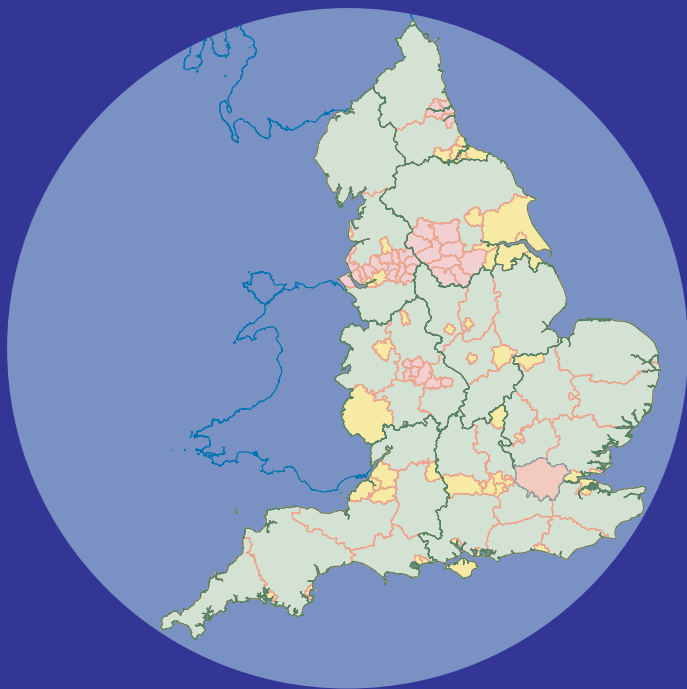


*Local Government
Finance Key Facts:
England*



General fund revenue account outturn 2004-05 to 2007-08 and budget 2008-09^(a)

	2004-05	2005-06	2006-07	2007-08	£ million 2008-09 ^(b)
				(P)	(B)
Education	33,290	36,020	37,942	40,085	41,480
Highways & transport	4,673	4,843	5,316	5,629	6,101
Social care	16,310	17,359	18,108	18,607	19,478
Housing (excluding Housing Revenue Account) ^(b)	13,288	14,066	14,963	15,856	15,987
Cultural, environmental & planning	8,519	9,162	9,658	10,131	10,361
Police	10,206	10,957	11,651	11,807	12,229
Fire & rescue	1,925	2,040	2,193	2,225	2,364
Courts	460	58	62	70	69
Central services	2,953	2,432	3,429	3,535	3,695
Other services	275	206	159	363	328
Total net current expenditure	91,902	97,142	103,482	108,309	112,094
<i>plus non-current expenditure</i>					
Capital financing	2,362	2,473	2,993	3,009	3,570
Capital Expenditure charged to Revenue Account	957	891	1,103	1,095	1,234
Other non-current expenditure	3,062	3,194	3,350	3,450	3,561
Pension interest costs	3,947	4,785	4,534	4,809	3,782
<i>less interest receipts</i>	1,125	1,214	1,481	1,863	1,264
<i>less specific grants outside AEF</i>	17,311	18,267	19,643	20,782	19,817
Revenue expenditure	83,795	89,004	94,339	98,026	103,159
<i>less specific grants inside AEF^(c)</i>	14,090	14,785	41,741	44,533	42,133
<i>less Area Based Grant (ABG)^(d)</i>	-	-	-	-	2,731
Net revenue expenditure	69,705	74,219	 52,598	53,493	58,295
Use of reserves	1,347	816	698	1,499	-1,204
Appropriation to/from pension reserves	-4,492	-4,582	-5,890	-5,596	-4,704
Other adjustments	2	24	16	2	0
Budget requirement	66,561	70,477	 47,421	49,398	52,387
Revenue Support Grant ^(e)	-26,964	-26,663	-3,378	-3,105	-2,854
Redistributed non-domestic rates	-15,004	-18,004	-17,506	-18,506	-20,506
Police grant	-4,168	-4,353	-3,936	-4,028	-4,136
Other	-126	-141	-149	-150	-133
Council tax requirement	20,299	21,315	22,453	23,608	24,759

(a) Produced on a Financial Reporting Standard 17 (FRS17) basis.

