

**Councillor Saghir Alam – Cabinet Member Corporate Services
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Councillor Saghir Alam

Councillor Cowles

26th January 2021

By email allen.cowles@rotherham.gov.uk

Dear Councillor Cowles

Council Meeting – 13th January 2021

During the last council meeting you asked a question regarding Social Care Precept which I confirmed I would respond to separately.

The Provisional Local Government Finance Settlement for 2021/22 includes the ability for councils to raise up to a maximum 3% adult social care precept on council tax over the two years 2021/22 and 2022/23. Councils have the flexibility as to how they might want to phase any increases in the precept across the two years, so for example councils could raise 0% in 2021/22 and 3% in 2022/23 or 1% in 2021/22 and 2% in 2022/23 or any other combination within the maximum 3% over the two years.

Each 1% of adult social care precept would raise £1.1m additional council tax income. If the Council chose to apply the maximum 3% adult social care precept in 2021/22 this would therefore raise an additional £3.3m of annual council tax income from 2021/22 onwards. However, if the Council chose to apply the maximum 3% precept, but in stages across 2021/22 and 2022/23, then the full amount of the additional council tax income of £3.3m wouldn't be achieved until 2022/23. A 1% increase in 2021/22 would raise £1.1m in that year, a 2% increase would raise £2.2m.

The Council's decisions on council tax and adult social care precepts have no bearing on the decisions that parish councils and the police and crime commissioner make on their precepts on council tax. Parish councils and the police and crime commissioner are free to set their own precepts within the respective council tax referendum principles that the Government applies to them.

Once their precepts have been set, the parish councils and the police and crime commissioner notify the Council of their precept amount and the Council has a legal obligation, as the council tax billing authority, to add the cost of the precepts to council tax bills and to collect the council tax on behalf of the preceptors. The Council then passes on to the preceptors the amount of council tax income as required by their precepts.

Please let me know if you need anything else.

Yours sincerely



Councillor Saghir Alam - Cabinet Member for Corporate Services and Finance