 Brought forward balance for postage = £157.60 Brought forward balance for printer items = £155.21.</p> <p>ALLOTMENTS: <u>Allotments</u> – All allotment funds had been transferred to the Allotment Association, so no further action was required with these budgets.</p> <p>GARDEN OF REMEMBRANCE ITEMS: <u>Garden of Remembrance Development</u> – £8,464.60 was currently held in unspent funds in the Development budget, with a further £2,400 of invoices due to be paid at the time of the budget setting meeting. It was therefore agreed to reduce the budget figure from £9,000 to £3,000 in 2018/19, as this would go some way to cover the soft landscaping work</p>
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					<p>and other work required to bring the Garden of Remembrance into operational use.</p> <p><u>Garden of Remembrance Maintenance</u> – £1,645 was currently held in unspent funds in the GOR Maintenance budget, and it was agreed to continue the £1,000 budget allocation to 2018/19 to cover any additional hedge cutting and mowing required now that a large proportion of the landscaping work had been completed.</p> <p>PLAYING FIELD ITEMS:</p> <p><u>Play Area Development/Maintenance</u> – The play park development fund currently had £6,271.05 being held and it was hoped to purchase some additional items of equipment and make a scooter trail in the near future. In view of this Council resolved to increase the budgeted figure from £3,000 to £6,000 for 2018/19.</p> <p>The maintenance figure of £1,000 would continue in 2018/19 based on the previous year's expenditure – this covered inspections, grass cutting and hedge cutting.</p> <p><u>Playing Field Maintenance</u>– Servicing for the gangmower and tractor had not been required as the cutting of the playing field was now being carried out by a contractor. The contractor's costs were likely to be in the region of £1,836 (based on 27 cuts per year at a negotiated cost of £68 per cut), although an additional few cuts had recently been agreed. As £8,687.42 was currently held in unspent funds in the budget, it was agreed to continue the zero-budget allocation for 2018/19.</p> <p>SECTION 137 ITEMS:</p> <p><u>Community Responders</u> – As there was £1,890.25 currently held in reserve, Council resolved not to allocate any further funds for the coming year. This meant that the zero-budget allocation would continue for 2018/19.</p> <p><u>Donations given out:</u> This was showing a balance of £220, although there was £100 due to be paid out this month. It was therefore agreed to increase the budgeted figure from £1,000 to £1,500 to allow some flexibility to enable other donations to be made if required.</p> <p><u>Subscriptions:</u> It was agreed to continue the budgeted figure for subscriptions at £400 for 2018/19.</p> <p><u>Other S137</u> - £3,597.47 was currently being held in reserve funds to cover any items that could not be authorised under any other expenditure powers. It was therefore agreed to reduce the budgeted figure from</p>
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					<p>£2,000 to £500 in case of any unanticipated expenditure for the coming year.</p> <p><u>Village Shop Start Up</u> – As there was currently £1,000 held in reserve funds, it was agreed not to allocate any further funds for the coming year. The zero budgeted allocation would therefore continue in 2018/19.</p> <p><u>VILLAGE HALL/CRF ITEMS:</u></p> <p><u>Servicing Village Hall and CRF Loans</u> – This remained at £5,559 to cover the two fixed payments of £2,779.14 per year made on the loan for the CRF, and the Village Hall figure remained at £23,656 to cover the two fixed payments of £11,827.81 per year made on the loan. These together totalled £29,215 which was allocated for 2018/19.</p> <p><u>Village Hall/CRF Maintenance</u> – As this budget showed a negative balance of -£130, the allocation was increased from £500 to £1,000 to cover any maintenance required around the Hall and CRF and the overspend – this included grass cutting and hedge trimming in this area, which had increased over the past year with the milder weather (esp hedge cutting).</p> <p><u>VILLAGE MAINTENANCE ITEMS:</u></p> <p><u>Grass cutting</u> – The budgeted figure was increased from £1,500 to £2,000 to cover the grass cutting around the village that was carried out by a local contractor.</p> <p><u>Litter Collection</u> – Bill Phillips advised the Council that he did not wish to have an increase in his payment. Councillors thanked Bill for this gesture and therefore agreed to continue the payment at £1,000 for the litter collection work in 2018/19.</p> <p><u>Tree work</u> – No tree work was anticipated to be required in the next year so it was agreed not to allocate any funds to this budget, with £2,520 currently being held in reserve. This meant the £500 budget allocation would not continue in 2018/19.</p> <p><u>Pond Maintenance</u> – Money had been saved this year by the Councillors carrying out the bulrush removal, although it was noted some work would be required in the Spring. As there was already £1,100 held in reserve funds (balance brought forward) it was agreed to allocate an additional £1,000 to cover any expenses for the coming year – this meant an increase of £1,000 as there was no budget allocation for the pond in 2017/18.</p> <p><u>Amenity Area</u> – Further work on this area would be required to establish ownership status but this was not felt to be urgent. As there was currently</p>
