

Annex D

Definition of Indicators Used for Each Authority in the Calculation of Relative Needs Formulae

Introduction

Unless otherwise stated, data used to construct indicators for the calculation of Relative Needs Formulae (RNF) are those available to the Secretary of State on 1 October 2007 concerning the authorities relevant to the calculation of specific RNF elements.

Data used to construct indicators for this purpose for receiving authorities which are reorganised authorities comprise such data available, unless otherwise stated, on 1 October 2007 concerning the predecessor authorities, or parts of the predecessor authorities, as the Secretary of State considers appropriate. A reorganised authority is an authority subject to a structural, or a structural and boundary change, which came into effect on 1 April 1995, 1 April 1996, 1 April 1997, 1 April 1998, 1 April 2000 or 1 April 2007 and which is made by an order under section 17 of the Local Government Act 1992 or under section 323 of the Greater London Authority Act 1999 or under section 2 of the Fire and Rescue Services Act 2004. Reorganised authorities for this purpose are listed in Annex I.

The following definitions are ordered according to the indicators required for the calculation of RNF elements for the seven major service blocks.

I Children's Services

**PROJECTED
POPULATION AGED
13 TO 19 IN 2008**

The projected number of residents aged 13-19 years in 2008, as estimated by the Registrar General and published on 27 September 2007.

**CHILDREN OF
INCOME SUPPORT/
INCOME BASED
JOBSEEKER'S
ALLOWANCE
CLAIMANTS ABOVE
THRESHOLD**

Either:

CHILDREN OF INCOME SUPPORT / INCOME BASED JOBSEEKER'S ALLOWANCE CLAIMANTS (as defined below) *minus* 0.0971

or zero, whichever is the greater.

**CHILDREN OF
INCOME SUPPORT/
INCOME BASED
JOBSEEKER'S
ALLOWANCE
CLAIMANTS**

The average number of dependent children of claimants receiving Income Support/Income based Jobseeker's Allowance, over a period between August 2000 and August 2002, using 100% scan of claimants made in August of each year as estimated by the Secretary of State for Work and Pensions; *divided* by the number of resident children under 18 years of age at 30 June 2003 as estimated by the Registrar General and published on 22 August 2007.

The number of dependent children of claimants receiving Income Support/Income Based Jobseeker's Allowance has been adjusted by the Secretary of State to take account of negative effects of seasonality as estimated by the Office for National Statistics on the basis of 3 years of quarterly information.

**SECONDARY LOW
ACHIEVING ETHNIC
GROUPS ABOVE
THRESHOLD**

Either:

PUPILS OF SECONDARY SCHOOL AGE IN LOW ACHIEVING ETHNIC GROUPS (as defined below); *minus* 0.0079

or zero, whichever is the greater.

**PUPILS OF
SECONDARY
SCHOOL AGE IN
LOW ACHIEVING
ETHNIC GROUPS**

The number of pupils in secondary schools who are from ethnic groups which are considered by the Secretary of State for Children, Schools and Families to be low achieving *divided* by the number of pupils in secondary schools who had an ethnic group recorded, based on a count at the beginning of the spring term 2007, as estimated by the Secretary of State for Children, Schools and Families.

The low achieving ethnic groups comprise of the ethnic categories:

- Gypsy/Roma and Travellers of Irish Heritage
- White and Black African
- White and Black Caribbean
- Pakistani
- Bangladeshi
- Black Caribbean
- Black African
- Any 'other Black' background
- Any 'other ethnic' group

PUPILS AGED 3 TO 18 The full-time equivalent number of pupils aged 3 to 18, calculated as

The sum of:

- (i) **PUPILS AGED 2 WITH SPECIAL EDUCATIONAL NEEDS** (as defined below) *divided by 2; plus*
- (ii) **PUPILS AGED 3** (as defined below) *divided by 2; plus*
- (iii) **PUPILS AGED 4** (as defined below); *plus*
- (iv) **PUPILS AGED 5 AND OVER** (as defined below); *plus*
- (v) **PUPILS AT ACADEMIES** (as defined below)

Pupils at independent schools becoming maintained schools

Numbers of pupils aged 3 and over have been adjusted, as the Secretary of State for Children, Schools and Families considers appropriate, to reflect:

- (i) the estimated number of children in independent schools in respect of which the Secretary of State for Children, Schools and Families had approved by 1 October 2007 proposals under section 212 of the Education Act 1996 for such schools to be maintained by a local education authority during the 2008-2009 financial year; and
- (ii) the estimated number of children in independent schools in respect of which the Secretary of State for Children, Schools and Families had approved by 1 October 2007 proposals under section 41 of the Education Act 1996 for such schools to be maintained by a local education authority during the 2008-2009 financial year.

