

**A Full Description of the variances between the years accounts 2016/17 and 2017/18.
To be read in conjunction with the Accounting Statements for 2017-18 under the New guidelines
for the Annual Governance and Accountability Return. (Please Refer to Accounting Statements
2017/18 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 2017/18

Box 1 – N/A Year End Balances Only

Box 2 – Precept The difference is **£1394 less** between last year and this year.

The actual Precept was reduced between the two years with a change occurred in the amount of CTRS (Council Tax Reduction Scheme) allocated by Eden DC.

In 2016/17 the precept allocated was £11850 which included CTRS of £305 Precept being £11545.
In 2017/18 the precept allocated was £10350 which included CTRS of £199 Precept being £10151

In 2016/17 Precept (less CTRS = £11545)	
In 2017/18 Precept (less CTRS = £10151)	
DIFF	£ 1394

Box 3 – Total Other Receipts The difference is **£3267 less** between last year and this year.

The main factors were:-

Grants Received	DOWN	2433 *
Rents	DOWN	90 *
VAT Recovery	DOWN	646 *
Recycling Credits	DOWN	96 *
Bank Interest	DOWN	<u>3 *</u>
		3268

Fishing Permits	UP	<u>1</u>	
		1	(Difference = 3268 – 1 = - 3267)

* Grants Received were down **£2433** as shown below.

Grants Received 2016/17

Grants Received 2017/18

Groundwork UK	2095	Friends of The Lake District (Scaur Green Project)	650
Groundwork UK	2006	Groundwork UK (N Plan)	1274
ACT Cumbria	150	Council Tax Reduction Scheme	<u>199</u>
Council Tax Reduction Scheme	<u>305</u>		2123
	4556		

(Difference = 4556 – 2123 = - 2433)

The grant total in 2016/17 incorporated the CTRS portion of our Precept being £305 and two further grants from Groundwork UK (£2095 + £2006) to complete Phase 3 of our Neighbourhood Plan and a pre health check to IPE to assess the plans content before completion. ACT Cumbria also contributed £150 towards the hire of facilities to hold meetings about the N Plan.

In 2017/18 the Friends of The Lake District contributed £650 towards the Scaur Green Project, a renovation scheme towards the upkeep and restoration of our small village green space. Groundwork UK provided £1274 as costs for the next phase of the N Plan. Eden DC also reduced our CTRS to £199.

* **Rents were down £90** as shown below.

2016/17		2017/18		DIFF
Parish Sports Field Rent	£ 160	Parish Sports Field Rent	£ 135	(25)
Croglin Designs Lease	£1128	Croglin Designs Lease	£ 941	(187)
Croglin Designs Building Insurance	<u>£ 429</u>	Croglin Designs Building Insurance	£ 451	22
	£1717	Metcalfe Eng – Car Park Rental	<u>£ 100</u>	<u>100</u>
			£1627	(90)

In 2016/17 the Parish generated rental income from its Sports Field from two parties, a Mr Blaylock who grazes sheep at £75 per annum and the local Scout group for recreation at £85 per annum. Croglin Ltd is a small business that rents a building owned by the parish and paid £1128 per annum. Also the business pays the insurance premium on the premises totalling £429.

In 2017/18 the Sports Field generated £85 from the Scouts and accepted a lower rent of £50 from Mr Blaylock. The lease rental from Croglin Ltd was £941, a reduction of £187 as an agreement was reached regarding the frequency of payments, semi annually to quarterly. The building insurance paid by Croglin Ltd increased to £451 due to an increase in premiums linked to inflation and Insurance Premium Tax.

Metcalfe engineering, a local firm was charged £100 rent to use the Parish Car Park to store equipment whilst working on the nearby bridge to assess any flood damage.

* **VAT Recovery down £646**

HMRC have set up a new computer system dealing with VAT and will allocate a new reference number for the Parish. Therefore until completed a reclaim was not made in the 2017/18 year. However this is pending and will be allocated in 2018/19.

* **Recycling Credits were down £96**

Despite the council advertising the need in local newsletters to recycle at our Recycling Centre for the financial gain to the council use is falling as more succumb to kerbside collections.

* **Fishing Permits were Up £1**

The council are fortunate to own fishing rights along a small section of the River Eden and has been a good source of income. The resource remains popular with anglers from outside the Parish.