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						<p>£1,900 currently held in reserve it was agreed to continue the zero-budget allocation for 2018/19.</p> <p><u>Seat Repairs</u> – It was felt unlikely that repairs to the benches in the village would be required during the next year, so it was agreed to continue the zero-budget allocation for 2018/19. There was £344 currently being held in reserve which could be used if required.</p> <p><u>Highways/Footpath maintenance</u> – In view of the likely cuts to services from OCC, and more services like pothole repairs, drain clearance and verge work likely to be devolved out to parish councils, it was agreed to increase the budgeted allocation from 0 to £1,000 in the budget for 2018/19. Although there was £8,852.99 held in reserve currently, the costs were at this stage unknown. As part of this sum, a new VAS (vehicle activated sign) had been budgeted for at a cost of £5,700 under the Highways heading in 2016/17, so when the invoice for this was eventually received, the reserve funds would decrease significantly.</p> <p><u>Dog bin emptying</u> – As two new dog bins had been purchased last year, it was agreed to increase the budget figure from £200 to £250 to cover the emptying costs for 2018/19.</p>
3) Total other receipts	8,024	10,807	-2,783	-25.75	Y	<p>There has been a slight drop in receipts received this year, due to the completion of the Garden of Remembrance. Last year £1,162.60 was received in donations towards the Garden of Remembrance and £350 was received as a donation towards an allotment track – in 2018-19 no donations towards the GOR were received.</p> <p>In 2018/19, the receipts were as follows: £663.90 was received in donations towards a new larger Little Free Library that hasn't yet been constructed. £1,600 was received from a resident to purchase the old Massey tractor. £169.20 was received as scrap value for the old metal gangmowers. £150 was received from the Gardening Club as a donation towards a new commemorative tree on the field. £509 was received as the Council Tax Support Grant via the Precept. £59.47 was received as a refund for mowing costs for an invoice that was issued in error by the District Council.</p> <p>The Parish Council also received £1,233.15 as reimbursement for the Village Hall insurance renewal (from the Village Hall Committee), and £3,639.34 as a VAT refund. More VAT is due to be claimed, but HMRC took a long time to advise that one of our claims was too small to be paid so had to be combined with another in 2019/20.</p>
4) Staff costs	11,186	7,349	+3,837	+52.2	Y	<p>A 2% increase was awarded to the Clerk from 1st April 2018 (in line with the nationally agreed payscales). The Clerk also increased her hours</p>

						from 12 to 18 per week with effect from 1 st April 2018, and this will account for the significant increase in salary payments this past year. National Insurance Contributions have also had to be made following the increase in hours, which has also contributed to the increase in staff costs this year.
5) Capital repayments	29,214	29,214	0	0	N	N/A

6) All other payments	37,291	18,553	+ 18,738	+101	Y	<p>ADMINISTRATION</p> <p>Payments made to the Clerk's salary increased significantly during the year from £7,349 in 2017/18 to £10,905 in 2018/19, an increase of £3,556. This is due to the Clerk increasing her hours from 12 to 18 per week from 1st April 2019. A pay increase of 2% was also awarded. National Insurance contributions also became payable due to the increase in hours, so £281.26 was paid in NI contributions in 2018/19, with no contributions being payable in 2017/18.</p> <p>The Parish Council insurance showed an increase of £323 from last year, (increase from £2,019 to £2,342 due to additional items being added onto the insurance policy. An additional premium of £201 was paid during the year to add on the new tractor, mower and other additional items to insurance policy, plus a new motor policy was also required for the drivers of the tractor.</p> <p>The audit fee showed a small decrease of £65 from last year due to a decrease in income and expenditure compared with 2016/17.</p> <p>Office equipment showed an increase of £68.75, from £72.88 in 2017/18 to £141.63 in 2018/19 which was accounted for by the purchase of a new laser printer costing £141.63.</p> <p>Training costs decreased by £121 (down from £201 in 2017/18 to £80 in 2018/19), due to fewer training courses being attended by the Councillors and Clerk.</p> <p>As there were Parish Council elections held in 2016, £877.63 of election expenses had also been paid in 2017/18, but there were no election expenses to be paid in 2018/19 so this showed a decreased of £877.63.</p> <p>Hall hire charges showed a slight decrease of £50 from £267.50 in 2017/18 to £217.50 in 2018/19 due to fewer meetings being held in the Village Hall. In 2017/18, more meetings were moved from the usual Newell Room to the Village Hall to enable more residents to come along but which costs more to hire.</p> <p>Stationery budget showed an increase of £172.50, up from £37.99 spent in 2017/18 to £210.49 spent in 2018/19. This was due to £133.25 being spent on printing flyers for the Annual Parish Meeting, plus some stationery expenses paid for by the Clerk, namely £59.99 Microsoft Office subscription, and general stationery items totalling £17.25. As there were no funds allocated to this budget in the 2018/19 precept, the carried forward balance of £64.54 was utilised first, but this budget has ended up</p>
