

# Adult Social Care Precept

The Government has put in place recent changes to the way in which Council Tax can be used to fund social care services. In Craven, social care is run by North Yorkshire County Council. The changes mean that councils who run social care services can charge an additional 'precept' on the whole charge – separate from the increase applied to general funding.

The County Council must hold a referendum – a local vote – if it wants to increase Council Tax by more than 5%. If the County Council increases Council Tax by less than 5%, then the part of the charge that relates to social care funding must not be greater than 3%.

Subject to approval each year by the House of Commons, the Secretary of State for Communities and Local Government intends to offer the option of charging this 'precept' at an appropriate level in each financial year up to 2019/20. A financial year runs from April to the following March.

The increases are based on a percentage of the County Council's part of the overall charge for their service last financial year (2016/17). For this year (2017/18), the County Council has increased its overall charge by 3.99% and 2% of this increase relates to social care funding. This means, for example, that the amount charged by the County Council for a Band D property in 2016/17 was £1,143.86 and £22.00 of this charge related to social care funding. For a Band D property, the County Council charge for 2017/18 will be £1,189.50 (a 3.99% increase), which includes £44.88 for social care funding (a 2% or £22.88 increase on the overall charge).

There may be a similar increase in 2018/19. The Government has said that this arrangement only stands for 3 years - there will be not further increases in the social care element for 2019/20.

**Table for all Council Tax Bands**

	2016/17	2017/18	2017/18	
Property Band	2% for Adult Social Care Responsibilities	North Yorkshire CC Basic Council Tax excluding Adult Social Care Increase	2% for Adult Social Care Responsibilities	Total you pay for Adult Social care this year and shown on the annual bill
	£	£	£	
A	14.66	763.08	15.26	29.92
B	17.11	890.26	17.80	34.91
C	19.55	1017.44	20.34	39.89
D	22.00	1144.62	22.88	44.88
E	26.89	1398.98	27.96	54.85
F	31.78	1653.34	33.05	64.83
G	36.66	1907.70	38.14	74.80
H	44.00	2289.24	45.76	89.76

### **How much can Council Tax go up by before there has to be a local vote?**

Following the introduction of the new Adult Social Care precept, the County Council must hold a referendum if Council Tax is to be increased by 5% or more. Within this there is a limit of 2% for general spending, and 3% linked directly to social care services.

District Councils must hold a referendum if their part of the Council Tax is increased by 2% or more *and* that increase is more than £5 on a Band D property. This means that an increase of more than 2% is allowed without a referendum vote, providing that the overall increase doesn't go above £5 for a Band D property.

Other organisations (for example police and fire services) can raise their part of Council Tax by 1.99% without having to hold a vote on this.

It's important to note, however, that by law we must show increases on the bill to the nearest decimal point – which means that a 1.99% increase shows as 2%, a 2.99% increase shows on the bill as 3%.