

Explanation of Variances 2022/23

Kirkbymoorside Town Council

Financial year ending 31 March 2023

Section 1	2021/22	2022/23	Variance (+/-) £	</>15%	Detailed explanation of variance of more than 15% (with amounts £)
Box 1 (+)Balances brought forward	188,342.04	193,588.16	+ 5,246.12	<15%	Balance brought forward agrees.
Box 2 (=) Precept or Rates and Levies	74,000.00	74,000.00	0	0	NA
Box 3 (+) Total other receipts	55,723.18	56,294.72	+ 5,71.54	<15%	NA
Box 4 (+)Staff costs	31,077.97	33,352.28	+ 2,274.31	<15%	NA
Box 5 (=) Loan interest/ capital repayments	0.00	0.00	0	0	NA
Box 6 (+) All Other payments	93,399.09	124,223.65	+ 30,824.56	>15% + £200	Additional one off expenditure in 2022/23 totalling £30,334: £4,282 – supply and installation of commando sockets to accommodate column mounted Christmas motifs (Minute 21059 dated 19 July 2021) Purchase of street furniture/assets in 2022/23: i. £14,848 – New play equipment in Old Road play area (Minute 22127 dated 21 November 2022) ii. £1,400 – Bespoke structures in the town Pound (Minute 22128 dated 21 November 2022)

					<ul style="list-style-type: none"> iii. £795 – Commemorative bench ‘In Memory of Robin Butler’ (Minute 22084 dated 26 September 2022) <p>Replacement of street furniture/assets in 2022/23:</p> <ul style="list-style-type: none"> i. £4,909 – final instalment for replacement play equipment in Old Road play area (Minute 21145 dated 17 January 2022) ii. £4,100 – replacement Town Council notice board on Market Place (Minute 21166 dated 21 February 2022)
Box 7 (+) Balances carried forward	193,588.16	166,306.95	- 27,281.21	>15% + £200	<p>VAT 126 claim for refund for 2021/22 not submitted prior to 31. 03.2023.</p> <p>£8,226.89 VAT paid in 2021/22. (2021/22 and 2022/23 VAT 126 claim for refund submitted 05.06.2023)</p> <p>Accounting for the VAT to be reclaimed would reduce the degree of variance to less than 15%</p> <p>Variance of balance carried forward + 2021/22 VAT to be reclaimed = <15% and £200</p> <p>-27,281.21 + 8,226.89 = -19,054.32</p>
Box 9 (+) Total fixed assets plus long term investments and assets	523,199.29	542,810.99	+ 19,611.70	<15%	NA
Box 10 (=) Total borrowings	0.00	0.00	0	0	NA

Resolution(s) of the Town Council referenced in respect of explanation of variance at Box 6 (+) All Other payments:

Extract of Minute 21059 of the Ordinary meeting of the Town Council dated 19 Jul 2021:

21059 Agenda item 11. Christmas lighting

- a. The cost of £4,282.30 + VAT to convert the lighting columns on Piercy End, Market Place and High Market Place with sockets and timers to support Christmas lighting motifs was **agreed**.

Purchase of street furniture/assets in 2022/23:

Extract of Minute 22127 of the Ordinary meeting of the Town Council dated 21 November 2022:

22127 Agenda item 11: Play Areas

- a. The response of the consultation for proposed new play equipment at Old Road play area was **noted** with Option E – Multiverse Activity Centre being the preferred play equipment being.
- b. The cost of £14,848.28 + VAT for new play equipment at Old Road play area was **agreed**.
Cllr Holroyd proposed the allocation of CIL funds to cover the project costs. **Agreed**.

Extract of Minute 22128 of the Ordinary meeting of the Town Council dated 21 November 2022:

22128 Agenda item 12: The Pound

- a. The design of structures commissioned to M U S T Forge pursuant to Minute 22083 dated 26 September 2022 were considered. Cllr Holroyd proposed purchase of 3no. 3D sculptures of a cow, a sheep and a pig at a cost of £1400. **Agreed**.

Extract of Minute 22084 of the Ordinary meeting of the Town Council dated 26 September 2022:

- 22084** Agenda item 11. Correspondence from Kirkbymoorside History Group was **received** and installation of a bench in the town centre to commemorate Robin Butler, at a cost of £795 + VAT, considered. Robin's contribution to the community was acknowledged and the addition of a commemorative bench in the town centre was considered to be an appropriate mark of respect. The request was unanimously **agreed**.

Replacement of street furniture/assets in 2022/23:

£4909 – final instalment (£4909 of £10,742) for replacement play equipment in Old Road play area (Minute 21145 dated 17 January 2022)

Extract of Minute 21145 of the Ordinary meeting of the Town Council dated 17 January 2022:

21145 Agenda item 9. Old Road play area

- a. Information on proposed replacement equipment at Old Road play area at a cost of £10,742.85 + VAT was **received**. The proposal detailed replacement of the existing 'Cantilever swing' and 'Junior swings' (which have been identified as needing replacement in 2022 by the annual play inspection report) with an 'Aero Tilt' and a 'Team Swing seat'. The town clerk explained that information provided by the play specialists confirmed that utilising the existing play surfacing would be the most cost effective solution, saving on the cost of ground prep and full surfacing, in the region of £5-6k.
- b. The allocation of CIL funds associated with development at Wains Field Planning Application 18/01313/MFUL to cover the cost of replacement play equipment was **agreed**.

