

BUDGET REQUIREMENT RETURN 2008-09
BR1 GUIDANCE NOTES
For completion by billing authorities

NOTES FOR COMPLETION

Any budget requirement, calculation of, or setting of council taxes for which another calculation or setting has been substituted at the time of completing this return should be ignored.

Unless specified to the contrary, all data should be shown to the nearest £.

Two new lines have been introduced this year. New lines 1 & 2 have been introduced to separate out any special expenses an authority may have. The new line 3 is the same as last year's line 1.

Line 1: the amounts calculated by the authority for 2007-08 and 2008-09 under section 32(4) of the Local Government Finance Act 1992 ("the 1992 Act") less both the aggregate amount of any precepts issued by local precepting authorities or anticipated by the authority for the year in question and any amount calculated under section 32(4) as levies or special expenses. The amounts should be shown to the nearest £.

In particular, any use of reserves or receipt of grants including, for example, LABGI or Area Based Grants (if known), should be netted off the Gross Revenue Expenditure to arrive at line 1.

Line 2: any amount calculated under section 32(4) and regarded as a levy or special expense (e.g. for garden squares) should be included in this line. Authorities are requested to complete line 2 for 2007-08 if they have the information available. Line 1 will then be automatically calculated. The amounts should be shown to the nearest £.

Line 3: the Budget Requirement for 2008-09 excluding local precepts. This is calculated as line 1 plus line 2. (NB This is the same as line 1 on the BR1 2007-08)

Line 4: the aggregate amounts for 2007-08 and 2008-09 of any precepts from local precepting authorities issued to or anticipated by the billing authority which were taken into account in making the calculation of its Budget Requirement. In particular, this line includes any amounts which are to be construed as amounts anticipated by a billing authority under the Local Government Finance (New Parishes) Regulations 1998 (SI 1998/119), as amended by the Local Government Finance (New Parishes) (Amendment) Regulations 1998 (SI 1998/3270). Levies or special levies (e.g. for garden squares) should **not** be included in this line (see line 2). The amounts should be shown to the nearest £.

Line 5: the Budget Requirement for 2008-09 calculated as line 3 plus line 4.

Line 6: the estimate of the amount which is payable for 2008-09 into the authority's General Fund in respect of redistributed non-domestic rates and which are payable under the Local Government Finance Report (England) 2008/2009, In particular, the

amount should exclude estimated BID levy income and income estimated to be gained under the Local Authority Business Growth Incentives (LABGI) scheme. In the case of the City of London, the amount should be the aggregate of the amount, which is so payable and any amount which is transferable from the Collection Fund to the City Fund, pursuant to the Collection Fund (City of London) (No.2) Directions 1993, in respect of non-domestic rates. The amounts should be shown to the nearest £.

Line 7: the sum of the estimates of the amounts, which are payable for 2008-09 into the authority's General Fund in respect of Revenue Support Grant under the Local Government Finance Report (England) 2008-09 and additional grant (if any) payable in accordance with section 85 of the Local Government Finance Act 1988. The amounts should be shown to the nearest £.

Line 8: in the case of the City of London only, the estimate of the amount which is payable for 2008-09 into the City Fund in respect of Police Grant (Principal Formula only), being the amount specified for the authority in column (a) of paragraph 3.1 of the Police Grant Report (England and Wales) 2008-09. The amounts should be shown to the nearest £.

Line 9: the amount (if any) which the authority has estimated, pursuant to the Collection Fund (Community Charges) (England) Directions 1994 in respect of Community Charge items for 2007-08, and which is to be transferred to (+)/from (-) the authority's Collection Fund in 2008-09. The amounts should be shown to the nearest £.

Line 10: the amount (if any) which the authority has calculated as its share of its estimated Collection Fund deficit (+)/surplus (-) for 2007-08, pursuant to the Local Authorities (Funds) (England) Regulations 1992 (S1 1992/2428), which is to be transferred to (+)/from (-) the authority's Collection Fund in 2008-09 in accordance with section 97(4) and (3) respectively of the Local Government Finance Act 1988. ("the 1988 Act"). The amounts should be shown to the nearest £.

Line 11: the Council Tax requirement for the billing and local precepting authorities. This is the amount calculated under section 97(1) of the 1988 Act to be transferred from the Collection Fund to the General Fund (except where the amount calculated is negative, in which case it is the amount to be transferred from the General Fund to the Collection Fund). The amounts should be shown to the nearest £.

