Explanation of variances

Name of smaller authority: **ORLETON PARISH COUNCIL**

County area (local councils and **Herefordshire**

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	17,088	11,902				Explanation of % variance from PY opening balance not required - Balance brought forward agrees	
2 Precept or Rates and Levies	25,500	31,266	5,766	22.61%	YES		The PC increased its Precept to meet its budgetary requirements. The PC Precept has been previously kept on the same level for 7 consequitive years, with only a modest increase of £500 in 2020/21, which resulted in a steeper increase required in FY 2023/24 to meet the raising costs, increase in service provision and offset the inflation.
3 Total Other Receipts	4,339	20,353	16,014	369.07%	YES		Upon apointment of the new RFO (01.04.2023) and during the FY 2023/24 it was discovered that VAT refunds claims have not been made since 2019. A claim for the whole period from 01.04.2019 to 31.03.2023 has been made and accepted by HMRC for the total sum of **£11,838.22**. The Authority has also successfully applied for two grants; National Lottery - **£1,300** and WTOF Fund - **£1,000**. The PC was also in receipt of Lengthsman Grant from the Local Authority, to the sum of **£4,686** and received payments form neighbouring parishes to reimburse maintenance costs for two co-owned SID devices - **£1,129**
4 Staff Costs	2,525	11,531	9,006	356.67%	YES		In FY 2022/23 the PC was without a Clerk & RFO for 6 months reducing the staff costs for the year. The PC appointed the new Clerk & RFO form 01.04.2023. Clerk's hours have been increased from 7/week to 12/week, on a higher SCP salary scale. Between July and December 2023 two additional hours/week were also in place and payment. Pension contributions have also been made.
5 Loan Interest/Capital Repayment	2,192	2,192	0	0.00%	NO		
6 All Other Payments	30,308	32,777	2,469	8.15%	NO		
7 Balances Carried Forward	11,902	17,021				VARIANCE EXPLANATION NOT REQUIRED	
8 Total Cash and Short Term Investments	11,902	17,021				VARIANCE EXPLANATION NOT REQUIRED	
9 Total Fixed Assets plus Other Long Term Investments and	15,988	17,965	1,977	12.37%	NO		
10 Total Borrowings	7,406	5,337	-2,069	27.94%	YES		Explained by Box 5 (plus interest)

Rounding errors of up to £2 are tolerable

Variances of £200 or less are tolerable