

A Full Description of the variances between the years accounts 2021/22 and 2022/23. To be read in conjunction with the Accounting Statements for 2022-23 under the New guidelines for the Annual Governance and Accountability Return. (Please Refer to Accounting Statements 2022/23 for corresponding figures and appropriate Box No's)

Any Questions raised please contact the Treasurer Chris Hoy on 01768 870604

Lazonby Parish Council Audit Return 2022/23

Explanation of Variances 2022-23

Box No 3

Other Receipts were DOWN £17104. Grants Received UP £8181. In 2021/22 Council Tax Reduction Scheme £120, Eden DC (Footway Lights) £817 = £937. In 2022/23 Council Tax Reduction Scheme £118, Cumbria CC (Footway Lights) £1500, Eden DC (Footway Project 1st Phase) £5625, Eden DC (Footway Project 2nd Phase) £1875 = £9118. $£937 - £9118 = £8181$. In 2020 two large grants were provided by Eden DC (£27000 in Phase 1 and £34000 in Phase 2). In the village is a brownfield site that offers potential for a small housing development. The site is owned by a local family business with a building that was once an Egg Packing Station and is now derelict. The family business placed the site on sale for future development potential but had no offers of interest. The site has numerous issues that have dissuaded developers this includes the removal of the Egg Packing Station containing asbestos, a collapsed stonewall that needs serious structural reconstruction and possible flood concerns besides a small stream. The area has become a blight in the village and with groundwork costs preventing any developer interest the Parish Council entered into discussions with the owners and Eden DC to seek alternatives for some development. An affordable housing project for local occupancy was proposed and Eden DC provided the two grants to enable the Parish Council to set out tenders for any business to survey the site, cost all the remedial issues, flood management plans and engage architects. To move forward a local housing association became a partner to investigate the possibility of an affordable housing scheme once the initial costs were exposed. All the grant money for Phase 1, £27000 has been spent and Phase 2 £34000 is currently in the Parish Council's deposit account of which some monies have now been spent. The Housing Association and a local developer are working with Eden DC and the Parish Council to progress the project forwards. Should the project fail any unspent grant will be repaid to Eden DC. In 2020 a Footway Lights grant of £1633 was paid to the Parish as the lights in the village were adopted by the Parish Council and over a three year transition period Eden DC provided an annual grant to ease the initial costs, the grant decreased each year during the transition period to zero. In 2021/22 the final grant for the Footway Lights of £817 was paid to the Parish by Eden DC. In 2022/23 the above mentioned Footway Lights were officially adopted by the Parish, however 6 further lights were not adopted as these required replacement heads (they would have become dormant when the bulbs died as they were now obsolete). These unadopted lights were in locations that could have compromised safety at night and therefore the Parish decided to adopt these extra lights at extra cost (this is noted in Box 6) to replace the heads. Thus a grant from Cumbria CC of £1500 was obtained to cover the costs. Eden DC provided a grant in two phases (£5625 + £1875), totalling £7500 to facilitate a project to create a pavement to link two villages. In 2021/22 a Fundraising Campaign began to raise funds for the construction of a footway in the Parish. Lazonby is connected to another village by a main road a mile in length which is divided by a bridge crossing the River Eden. The other Parish on the opposite side (Kirkoswald) has a permissive footpath that links to the bridge. No path exists on the Lazonby side. Cumbria CC agreed to construct a footway in the interest of safety from Lazonby village to the bridge but would require 20% of the cost to be funded by Lazonby Parish Council. Thus a fundraising project began with a target to reach between £25 and £30k. Thus a grant

was paid in two installments towards the start of the work and then upon completion. (You will note later that the accumulated fundraising donations were a major factor in the variance in our bank balances). Recycling Credits UP £995. In 2021/22 Eden DC started a restructuring process and eventually will become a Unitary Authority (April 2023), this process caused a delay in the annual payment and no credits were paid to the Parish that year. In 2022/23 the Parish received three payments, two for the shortfall in 2021/22 and the third for the first half of 2022/23 in total £995. The merger of the Councils may still be having an impact on how the new authority is processing the credits.

Rents UP £220. In 2021/22 Parish Sports Field Rent £160, Croglin Ltd Lease £1305, Croglin Ltd Building Insurance £507, Foundry 34 Chip Van rent £1040 = £3012. In 2022/23 Parish Sports Field Rent £181, Croglin Ltd Lease £1456, Croglin Ltd Building Insurance £555, Foundry 34 Chip Van rent £1040 = £3232. $£3012 - £3232 = £220$. In 2022/23 the Parish Sports Field was rented out to the same Farmer (Up £21), the Parish Council own a building in the village and is rented to a company called Croglin Ltd and they pay an annual rent. Also the building's insured by the Parish Council and costs for the insurance are passed on to Croglin Ltd this is recorded as a rent in the accounts. A new five year lease was signed with Croglin Ltd yielding an increase in rent (Up £151), costs for insuring the building increased by the insurance company linked to inflation (Up £48) and the rent paid by Foundry 34 a mobile chip van remained the same. Therefore £21 + £151 + £48 = £220.

