

## **A Full Description of the variances between the years accounts 2019/20 and 2020/21.**

**To be read in conjunction with the Accounting Statements for 2020-21 under the New guidelines for the Annual Governance and Accountability Return. (Please Refer to Accounting Statements 2020/21 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 2020/21**

## Explanation of Variances 2020-21

### **Box No 3**

**Other receipts were UP £61405.** Grants Received Up £58852 - In 2019/20 Council Tax Reduction Scheme £106, Groundwork UK (Neighbourhood Plan) £1342, Eden DC (Footway Lights) £2450 = £3898. In 2020/21 Council Tax Reduction Scheme £117, Eden DC (Egg Packing Station) £27000, Eden DC (Egg Packing Station) £34000, Eden DC (Footway Lights) £1633 = £62750. £62750 - £3898 = £58852. In 2019/20 Groundwork UK provided a grant to cover costs to implement a local Neighbourhood Plan which was successfully completed. The Footway 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 will decrease each year during the transition period to zero. In 2020/21 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 which has asbestos, a collapsed stone wall 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 architects. To move forward a local housing association was sought 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 awaiting the next phase to begin. However the scheme has temporarily halted as the original housing association has decided not to commit after reviewing the results. Another housing association has been contacted and at present negotiations are being held to move the project forward. Should the project fail any unspent grant money will be repaid to Eden DC. The Footway Lights grant of £1633 is a reducing grant towards the costs of the full adoption of the lights which will decrease to zero. Miscellaneous Income UP £1411. In 2019/20 no miscellaneous income was recorded. In 2020/21 two donations from parishioners were paid in total £664, firstly £639 was paid to the Parish Council as a parishioner wanted to donate a public bench to be sited at a popular viewpoint. A second donation of £25 was paid for the use of firewood from a small tree felled on Parish land which was dangerous. A refund of £467 was paid from Midshires a laser printer company who overcharged the Parish for print use to due to an incorrect meter reading by the Clerk. Another refund of £280 again from Midshires after the

lease on the old laser printer expired and a new printer was procured with a new lease. A communication issue developed within in Midshires who continued to charge the Parish Council under the old lease unaware of the new contract that changed the fee structure. £664+£467+£280 =£1411. Rents UP £655. In 2019/20 Parish Sports Field £120, Croglin Ltd Lease £1255, Croglin Ltd building insurance £478 = £1853. In 2020/21 Parish Sports Field £201, Croglin Ltd Lease £1255, Croglin Ltd building insurance £492, Foundry 34 Chip Van rent, £560 = £2508. £2508-£1853=£655. In 2019/20 the Sports Field owned by the Parish was rented to a local farmer to graze his sheep, his was the only bid at £120 per annum. The Parish Council own a building in the village which is rented out to a company called Croglin Ltd and they pay a rent of £1255 per annum. Also the building is insured by the Parish Council and costs for the insurance are passed on to Croglin Ltd who paid £478, this is recorded a rent in the accounts. In 2020/21 the Sports Field was rented out to the same farmer for £201. The rent paid by Croglin Ltd was £1255 and the building insurance £492, increased by annual inflation. In September 2020 a local mobile chip van business approached the Parish Council to use a car park owned by the Parish to sell fish and chips on a weekly basis. The owner agreed to pay a monthly rent of £80, this yielded £560. VAT reclaim UP £434 due to more projects in Parish. Fishing Permits UP £55, the Parish Council has the fishing rights along a small stretch of a river in the Parish. Permits are issued to non Parishioners as fees for fishing. It is free to Parishioners. Recycling Credits UP 30, paid to Parish for recycling. Bank Interest DOWN £22. Wayleave DOWN £10 due to not collecting this annual charge of £10. This wayleave is charged to the same local business who own the Egg Packing Station and use Parish land to access the site. At present this has not been collected due to the sensitive nature of the negotiations over the possible development of the site. £58852 + £1411 + £655 + £434 + £55 + £30 - £22 -£10 = £61405.

## Box No 4

**Staff Costs were UP £1202.** Staff Pay in 2019/20 was £6500, in 2020/21 £7988, UP £1488 due to the agreed national annual pay rise for local councils, promotion to new pay scales for the Clerk and RFO and an increase in the working hours for the Clerk. Another 2 hours a week was awarded by the council due to increasing workloads. The RFO's hours remained unchanged. Staff Expenses in 2019/20 was £729, in 2020/21 £443, DOWN £286 due to travelling expenses for the Clerk. The Clerk lives out of the Parish and usually travels twice a month to place various notices on the noticeboards and distribute agendas to Councillors prior to Parish meetings. The second visit is to attend the Parish meeting, however Covid has prevented this travel and thus a saving on paying the Clerk mileage allowance. (Staff Pay £1488 less Staff Exp £286 = £1202)

## Box No 6

**Other Payments were UP £30294.** Capital/Project Expenditure UP £26373. in 2019/20 Geo Environmental Engineering £533, Reeds Printers £395, Reeds Printers £516, Lazonby Village Hall £32, Councillors Expenses £29 = £1505. In 2020/21 Tetra Tech £11212, Architect Plus £6443, Eden Housing Ass £2760, WYG Ltd £2556, Wrigleys Solicitors £1500, WYG Ltd £1230,

