

## Explanation of variances 2025/26 – pro forma

Name of smaller authority:

Insert figures from Section 2 of the AGAR in all [Blue](#) highlighted boxes

Now, please provide full explanations, including numerical values, for the following that will be flagged in the green boxes where relevant:

- variances of more than 15% between totals for individual boxes (except variances of less than £500);
- variances of more than £100,000 must be explained even where this constitutes less than 15%;

Please ensure variance explanations are quantified to reduce the variance excluding stated items below the 15% / £500 / £100,000 threshold

	2026	2025	Variance	Variance	Explanation Required?		Explanation (must include narrative and supporting figures) Note: If an explanation is required for the variance of Box 4 and the explanation refers to a change in hours or a change in pay rates, please could you note the previous hours/rates and the updated hours/rates
	£	£	£	%	Is > 15%	Is > £100,000	
1 Balances Brought Forward	257 345	283 781					Explanation of % variance from PY opening balance not required - Balance brought forward agrees
2 Precept or Rates and Levies	135 166	108 133	27 033	25 00%	YES	NO	Precept raised by 25% to cover increased expenditure on some budget codes and decreased income on sponsorship received. Other than expected minor fluctuations and expected known increases in expenditure, the notable variances are - Increased expenditure - 1,000 - training budget reinstated (from 0 to 1,000) 300 - insurance - increase due to end of 3 yr Long Term Undertaking (from 1,300 to 1,600) 120 - bank charges - new budget for newly introduced bank charges (from 0 to 120) 1,000 - software/IT - new budget for routine expenditure (from 0 to 1,000) 5,179 - Neighbourhood Wardens - pay award and increased NI contributions (from 72,765 to 77,974) 3,000 - Ashington Youth Club - increased contribution towards youth worker (from 5,000 to 8,000) 500 - green initiatives - new budget for routine expenditure (from 0 to 500) 1,000 - play areas / skatepark - new budget for routine expenditure (from 0 to 1,000) Decreased income - 1,110 - end of sponsorship agreement with local business for roundabout maint (from 1,100 to 0) 13,209 total Without the increased expenditure and decreased income noted above, the year on year <b>variance would have been 13,824 = 12.78%</b>
3 Total Other Receipts	51 044	17 602	33 442	189 99%	YES	NO	Community Infrastructure Levy (CIL) funds received - £32,692. Without this receipt, the year on year <b>variance would have been 750 = 4.26%</b>
4 Staff Costs	30 485	25 454	5 031	19 77%	YES	NO	22 hours contracted per week and up to 4 hours overtime budgeted per week. Projected staff costs without overtime = 28,211 (with upto 4 hours overtime = 33,033) Actual staff costs = 30,485 as not all overtime available was taken. Without overtime hours, the year on year <b>variance would have been 2,757 = 10.83%</b>
5 Loan Interest/Capital Repayment	6 220	6 220	0	0 00%	NO	NO	
6 All Other Payments	122 850	120 497	2 353	1 95%	NO	NO	
7 Balances Carried Forward	284 000	257 345	26 655	10 36%	NO	NO	
8 Total Cash and Short Term Investments	284 000	257 345	26 655	10 36%	NO	NO	
9 Total Fixed Assets plus Other Long Term Investments and Assets	373 536	369 476	4 060	1 10%	NO	NO	
10 Total Borrowings	14 491	19 823	-5 332	26 90%	YES	NO	Decrease in principal balance outstanding for Public Works Loan. Funds taken from EMR.