Bank Interest UP £253. Successive interest rate rises yielded more interest on Parish deposits.

Miscellaneous Income DOWN £23383. In 2021/22 Footway Fundraising Project £23558. In 2022/23 Footway Fundraising Project £175. $£23558 - £175 = £23383$. As mentioned in Grants Received the fundraising for the footway project reached the required amount to contribute to the costs in 2021/22, however in 2022/23 two further donations were paid totalling £175. (In Box No 6 you will note that the total donations were finally paid to Cumbria CC).

Vat Recovery DOWN £3052. The Affordable Housing Project as mentioned in Grants Received reached a standstill whilst the Parish Council sort more partners to move the project forward. The remaining grant money from Eden DC was largely untouched and less vat was incurred.

Fishing Permits DOWN £318. The Parish Council has fishing rights on a stretch of the River Eden and sells permits to non parishioners to fish. After Covid an influx of visitors saw an increase on the previous year, however this was not sustained with fewer visitors, partly due to the most recent cost of living crisis.

THEREFORE TOTALS £8181 + £995 + £220 + £253 – (£23383) – (£3052) – (£318) = £17104.

Box No 4

Staff Pay was UP £997.

Due to increase in pay as agreed with NALC.

Box No 6

Other Payments UP £32967. Local Grants UP £4925. In 2021/22 Annual Grant Applications £1016. In 2022/23 Annual Grant Applications £5066, Jubilee Grant Applications £375, Ukranian Grant Appeal £500. $£5066 + £375 + £500 = £5941$. Therefore $£1016 - £5941 = £4925$. An increase in local group projects applying for annual grants totalling £5066. To commemorate the Queen's Jubilee a number of local groups hosted events and were given grants totalling £375. The Village Hall has a Flat that was in need of a refurbishment once it became vacant. The Village Hall Committee decided to offer accomodation to a Ukranian family and a grant of £500 was given to up date the living conditions in the Flat.

Subscriptions UP £15. Due to inflationary increase in membership to Cumbria Ass of Local Councils.
Capital Projects Expenditure UP £30384. In 2021/22 Eden DC £490, Reeds Printers £108, Tetra Tech £4140, Tetra Tech £1200, Wrigleys Solicitors £1818, Tetra Tech £780 = £8536. In 2022/23 Tetra Tech £1440, Tetra Tech £594, Photocast Products £3828, Photocast Products £279, Cumbria CC £30031, Councillor Expenses £228 and Altitude Services £2520 = £38920. £8536 - £38920 = £30384. Phase 2 of the Affordable Housing Project from Eden DC was partly spent, two payments for work undertaken by Tetra Tech £1440 and £594. As mentioned in Box 3 the accumulated donations/grants towards the Footway Project were finally paid on completion of the works. Two payments to Photocast Products £3828 and £279 who manufactured bronze plaques that were purchased by parishioners and personally inscribed by the manufacturer to be set into the pavement (a certain percentage of the purchases were kept as donations). The balance of donations after costs were finally paid to Cumbria CC who completed the works for £30031 and a small amount of expenses for £228 was claimed by a Councillor for costs at an organized fundraising event. As mentioned in Box 3 the Parish agreed to take on another 6 Footway Lights and Altitude Services replaced the old light heads with modern lights for £2520.

Operating Costs UP £225.

The main factors included Insurance Premium UP £422. When the Parish Council adopted the Footway Lights Eden DC provided a grant over a few years to ease the burden of cost that decreased to zero. In order to be transparent to the parishioners the insurance cost of maintaining the lights was recorded in maintenance (£360) during the grant period. Once this ceased and the parishioners had understood the extra cost of adopting the lights I removed the ringfence cost and left this as an insurance general cost under operating costs. The remaining increase (£360 - £422) being £62 was due to insuring the additional 6 new lights and inflation.

Lazonby Pool Service Agreement Up £130. The Parish Council has a Service Agreement to help the Pool Committee who are self funded and own the Community Childrens Playpark that sits next to the outdoor pool. The Parish pays 80% of the costs of the upkeep of the playpark and incurred an increase due to higher maintenance costs which are paid to the Pool Committee upon receipt of invoices.

