

ESSENTIAL REFERENCE PAPER 'B'

Planning assumptions for August 2013 MTFP update:

Factor	Note	2014/15	2015/16	2016/17	2017/18
Council Tax Increase		0%	0%	2.00%	2.00%
Pay settlement (including allowance for increments and local award)	1	1.75%	1.75%	3.25%	3.25%
Members allowances	2	1%	1%	2.5%	2.5%
Price Inflation	3	2.3%	2.1%	2.00%	2.00%
Contract Inflation (general)	4	2.3%	2.1%	2.00%	2.00%
Council Tax Base	5	0.5%	0.5%	0.5%	0.5%
Pension Contributions	6	+1%	+1%	+1%	+1%

Notes:

1. Based on pay restraint ceilings to 2015/16 then average earnings less 2%. Includes an annual 0.75% increase to take account of increments and local award
2. Members allowances are set by Independent remuneration Panel but for planning purposes only, have included up rating in line with assumptions around pay.
3. Price inflation is based upon OBR predictions around inflation in future years
4. Contract inflation is based upon OBR predictions around inflation in future years
5. Council Tax base increases have been calculated using trend information. Further revisions may apply once more data on the impact of Council Tax support has been analysed.
6. Currently using assumptions from the last triennial review in 2010. Review results are due in November 2013 which may revise assumptions for final budget setting.