



January 2023
Clerk's Report

**Gelligaer Community Council
Cyngor Cymuned Gelligaer**

Council Tax and Community Councils 2023/24

Precept Council is required to determine the level of precept for the financial year 2023/24

The attached APPENDIX A outlines income and expenditure to date and projection to 31st March 2023 and proposed budget for 2023/24 showing a 1% increase in precept.

It is anticipated there will be a balance of funds/reserves to the sum of approximately £149,000 and a schedule of proposed schemes for earmarking is also shown in APPENDIX A.

The council needs 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:

Band	All properties (incl. new builds)	Exempt Properties	Total no. chargeable properties (incl new builds)	New build estimate
A	762	34	728	6
B	3207	95	3112	20
C	1881	44	1837	0
D	1291	21	1270	11
E	808	18	790	1
F	173	8	165	0
G	41	4	37	0
H	3	1	2	0
I	2	1	1	0
Total	8168	226	7942	38

Total dwellings Converted to Band D equivalents = **6,485.00**

Collection rate: **97.50%**

Discounted Chargeable Dwellings **6,322.88**

Therefore, the base rate for Band D equivalent dwellings for 2023/24 = 6,322.88

Recent history

2022/23 Due to large reserves and cost of living increases Gelligaer Community Council decided last year not to increase the precept. Therefore, the precept remained at £21.13 per Band D equivalent household per annum, giving the council a total precept of £132,809

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 2023/24 has been prepared using the following assumptions:

- Pay award 2023/24 – assuming a 3% increase pay award
- Retail Price Index (RPI) is at 14% (November 2022 Office for National Statistics) (RPI includes housing costs i.e. mortgage/rent/council tax and consumer items)
- Consumer Price Index (CPI) is currently at 10.7% (Nov 2022 Office for National Statistics) (CPI includes everything except housing costs)
- State Pension – From April 2023 the triple lock system will be reinstated which means the state pension will rise by 10.1% (it was scrapped last year by Central Government) Central Government announced that 10.1 % increase will apply to benefits too.
 - * 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 2024.

Band D per Annum £	Increase per Annum £ per household Band D	2023/24 Precept to GCC £
21.13 (currently 2022/23)	0%	133,602.45
21.34	1%	134,930.26
21.55	2%	136,258.06
21.76	3%	137,585.87
21.98	4%	138,976.90

Members are requested to determine the level of precept for 2023/24 and agree the proposed use of earmarked reserves anticipated at 31st March 2023 as per APPENDIX A

A council resolution is required.