

Explanation of significant variances from previous year – 2020/21 AGAR

Name of smaller authority:

Penrith Town Council

County area (local councils and parish meetings only):

Cumbria

AGAR Return		2019/20		2020/21	Variance	Variance	Explanation Required?	Explanation
		£		£	£	%		
1 Balances Brought Forward		287,071		387,208				
2 Precept or Rates and Levies		437,813		454,233	16,420	3.8%	NO	
3 Total Other Receipts		26,349		104,796	78,447	297.7%	YES	See below
4 Staff Costs		215,737		235,145	19,408	9.0%	NO	
5 Loan Interest/Capital Repayment		0		0	0	0.0%	NO	
6 All Other Payments		148,288		184,712	36,424	24.6%	YES	See below
7 Balances Carried Forward		387,208		526,380			NO	
8 Total Cash and Short Term Investments		413,664		527,228				
9 Total Fixed Assets plus Other Long Term Investments		46,993		124,363	77,370	164.6%	YES	See below
10 Total Borrowings		0		0	0	0.0%	NO	

Significant variances are those exceeding 15%

Detailed Explanations:

Box 3: Other Income	Variance £
Reduction in CTRS grant from Eden DC £111, reduction in investment income £598 due to lower interest rates.	(709)
In 2020/21, pandemic related grants/contributions were received from Eden DC £2,000 for business support, Cumbria Community Foundation £3,000 and Cumbria CC £1,500 towards the cost of craft bags for schoolchildren.	6,500
In 2020/21, the Council received £1,000 from Cumbria CC as a contribution towards planned events, and a £7,718 contribution from Penrith BID towards Greening activities and community grants.	8,718
Because of the pandemic, room hire income reduced by £24.	(24)
The Council has an ongoing programme of transferring assets from Eden DC. To assist in a smooth transition, the assets are supported in the first four years by a tapering grant from the District Council towards running costs. Grant reductions in 2020/21 comprised War Memorial £25, Benches £294, Bus Shelters £364, Bandstand £943, Musgrave Monument £175 and Fairhill Park £2,305.	(4,106)
Recharges for maintenance work at Fairhill Park increased by £60.	60
In 2020/21, the Council carried out a major grant aided capital project to improve the play area at Fairhill Park. Grants were received from Eden DC £33,750, Cumbria CC £3,000, National Lottery £9,037, Fairhill Community Group £6,500 and Cumbria Waste Management Environmental Trust £11,000.	63,287
During 2020/21, Cumbria CC transferred a piece of recreational land at Thacka Beck to the Town Council, who negotiated a wayleave with Northern Gas Networks to lay pipes across the land. This wayleave produced income of £4,721.	4,721
Total Increase in Box 3: Other Income, as above	78,447

Box 6: Other Expenditure	Variance £
Expenditure on Planning decreased by £1,795 following the completion of intensive work on the draft Neighbourhood Plan.	(1,795)
As a new Climate Change initiative in 2020/21, the Council created a new web page £1,485, purchased training material £219, and advertised for a sustainability post £265.	1,969
Expenditure on small scale projects to benefit the Town reduced by £206 in 2020/21.	(206)
The Council responded to the 2020 Coronavirus pandemic in several ways: economic & community support £4,041, donation to food bank £3,000, craft bags for schoolchildren working from home £4,873, PPE £42, telephone connectivity equipment £280 and Zoom subscriptions, etc for remote working/meetings £890.	13,126
In 2020/21 the Council paid for initial work on an arts and cultural strategy £2,484.	2,484
In 2019/20, the Council made grants of £21,323 to support organisations arranging arts and cultural events in the Town. In 2020/21, the pandemic made similar events difficult; as a result, expenditure for the year was only £2,400, a reduction of £18,923.	(18,923)
Greening/Bloom activities were scaled back due to the pandemic, with expenditure reduced by £3,333.	(3,333)
In 2019/20, the Council made grants of £16,913 to support voluntary and community organisations projects in the Town. In 2020/21, the pandemic and consequent low confidence prevented several projects progressing and expenditure for the year was only £3,000, a reduction of £13,913.	(13,913)
In 2019/20, the Council acquired community engagement software at a cost of £4,995. Other expenditure on community engagement reduced by £22.	(5,017)
Plans for staff training in 2020/21 could not be delivered due to the pandemic, as face to face events were either cancelled or provided remotely at a lower cost, resulting in a £1,199 reduction in expenditure.	(1,199)
Accommodation costs, notably room hire for meetings and energy costs, reduced by £575 because of remote working and meetings during the pandemic.	(575)
Expenditure on civic functions and events reduced by £448 because of the pandemic. However Mayoral expenses, in the form of donations, increased by £833.	385
Elections costing £1,892 were held in 2019/20; there were no elections in 2020/21.	(1,892)
Similar to staff training, Member training was either cancelled or delivered remotely, reducing expenditure by £522.	(522)