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					<p>with a negative balance overall of -£145.95. This will be corrected in the 2019/20 budget with £200 being allocated.</p> <p>Other budgets showing minor increases (under £100) were Postage Costs (+£8.84) (no postage costs were claimed last year as the Clerk did not claim back any postage costs), Registration Fees (+£5) due to having to pay an annual fee as a data controller to the Information Commissioner's Office. Last year the Parish Council had to register with the ICO which cost £40 in order to comply with the new GDPR regulations.</p> <p>Slight decreases were shown in Mapping Software (-£28) which was felt not to be required in 2018/19 so was not purchased; Website Expenses (-£22.28 from £102.91 spent in 2017/18 to £80.63 spent in 2018/19) due to decrease in website hosting charges; Printer Items (-£13.92 from £62.65 being spent in 2017/18 to £48.73 spent in 2018/19) due to cheaper toner cartridge being purchased.</p> <p><u>GARDEN OF REMEMBRANCE</u></p> <p>In 2018/19 further developmental landscaping work was carried out on the Garden of Remembrance, but on a smaller scale with the purchase and installation of a new wooden archway costing £690.41 (deposit only paid), the purchase of some wooden entrance signs and installation of a disabled ramp costing £1,420, replacement of a few plants that had died costing £25.00, plus the purchase of specialised stationery for the GOR including a register of burials and a fountain pen with registrar's ink costing £213.50. This resulted in an overall decrease of -£445.08 in spending on the GOR, down from £2,818.99 in 2017/18 to £2,373.91 in 2018/19. The £350 donation towards the allotment track was also used to partly cover the disabled ramp expenditure which connected to the allotment track, so the allotment track donation showed an increase in expenditure of +£350 as these funds were fully used.</p> <p>The maintenance costs also decreased by £345 from £1,060 spent on mowing the GOR in 2017/18 to £715 spent on mowing in 2018/19. No other maintenance work on the GOR was carried out in 2018/19.</p> <p><u>PLAY AREAS/FIELD</u></p> <p>No major capital expenditure was spent on the play park this year, but as there was no expenditure on the developing the play area in 2017/18, this</p>
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					<p>year it showed an increase of £776 due to the purchase of some trees to provide shade in the play area. These trees cost £776.40 so there is an increase of this amount in 2018/19.</p> <p>Play area maintenance costs have also reduced by £142, down from £864 in 2017/18 to £722 in 2018/19. £215 was spent on repairing the gate to the play park, this was carried out by a local contractor which enabled costs to be kept to a minimum. The remaining play area maintenance costs were mowing that cost £330 (down from £435 in 2017/18) and litter bin emptying which was £177 (down from £342 in 2017/18).</p> <p>The playing field maintenance showed a huge increased expenditure by £16,070 (up from £767 in 2017/18 to £16,837 in 2018/19). This is mainly due to the purchase of a new tractor and rotary mower costing £15,994, plus the tractor also required registering with DVLA which cost £55. Weed spraying of the playing field was also carried out in 2018/19 costing £280, and this was not done in 2017/18.</p> <p>The remaining playing field spending was on a new gate latch costing £12.99, and mowing the field, which decreased slightly from £567 in 2017/18 to £440 in 2018/19, due to a lot of cold and wet weather where the field did not need cutting as frequently.</p> <p><u>VILLAGE HALL/CRF</u></p> <p>A decrease of £201 in spending on the Village Hall/CRF Maintenance budget has occurred compared to last year (down from £2,416 in 2017/18 to £2,215 in 2018/19) with the main decrease being in mowing charges with £905 being spent on mowing this year (compared with £1,145 last year). These mowing charges also cover the hedge cutting around the hall which has had to be done less frequently in 2018/19.</p> <p>The two lawn treatment costs have remained roughly the same as 2017/18, with the lawn treatments costing £77 in 2018/19 compared with £75 in 2017/18. The remaining cost was the insurance renewal which cost £1,233 (£1,196 in 2017/18). This cost is reimbursed to the Parish Council from the Village Hall Management Committee.</p> <p>The payments for the Village Hall and CRF loan servicing remained the same.</p>
