

Annual Governance and Accountability Return 2023-24

Explanation of variances and precept vs reserves ratio:

1. Balances brought forward:

Difference: 17%

2. Precept:

Difference: 34%

The Council saw an increase in its tax base from 2022-23 to 2023-24 of 70.

The Council agreed the increase in the budget of £132,820 (27%), which included:

- An increase in the salaries and PAYE budget of £81,000, a 32% increase. This was to cover the increases in salaries applied nationally and annual increments. This is majority of the increase in the Administration budget of £85,970.
- An increase in funds for work one of the Council's recently-acquired (in 2021) Westward Ho! Park from £12,000 to £37,000, a 208% increase.
- An increase of £4,050 (from £26,300 to £30,050) in the projects budget to meet the costs of maintaining play and community equipment.
- An increase in the budget for work at the Council's community hall of £4,650 plus £22,500 earmarked reserved.
- An increase in the budget for commemorations and the coronation of £4,000 plus an earmarked reserve of £1,000.
- An increase in the Climate Emergency Committee budget of £10,000 to support the Council's work on the Climate Action Plan.
- An increase in the budget for improvements at Anchor Park of £13,850 plus earmarking a £6,500 reserve.
- Areas of expenditure that were new in 2023-24:
 - An inclusion of £6,500 for the purchase of IT equipment for new members, elected in May 2023.
 - An inclusion of £10,000 to fund Youth Work in the parish.
 - An inclusion of £10,000 to fund road and traffic improvements in the parish.

3. Total other receipts:

Difference: 53%

The Parish Council's receipts increased by £60,227 over 2023-24. Annually, there is fluctuation in the Council's receipt of small grants for local work, for example from District and County members.

Larger receipts are associated with large projects. In 2023-24, the Council entered into an agreement with the Lawn Tennis Association (LTA) to fund the refurbishment of three of its hard tennis courts in Westward Ho! Park. This agreement attracted £80,000 of funding from the LTA (originating with central government at the department of Culture, Media and Sport (DCMS)).

4. Staff costs:

Difference: 16%

All staff received a cost of living award of £1925 (pro-rata). Northam Town Council had 7 full time and 2 part time staff (a 24hr and a 25hr contract) in 2023-24

£13,475 for 7 full time staff

£1249 for the 24hr contract

£1300 for the 25hr contract

The total increase awarded by the employers was therefore £16,024.

The remaining increase was 9%, so no further explanation is required, though it is important to state that all eligible employees advanced one point on the pay scale, also increasing the staff costs.

5. Loan repayments:

Difference: 2%

The difference was less than 15%, no explanation required.

6. All other payments:

Difference: 10%

No explanation expected as less than 15%.

7. Balances carried forward:

Difference: 30%

8. Total value of cash and short-term investments:

Difference: 19%

The Council has three deposit accounts earmarking funds for the improvement of community facilities. Earmarked funds are identified in the budget and funds moved between accounts as required through the year.

The interest earned in these three accounts was £6,689.

9. Fixed assets:

Difference: 7%

No explanation required as less than 15%.

10. Total borrowings:

Difference: 3%

The Council's borrowing reduced in line with its repayments. All borrowings are with the Public Works Loan Board (PWLB). The outstanding amounts at 31st

March 2024 were:

PW494644	£55,100
264236	£121,358
322659	£96,685

Precept vs reserves ratio:

Precept: £525,770 : Reserves:£195,750 (2.7 : 1)

The Council's precept is greater than its budgeted reserves, therefore no further explanation is required.



G Langton (Acting Clerk and RFO)

25 June 2024