

Explanation of variances – pro forma

Name of smaller authority: **Welsh Newton and Llanrothal Group Parish Council**
 County area (local authority): **Herefordshire**

Insert figures from Section 2 of the AGAR in all **Blue** highlighted boxes

Next, 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 £200);
- variances of £100,000 or more require explanation regardless of the % variation year on year;
- **New from 2025/26 onwards:** variances of £500,000 or more in Box 3 require explanation regardless of the % variation year on year for smaller authorities with income and/or expenditure exceeding £6,500,000

	2024/25 £	2025/26 £	Variance £	Variance %	Explanation Required?	Automatic responses trigger below based on figures input, DO NOT OVERWRITE THESE BOXES	Explanation from smaller authority (must include narrative and supporting figures)
1 Balances Brought Forward	24,383	20,283					
2 Precept or Rates and Levies	13,900	14,457	557	4.00%	NO		
3 Total Other Receipts	579	19,048	18,469	3190.95%	YES		Other receipts increased by £18,469 (3,191%) compared to 2024/25 (£579 to £19,048). In 2024/25, receipts comprised interest only: Cambridge & Counties fixed-rate bond interest of £501 credited on maturity of the first year's term, and Lloyds reserve account interest of £77, totalling £578 (rounded to £579). There were no grant receipts in 2024/25, reflecting delays in the Herefordshire Council public realm grants programme during the management transition from Balfour Beatty; a significant proportion of approved 2024/25 scheme work was consequently carried over into 2025/26. In 2025/26, receipts comprised: HC drainage grant receipts across three tranches (£480 + £9,600 + £3,693 = £13,773); HC PRoW grant for kissing gate installation (£4,653); Cambridge & Counties Bond maturity interest (£546); and Lloyds reserve account interest (£76). Total 2025/26: £19,048. Increase vs 2024/25: £19,048 - £579 = £18,469.
4 Staff Costs	6,331	6,883	552	8.72%	NO		
5 Loan Interest/Capital Repayment	0	0	0	0.00%	NO		
6 All Other Payments	12,248	29,949	17,701	144.52%	YES		All other payments increased by £17,701 (145%) compared to 2024/25 (£12,248 to £29,949). The principal drivers are as follows. Parish Lengthsman Scheme (£3,160 to £18,053, increase of £14,893): the significant increase reflects completion of carried-over 2024/25 approved works alongside normal 2025/26 scheme activity, following delays in the HC public realm grants programme in 2024/25. The majority of this expenditure is directly matched by HC grant receipts in Box 3 (£13,773); net council-funded lengthsman cost increased by approximately £1,100. Parish Footpaths/PRoW (£400 to £3,943, increase of £3,543): kissing gate installation under HC PRoW grant (£4,653 in Box 3); net cost to council nil. VAT paid (£2,667 to £4,765, increase of £2,098): increased as a consequence of the expanded grant-funded works programme; a VAT126 catch-up reclaim is being prepared for approval at the June 2026 meeting. Other increases: community projects (+£310); training (+£275); website (+£186); audit (+£164); payroll provider (+£52); insurances (+£120). Offsetting reductions: legal costs (-£472); contingency (-£341); SID (-£230); elections (-£265); vehicle expenses (-£109). Net movement: +£14,893 + £3,543 + £2,098 + £310 + £275 + £186 + £164 + £120 + £52 - £472 - £341 - £265 - £230 - £109 + minor items = £17,701
7 Balances Carried Forward	20,283	16,956				VARIANCE EXPLANATION NOT REQUIRED	
8 Total Cash and Short Term Investments	20,283	16,956				VARIANCE EXPLANATION NOT REQUIRED	
9 Total Fixed Assets plus Other Long Term Investments and Assets	35,185	34,927	-258	0.73%	NO		
10 Total Borrowings	0	0	0	0.00%	NO		

Rounding errors of up to £2 are tolerable

Variances of £200 or less are tolerable

BOX 10 VARIANCE EXPLANATION NOT REQUIRED IF CHANGE CAN BE EXPLAINED BY BOX 5 (CAPITAL PLUS INTEREST PAYMENT)