2020/21 Council Tax Frequently Asked Questions

Signposts for WSCC:

Main website https://www.westsussex.gov.uk

2020/21 Budget Book https://www.westsussex.gov.uk/about-the-

council/finance-and-budgets/how-the-county-

council-spends-your-money/

Council tax leaflet https://www.westsussex.gov.uk/about-the-

council/finance-and-budgets/how-your-council-tax-

<u>is-spent/</u>:

The FAQs outlined below are also available at the council tax leaflet link detailed above:

Why is an increase in council tax necessary?

Over the past decade, local authorities have faced unprecedented financial challenges. Demand for services has risen, particularly within adults and children's social care, and government funding has reduced.

Despite this, the County Council has continued to focus our resources on the key priorities identified in <u>The West Sussex Plan</u>, which sets out our ambition and vision for the residents and communities of West Sussex.

To have a realistic chance of achieving these ambitions while facing continuing low levels of Government funding, and even greater demand for our statutory responsibilities in areas such as adults and children's social care, a council tax increase has been unavoidable.

Why is the increase 3.99%?

For 2020/21, the Government has set a reasonableness threshold so local authorities can raise core council tax by up to 2%, without holding a local referendum. Additionally, councils with social care responsibilities can increase their council tax by a further 2%, for adult social care.

The increase of 3.99% reflects these principles with a rise of 1.99% approved for the core increase plus an additional levy of 2.00% for the Adult Social Care precept, which the Government introduced in 2016. This part of the increase has been applied in full to cover the extra spending required in adult social care, to keep pace with the increasing needs of a growing population and higher costs, including for the National Living Wage.

What is the 2% Adult Social Care precept?

Since 2016 the Government has allowed Councils which provide adult social care to levy an additional charge on the council tax. This additional charge is called the Adult Social Care precept. The income generated from this charge is ring-fenced, meaning it can only be used for adult social care services.

For 2020/21, West Sussex County Council has levied an Adult Social Care precept of 2% which is £27.67 or £0.53 per week for a Band D property. This will raise £9.3m in 2020/21 across the County towards adult social care pressures.

• Why is the Adult Social Care precept shown separately on the Council Tax Bill?

For transparency and as prescribed by government regulations, the Adult Social Care precept is identified separately on the council tax demand; it is also shown on a cumulative basis. For 2020/21 the amount shown on the council tax demand represents the sum of the charge for the current year and four previous years:

| | Adult Social | |
|---------|--------------|--------------|
| Year | Care | Adult Social |
| | Levy Applied | Care Levy |
| | | Band D |
| | | £ |
| 2016/17 | 2% | 23.24 |
| 2017/18 | 2% | 24.16 |
| 2018/19 | 2% | 25.11 |
| 2019/20 | 2% | 26.35 |
| 2020/21 | 2% | 27.67 |
| Total | | 126.53 |

• How is the Adult Social Care precept calculated?

The Adult Social Care precept is calculated on the whole of the West Sussex County Council element from the <u>previous</u> year. The calculation for a Band D is as follows:

| Year | Previous Year Total Charge | Core Increase | | Adult Social Care Increase | | Total Charge £ | % increase |
|---------|-------------------------------------|------------------|-------|----------------------------------|-------|----------------------|---------------|
| | £ | | £ | | £ | | £ |
| 2016/17 | 1,161.99 | 1.95% | 22.66 | 2.00% | 23.24 | 3.95% | 1,207.89 |
| 2017/18 | 1,207.89 | 1.95% | 23.54 | 2.00% | 24.16 | 3.95% | 1,255.59 |
| 2018/19 | 1,255.59 | 2.95% | 37.08 | 2.00% | 25.11 | 4.95% | 1,317.78 |
| 2019/20 | 1,317.78 | 2.99% | 39.44 | 2.00% | 26.35 | 4.99% | 1,383.57 |
| 2020/21 | 1,383.57 | 1.99% | 27.50 | 2.00% | 27.67 | 3.99% | 1,438.74 |