



January 2022
Clerk's Report

**Gelligaer Community Council
Cyngor Cymuned Gelligaer**

Council Tax and Community Councils 2022/23

Precept Council is required to determine the level of precept for the financial year 2022/23

The attached APPENDIX A outlines income and expenditure to date and projection to 31st March 2022 and proposed budget for 2022/23 showing a 1% increase in precept.

It is anticipated there will be a balance of funds to the sum of approximately £135,000 and a schedule of proposed schemes is also shown in APPENDIX A.

The council need to show how the balances will be utilised in future years.

The Law

The law relating to the issue of Precepts by Town, Parish and Community Councils is covered by the Local Government Finance Act 1992 Section 41(4).

Calculation of Council Tax

All Council Tax is calculated in "Band D equivalents" because Band D is considered as the average. Caerphilly County Borough Council therefore count the number of properties in the area of Gelligaer Community Council and assesses the banding:

Total dwellings Converted to Band D equivalents = 6446.50 for 2022/23

Collection rate: 97.50%

Band D equivalents x collection rate = 6285.34

Band	All properties (incl. new builds)	Exempt properties	Total no. chargeable properties (incl new builds)	New Build Estimate
A	758	34	724	0
B	3179	93	3086	0
C	1880	46	1834	0
D	1296	28	1268	20
E	802	18	784	0
F	173	9	164	0
G	39	3	36	0
H	3	1	2	0
I	2	1	1	0
Total	8132	233	7899	20

Therefore Band D equivalent dwellings for 2022/23 = 6285.34

Recent history

2021/22 increased the precept by 3% which was an increase of 0.62p from £20.51 to £21.13 per Band D equivalent household per annum giving the council a total precept of £132,687.

2020/21 increased by £4.99 per band D equivalent dwelling to £20.51 per annum giving the council a total precept of £129,272

2019/20 increased by 0.60p per band D equivalent dwelling to £15.52 per annum giving the council a total precept of £97,330

Budget Assumptions

The budget for 2022/23 has been prepared using the following assumptions:

The budget for 2022/23 has been prepared using the following assumptions:

- Pay award 2021/22 – unlikely to be any increase due to Central Government Policy.
- Retail Price Index (RPI) is at 5.4% November 2021 (November 2021 Office for National Statistics)
(RPI includes housing costs i.e. mortgage/rent/council tax and consumer items)
- Consumer Price Index (CPI) is currently at 5.1% (Nov 2021 Office for National Statistics)
(CPI includes everything except housing costs)
- State Pension – the UK Government has decided to break their pledge by scrapping the triple lock * system which means the state pension is set at 3.1% from April 2022.

** under the triple lock policy the state pension increases every year by whichever is the highest of inflation, earnings growth or 2.5%.*

Possible budget increases

An inflated budget is shown in Appendix A.

However, it is suggested that the members may wish to consider a range of increases and for convenience a range of increases is shown below and should take into consideration level of balances the council is estimated to have at the 1st April 2022.

Band D per Annum £	Increase per Annum £ per household Band D	2021/22 Precept to GCC £
21.13 (currently)	0%	132,809.23
21.34	1%	134,129.16
21.55	2%	135,449.08
21.76	3%	136,769.00
21.98	4%	138,151.77

Members are requested to determine the level of precept for 2022/23 and agree the proposed use of earmarked reserves anticipated at the 31st March 2022 as per APPENDIX A

A council resolution is required.