(b) Includes mandatory rent allowances, mandatory rent rebates and rent rebates granted to HRA tenants.

(c) From 2006-07 local authorities receive funding for schools through the specific grant entitled Dedicated Schools Grant (DSG) rather than funding previously included in formula grant.

(d) Area Based Grant is a new non-ringfenced grant replacing a number of grants previously reported as specific grants inside AEF.

(e) Figures are after any authorities were designated, requiring them to reset their budgets.

Financing of revenue expenditure since 1993-94^(a)

	Revenue expenditure ^(b) (£ million)	Government grants (£ million)	Redistributed non-domestic rates ^(c)		Council tax		% of total
			% of total	(£ million)	% of total	(£ million)	
Council tax system							
1993-94	41,506	21,685	52	11,584	28	8,912	21
1994-95	43,602	23,679	54	10,692	25	9,239	21
1995-96	44,827	23,335	52	11,361	25	9,777	22
1996-97	46,532	23,003	49	12,743	27	10,461	22
1997-98	47,256	23,840	50	12,034	25	11,241	24
1998-99	50,189	25,291	50	12,531	25	12,332	25
1999-00	53,651	26,421	49	13,619	25	13,278	25
2000-01	57,329	27,809	49	15,407	27	14,200	25
2001-02	61,952	31,469	51	15,144	24	15,246	25
2002-03	65,898	32,634	50	16,639	25	16,648	25
2003-04	75,244	41,777	56	15,611	21	18,946	25
2004-05	79,303	45,258	57	15,004	19	20,299	26
2005-06	84,423	45,839	54	18,004	21	21,315	25
2006-07	88,449	49,093	56	17,506	20	22,453	25
2007-08 (P)	92,430	51,704	56	18,506	20	23,608	26
2008-09 (B) ^(d)	98,455	51,902	53	20,506	21	24,759	25

(a) Produced on a Non Financial Reporting Standard 17 basis.

(b) The sum of government grants, redistributed non-domestic rates and council tax does not normally exactly equal revenue expenditure because of the use of reserves.

(c) This includes the income that the City of London receives and retains from the use of its own multiplier.

(d) Figures are after any authorities were designated, requiring them to reset their budgets.

Central government revenue funding of local government

	2004-05	2005-06	2006-07	2007-08	£ million 2008-09
				(P)	(B) ^(f)
Revenue Support Grant ^(a)	26,964	26,663	3,378	3,105	2,854
Redistributed non-domestic rates ^(a)	15,004	18,004	17,506	18,506	20,506
Police grant	4,168	4,353	3,936	4,028	4,136
Formula Grant	46,136	49,020	 24,820	25,639	27,496
General Greater London Authority (GLA) grant	36	37	38	38	48
Area Based Grant (ABG) ^(c)	-	-	-	-	2,731
Specific & special grants ^{(a) (c)}	14,090	14,785	41,741	44,533	42,123
<i>of which the five largest for 2008-09:</i>					
<i>Dedicated Schools Grant (DSG)</i>	-	-	26,321 ^(d)	28,061	29,012
<i>GLA Transport Grant</i>	2,261	2,181	2,391 ^(d)	2,521	2,663
<i>Standards Fund^(e)</i>	2,041	2,490	3,076 ^(d)	2,772	2,661
<i>Supporting People Grant</i>	1,654	1,600	1,544 ^(d)	1,588	1,618
<i>School Standards Grant (including Personalisation)</i>	874	882	1,360 ^(d)	1,428	1,459
Aggregate External Finance (AEF)	60,262	63,842	66,599	70,210	72,398

- (a) Comparisons across years may not be valid due to changing local authority responsibilities and methods of funding. In particular, the large switch between Revenue Support Grant and specific & special grants in 2006-07 was largely due to the introduction of the Dedicated Schools Grant as a specific grant.
- (b) This includes the income that the City of London receives and retains from the use of its own multiplier.
- (c) Area Based Grant is a new non-ringfenced grant replacing a number of grants previously reported as specific grants inside AEF.
- (d) The Statistical Release of provisional outturn figures for 2007-08 does not include the breakdown of individual grants, so budget figures are presented.
- (e) Previously called Standards Fund - Other. From 2008-09 excludes elements now in Area Based Grant.
- (f) Figures are after any authorities were designated, requiring them to reset their budgets.

