

## Meeting of the Finance Sub Committee

Thursday 18 July 2024

### Agenda Item No. 7.0

#### TO REVIEW THE SIGNIFICANT VARIANCES IN THE 2023/24 YEAR END ACCOUNTS

##### 1.0 Summary

- 1.1 The report details the position regarding the variances highlighted in the recent Annual Governance and Accountability Return for the year ending 31 March 2024.

##### 2.0 Details

- 2.1 The following tables show the figures which contributed to the totals in the Explanation of Variances report for Boxes 3 and 4 in the return attached (appendix A).

<b>ANNUAL RETURN BOX 3 FOR 2023-24</b>				
<b>Nominal Codes</b>	<b>Particulars</b>	<b>TOTAL 2023-24</b>	<b>BUDGET for 2023-24</b>	<b>22/23 TOTAL</b>
			-	
Grants received:				
4164	Fields in Trust Grant Funding	-	-	5,000.00
4534	Lottery Grant - CSEP	132.50	-	-
Rental income, int & inv income:			-	
4100	Allotments	6,943.96	6,000.00	2,596.55
4101	Allotment Deposit	836.00	1,000.00	1,179.00
4110	Playing Fields & Pitches, Sport Income	14,668.03	13,000.00	13,246.12
4120	Playing Fields & Pitches, Event Income	6,417.59	5,000.00	4,967.60
4123	WDC - West Park Culverts Agreement	370.00	400.00	370.00
4580	Bank Interest - Business Reserve	14,138.15	2,500.00	4,418.66
4581	Bank Interest - Capital Reserve	1,198.25	-	-
4583	Interest Misc. (Fixed Rate Bond)	7,050.00	1,000.00	1,050.51
4610	Weald Hall	31,480.55	32,000.00	31,006.62
4615	Weald Hall, commercial	1,510.64	3,000.00	2,615.48
4620	Council Chamber	9,032.34	10,000.00	9,686.70
4625	Council Chamber, commercial	2,373.72	800.00	819.01
4630	Ashdown Room	10,442.23	9,000.00	7,787.65
4635	Ashdown Room, commercial	3,260.85	3,500.00	3,782.50
4640	Green Room	11,167.13	12,000.00	10,399.65
4645	Green Room, commercial	895.22	-	423.95
4650	Oakleaf Room	16,133.11	10,500.00	11,358.09
4655	Oakleaf Room, commercial	573.40	-	172.05
4660	Mayor's Parlour	10,847.27	13,000.00	13,205.00
4665	Mayor's Parlour, commercial	52.25	-	38.00
4670	Equipment hire	1,282.45	1,000.00	1,111.96

