

**Explanation of variances – pro forma**

Name of smaller authority: **Thorrington Parish Council**  
 County area (local councils and): **Essex**

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);
- **New from 2020/21 onwards:** variances of £100,000 or more require explanation regardless of the % variation year on year;
- a breakdown of approved reserves on the next tab if the total reserves (Box 7) figure is more than twice the annual precept/rates & levies value (Box 2).

	2021/22 £	2022/23 £	Variance £	Variance %	Explanation Required?	Automatic responses trigger below based on figures input, <b>DO NOT OVERWRITE THESE BOXES</b>	Explanation from smaller authority (must include narrative and supporting figures)
1 Balances Brought Forward	28,082	27,902				Explanation of % variance from PY opening balance not required - Balance brought forward agrees	
2 Precept or Rates and Levies	22,000	27,000	5,000	22.73%	YES		The precept has not been raised for the last two years despite increased house building within the village, resulting in a drop in the Parish element of -0.6% and -3.0% respectively. If the level remained the same for 2022/23 it would equate to an additional decrease of 5.6% per household, so much of the increase is a correction happening within one year, rather than steadily over the previous three. There was an expected rise in the cost of materials and contractors pricing due to the significant increase in inflation, which when the level was set was trending at 4% instead of the usual 2%. Residents have consistently raised concerns about certain core responsibilities and it was necessary to increase the precept to make meaningful improvements in these areas.
3 Total Other Receipts	5,974	100,610	94,636	1584.13%	YES		The Parish Council received £94,075 in Section 106 planning development funding, released from Tendring District Council in order to pay for new play and outdoor gym equipment. Receipts without this would have been £6,535 (9.39% compared to 2021/22) which would fall in line with regular income for this Council.
4 Staff Costs	4,849	5,669	820	16.91%	YES		There were two backdated pay awards due to the SLCC negotiations on the national pay scale. £534 was paid based on the 1.75% and later £1 per hour increases, had the agreements been made in the relevant year this would have been paid within that year. £108 of the amount is due to an increase of hours and annual pay scale increment.
5 Loan Interest/Capital Repayment	0	0	0	0.00%	NO		
6 All Other Payments	23,305	115,578	92,273	395.94%	YES		The Parish Council spent £94,075 on new play and outdoor gym equipment paid for with Section 106 planning development funding. Payments without this would have been £21,453 (7.95% compared to 2021/22) which would fall in line with regular spending for this Council.
7 Balances Carried Forward	27,902	34,265			NO	VARIANCE EXPLANATION NOT REQUIRED	
8 Total Cash and Short Term Investments	27,902	34,265				VARIANCE EXPLANATION NOT REQUIRED	
9 Total Fixed Assets plus Other Long Term Investments and As	106,086	165,238	59,152	55.76%	YES		The Parish Council removed £18,320 of old play equipment and had £75,397 worth of new play and gym equipment installed. Four new benches were also purchased at a cost of £2,301.
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)