Extract of Minute 21166 of the Ordinary meeting of the Town Council dated 21 February 2022:

21166 Agenda item 8. Street furniture

- a. The cost of purchasing a replacement notice board on Market Place was **considered** and Quotation A, £4,100 + VAT (supply only) **agreed**.

Explanation of High Reserves

- i) £65,000 held in account designated for the cemetery (Minute F22007 dated 13 October 2022)

Extract of minute F22007 of the Finance Committee Meeting held on Thursday 13 October 2022:

F22007 CAPITAL BUDGET

It was **agreed** to make the following adjustments to the specific reserves:

£65,000 allocated to the cemetery fund - the surplus of cemetery funds continue to be transferred into the cemetery account (Money Manager Account - 6 month investment term) at the end of each financial year.

£50,000 earmarked for development (including repairs) of the sportsfield, play area and skate park.

£25,000 allocated for specific reserves to include:

- Staff sickness £5,000,
- By-election provision £4,000
- Manor Vale provision £6,000
- Moorside Room provision £10,000

On the basis that the general reserve is recommended to be at least half of the precept the committee **agreed** to recommend that the level of general reserve should be retained at £40,000.

- ii) £49,389 held in account designated for the 'Path for Everyone' project (Minute 20213c. dated 15 March 2021). The funds comprise £20,000 grant awarded by the AJ1 Project Road Safety Fund (Minute 20130 dated 16 November 2020), £20,000 match funding from the Town Council's reserves (Minute 20213 dated 15 March 2021) and £9,389 donations.

Resolution(s) of the Town Council referenced in respect of money held for 'Path for Everyone' project:

Extract of minute 20130 of the Ordinary meeting of the Town Council dated 16 November 2020:

20130 The award of £20,000 from the AJ1 Project Road Safety Fund in response to the grant application submitted by the Town Council in partnership with Ryedale Cycle Forum and Kirkbymoorside Environment Group was **noted** and the Document of Understanding **agreed**.

Extract of minute 20149 of the Ordinary meeting of the Town Council dated 21 December 2020:

20149 Police, Fire and Crime Commissioner for North Yorkshire AJ1 Project Road Safety Fund

- The Grant Agreement in respect of £20,000 to be awarded to Kirkbymoorside Town Council in partnership with Ryedale Cycle Forum was **received**.
- Correspondence from Ryedale Cycle Forum acknowledging the terms of the Grant Agreement was **received**.
- It was **agreed** to support Ryedale Cycle Forum's request for design costs from GGP Consulting Engineers.
- The Grant Agreement in respect of £20,000 to be awarded to Kirkbymoorside Town Council in partnership with Ryedale Cycle Forum was **approved**.

Extract of minute 20213 of the Ordinary meeting of the Town Council dated 15 March 2021:

20213 Path for Everyone

- The request for the allocation of a bank account for management of financial transactions associated with the project was **considered**. The clerk confirmed that the request is feasible both practically, as the Town Council can designate an existing account to the management of the funds and legally, in

accordance with Section 139(1)(b) of the Local Government Act 1972.¹ In the accounts, it will be necessary to create separate headings in the cash book for the project income and expenditure. In the AGAR, the income and expenditure will be shown as separate income to the precept and expenditure will be included in 'expenditure other than staffing expenses'. The request for the allocation of a bank account for management of financial transactions associated with the project was **agreed**.

- d. The request for match-funding in the amount of £20,000 from the Council's reserve funds was **considered**. The Town Clerk confirmed that the request is feasible. The Town Council has high level of reserves which it would be prudent to earmark to satisfy the explanation provided to the external auditors. The cost of the project to upgrade the Town Council owned street lighting to LED lanterns was completed under budget so there are funds available that had previously been earmarked for this purpose. The request is also feasible legally, in accordance with various legislation.²

Cllr Coughlan enquired as to whether the Town Council needed to make financial provision for future upgrades to the street lighting. The Town Clerk confirmed that at present the council has no funds earmarked for this and the exercise of converting to LED lanterns should mean that is not necessary to make any modifications until there is another advancement in lighting technology. The Town Council can review this position after a period of years.

Cllr Brown proposed the allocation of £20,000 to the 'Path for Everyone' project from the reserve funds. **Agreed**.

Cllr Holroyd congratulated the applicant on progress of the project to date and proposed that information be received at the April meeting on progress of further funding bids associated with the project. **Agreed**.

Lisa Bolland

Responsible Financial Officer

7 June 2023

¹ Section 139(1)(b) of the Local Government Act 1972, states ...a local council may accept, hold and administer, for the benefit of the inhabitants of the area or some part of it, gifts made for that purpose.

² Local Government (Miscellaneous Provisions) Act 1976, s.9; Public Health Act 1875, s.164; Highways Act 1980, ss.43, 50