Level of revenue reserves^(a)

	Schools reserves	Other earmarked reserves	Unallocated reserves	£ million Non-schools total reserves
At 1 April				
1997	538	3,354	2,254	5,608
1998	499	3,336	2,011	5,347
1999	539	3,799	2,064	5,863
2000	694	3,895	1,863	5,758
2001	1,007	4,047	1,755	5,802
2002	1,103	3,732	1,756	5,488
2003	1,132	4,198	2,224	6,422
2004	1,315	5,484	2,678	8,162
2005	1,498	6,831	2,774	9,605
2006	1,596	8,104	2,939	11,044
2007 (P)	1,756	8,094	3,202	11,296
At 31 March				
2008 (P)	1,996	9,135	3,421	12,556

(a) Pensions reserve levels are not included. The pensions reserve is the product of the difference between the accounting entries for pensions required by the Financial Reporting Standard 17 accounting standard and the cash based pensions transactions of the authority; it does not represent a resource that is available to spend.

Capital expenditure, receipts and financing

	2004-05	2005-06	2006-07	2007-08 (2P) ^(a)	£ million 2008-09 (F)
Capital expenditure					
Education	3,087	3,492	3,442	3,711	4,733
Highways & Transport	2,905	3,461	3,480	5,917	4,390
Housing	3,987	4,534	4,507	5,007	4,350
Other	4,297	5,154	4,879	5,317	6,412
Total capital expenditure	14,276	16,641	16,307	19,952	19,884
Expenditure by virtue of a section 40(6) or 16(2)(b) direction	119	148	163	376	...
Notional capital receipts set aside and Large Scale Voluntary Transfer Levy	9	8	2	22	...
Total expenditure and other transactions	14,404	16,797	16,472	20,350	...
Financed by:				(2P)	
Borrowing supported by central government	3,663	3,879	3,364	2,929	...
Self-financed borrowing	1,061	2,251	2,291	3,138	...
Central government grants	3,196	3,909	4,083	7,008	...
Use of capital receipts	2,647	2,812	2,628	2,663	...
General Fund, Housing Revenue Account & Major Repairs					
Reserve financing	2,757	2,568	2,763	2,593	...
Other resources	1,080	1,377	1,344	2,018	...
Total financing	14,404	16,797	16,472	20,350	...
Total capital receipts	4,661	3,777	3,671	3,998	...

(a) Includes GLA (TfL) grant payment of £1.7 billion in respect of Metronet. This impacts upon the Highways & Transport and Central Government Grants figures and hence the expenditure and financing totals.

Summary of local government expenditure and income 2004-05 to 2006-07

	2004-05	2005-06	£ million 2006-07
Income			
Total revenue income	117,441	125,406	131,660
Total capital income	8,947	9,075	9,097
Total income	126,388	134,481	140,758
<i>less</i>			
Expenditure			
Total revenue expenditure	112,150	120,790	126,983
Total capital expenditure	14,276	16,641	16,307
Capitalised revenue expenditure ^(a)	128	156	165
Pooling of housing capital receipts ^(b)	1,637	1,045	817
Total expenditure	128,191	138,632	144,272
<i>equals</i>			
Amount to be met from financing movements	-1,803	-4,151	-3,514
<i>of which:</i>			
Overhanging debt on housing sold	591	386	546
Increase in borrowing	2,472	5,961	2,538
Less increase in investments	-1,638	-2,362	-2,120
Balancing item, including timing adjustments ^(c)	378	166	2,550

(a) Comprises capitalised revenue expenditure under section 16(2)(b) of the Local Government Act 2003 and LSVT (Large Scale Voluntary Transfer) levy.

