

**A Full Description of the variances between the years accounts 2020/21 and 2021/22.
To be read in conjunction with the Accounting Statements for 2021-22 under the New
guidelines for the Annual Governance and Accountability Return. (Please Refer to
Accounting Statements 2021/22 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 2021/22

Explanation of Variances 2021-22

Box No 3

Other receipts were DOWN £34404. Grants Received Down £61813. 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. In 2021/22 Council Tax Reduction Scheme £120, Eden DC (Footway Lights) 817 = £937. £62750 - £937 = £61813. 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 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 2020/21 the 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 will decrease 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.

Recycling Credits Down £460. In 2020/21 Eden DC instigated an annual payment for recycling, in previous years it was semi annual and this payment was paid close to the financial yearend. In 2021/22 Eden DC started a restructuring process and eventually will become a Unitary Authority (April 2023), this process has caused a delay in the annual payment and is expected shortly.

Bank Interest Down £1.

Fishing Permits Up £756. 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. Due to Covid restrictions being withdrawn and the re-opening of the two agents who act on behalf of the Parish Council to sell permits, the local shop and the swimming pool fishing has increased to reach closer levels pre Covid.

Vat Recovery Up £3706. As more of the allocated grant money from Eden DC (Affordable Housing project) is spent more Vat is claimed back along with the general running costs of the Parish Council.

Rents Up £504. In 2020/21 Parish Sports Field £201, Croglin Ltd Lease £1255, Croglin Ltd building insurance £492, Foundry 34 Chip Van rent, £560 = £2508. In 2021/22 Parish Sports Field Rent £160, Croglin Ltd Lease £1305, Croglin Ltd building insurance £507, Foundry 34 Chip Van rent £1040 = £3012. £2508 - £3012 = £504. 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. 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 yielding £560. 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. In 2021/22 the Parish Sports Field was again rented to the same farmer who offered a lower tender with no other competitive interest (Down £41), a new 5 year lease was agreed with Croglin Ltd (Up £50) and building insurance (Up £15) both linked to inflationary rises. The Foundry 34 Chip Van rent gained a full calendar year rent as opposed to the previous year (Up £480). (£41) + £50 + £15 + £480 = £504.

Wayleave Up £10. In 2020/21 Wayleave was not charged. This Wayleave is charged to the same local business who own the Egg Packing Station (site of Affordable Housing Project) and use Parish land to access the site. This had not been collected due to the sensitive nature of the negotiations over the possible development of the site. In 2021/22 however with the site still not cleared for development the landowner has not sold for developing thus negotiations are ongoing. Therefore the landowner was charged for access in the previous year.

Miscellaneous Income Up £22894. In 2020/21 Parishioner Donation £639, Parishioner Donation £25 = £664. In 2021/22 Fundraising Project £23558. £664- £23558 = £22894. 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. 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 Council 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. To date £23558 has been raised with a grant still outstanding and a contribution from Lazonby Parish Council which will be received in the new financial year. The donations will be paid to Cumbria Council once work has been completed this summer. **THEREFORE TOTALS (£61813) - (£460) - (£1) + £756 + £3706 + £504 + £10 + £22894 = £34404.**

Box No 4

Staff Pay was UP £134. Staff Pay in 2021/22 £8122, UP £134 due the increases from the previous year becoming effective from 1st May 2021 leaving a difference for one month as from 1st April as pay is in arrears.

Box No 6

Other Payments were DOWN £21267. Capital/Project Expenditure Down £19342. 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. In 2021/22 Eden DC £490, Reeds Printers £108, Tetra Tech £4140, Tetra Tech £1200, Wrigleys Solicitors £1818, Tetra Tech £780 = £8536. £27878 - £8536 = £19342. In 2020/21 £27878 was paid to various business as 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. In 2021/22 phase 2 of the grant of £34000 for the Affordable Housing Project was partly spent on associated surveys, outline planning application for site development and an informative mailshot to parishioners updating the progress on the project. Spent £8536 out of the £34000 grant.

Local Grants Down £1883. Due to less applicants seeking grant aid for local causes.

Training Down £65. Less Councilor interest in applying for training courses online.