Bank Charges Up £45 In December 2021 HSBC, the Councils Bankers introduced a fee for banking. A monthly service fee of £5 per month on the current account and a charge for writing and cashing cheques. Charges are higher as the previous years charges were limited to a few months when the fees were introduced and also a number of parishioners donated cash for the Footway Project by cheque which costs 40 pence each to cash.

Printer Fees UP £11. Due to an increase in printing documents.

Remembrance Wreath UP £6. Due to an inflationary increase.

Parish Website UP £1. Due to an inflationary increase.

TOTAL INCREASE Operating COSTS £422 + £130 + £45 + £11 + £6 + £1 = £615.

Against these increases:-

Hall Hire DOWN £213. In 2021/22 the Parish Council had Zoom Membership and were using the main hall as the function room was still being renovated, this incurred a higher charge, however with Zoom membership ceasing and returning to the function room this reduced costs. Also the bill for the last few months of the financial year was not received by the Council which amounted to £48, this will be paid later.

External Audit Fees DOWN £120. A reduction in fees from PKF Littlejohn due to dropping into a lower fee band.

Councillor Stationary DOWN £57. Due to Covid restrictions, Zoom meetings were held during lockdown and Councillors had to print out the Agenda and Minutes of the meetings. Councillors were offered the opportunity to claim for ink and a ream of paper to cover their costs, some took up the offer until face to face meetings resumed. In 2022/23 no claims were made by Councillors.

TOTAL DECREASE Operating COSTS £213 + £120 + £57 = £390.

Total Operating Increases against Decreases £615 - £390 = £225.

Maintenance DOWN £1815. In 2021/22 Litter Picking Tools £36, Door Padlock £18, Parish Field Fence £1560, Chain Saw £69, Footway Lights £2211, Parish Mowers £343 = £4237. (Please note that the Footway Lights amount of £2211 was partly costs for maintenance and supply £1851 to Eden DC and £360 to Zurich Insurance for cover which as mentioned earlier has now been moved as a general cost under operations). Now that the Parish has full adoption of the lights an annual fee is paid to Eden DC who maintain and supply the lights. However in 2022/23 because the Parish took control of the lights and not every Parish subscribed to this as a gesture of goodwill Eden DC decided to waive any cost for that financial year. This will be reinstated in the new financial year. In 2022/23 GDS Garage Doors £2000, J Manson Decorator £185, Parish Mowers £112, Councillor Expenses £93 and £32 = £2422. $£4237 - £2422 = £1815$. The Parish has a Storehouse where the mowers are secure, the door needed to be renewed therefore a new shutter door was installed for £2000. The Parish Noticeboards were in urgent need of maintenance and J Manson painted all three noticeboards for £185. The three Parish Mowers required fuel for cutting and some blades were replaced at a cost of £112. A Councillor incurred expenses of £93 to purchase paint and lead flashing for the three Noticeboards and £32 to have keys cut for the volunteer grass cutters to gain access using the new locking device on the Storehouse doors.

Miscellaneous Expenses DOWN £550. In 2021/22 Eden Graphics £550. In 2021/22 Eden Graphics were commissioned to design a template and layout for bronze plaques to be sold to parishioners as part of the fundraising towards construction of a footway from Lazonby Village to the bridge over the River Eden. These plaques would be secured into the tarmac of the path. The cost of £550 was offset against the accumulated fundraising donations. In 2022/23 no miscellaneous expenses were incurred.

Staff Expenses DOWN £177. The Clerk usually bills the Parish for her final expenses prior to the financial year end. However she did not submit her expenses and these were paid at the recent meeting in April. For information this would have been at a cost of £283 and will be reflected in next years audit.

Training DOWN £40. Less Councillor interest in applying for training courses.

THEREFORE TOTALS £4925 + £15 + £30384 + £225 - (£1815) - (£550) - (£177) - (£40) = £32967

Box No 8

Lazonby Parish Council has since 2020 had substantial reserves which have been deposited for projects that have now nearly been completed. The first project two large grants were received from Eden DC totaling £61000 as mentioned in Box 3 to promote an affordable housing project on a brownfield site. The majority of this grant has now been drawn down and now remains at £28500 which will be fully utilized. The second project which has now been completed relates to the Footway as mentioned in Box No 3 and 6. During 2021-22 £34232 was accumulated in donations and some grants towards the construction of a public footway on a main road. Finally in 2022/23 the appeal fund was paid to Cumbria CC £30031 with £4201 paid to various suppliers as expenses incurred. These two projects have had a significant impact on reserves and whilst almost completed shows that Lazonby Parish Council is very proactive for investing in its Parishioners interests.