

Explaining our budget 2020/21

In February we agreed on a series of budget recommendations designed to carry on protecting and developing effective front-line services whilst also recognising the financial and service challenges, and unprecedented uncertainty, of the years ahead.

Since 2010 our spending power has decreased significantly. Government funding has reduced and demand for services has increased. As a result, every £1 we had to spend on services in 2010 has now fallen to around 60p.

In addition to a comprehensive savings plan county councillors also voted in February for an increase in general council tax of 1.99% along with a 2% social care precept, making a total of 3.99%. The overall 3.99% increase will be equivalent to just over £4 a month for an average household or £1 per week.

What does the county council part of my council tax pay for?

The council tax bill you pay to your borough or district council contributes to the combined cost of the county council, district/ borough council, parish council, police and fire services.

For the county council that includes services such as adult social care, roads, street lighting, winter maintenance, children's social care, disposal of waste collected by borough and district councils, libraries, emergency planning and support services to schools such as school transport and special educational needs. The combined cost of the services we provide as a county council will be £631 million in 2020/21.

How is the county council element of my council tax calculated?

All households have a property band between A and H, which is allocated based on the value of the property. The amount you pay depends on which band your home is in.

There are two elements to the council tax which pays for county council services, the main council tax and the adult social care precept. The **3.99%** overall increase for 2020/21 is made up of a **1.99%** general increase and a **2%** adult social care precept.

Where will the money be spent?



The table below shows how much you will pay.

Property band	Basic council tax excluding adult social care	Adult social care precept	Total
A	£829.07	£79.91	£908.98
B	£967.25	£93.22	£1,060.47
C	£1,105.43	£106.54	£1,211.97
D	£1,243.61	£119.86	£1,363.47
E	£1,519.97	£146.50	£1,666.47
F	£1,796.33	£173.13	£1,969.46
G	£2,072.68	£199.77	£2,272.45
H	£2,487.22	£239.72	£2,726.94

The adult social care precept

The Secretary of State made an offer to adult social care authorities. ("Adult social care authorities" are local authorities which have functions under Part 1 of the Care Act 2014, namely county councils in England, district councils for an area in England for which there is no county council, London borough councils, the Common Council of the City of London and the Council of the Isles of Scilly.)

The offer was the option of an adult social care authority being able to charge an additional "precept" on its council tax without holding a referendum, to assist the authority in meeting its expenditure on adult social care from the financial year 2016-17. It was originally made in respect of the financial years up to and including 2019-20. If the Secretary of State chooses to renew this offer in respect of a particular financial year, this is subject to the approval of the House of Commons.

What is the adult social care precept for?

The adult social care (ASC) precept is a portion of council tax which is set aside specifically for adult social care services. In the last financial year we directly supported almost 14,000 older people and younger adults, including people with learning disabilities, physical disabilities and mental ill health. Adult social care services are delivered in a number of different ways including prevention and supporting people to live independently in their own homes as well as residential and nursing care.

We spend almost £250m on adult social care services every year, supporting people to live longer, healthier, more independent lives. We currently receive over 75,000 enquiries every year relating to adult social care and demand for services is increasing.

How is the adult social care precept calculated?

The adult social care precept is calculated as 2% of the total of the previous year's council tax which went to the county council. It is then added to the previous year's adult social care precept amount as shown in the example below for a band D property.

2019-20	
North Yorkshire County Council - Band D	£1,217.52
Adult social care precept	£93.64
North Yorkshire County Council total	£1,311.16

2020-21	
North Yorkshire County Council - Band D	£1,243.61
Adult social care precept	£119.86
North Yorkshire County Council total	£1,363.47

The precept percentage increase above is calculated based on the total North Yorkshire County Council charge in 2019-20 (i.e. £1,311.16) so: $£1,311.16 \times 2\% = £26.22$

£93.64 (2019-20 cumulative adult social care precept) + £26.22 (2020-21 increase in adult social care precept) = £119.86

Why should I have to pay council tax and an ASC precept when I don't use any services from the county council?

Although everyone benefits from some county council services such as highways and transport, only those with children will receive education support and most people would like to remain sufficiently independent and healthy so that they never need council support such as residential care. However, it is often these statutory services which benefit the smaller number of people that cost the most. Similarly, the adult social care precept is part of council tax rather than a service charge and so is not linked to whether or not you receive social care services. You could think of council tax as an insurance premium. You hope you will never have to claim but you have the comfort of knowing that if you, or a member of your family, need to then there will be support to help you.

Where can I find out more?

Find out more about the county council part of your council tax bill including a more detailed explanation of the adult social care precept at www.northyorks.gov.uk/counciltax. You can also find information about where our money comes from, how that money is spent and read about our savings plans at www.northyorks.gov.uk/budget