Line 12: the taxbase figure calculated by the authority for 2008-09 under section 33 of the 1992 Act. The figure should be shown to one decimal place and should not be affected by any decision made under section 13A of the LGFA 1992 to reduce the amount of tax payable (by granting locally-financed discounts or exemptions).

Line 13: the estimate of the collection rate for 2008-09 as made in accordance with Regulation 3 of the Local Authorities (Calculation of Council Tax Base) Regulations 1992 (SI 1992/612). This should not be more than 100%.

Line 14: the amount which the authority has taken into account in its taxbase for the year in respect of sums which are likely to be paid by the Secretary of State for

Defence for Class O exempt dwellings situated in its area. The figure should be shown to one decimal place.

Line 15: the taxbase figure calculated by the authority for 2008-09 under section 33 of the 1992 Act. (Line 12 x line 13) + line 14 should equal this amount. The figure should be shown to one decimal place and should not be affected by any decision made under section 13A of the LGFA 1992 to reduce the amount of tax payable (by granting locally-financed discounts or exemptions).

Line 16: this should be the same as the basic amount of Council Tax calculated by the billing authority under section 33 of the 1992 Act. It should **include** any local precepts. The amounts must be shown to the nearest penny. The subsequent box is a check to ensure that this calculation is correct. If a figure is shown in the box it is the difference between the expected figure and the figure provided.

Line 17: this should be the same as the basic amount of Council Tax calculated by the billing authority under section 33 of the 1992 Act **excluding** any local precepts. The amounts must be shown to the nearest penny. The subsequent box is a check to ensure that this calculation is correct. If a figure is shown in the box it is the difference between the expected figure and the figure provided.

Lines 18a, 18b & 18c:

Column 1: the Council Tax Requirement for Major Precepting Authorities. This is the amount stated in the precept as the amount payable for the year in accordance with section 40(2)(b) of the 1992 Act. The amounts should be shown to the nearest £.

Column 2: the average Band D Council Tax for 2008-09. This is calculated by dividing column 1 by line 15 and should equal the amount notified to the billing authority by the precepting authority under section 40(2)(a) of the 1992 Act. The amounts must be shown to the nearest penny.

Line 19: the sum of the council tax figures shown in lines 16, 18a, 18b and 18c. It represents the average headline (Band D 2 adult equivalent) council tax for the area of the billing authority. The amounts must be shown to the nearest penny.

Reserves (Lines 20 to 22):

Line 20 - general note: The amounts given in line 20 should reflect the estimated position as at 1 April 2008, **BEFORE** appropriations, or transfers to / from other authorities. They should **EXCLUDE** pension fund reserves, HRA balances, unused usable capital receipts, provisions and Collection Fund or trust fund balances. Amounts held in pensions reserves introduced in connection with FRS17 should also be **EXCLUDED**.

Column 1: this should **INCLUDE** General Fund balances and reserves which have **NOT** been earmarked, although reserves which have been earmarked for future Council Tax reduction or budget support should be **INCLUDED**. The amount should be shown to the nearest £.

Column 2: this should include only amounts which have been contributed from the General Fund and have been earmarked for particular purposes e.g. for insurance or capital purposes. It should **EXCLUDE** schools reserves (as reported at column 3) and amounts earmarked for future Council Tax reduction or budget support held in these reserves and unapplied capital receipts. The amount should be shown to the nearest £.

Column 3: this should include the latest estimate of balances held by or on account of schools as part of their budget shares under the Individual Schools Budget. The amount should be shown to the nearest £.

Line 21: the aggregate of appropriations from / to financial reserves to / from Revenue Accounts (other than the HRA) of the General Fund (or City Fund in the case of the City of London) as taken into account in the calculation of the Budget Requirement for 2008-09. The amount should be shown to the nearest £.

They should **EXCLUDE** pension fund reserves, HRA balances, unused usable capital receipts, provisions and Collection Fund or trust fund balances. Amounts held in pensions reserves introduced in connection with FRS17 should also be **EXCLUDED**.

For the purposes of the aggregation, amounts withdrawn from reserves are negative, amounts transferred to reserves are positive.

Line 22: the estimated General Fund (or City Fund in the case of the City of London) revenue reserves at 31 March 2009, calculated as lines 20 + 21. The amount should be shown to the nearest £.

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