



Berwick upon Tweed Town Council

Budget & Administration Committee

15 June 2021

Appendix C

Summary of 2020-21 Accounts & Explanation of Variances

Background

1. It is a legal requirement for a parish council to annually report on their income and expenditure through the Annual Governance and Accountability Return [AGAR].
2. A further requirement is to identify and explain significant changes [variances] between the figures for the current and past years where precept, other income, staff costs, other payments, fixed assets or total borrowings change by more than 15% compared to the previous year, provided the change is more than £200.

Summary of Accounts

3. The tables 1 & 2 detail the actual income and expenditure during the year by cost centre, with the exception of Administration: Staffing, where not all cost codes within the cost centre are included in the AGAR definition of staff costs, so this cost centre appears twice.
4. Overall, total income and expenditure both fell below £500,000, with income falling by approximately £83000 and expenditure by £165000.

Table1 Income for 2020-21

Income		Variance		
Last Year		This Year	+ve	-ve
	Cost Centre: 900 RECEIPTS			
261879	1000: Precept	265656.00	3777	
1934	1001: Interest	1343.18		-591
7000	1002: Grants	0.00		-7000
2300	1003: Public Seats	1500.00		-800
27301	1004: Play areas	10371.00		-16930
340	1006: Allotment rents	389.00	49	
300	1007: Freedom fees	100.00		-200
175104	1008: Schedule III surplus	182230.58	7127	
300	1050: Refund	36.81		-263
68747	1099: Sundry	479.00		-68268
545,204	Total Receipts	462,105.57	7,175.62	-94,051.08
261879	AGAR Precept	265656.00		
283,325	Agar other receipts	196,449.57		

5. The main fall in income is in Sundry income, which, in 2019-20, included the sale of a building and financial support associated with the Tour of Britain. There was also reduced income from grants and support for play area projects.

Table 2 Expenditure for 2020-21

			Variance	
Last Year		Payments	+ve	-ve
Inc\Exp	Expense			
	AGAR Staff Costs			
136,712	101. ADMINISTRATION: Staffing	140378.00	3666	
	AGAR Other Costs			
6,734	101. ADMINISTRATION: Staffing	5845.00		-889
18,338	102. ADMINISTRATION: Office Costs	17586.00		-752
5,980	103. ADMINISTRATION: Operational Costs	5351.00		-629
372	104. ADMINISTRATION: Councillor Costs	551.00	179	
16,812	105. ADMINISTRATION: Statutory & Professional Fees	10829.00		-5983
2,749	106. ADMINISTRATION: Miscellaneous Costs	2073.00		-676
34,625	201. COUNCIL SERVICES: Public Space Management	53985.00	19360	
65,098	202. COUNCIL SERVICES: Handy Person Service	66726.00	1628	
2,530	203. COUNCIL SERVICES: Allotments	324.00		-2206
71,972	301. PARKS & PLAY AREAS: Projects	7000.00		-64972
9,714	302. PARKS & PLAY AREAS: Splash Park	4263.00		-5451
19,673	303. PARKS & PLAY AREAS: Additional Play Areas	15128.00		-4545
12,718	401. PROMOTION: Marketing	4350.00		-8368
10,299	402. PROMOTION: Berwick Autumn Festivals	5277.00		-5022
18,800	403. PROMOTION: Festive Lighting	14842.00		-3958
62	404. PROMOTION: Volunteer Tourism	0.00		-62
115	405. PROMOTION: May Fair & Market	0.00		-115
12,376	501. GRANTS: Events	0.00		-12376
5,293	502. GRANTS: Environment	781.00		-4512
555	503. GRANTS: Community	0.00		-555
1,283	504. GRANTS: Community Equipment Fund	79.00		-1204
78,051	601. COUNCIL PROJECTS: General	25457.00		-52594
956	602. COUNCIL PROJECTS: Neighbourhood Plan	2500.00	1544	
2,998	606. COUNCIL PROJECTS: Castlegate Kiosk	0.00		-2998
4,791	701. CIVIC EXPENDITURE: Mayoral/Civic Costs	152.00		-4639
6,619	702. CIVIC EXPENDITURE: Civic Events	-2565.00		-9184
409,511	Total non-staff Expenditure	240,534.00		-168977
546,223	Total Expenditure	380,912.00	22711	-191688
	Expenditure difference year on year	168,977.34		

6. The two biggest areas where expenditure fell are Parks and Play Area projects and General Council Projects and in both cases the falls reflect reduced spending following completion of large projects in 2019-20.
7. In the case of play area projects there was substantial expenditure at Highcliff play area, while under Council projects, 2019-20 expenditure included spending on Tour of Britain [£11200], a new tourism website [£15400] and a stage payment on the signage project [£24700].
8. Elsewhere, Covid-19 affected expenditure in areas including festivals, events, marketing, splash park and Mayoral and other civic events to a total of £50000.
9. Offsetting these falls in expenditure, was one significant increase [£19400] relating to the repainting of public seats plus smaller increases in Neighbourhood Plan spending [£1500] and an inflation rise in the cost of an SLA [£1600], as well as a small rise in staff costs reflecting annual increments/pay awards, coupled with associated increases in employer National Insurance payments and pension payments.

Recommendation

1. Councillors note the report.

Author	RPL	Town Clerk sign off (if required)	GD
Checked by	SC	Finance Officer sign off (if required)	RPL