(b) Capital receipts applied to make payments to the Secretary of State under regulations 12 and 13 of the Local Authorities (Capital Finance and Accounting) (England) Regulations 2003.

(c) The balancing item is the difference between the expenditure and income account and includes, amongst other items, unresolved inconsistencies between data sources, movements in cash balances and timing adjustments.

Local government net borrowing (United Kingdom)

	2003-04	2004-05	2005-06	2006-07	£ billion 2007-08
Local government net borrowing	0.2	3.9	5.4	2.5	-0.6
Public sector net borrowing	33.1	39.6	37.8	30.4	35.8

Local government expenditure in national expenditure (United Kingdom)

Local government share of Total Managed Expenditure ^(a) (2007-08)	27%
Local government share of Domestic Expenditure ^(b) (2007-08)	9%

Source: Office for National Statistics September 2008

(a) HM Treasury measure of public expenditure.

(b) Total domestic expenditure in the UK economy, as defined in the National Accounts.

Local Government Pension Scheme 2003-04 to 2007-08

	2003-04	2004-05	2005-06	2006-07	£ million 2007-08
Expenditure					
Total Expenditure on benefits	3,770	4,014	4,272	4,757	5,222
<i>of which:</i>					
<i>Pensions or annuities</i>	3,215	3,404	3,611	3,816	4,100
<i>Lump sums paid on retirement</i>	483	540	581	859	1,038
<i>Lump sums paid on death</i>	69	69	78	81	84
<i>Other benefits</i>	3	2	2	1	1
Disposal of liabilities	703	821	896	629	563
<i>of which:</i>					
<i>Transfer values</i>	645	768	853	598	540
<i>Pensions Act premiums</i>	31	28	29	26	19
<i>Refunds of contributions</i>	27	24	14	5	4
Costs charged to the funds	218	251	290	349	375
<i>of which:</i>					
<i>Fund Management costs</i>	138	162	199	254	270
<i>Administration costs</i>	80	88	91	95	105
Other expenditure	18	16	15	19	27
Total expenditure	4,709	5,101	5,473	5,754	6,187
Income					
Employees' contributions	1,334	1,431	1,576	1,605	1,680
Employers' contributions ^(a)	3,217	3,544	4,124	4,626	5,009
Investment income (gross)	2,145	2,322	2,639	3,019	3,165
Transfer values	840	987	1,044	754	707
Other income	37	40	43	59	50
Total income	7,573	8,325	9,426	10,063	10,610

(a) Includes employers' secondary contributions

Council tax in-year collection rates from 2003-04 to 2007-08

Receipts as a percentage of net collectable debit

		Inner London boroughs ^(a)	Outer London boroughs	Metro- politan districts	Unitary authorities	Shire districts	%
2003-04	96.5	92.0	95.0	95.6	95.5	97.8	
2004-05	96.6	92.9	95.1	95.7	95.8	97.8	
2005-06	96.8	93.9	95.4	95.6	96.4	97.9	
2006-07	96.9	94.1	95.5	95.3	96.6	98.0	
2007-08	97.1	94.7	96.0	95.6	96.7	98.1	

(a) Includes City of London

Non-domestic rates in-year collection rates from 2003-04 to 2007-08

Receipts as a percentage of net collectable debit

		Inner London boroughs ^(a)	Outer London boroughs	Metro- politan districts	Unitary authorities	Shire districts	%
2003-04	98.3	98.5	98.2	97.8	97.8	98.6	
2004-05	98.3	98.3	98.3	97.9	98.1	98.7	
2005-06	98.4	97.9	98.4	97.9	98.4	98.8	
2006-07	98.7	98.5	98.7	98.3	98.8	98.9	
2007-08	98.8	98.9	98.9	98.5	98.6	99.0	

(a) Includes City of London

Average council taxes and year-on-year changes from 1993-94 to 2008-09^(a)

