

## Explanation of variances – pro forma

Name Diane Malley of Madeley Town Council smaller authority:

County area Telford & Wrekin

Please provide **full explanations, including numerical values**, for the following:

- variances of more than 15% between totals for individual boxes (except variances of less than £200);
- a breakdown of approved reserves if the total reserves (Box 7) figure is more than twice the annual precept/rates & levies value (Box 2).

Section 2	2016/17 £	2017/18 £	Variance £	Variance %	Detailed explanation of variance (with amounts £)
<b>Box 2</b> <i>Precept or Rates and Levies</i>	358,240	495,675	137,435	28%	<p>The Council had previously purchased a Grade II listed building which is in need of extensive restoration and refurbishment. It was recognised that there is the likelihood of a PWLB being sought in the future and therefore £19,200 was put into a reserve towards future payments. A total of £35,000 was earmarked for the buildings reserve for the future renovation. During the year it had been budgeted to carry out replacements of the boiler system at the building costing £16,000.</p> <p>Under devolved services the cost of a PCSO was to be transferred to the council at a cost of £25,000 and a provision was made in an earmarked reserve for future years of £25,000. There was a deduction in council tax support grant of £9,195.</p> <p>A sum of £5,000 was put into a Christmas lights renewal earmarked reserve and the building R&amp;M reserve for Jubilee House (Town Council Offices) was increased by £3,000. There were minor fluctuations in budget heading requirements which made up the remaining difference.</p>
<b>Box 3</b> <i>Total other receipts</i>	188,521	247,326	58,805	23%	<p>The majority of this variance was due to the closure of the Madeley Renovation Partnership. The committee resolved to transfer the funds left in the bank account to the town council for use on generation projects within the town. There was a difference of £65,453 transferred to the council more than in the previous year.</p> <p>The Council Tax support grant was reduced by £9,195.</p> <p>During 2017/18 there was £1,860 more received in the PET project scheme due to a change in funding formula.</p> <p>During 2017/18 there was sales of items found in the Grade II building totalling £740. There were minor fluctuations in other budget headings making up the remaining difference.</p>
<b>Box 4</b> <i>Staff costs</i>	225,361	237,093	11,732	5%	

<b>Box 5</b> <i>Loan interest/ capital repayments</i>	nil	nil	nil	0%	
<b>Box 6</b> <i>All other payments</i>	418,229	236,018	182,211	43%	<p>During 2016/17 £2,647 more in grants and donations were awarded to community groups than the current year.</p> <p>During 2016/17 a payment was made of £7,680 towards funding a youth project.</p> <p>During 2016/17 a refurbishment was made of the war memorial of £63,065.</p> <p>During 2016/17 the council paid £88,570 to the Madeley Partnership (part returned in 2017/18).</p> <p>During 2016/17 speed indicator signs were purchased for £12,640</p> <p>During 2017/18 £2,400 less was spent on the Christmas lights events</p> <p>During 2017/18 a new vehicle lease was agreed where £500 less was paid out than the previous year</p> <p>During 2017/18 there was £1,148 less spent on repairs and maintenance of Jubilee House and £1,296 less on the public toilets than the previous year</p> <p>In 2016/17 there had been a by-election costing £1,288</p> <p>In 2016/17 professional fees of £2,370 more than the 2017/18 were incurred on drawing up plans and costings for the renovation of the Anstice Memorial Hall.</p>
<b>Box 9</b> <i>Total fixed assets &amp; long term investments &amp; assets</i>	333,292	348,453	15,161	4.35%	
<b>Box 10</b> <i>Total borrowings</i>	Nil	Nil	Nil		
<b>Explanation for 'high' reserves</b>	Box 7 is more than twice Box 2 because the authority held the following breakdown of reserves at the year end:				