

Precept Update

Agenda Item 5

I will provide a verbal update at the meeting on the following briefing note:

Precept Briefing Note

Unless the PCC wants to trigger a council tax referendum there are only 2 realistic options in relation to Precept for 2013/14:

1. Increase precept by 2.0%
2. Freeze Precept and accept the Grant offer from the Government

The financial impact of accepting the Grant is calculated below (based on current assumptions around the impact of the Localisation of Council Tax Benefits legislation)

Precept Assumptions: 2.0% precept increase per annum

	2012/13 £000s	Change £000s	2013/14 £000s	Change £000s	2014/15 £000s	Change £000s	2015/16 £000s	Change £000s	2016/17 £000s
Assumed Council Tax levels based on 2.0% increase per annum (per Government referendum indications)	(25,866)	(510)	(26,376)	(522)	(26,898)	(532)	(27,430)	(543)	(27,973)
Council Tax forecast based on Precept Freeze in 2013-14 and 2% increases thereafter	(25,866)	0	(25,866)	(510)	(26,376)	(522)	(26,898)	(532)	(27,430)
Reduced level of funding	0		510		522		532		543

Government Grant @ 1% for 2 years		(256)	(256)		
Reduced level of funding after Grant	0	254	266	532	543

2012/13 has been adjusted to reflect estimated impact of Localisation of Council Tax benefits in 2013/14

It is important to recognise that these are estimates at the stage based on the best information that we have and the exact figures will be calculated during January when the PCC has details of each Council Band D levels

What is the Impact of a 2% increase?

Property Band	Current Police Council Tax 2012-13	Forecast Police Council Tax 2013-14 (Based on 2% increase)	Annual Increase	Weekly Increase (pence)
A	£129.61	£132.19	£2.58	4.96
B	£151.21	£154.22	£3.01	5.79
C	£172.81	£176.25	£3.44	6.61
D	£194.41	£198.28	£3.87	7.44
E	£237.62	£242.34	£4.73	9.09
F	£280.82	£286.41	£5.59	10.75
G	£324.02	£330.47	£6.45	12.40
H	£388.82	£396.56	£7.74	14.88