Hall and Partners Ltd £822, WYG Ltd £606, SWH Surveys £600, Reeds Printers £127, Councillors Exp £22 = £27878. £27878-£1505=£26373. In 2019/20 Geo Environmental Eng were paid £533 for an exploratory investigation into the viability of using the site of the former Egg Packing Station as mentioned earlier. This was the final costs of the original investigation that was funded by a small grant from Eden DC in 2018/19. Reeds Printers were paid £395 and £516 for the final documentation and leaflets of the conclusion to the local Neighbourhood Plan. Lazonby Village Hall was paid £32 for hire of the hall for the final meeting of the N Plan Committee and £29 was paid to a Councillor for expenses relating to the N Plan. In 2020/21 £27878 was paid to various business listed above to provide detailed analysis of the possibilities of making the site of the former Egg Packing Station into an affordable housing development as mentioned earlier. This was offset by Phase 1 of a grant of £27000 from Eden DC. Local Grants UP £1641 due to more applicants seeking grant aid for local causes. Maintenance UP £1083. In 2019/20 Footway Lights Expense £2505, Visors £40, Parish Lawn Mowers £292, Paint £71, Tree Surgery £295 = £3203. In 2020/21 Footway Lights Expense £2291, Tree Surgery £1188, War Memorial £520, Parish Lawn Mowers £287 = £4286. £4286 - £3203 = £1083. In 2019/20 £2505 was paid firstly to Eden DC (£2155) for maintenance and electricity supply having adopted the Footway Lights and (£350) to Zurich Insurance for cover against damage and theft of the lights. Visors were purchased by a Councillor for £40 to protect the volunteer grass cutters, Paint was purchased for £71 to restore a small cantilever bridge over the small village pond owned by the Parish and £292 was paid to a tree surgeon for urgent remedial work on dangerous trees on Parish land. In 2020/21 the cost for Footway Lights were £2291, (£1931 to Eden DC for maintenance and supply and £360 to Zurich Insurance), Tree Surgery was undertaken on two trees on Parish land costing £1188 and remedial work was required at the War Memorial for £520. £287 was spent on servicing and fuel for the Parish Lawn Mowers. Miscellaneous Expenses UP £678. In 2019/20 expenses of £497 were incurred, a grant from Groundwork UK to complete the Neighbourhood Plan was not fully spent and £269 was returned to the originator. A tree was purchased and planted in memory of the death of a devoted Councillor and champion of local causes for £66, a memorial plaque was also commissioned for £162. £269 + £66 + £162 = £497. In 2020/21 Midshires a printer company as mentioned earlier in miscellaneous income overcharged the Parish Council £467 for print use due to an incorrect reading by the Clerk. £413 was paid to Marmax Products to procure a bench for the Parish which was donated by a Parishioner as mentioned earlier in miscellaneous income and a further £295 paid to a local business to install the bench, the costs were met by a donation from the Parishioner. The Parishioner originally donated the money less VAT costs which the Parish was able to reclaim later. £467 + £413 + £295 = £1175. £1175 - £497 = £678. Operating Costs UP £446. The main factors included Insurance Premium UP £17 (due to footway lights and inflation), Printer Fees Up £430 (due to the lease of a new laser printer with a new fee structure and a facility setting up fee), Land Registration Fees UP £529 (due to the registering of land that was previously unknown as to belonging to the Parish Council), Parish Website UP £172 (due to an extra fee to a website specialist to update the site to make sure the Council was fully compliant under new local government guidelines), Covid Leaflets UP £25 (due to print costs for leaflets to distribute to all Parishioners for help and guidance on Covid), Fence Repairs Up £92 (due to material purchased to repair a fence on Parish Land, Christmas tree UP £65 (due to the purchase of a tree and lights for the village over christmas), Information Commissioners Office UP £40 (due to paying this office to register and regulate the new GDPR requirements for data protection) Total increase costs £17+£430 +£529+£172+£25+£92+£65+£40 =£1370. Against these purchases Hall Hire was DOWN £17 (due to Covid Lockdown with no face to face meetings, Zoom was purchased against this to facilitate meetings reducing costs), Lazonby Pool Service Agreement DOWN £742 (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, due to Covid Lockdowns the site remained closed with little maintenance incurred), Remembrance Wreath DOWN £8, Lazonby Lines DOWN £55 (Lazonby Lines is a local school newsletter with information about the Parish and school distributed to all

homes on a monthly basis, many businesses advertise in the newsletter and sponsor them, the Parish is no exception with updates about Parish business, however due to Covid restrictions this halted and no costs were incurred), Election Recharge DOWN £102 (in May 2020 the Parish Council were up for re-election and this was the fee incurred from Eden DC for administration costs). Total Decrease in costs £17-£742-£8-£55-£102 = £924. Therefore Operating Costs were UP £1370-£924 = £446. Staff Training UP £105 (due to more online training content), Subscriptions DOWN £32 (Cumbria Ass of Local Councils annual fee for membership was £222 in 2019/20 which increased to £230 in 2020/21, however the annual fee to the Information Commissioners Office regarding data protection was in 2019/20 recorded in subscriptions and was transferred in 2020/21 to Operating Costs and is part of that figure already mentioned earlier, thus in 2019/20 Subscriptions were £262, in 2020/21 £230).  
 $£26373+£1641+£1083+£678+£446+£105-£32 = £30294$ .