	Council tax (Band D, 2 adults for area)			Average council tax per dwelling		
	£	% change	% change real terms ^(b)	£	% change	% change real terms ^(b)
1993-94	568			456		
1994-95	580	2.1	-0.4	473	3.8	1.2
1995-96	609	5.0	1.6	498	5.3	1.9
1996-97	646	6.1	3.6	525	5.4	2.9
1997-98	688	6.5	4.0	564	7.4	4.9
1998-99	747	8.6	4.4	614	8.9	4.6
1999-00	798	6.8	5.1	656	6.8	5.2
2000-01	847	6.1	3.1	697	6.3	3.2
2001-02	901	6.4	4.5	741	6.3	4.5
2002-03	976	8.2	6.7	804	8.5	6.9
2003-04	1,102	12.9	9.5	908	12.9	9.5
2004-05	1,167	5.9	3.3	967	6.5	3.9
2005-06	1,214	4.1	0.8	1,009	4.3	1.1
2006-07	1,268	4.5	1.9	1,056	4.7	2.0
2007-08	1,321	4.2	-0.3	1,101	4.3	-0.2
2008-09	1,373	3.9	-0.3	1,145	4.0	-0.2
% change 1993-94 to 2008-09		141.8	58.8		151.1	65.0

(a) Amounts shown are headline taxes, before transitional reliefs and benefits or rebates and after any authorities were designated, requiring them to reset their budgets.

(b) Adjusted using the All Items Retail Prices Index (RPI) as at April each year.

National non-domestic rate yield, from local lists, since 2004-05

	2004-05	2005-06	2006-07	2007-08	£ million 2008-09 (B)
Yield before reliefs in respect of current year	17,908	19,484	20,013	20,516	21,449
<i>add</i>					
Changes in respect of previous years	-982	-740	-477	-947	0
Yield before reliefs	16,925	18,745	19,536	19,569	21,449
<i>less</i>					
Transitional Relief	-45	822	278	-119	69
Mandatory Relief	1,929	2,061	2,191	2,134	1,869
Discretionary Relief	36	36	38	39	39
Small Business Rate Relief	-	-104	-57	147	87
Buoyancy Factor Allowance	-	-	-	-	169
Net rate yield	15,005	15,930	17,087	17,369	19,216
<i>less</i>					
Collection costs including losses	267	251	233	232	222
Contribution to the pool	14,738	15,677	16,853	17,136	18,993
					(B)
Small business rate multiplier (pence)	-	41.5	42.6	44.1	45.8
Standard business rate multiplier (pence)	45.6	42.2	43.3	44.4	46.2
Number of hereditaments ('000) ^(a)	1,645	1,651	1,663	1,681	1,692
Rateable value ^(a)	39,466	46,280	47,094	47,314	46,888

(a) As at 31 December in previous year.

Mandatory and discretionary rate reliefs since 2004-05

	2004-05	2005-06	2006-07	2007-08	£ million 2008-09 (B)
Mandatory Reliefs					
Charity	625.2	678.1	759.5	771.3	821.5
Rural village shop	6.3	5.7	5.2	5.5	5.9
Former agricultural premises ^(a)	1.2	1.4	0.6	0.0	-
Partly occupied ^(b)	47.8	54.6	54.5	55.9	28.6
Empty premises ^(b)	1,244.7	1,313.5	1,361.8	1,290.5	1,001.2
Community amateur sports club	3.9	7.3	9.4	10.5	11.4
Total	1,929.1	2,060.6	2,191.0	2,133.7	1,868.6
Discretionary Reliefs					
Charity	7.1	7.6	8.2	8.8	9.0
Non-profit making bodies	24.8	23.6	25.4	25.8	26.9
Rural village shop	2.0	1.9	1.9	2.0	2.1
Other small rural business	1.3	1.2	1.2	1.3	1.2
Former agricultural premises ^(a)	0.1	0.1	0.1	0.0	-
Hardship ^(c)	0.9	1.0	1.4	1.0	-
Charges on property ^(c)	0.0	0.0	0.0	0.0	-
Community amateur sports club	0.1	0.2	0.1	0.2	0.2
Total	36.3	35.7	38.2	39.0	39.4

(a) Relief for former agricultural premises ceased on 15 August 2006.

