

## Adult Social Care precept – percentage increase explanation 2024-25

Since 2016-17 authorities with responsibility for adult social care have been able to raise council tax by an additional amount or precept specifically to cover the cost of adult social care.

The Government have laid out clear regulations about how we have to show this amount on the council tax bill. We have to show this as a separate amount on the bill from the overall charge set by the Council to cover other core services. As a result, we have to show two lines on the bill for Shropshire Council, one with the non-adult social care amount and associated percentage increase, and the other specifically for adult social care with the associated percentage increase.

The adult social care precept is considered to be a charge which accumulates in value over the years. This is because authorities are expected to keep spending all of the additional council tax that they have charged for the adult social care precept in previous years (which has become part of their council tax baseline) on adult social care services.

The cash value of both the precept and the amount attributable to general expenditure must each be accompanied by a percentage increase figure. This shows the number of percentage points which the increase for the adult social care precept and general expenditure each contribute to the overall increase set by the authority that year.

Regulations specify the information that has to be included on the council tax bill.

Regulations also state that percentage increases must be shown to one decimal place on the council tax bill. That means, for example, that an increase of 2.99% would round up to 3.0% and be shown as such on the council tax bill.

For the 2023-24 financial year the baseline council tax figure levied by Shropshire Council for an average band D property was £1,639.01. This was made up of £1,422.49 for core services and £216.52 for adult social care. For 2024-25 Shropshire Council agreed to increase the Council Tax by 4.99%. The percentage increase is made up of 2.99% increase for core services, and 2% increase for adult social care. The band D breakdown for Shropshire Council is shown below.

Shropshire Council 2023/24 baseline council tax	£1,639.01
<i>(Including adult social care precept for 2023/24 of £216.52)</i>	
- Core services (2.99% increase)	£ 49.01
- Adult social care charge (2.0% increase)	<u>£ 32.78</u>
Total Shropshire Council charge 2024/25 (4.99% increase)	£1,720.80

As stated above, in order to comply with the regulations, we have to show the adult social care amount as a cumulative figure. In order to do this, we add on what is being charged this year for adult social care, to what was charged in 2023-24. So, we add the £32.78

increase for 2024/25 to £216.52 charged for 2023-24 and show the total £249.30 on the council tax bill.

This amount is then subtracted from the overall baseline amount for Shropshire Council to show the core services charge for 2024-25. ( $£1,720.80$  minus  $£249.30 = £1,471.50$ ).

So, the adult social care increase of 2% is a 2% increase on the overall Shropshire Council amount for 2023-24, not a 2% increase on the adult social care amount that was charged last year.

Council Tax bands are worked out as a proportion of the band D amount, with band D being 9/9ths. The proportions for bands A – H are set out below.

A = 6/9ths, B = 7/9ths, C = 8/9ths, D = 9/9ths, E = 11/9ths, F = 13/9ths, G = 15/9ths and H = 18/9ths.

So, if you are in a band other than band D, to calculate the amount you have to pay you must divide the precept by nine and multiply by the relevant band proportion above. For example, the adult social care amount for a band B property will be £249.30 divided by nine, then multiplied by seven (= £193.90).