

## **Adult Social Care Precept Element of the Council Tax Increase 2018/19**

### **What is the adult social care precept?**

In November 2015 the Government announced that councils which provide social care to adults would be allowed to increase their council tax by up to an extra 2%, if it is all used to fund the increasing costs of adult social care services. Adult social care costs are increasing because there are more people to look after, their needs are more complex and the costs of providing support are going up too.

In December 2016 the Government announced that councils would be given the option to increase council tax by up to an extra 3% in 2017/18 and 2018/19 to fund increasing costs of adult social care on top of the 2% raised in 2016/17. If they do this, they can't increase it again in 2019/20 i.e. there is a maximum allowable increase of 6% over 3 years. Warwickshire's Councillors voted to increase the council tax by an extra 2% to fund these costs in 2017/18 and 2018/19. Therefore, Councillors could choose to raise another 2% in 2019/20, this will be decided in February 2019.

This additional council tax charge is known as the adult social care precept. The Government has indicated that this must be shown as a separate charge on all council tax bills.

### **How do we ensure this money is spent on adult social care?**

As part of the process of setting our budget the Secretary of State can request that the Chief Financial Officer confirms in writing to central government that the Council will use the additional precept solely on adult social care and that the budget for adult social care will increase by at least the amount raised by the precept. Additionally, financial returns to central government are monitored to ensure that adult social care expenditure increases by at least the amount raised by the additional precept.

### **How much has been raised by this precept?**

In 2016/17 the 2% adult social care precept raised £4.6 million for Warwickshire.

In 2017/18 the additional 2% adult social care precept added a further £5.0 million to the adult social care budget.

In 2018/19 the additional 2% adult social care precept is expected to add another £5.5 million to the adult social care budget.

### **Presentation of Bill**

The bill may appear confusing to some residents, particularly on the presentation of the Adult Social Care (ASC) precept. This is because government regulations

require the bill to show the percentage increase as 2% but show the cash amount as the cumulative figure i.e. the 2% ASC precept raised in 2018/19 plus the 2% ASC precept raised in both 2016/17 and 2017/18.

For a Band D property this means the ASC precept in 2018/19 is £25.92 plus the cumulative ASC precept raised in 2016/17 and 2017/18 of £48.87 resulting in a total ASC precept in 2018/19 of £74.79

The 2% ASC precept is calculated as a percentage of the **total** previous year bill, not just the previous year ASC element. The table below illustrates the movement for a typical Band D property:

	2017/18	£ Increase*	% Increase	2018/19**
General (WCC)	1,250.01	38.88	2.99	1,288.89
ASC	48.87	25.92	2.00	74.79
<b>Total Band D</b>	<b>1,298.88</b>	<b>64.80</b>	<b>4.99</b>	<b>1,363.68</b>

\*Multiplying the respective % increases by the **total** 2017/18 bill does not result exactly in the 2018/19 bill figures, because the 2.99% and 2% are actually a rounded 2.9933% and 1.9956% in the calculations behind the numbers. This is to ensure that council tax bills round correctly to 2 decimal places i.e. whole pennies.

\*\*Attached are the equivalent figures for each Band A to H

### **Must I pay the adult social care precept?**

The adult social care precept is not optional. It forms part of the overall increase in council tax that Warwickshire County Council has set for 2018/19. The information on the council tax bill just separately identifies the amount that is going into adult social care so that residents are aware of this.

In 2018/19 the County Council will spend nearly £142 million on adult social care and support.

### **Where can I find more information on what the Council spends its money on?**

The Council set its budget on 6 February 2018 and all the information related to this is on the Warwickshire County Council web site (in the section under Committees and then Council meetings). The Council Tax Leaflet is available on the Warwickshire County Council website under the Finance and Suppliers section and summarises the key parts of the budget.

### **Who should I contact about queries I have on my council tax?**

The County Council does not send out council tax bills or collect the income from it. This is the function of District and Borough Councils. If you have specific queries about your bill or how to pay it, then you should contact your local District or Borough Council.