(b) The rates of relief for partly occupied and empty properties changed from 1 April 2008.

(c) No estimates are made for the provision of hardship relief or charges on property at budget stage.

Number of dwellings on valuation list as at 30 March 2008 (by region)

	thousand								
Valuation band ranges	Band A £40,000 and Under	Band B £40,001 to £52,000	Band C £52,001 to £68,000	Band D £68,001 to £88,000	Band E £88,001 to £120,000	Band F £120,001 to £160,000	Band G £160,001 to £320,000	Band H Over £320,000	Total
Ratio to Band D	6/9	7/9	8/9	1	11/9	13/9	15/9	2	
North East	659	170	168	91	46	20	12	1	1,167
North West	1,318	605	542	312	182	88	60	6	3,114
Yorkshire & the Humber	1,011	450	376	210	131	63	36	3	2,280
East Midlands	730	431	346	205	121	59	34	3	1,928
West Midlands	735	584	448	257	162	87	54	5	2,333
East of England	354	524	649	431	262	142	97	12	2,471
London	112	445	884	834	499	250	201	56	3,282
South East	316	597	930	723	481	291	233	32	3,603
South West	404	568	537	368	246	125	72	7	2,329
Total England	5,640	4,374	4,881	3,433	2,130	1,125	797	126	22,507
% in band	25.1	19.4	21.7	15.3	9.5	5.0	3.5	0.6	100.0

Source: Valuation Office Agency

Number of chargeable dwellings^(a)

	thousand				
	2003	2004	2005	2006	2007
Total number of dwellings on valuation lists	21,662	21,825	21,980	22,177	22,388
Number of dwellings exempt from council tax	667	692	710	735	762
Number of demolished dwellings	4	5	4	4	3
Number of dwellings on valuation list liable for council tax^(b)	20,991	21,129	21,267	21,439	21,623
Number of dwellings subject to a discount	7,984	7,993	8,018	8,070	8,106
of which:					
second homes ^(c)	213	229	236	240	239
long-term empty homes ^(d)	366	241	212	209	188
single adults	7,181	7,298	7,351	7,432	7,485
all residents disregarded for council tax purposes	29	38	33	32	32
all but one resident disregarded for council tax purposes	195	187	186	156	162
Number of dwellings not subject to a discount	13,007	13,135	13,249	13,369	13,517
of which:					
long-term empty homes ^(d)	–	77	102	111	126
others	13,007	13,058	13,147	13,259	13,391

(a) As at 16 October 2003, 11 October 2004, 19 September 2005, 18 September 2006 and 17 September 2007

(b) Total dwellings on valuation list less those exempt from council tax and demolished dwellings

(c) Second homes are subject to a discount of between 10% and 50%

(d) Long-term empty homes are those dwellings which are unoccupied and substantially unfurnished. Since 2004, long-term empty homes can be subject to a discount of between 0% and 50% subject to local authority discretion.

Symbols and conventions

- B = Budget estimates as reported by authorities
- F = Forecast estimates
- P = Provisional estimates
- 1P = First Provisional estimates
- 2P = Second Provisional estimates
- || = Discontinuity in the data
- ... = Not available
- = Not relevant
- = Negative
- 0 = Zero or negligible

Further information

For more detailed data, additional tables and more information on sources please refer to Local Government Financial Statistics publications at: www.local.communities.gov.uk/finance/stats/index.htm

In addition the 18th edition of Local Government Financial Statistics (pictured below) presents the latest in an annual series of publications which serve to provide a vital explanation of their subject. This can be found at the following link: www.local.communities.gov.uk/finance/stats/lgfs/2008/index.htm



The 19th edition is due out in mid-2009, and will be available on the Local Government Finance Statistics website.

National Statistics Publication

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