* **Bank Interest down £3.**

An unexpected cut in interest rates by the Bank of England in response to concerns over Brexit resulted in our bankers reducing interest rates by 0.25%. Although this was reversed later thus reducing our income.

Box 4 - Staff Costs The difference is **£234 more** between last year and this year in staff costs.

The main factors were :-

Staff Salaries	2016/17	£ 5831
Staff Salaries	2017/18	<u>£ 5984</u>
		153

(153 up due to 1% pay rise implemented from 1st April 2017 as per NALC guidelines and an increase in pay scales from 16 to 17 from August 1st 2017) *

Clerks Expenses	2016/17	£802
Treasurers Exp	2016/17	<u>£ 26</u>
		828

Clerks Expenses	2017/18	£877	(Increase of 75)
Treasurers Exp	2017/18	<u>32</u>	(Increase of 6)
		909	Increase Total 81 *

* Total Expenses Difference	+ 81
* Pay Increase Total	+153
	234

The Clerks expenses increased by £75 as increased mileage travelling to the Parish to post notices up for Councillor vacancies and extra Governance committee meetings.

Box 5 – N/A No Loan Interest/Capital Repayments applicable**Box 6 - All Other Payments** The difference is **£2929 less** between last year and this year.

The main factors included:-

Maintenance	UP	£1387 *	Capital/Project Expenses	DOWN	£3373 *
Operating Costs	UP	£2054 *	Misc Expenses	DOWN	£1864 *
Staff Training	UP	£ 132 *	Grants allocated	DOWN	<u>£1269 *</u>
Subscriptions	UP	<u>£ 4 *</u>			<u>6506</u>
		3577			

(Difference = 3577 – 6506 = - 2929)*** Maintenance was up £1387**

The main factors included:-

2016/17		2017/18	
Tree Work (Campbell Logue)	£ 495	Parish Mowers (Service & Fuel)	£ 362
Parish Mowers (Service & Fuel)	<u>£ 226</u>	JMC Construction (Wall renovation)	£ 865
	721	Eden DC (Children's Playground)	£ 786
		Penrith Glass (replaced in store)	<u>£ 18</u>
		John Judson (Sub Base for car Park)	<u>£ 77</u>
			2108

(Difference = 721 – 2108 = 1387)

In 2016/17 the tree outside the Old School was cut back and the Parish Mowers had their annual service. In 2017/18 the costs of the Mower service had increased due to their age with new parts being replaced. Repairs to the stone wall behind the war memorial were undertaken by JMC Construction at a cost of £865 and the final costs for £786 paid to Eden DC for the upkeep of the Children's Playground before being passed onto the Lazonby Pool Committee. These were deferred from the previous year as the Parish Council successfully negotiated a reduction in costs. A replacement glass window was required in the Parish Store Shed at £18 and materials were purchased to renovate the Car park surface at a cost of £77.

*** Operating costs were up £2054**

The main factors included:-

Hall Hire + 92 (The Neighbourhood Plan Committee met several times in 2017/18 to discuss the plan and more governance meetings were organised with an increase in workload for the council)

Printer costs + 216 (Costs were incurred for printing work for the Neighbourhood Plan and reclaimed later through associated grants)

Dog Fouling Campaign +33 (A campaign for awareness with the issues of dog fouling near the camp site with bags provided and signs)

Defibrillator Signs + 113 (Purchased from Cumbria County Council and located on signposts at the entry points of the village to advertise the existence of Defibrillators)

Lazonby Pool Annual Service Agreement + 1822 (the first payment under the Lazonby Pool Annual Service Agreement. The Pool has resumed control of the Children's Playground and the Service Agreement provides the Pool with 80% of funding up to a limit of £2500. The costs incurred were £1822.)

Therefore increased costs were £92 + £216 + £33 + £113 + £1822 = £ 2276

Fishing Permits Commission - 12 (Fishing permits commission paid to agents on behalf of Parish council)

Insurance Premium - 159 (the liability and replacement costs of the goalposts in the Sports Field are now removed)

Audit Fees

- 36 (Decrease in charges due to a decrease in turnover)

Land Registration Fee - 15 (In our village are located some steps beside a pub that give access to the railway station. In 2016 an elderly parishioner using the steps to catch a train one morning slipped on ice and broke her ankle and complained to the parish council that no handrails were available to aid her ascent on the stairs. She mentioned that many years before handrails were in place and had been taken down as they had deteriorated, yet never replaced. This was not parish property so we investigated her request by asking Eden DC to seek a land search which cost £15 to ascertain the owners. The owners of the pub have accepted responsibility and handrails have been installed at no other cost to the parish).