4671	Martlets Room	6,006.18	7,200.00	4,827.08
4672	Martlets Room Commercial	85.40	-	1,449.75
4673	Community Toilet scheme	1,130.00	1,130.00	1,130.00
4675	TC Office	3,600.00	-	-
4690	Quickborn Suite rent	8,499.96	8,500.00	8,499.96
4710	West Park Pavilion	4,302.64	6,600.00	-
4719	V.P. Sussex Support Service Rent	10,500.00	10,500.00	10,500.00
4720	Victoria Pavilion	238.60	250.00	23.00
4721	V/Pav, repayment of electricity	1,802.48	2,000.00	-
4723	V/Pav, repayment of gas	119.26	1,600.00	-
4724	RHI - C.Centre Boiler	9,606.86	10,000.00	8,127.19
4726	Victoria Storage Garages	100.00	200.00	100.00
4730	Cemetery Chapel workshop	5,500.00	5,500.00	5,500.00
4760	Foresters Hall, regular users	12,288.89	15,850.00	12,096.95
4761	Foresters Hall, occassional users	10.30	100.00	41.40
4762	Foresters Hall, commercial	1,575.00	50.00	136.50
4770	Foresters Chapel	1,150.00	1,150.00	1,150.00
4771	2a Vernon Road, rent	7,800.00	7,800.00	5,741.67
4773	2aVernon Road (Misc)	-	-	60.00
4775	Signal Box	-	6,000.00	1,770.85
4780	Osborn Hall	890.17	1,000.00	784.05
4781	Ridgewood Village Hall	1,620.65	900.00	17,118.91
4783	Bridge Cottage	2,154.70	2,160.00	2,177.92
4795	The Source	1,938.43	2,800.00	2,857.38
4798	Source Re-charge of services	1,333.33	2,000.00	619.91
Charges made for services:				-
4102	Allotment Admin Charge	3,870.00	3,500.00	-
4180	Cemetery - Interments	32,196.00	30,000.00	26,857.05
4181	Cemetery - Memorials	7,294.05	6,000.00	5,965.75
4183	Cemetery Maintenance Charge	3,161.90	4,000.00	3,128.40
4260	Memorial West Park	-	-	9.46
4410	Administration	465.43	100.00	256.62
4810	Restaurant Food sales	153,956.06	130,000.00	130,447.85
4820	Restaurant Bar sales	8,839.04	9,250.00	10,307.98
4840	Hire of Luxfords Restaurant	189.40	1,000.00	138.75
4910	Function Food Sales	38,613.38	28,000.00	31,340.22
4920	Function Bar sales	22,603.51	20,500.00	18,463.49
4940	Urn hire	1,205.96	1,250.00	1,275.50
4950	Sundry Income	150.00	500.00	-
Other income:				
4040	Contribution to town centre security	556.89	620.00	620.00
4050	Weald Hall Events	26,245.00	25,000.00	23,752.75
4054	Beacon Lighting Event - Platinum Jubilee	-	-	1,626.63
4215	Sale of Ransomes Parkway 2250	3,500.00	-	-
4276	Sundry Income	-	-	6,500.00

4295	Litter/bus station	1,590.00	1,325.00	1,324.92
4303	Cycle To Work Scheme	808.92	-	-
4350	Roundabout income	864.00	850.00	864.00
4370	Road Safety Week/Eco EXPO donations	-	100.00	545.83
4387	Weald on the Field	4,300.50	-	3,321.60
4402	Interest Misc.	9.57	-	5.39
4403	Training	330.00	100.00	-
4405	Community Infrastructure Levy (CIL)	20,165.69	-	5,096.03
4436	Town Crier	25.00	-	-
4530	Festive Light Income	2,000.00	2,200.00	2,057.08
4676	C/C sundry income	108.00	108.00	100.00
4677	Feed-in Tariff Payments	3,623.56	6,000.00	6,117.51
<b>Grand Total</b>		<b>569,730.35</b>	<b>487,393.00</b>	<b>490,070.43</b>

<b>ANNUAL RETURN BOX 4</b>				
<b>Nominal codes</b>	<b>Particulars</b>	<b>TOTAL 2023-24</b>	<b>BUDGET 2023-24</b>	<b>2022/23 TOTAL</b>
Direct costs - Salaries & wages:				
5360	Groundsmen - Salaries			89,639.26
5361	Groundsmen - National Insurance	10,767.52	9,796.00	8,008.55
5362	Groundsmen - Pension	27,218.86	22,150.00	23,405.28
5680	Caretakers - Salaries		97,036.00	75,993.89
5681	Caretakers - National Insurance	7,286.51	4,629.00	3,904.03
5682	Caretakers - Pension	18,696.19	16,818.00	13,457.18
5686	Casual Caretakers	784.23	250.00	5,649.56
5795	Other Buildings - Salaries	-	-	272.33
5940	Luxfords Salaries			
5941	Luxfords National Insurance	7,300.88	5,403.00	6,140.57
5942	Luxfords Pension	20,477.76	18,834.00	19,855.82
5945	Luxfords Casual wages	12,651.91	6,000.00	7,461.18
Democratic, Management and Civic costs - Salaries & wages:				
5540	Office Staff - Salaries			
5541	Office Staff - National Insurance	24,389.39	20,454.00	22,347.64
5542	Office Staff - Pension	48,963.13	42,403.00	48,546.53
5543	Members Allowances	15,306.45	20,223.00	15,066.31
5545	Members N.Ins	24.60	-	3.60
<b>Grand Total</b>				