Maintenance Down £49. In 2020/21 Footway Lights Expense £2291, Tree Surgery £1188 War Memorial Renovation £520, Parish Lawn Mowers £287 = £4286. In 2021/22 Litter Picking Tools £36, Door Padlock £18, Parish Field Fence £1560, Chain Saw £69, Footway Lights £2211, Parish Mowers £343 = £4237. £4286 - £4237 = £49
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. In 2021/22 the cost for Footway Lights were £2211 (£1851 to Eden Dc for maintenance and supply and £360 to Zurich Insurance for cover). A small reduction of £80 due to Eden DC securing a beneficial supply contract from its provider. Litter Picking Tools were purchased for local volunteers to clean up the village. A new padlock was purchased to secure the Parish Mowers in a garage. The Parish Fence in the Sports Field was damaged in a storm and fully replaced by a contractor. A second hand Chain saw was purchased for tree felling by a volunteer to clear debris on Parish Land. Fuel and a second hand Lawn Mower was purchased to replace older version and more servicing required on a Mower and Strimmer.

Miscellaneous Expenses Down £158. In 2020/21 Marmax Products £413, Rod Pattinson £295. £413 + £295 = £708. In 2021/22 Eden Graphics £550. £708 - £550 = £158.

In 2021/21 £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 tradesman Rod Pattinson 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. 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 is to be offset against the accumulated fundraising donations to date.

Subscriptions Up £11. Due to inflationary increase in membership to Cumbria Ass of Local Councils.

Staff Expenses Up £321. Due to Covid restrictions being removed all Zoom meetings ceased and the Village Hall reopened for face to face meetings. The Clerk lives out of the Parish and travels a 35 mile round trip, thus she began to travel more and claimed for the mileage. Also the Parish Council reviewed the cost of electricity and broadband that the Clerk was entitled to claim. These costs had never changed and therefore the Council agreed to increase these costs significantly to reflect the current prices. It is important to note that this was prior to the Ukraine conflict and another review is likely in the new financial year.

Operating Costs Down 102.

The main factors included Insurance Premium UP £41 (due to footway lights and inflation),

Hall Hire Up £198 (Covid restrictions were removed, the hall reopened for face to face meetings which were more expensive than Zoom meetings. The Council had to use the more expensive main hall as the smaller conference room was being renovated and the Zoom membership was still being used as a back up doubling costs. This has now been cancelled)

Lazonby Pool Service Agreement Up £398 (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 restrictions being lifted the Playpark was reopened and incurred more maintenance costs)

Lazonby Lines Up £55 (Lazonby Lines is a local school newsletter with information about the Parish and the school being 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, due to Covid restrictions being lifted the newsletter began to circulate again)

Councillor Stationary Up £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)

External Audit Fees Up £360 (Due to a full review of the Parish Accounts by PKF as the Council had increased its turnover with the Affordable Housing Project)

Bank Charges Up £28 (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)

TOTAL INCREASE COSTS £41 + £198 + £398 + £55 + £57 + £360 + £28 = £1137

Against these increases:-

Printer Fees Down £425 (In 2020/21 the Council undertook a new lease for a new laser printer, this incurred a one off facility setting up fee of £328, also with Zoom meetings very little print use was incurred during Lockdown)

Land Registration Fees Down £529 (In 2020/21 the Council registered some land that was previously unknown as to belonging to the Parish Council)

Parish Website Down £138 (In 2020/21 a website specialist was engaged to update the site to make sure the Council was fully compliant under new local government guidelines)

Covid Leaflets Down £25 (in 2020/21 leaflets were printed to distribute to all Parishioners for help and guidance on Covid)

Fence Repairs Down £92 (in 2020/21 material was purchased to repair a fence on Parish Land)

Christmas Tree Down £20 (In 2020/21 a Christmas Tree and lights for the village were purchased to light up the village over Christmas. In 2021/22 only the tree was purchased which cost £45)

Information Commissioners Office Down £5 (Due to paying this office to register and regulate the new GDRP requirements for data protection, costing £40 in 2020/21 by setting up a Direct Debit it cost £35 in 2021/22)

Remembrance Wreath DOWN £5 (A smaller wreath was purchased)

TOTAL DECREASE COSTS £425 - £529 - £138 - £25 - £92 - £20 - £5 - £5 = £1239

Total Increases against Total Decreases £1137 - £1239 = £102

THEREFORE TOTALS (£19342) - (£1883) - (£65) - (£49) - (£158) + £11 + £321 - (£102) = £21267