Therefore **decreased costs were £12 + £159 + £36 + £15 = £222**

(Difference = Cost Increases 2276 - Cost Decreases 222 = 2054)

* **Staff Training was up £132**

Courses included £52 for Good Councillors, New Chair Course for £35 and Common Land and Village Green Course for £75. The previous year the total cost of training was £30.

* **Subscriptions were up £4**

This is the annual subscription paid to Cumbria Association of Local Councils to use their knowledge and expertise in local council matters. Annual membership costs are linked to inflation.

* **Capital Projects were down £3373**

2016/17 Projects		2017/18	
Scaur Green Triangle	£1170	G Malcom (Expenses N Plan)	£ 5
Neighbourhood Plan	£ 755	P Minihan (Toner for print N Plan)	£ 20
Pre health check (N Plan)	<u>£2154</u>	Bench for Scaur Green Project	£ 511
	4079	Reeds Printers (N Plan Leaflets)	<u>£170</u>
			706

The projects for 2016/17 are listed below as :-

Scaur Green Triangle.

This project at Scaur Green is a restoration scheme for a triangular green which has been granted village green status by the Friends of The Lake District Society of which some funding has been obtained and will be granted to the parish upon completion. This grant will be allocated in 2017/18 accounts.

Costs paid to :-

Penrith Tool Hire £79 for hire of a Lazer Rotavator
 Thomas Iveson £62 for grass spraying
 Edenarb £100 for tree stump grinding
 Cumbria Wildflowers £266 for supply of Cumbrian neutral meadow mix seeds
 Weasdale Nurseries £663 for supply of various plants and trees for green
 Total amount £1170.

Neighbourhood Plan Phase 3

The neighbourhood plan has progressed to its third phase.

Costs paid to :-

Minihan McAlister Solicitors £30 for land registration copies of title
 G Business Solutions £155 for design and print of Neighbourhood Plan leaflets for parishioners
 G Nicolson £55 for expenses - memory stick purchase, document stapling, envelopes, postage for N Plan
 Reeds Printers £475 for Neighbourhood Plan final update pack for parishioners
 C Hill expenses £40 for catering at open meeting for public for N Plan update.
 Total amount £755

Neighbourhood Plan Pre- Health Check.

To progress from phase 3 the plan has to be submitted to an independent examiner known as a pre health check to determine that all aspects of the plan are credible.

Costs paid to :-

Intelligent Plans and Examinations (IPE) in Bristol £2154
 Total amount £2154

Total projects:- 1170 +755 +2154 = 4079

(Difference = 4079 - 706 = - 3373)

*** Misc Expenditure was down £1864**

In 2015/16 no miscellaneous expenditure was incurred.

However a grant was allocated to the Parish by Groundwork UK in Birmingham of £1854 to complete Phase 2 of the Parish Neighbourhood Plan. The grant stipulated a deadline to complete all expenses and an amount of £1580 was repaid in April 2016 as these funds were surplus to requirements. The council had overestimated the funding required for Phase 2.

In June 2016 another grant was procured from Groundwork UK for Phase 3 of the Neighbourhood Plan and in March 2017 an amount of £1155 was repaid as these funds were also surplus to requirements on completion of Phase 3.

In summary the repaid amounts of **£1580 + £1155 totalled £2735** and were paid under miscellaneous expenses.

In 2017/18 another underspend of the grant from Groundwork UK for the Neighbourhood Plan of £871 was repaid to the originator.

(Difference = 2735 - 871 = - 1864)

*** Grants Allocated were down £1269**

Grants were down due to fewer applications from the Parish requiring funding for projects.

Box 7/8 - Year End Reserve Balances These balances are correct to the bank reconciliation.

Box 9 - Total Fixed Assets - Unchanged.

Boxes 10 and 11 - Unchanged.

Chris Hoy
Treasurer
LPC

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