In 2019/20, the Council purchased a laptop for £1,018. In 2020/21, the Council purchased a further two laptops, costing £689 and £729 each, and a printer/copier £3,759. Although fixed IT costs such as routine maintenance and support remained relatively constant, home working and a concentration on consolidation rather than development reduced general IT costs by £5,510.	(1,351)
Improvements to the Council's website increased expenditure by £3,261, including £1,595 to rationalise cookie consents and £1,485 for compatibility with multiple devices.	3,261
The Council has an ongoing programme of transferring assets from Eden DC and Cumbria CC. These responsibilities are bedding in and have variable expenditure year on year:	
a) The Community Caretaker service, provided by a private company, which manages these assets, worked fewer responsive hours in 2020/21, a reduction of £1,400. Unexpected costs of £1,350 for drainage problems and £1,200 for infestation contributed to a net extra £2,630 expenditure on Allotments. New planting arrangements for the War Memorial cost an extra £444 in 2020/21.	1,674
b) The bench replacement programme cost £1,998 in 2020/21, compared to £5,151 in 2019/20. Two cycle stands were purchased at a cost of £110. Maintenance costs increased by £641 on bus shelters, the Bandstand £330 and the Musgrave Monument £381, the latter two mainly due to pest control measures.	(1,691)
c) A one-off contribution of £1,200 was made in 2019/20 towards a step counter in Eden DC's Toilets to inform their possible transfer to the Council. Grass cutting and other maintenance costs at Fairhill Park site increased by £691 in 2020/21, while a new bench and plinth were installed at the site for £925.	416
d) In 2020/21, the Council carried out a major grant aided capital project to improve the play area at Fairhill Park, at a cost of £68,987 with £1,278 of associated revenue costs.	70,265
e) During 2020/21, Cumbria CC transferred a piece of recreational land at Thacka Beck to the Town Council. Surveyors' costs amounted to £500.	500
In 2020/21, the Council spent £1,000 on a replacement noticeboard and £150 on several new signs.	1,150
In 2019/20, the Council spent £3,981 on implementing the Website Accessibility Regulations; this expenditure was not repeated in 2020/21.	(3,981)
Remote working in 2020/21 led to a decrease of £1,275 in administration costs, mainly printing, postage and stationery.	(1,275)
Insurance premia increased by £244 to reflect the Council's increased asset base, while expenditure on accountancy and legal fees reduced by £287 as more work is being carried out in-house.	(43)
In 2019/20, the Council incurred additional urgent safety repairs of £2,496 on the Musgrave Monument and alterations to its office accommodation of £594; there were no similar costs in 2020/21.	(3,090)
Total Increase in Box 6: Other Expenditure, as above	36,424

Box 9: Fixed Assets		Variance £
Play Area Improvement Project, Fairhill Park:		
Groundworks, safety surfaces		22,491
Play equipment, picnic table and lockable bin		21,126
Paths		17,380
Fencing and gates		7,990
		68,987
Bench replacement programme, four benches		1,998
New bench and plinth		925
Two cycle stands		110
Two laptops		1,418
Multi-function printer/copier		3,759
Replacement noticeboard		1,000
Telephone connectivity equipment		280
Thacka Beck recreational land transferred from Cumbria CC		1
		78,478
Less Disposals:		
	Noticeboard	(950)
	Laser printer	(158)
Total Increase in Box 9: Fixed Assets, as above		77,370