### **3.0 Recommendation**

3.1 Members are asked to review and note the contents of the financial year end variances.

Appendices: Appendix A: Variances pro forma sent to External Auditor  
Appendix B: Written explanation on reasons for variances

Contact Officer: Sarah D'Alessio

## Explanation of variances – pro forma

Name of smaller authority: **Uckfield Town Council**

County area (local councils and **East Sussex County Council**

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, <b>DO NOT OVERWRITE THESE BOXES</b>	Explanation from smaller authority (must include narrative and supporting figures)
1 Balances Brought Forward	<b>1,280,471</b>	<b>1,291,130</b>				Explanation of % variance from PY opening balance not required - Balance brought forward agrees	
2 Precept or Rates and Levies	<b>983,076</b>	<b>1,051,151</b>	68,075	6.92%	NO		
3 Total Other Receipts	<b>490,071</b>	<b>569,719</b>	79,648	16.25%	YES		Details on separate sheet
4 Staff Costs	<b>674,686</b>	<b>795,577</b>	120,891	17.92%	YES		Details on separate sheet
5 Loan Interest/Capital Repayment	<b>46,428</b>	<b>39,553</b>	-6,875	14.81%	NO		
6 All Other Payments	<b>741,374</b>	<b>807,300</b>	65,926	8.89%	NO		
7 Balances Carried Forward	<b>1,291,130</b>	<b>1,269,570</b>				<b>VARIANCE EXPLANATION NOT REQUIRED</b>	
8 Total Cash and Short Term Investments	<b>1,249,562</b>	<b>1,230,875</b>				<b>VARIANCE EXPLANATION NOT REQUIRED</b>	
9 Total Fixed Assets plus Other Long Term Investments and	<b>6,621,504</b>	<b>6,591,178</b>	-30,326	0.46%	NO		
10 Total Borrowings	<b>460,800</b>	<b>441,600</b>	-19,200	4.17%	NO		

**Rounding errors of up to £2 are tolerable**

**Variances of £200 or less are tolerable**

## Explanation of Variances

### 3 – Total Other Receipts

Following a review of the fees and charges for Allotments, the addition of a new administration charge per plot was introduced. This brought in additional income of £3,870, giving an overall increase by 208%. From £3,775.55 in 22/23 to £11,649.96 in 23/24.

The higher income achieved in 23/24 was also due to the charging period being moved from October in 22/23 to April 23/24. On average, each year we would take around £6k in allotment income which was down in 2022-23 due to the changing of the commencement date of the invoicing.

Bank Interest received increased from £5,469.17 in 22/23 to £15,336.40 in 23/24 due to our annual review of our investments and higher interest rates.

One of the Town Councils assets – West Park Pavilion (a pavilion adjacent to a football ground) was transferred to a Junior Football Club, under a full repairing lease. The lease agreement commenced on 1 May 2023 and received £4,302.64 in income in 23/24.

A review of the Luxfords Restaurant menu prices was carried out in line with the Stock Takers recommendations. The Civic Centre's Events programme was expanded and also a number of food-based functions and initiatives to increase income.

Description	22/23	23/24	%
Restaurant Food	130,473	153,966	18
Function Food	31,340	38,613	23
Function Bar	18,463	22,603	22
Weald Hall Events	23,753	26,245	10

Additional room hire income received of £5,400 due to a long-term hirer of a new office space within the Civic Centre.

### 4 – Staff Costs

Due to hosting a number of additional functions, the Casual staff costs increased from £7,461.18 in 22/23 to £12,651.91 in 23/24 which equates to a 69% increase. Part of these costs also included cover costs for an employee who was on long term sickness.

In general, the staff costs increased following the annual NJC pay awards which were paid in November 2023.

An additional Winter Seasonal Grounds Person was employed due to demands on the Grounds Maintenance team which totalled £13,233.28.

Due to retirement a longer hand over was given to a new member of staff joining the Town Council Office team costing £5,258.05.