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					<p>SECTION 137</p> <p>The limit for spending under S137 of the Local Government Act 1972 for the council in the year of account was £9,817.14 (£7.86 for each of 1,249 electors). The Council has kept well within this limit with its spending on S137 in 2018/19. The items allocated under S137 were community responders, donations given out, subscriptions, village shop start up fund, and any other items being put under this heading in the accounts software of Other S137.</p> <p><u>Community Responders:</u> There was an increase of £60 to the costs to the Community Responders budget in 2018/19 (last year was £0.00) due to one of the defibrillators being disconnected in error by BT and needing reconnection by a qualified electrician costing £60.00.</p> <p><u>Donations given out:</u> This budget remained the same as 2017/18 with £997.00 being spent in 2017/18 and 2018/19 on donations given out.</p> <p><u>Subscription costs:</u> This showed a small decrease of £66.54 (down from £356.44 spent in 2017/18 to £289.90 spent in 2018/19). This was due to only two subscriptions being paid in 2018/19 rather than the usual three paid in 2017/18, with the Community First Oxfordshire subscription of £70.00 being paid in the 2019/20 budget instead.</p> <p><u>Village Shop Start Up Fund:</u> This showed a decrease of £1,000, as all the funds from this budget (£1,000) were paid out in 2017/18 to the Village Hub Group. This budget now showed a nil balance.</p> <p><u>Other S137:</u> This budget showed a decrease of £379.43 compared with the previous year, down from £400.95 spent in 2017/18 to just £21.52 spent in 2018/19. In 2018/19 the items included under Other S137 were for small amounts of refunds of Councillors' expenses for refreshments for the community picnic costing £21.52. In 2017/18 items included under Other S137 were £58 on small items for the Speedwatch team such as hi-vis jackets, tally counters, batteries for the radar gun and a dictaphone etc, £220 on wheelie bin stickers for residents to use as a means to try and slow traffic down, £18 on refund of Councillors' expenses for refreshments for the community picnic and the annual parish meeting.</p>
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					<p>Therefore, total costs under Other S137 for 2018/19 was £21.52 compared with £400.95 for 2017/18.</p> <p><u>VILLAGE MAINTENANCE</u></p> <p><u>Grass Cutting:</u> Grass cutting costs showed a decrease of £340, down from £1,215 spent in 2017/18 to £875 spent in 2018/19, due to less mowing being carried out due to the wet weather.</p> <p><u>Litter Collection:</u> Litter collection costs remained the same as last year.</p> <p><u>Tree Works:</u> No tree work was carried out in 2017/18, but in 2018/19 £1,300 was spent on tree work so this budget showed an increase of £1,300.</p> <p><u>Pond Maintenance:</u> The pond area maintenance budget showed an increase of £475 (this showed a nil expenditure last year) due to some tree work being carried out around the pond area in 2018/19.</p> <p><u>Dog bins:</u> This budget showed a decrease of £152.05 due to only £81.37 being spent on emptying costs in 2018/19, whereas in 2017/18 £233.42 was spent on emptying costs. This was because 3 invoices were paid in 2017/18 instead of the usual 2 (one of the invoices for the previous financial year was not received until after April so paid in the following financial year).</p> <p><u>Highways/Footpath maintenance:</u> This budget showed an increase of £144.58, from no expenditure in 2017/18 to £144.58 in 2018/19. Items allocated under this heading for 2018/19 were some new and additional road nameplates that required replacing/updating.</p>
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9) Total fixed assets	944,946	929,382	+15,564	+1.67	Y	<p>There have been a number of changes in the fixed assets register in 2018/19 - these are as follows:</p> <p><u>Disposals:</u> The old Massey tractor has been sold so £1,326.13 has been deducted. The old gangmowers have been sold for scrap so £2,734.06 has been deducted. The laser printer broke so £72.49 has been deducted.</p> <p><u>New acquisitions/additions to the register are as follows:</u> New tractor and rotary mower purchased costing £15,994.43 A new laser printer purchased costing £141.63 New wooden archway costing £1,380.81 purchased and installed (only 50% of this invoice was paid as deposit in 2018-19, the remainder is to be paid in 2019-20) 2 x new wooden entrance signs purchased for Garden of Remembrance costing £1,080 2 x new road nameplates/signs purchased costing £144.58 A new register of burial book (to be used for cremations) purchased costing £179 3 x ornamental trees purchased costing £776.40.</p> <p>Total additions = £19,696.85 Total deductions = £4,132.68 New total of fixed assets: £944,946</p>
10) Total borrowings	287,466	303,590	-16,124	-5.31	Y	<p>A total of £16,124 has been paid off of the capital balance on the two loans that the Parish Council has with the PWLB.</p> <p>Two loan repayments have been made on the village hall loan this year totalling £11,080 leaving an outstanding capital balance of £266,229.</p> <p>Two loan repayments have also been made on the CRF loan this year totalling £5,043, leaving an outstanding capital balance of £21,237.</p> <p>So, the total outstanding capital balances at 31st March 2019 for all loans are:</p> <p>Village Hall loan: £266,229 CRF loan: £21,237 Total outstanding borrowings: £287,466</p>