

Explanation for Significant Differences 2018-19

1. 2017-18

In 2017-18 the Parish Council's Income and Expenditure were increased by a £2751 Grant from Groundwork UK (Locality), which was used to pay for Consultancy Support from Planning Advice Plus on Neighbourhood Planning. The Parish Council also had additional Expenditure of:-

- (a) £2784 to Oliver's Trees for Maintenance of the Trees on the Village Green, and of the large Ash Tree at the Play Area entrance.
- (b) £350 to the Skill Mill for Improvements to various Paths

Thus the underlying position is as follows:-

Total Other Receipts (Box 3) = 4878 – 2751 = 2127

Other Payments (Box 6) = 11235 – 2636 – 2784 – 350 = 5465

2. 2018-19

In contrast in 2018-19 there were no additional Items of Income and Expenditure. Thus it can be seen that Middridge Parish Council's underlying Income and Expenditure did not vary significantly i.e. by more than 10%, between the 2017-18 and 2018-19 Financial Years.

3. Financial Reserves

It will be noted that the Parish Council has abnormally high Financial Reserves. This is because the Parish Council deliberately increased their Precept, and hence their Financial Reserves, in order to pay for further expected Tree Maintenance Works (£1812 + VAT) in the 2018-19 Financial Year.

However, during the year Durham County Council (DCC) announced that they were planning to remove the Street Lights in Walkers Lane. The Parish Council opposed this Proposal, but unfortunately their representations were unsuccessful, and DCC confirmed their decision. The Parish Council then made the decision to enter into a Service Level Agreement (SLA) with DCC in order to retain these Street Lights, which will involve the following Payments:-

- (a) 2019-20 £5657.06 + VAT
- (b) 2020-21 £5508.23 + VAT
- (c) 8 subsequent Annual Payments of £289.51 + VAT

Once the two substantial Payments have been made, and the Parish Council's Financial Reserves have been restored to a prudent level, the Parish Council intend to review their Precept, and bring this into line with their normal Expenditure.