

Council Tax Demand Notice Regulations: showing the ASC precept on bills in 2017-18 and beyond.

Please note: We have rounded to two decimal places in this example to reflect the effect of the proposed referendum principles for 2017-18 (which allow 4.99% increases for adult social care authorities – 1.99% core and 3% for ASC Precept). We understand that the figures would be rounded up on bills to 2% plus 3% for ASC. The regulations require you to round up to one decimal place only.

1. The example is based upon a hypothetical authority having set a £1,000 Band D council tax in 2015-16, and then chosen to increase by 3.99% in 2016-17. It should be remembered that in 2016-17 the referendum principle for ASC authorities was 4%, comprising a 'core' 2% principle, and 2% for the ASC precept.

Amounts which appeared on bill in 2016-17			
	£	% increase	Comments
[Name of authority]'s Non-ASC charge	1019.90	1.99	Calculation: £1,000 X 1.0199
ASC Precept	20.00	-	Calculation: £1,000 X 0.02 The £20 represents 2 percentage points of the <i>overall</i> 3.99% increase in the 15-16 bill
Total charge by authority	1039.90	3.99	Calculation: £1,000 X 1.0399 NB this is just included for ease of reference. This line doesn't appear on the bill. It is worth noting that £1039.90 will be the figure used for calculating the overall permissible increase in 2017-18 (assumed to be 4.99% in the below example).

2017-18

2. It is assumed that in 2017-18 the following referendum principle will be set for ASC authorities: 5%, comprising a 'core' 2% principle and 3% for ASC precept. It is assumed that our hypothetical authority makes full use of the flexibility by setting a 4.99% increase.
3. A 4.99% increase on a bill of £1,039.90 in 2017-18 is therefore **£1,091.80**.
 - In cash terms, the 1.99% increase for the non-ASC charge is £20.70.
 - In cash terms, the 3% increase for the ASC precept is £31.20.

Proposed approach

4. Add the whole 4.99% increase to the total £1,039.90 that was charged in 2016-17. This gives a figure of £1,091.80. Then deduct the £20 ASC precept charged in 16-17 and the £31.20 charged in 17-18 and show these amounts as a separate cumulative figure in the "ASC Precept" line.

The amounts in the "*% increase column*" represent the number of percentage points which that particular charge contributes to the overall increase set by the local authority.

Amounts to appear on bill in 2017-18			
	£	% increase	Comments
[Name of authority]'s Non-ASC charge]	1040.60	1.99	Calculation: (£1,039.90 X 1.0399) - £40.79 The £1040.60 is the total bill excluding the increases for ASC set in 2016-17 and 2017-18 (in this example, the £51.20).
ASC Precept	51.20	3.00	Calculation: (£1,039.90 X 0.03) + £20 The £51.20 figure includes the amount charged for ASC in 2016-17 (which LAs are still supposed to use for ASC in 2017-18)
Total charge by authority	1091.80	4.99	Calculation: £1,039.90 X 1.0499

			NB this is just included for ease of reference. This line does not appear on the bill.
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			It is worth noting that £1091.80 will be the figure used for calculating the overall permissible increase in 2018-19.
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