PUPILS AGED 2 WITH SPECIAL EDUCATIONAL NEEDS The part-time equivalent number of pupils aged 2 with Special Educational Needs at 31 December 2006, as estimated by the Secretary of State for Children, Schools and Families on the basis of a count at the beginning of the spring term 2007.

PUPILS AGED 3 The sum of:

- (i) The part-time equivalent number of pupils aged 4 at 31 December 2006 but aged 3 at 31 August 2006 in maintained schools; *plus*
- (ii) The part-time equivalent number of pupils aged 4 at 31 December 2006 but aged 3 at 31 August 2006 in private, voluntary and independent settings in receipt of a place funded by the local education authority; *plus*

Either:

- (iii) The part-time equivalent number of pupils aged 3 at 31 December 2006 in maintained schools; *plus*
- (iv) The part-time equivalent number of pupils aged 3 at 31 December 2006 in private, voluntary and independent settings funded by the local education authority;

or

- (v) the resident population aged 3 at 30 June 2006, as estimated by the Registrar General, *multiplied by 0.90,*

Whichever is the greater.

Part-time equivalent numbers of pupils aged 3 at 31 December 2006 and part-time equivalent numbers of pupils aged 4 at 31 December 2006 but aged 3 at 31 August 2006 in the maintained sector are estimated by the Secretary of State for Children, Schools and Families, mainly on the basis of a count at the beginning of the spring term 2007. Pupils in the count are those who were registered at nursery, community, foundation or voluntary schools or community or foundation special schools maintained by the authority. This also includes pupils registered at independent schools, or schools not maintained by an authority and approved by the Secretary of State for Children, Schools and Families as special schools under Section 342 of the Education Act 1996, and in respect of whom the tuition fees are paid in full by the authority. In calculating the part-time equivalent number of pupils, both part time pupils and full time pupils are counted as one part-time equivalent pupil.

Part-time equivalent numbers of pupils aged 3 at 31 December 2006, and part-time equivalent numbers of pupils aged 4 at 31 December 2006 but aged 3 at 31 August 2006, in the private, voluntary or independent sectors are estimated by the Secretary of State for Children, Schools and Families on the basis of a count at the beginning of the spring term 2007. Pupils in the count are those who are receiving nursery education, which is funded by the local education authority and provided in the private, voluntary or independent sectors by a person other than a local education authority. This also includes pupils educated in local authority provision outside nursery or maintained schools but not in private, voluntary or independent settings and for whom funding is provided by the local education authority. In calculating the part-time equivalent number of pupils, five sessions or above are calculated to be the equivalent of a part-time pupil. Pupils attending for less than five sessions are counted pro-rata to the number of sessions attended; for example a pupil attending one session a week will be counted as one fifth of a part-time equivalent pupil.

PUPILS AGED 4

The sum of:

- (i) The full-time equivalent number of pupils who had attained the age of 4 and had not attained the age of 5 in schools maintained by the authority at 31 August 2006; *plus*
- (ii) The full-time equivalent number of pupils who had attained the age of 4 and had not achieved the age of 5 at 31 August 2006 in private, voluntary and independent settings and in receipt of a place funded by the local education authority.

Full-time equivalent numbers of pupils aged 4 in maintained schools are estimated by the Secretary of State for Children, Schools and Families, mainly on the basis of a count at the beginning of the spring term 2007. Pupils in the count are those who were registered at nursery, community,

foundation or voluntary schools or community or foundation special schools maintained by the authority. This also includes pupils registered at independent schools, or schools not maintained by an authority and approved by the Secretary of State for Children, Schools and Families as special schools under Section 342 of the Education Act 1996, and in respect of whom the tuition fees are paid in full by the authority. In calculating the full-time equivalent number of pupils, part-time pupils have been calculated as half the value of full-time pupils.

Full-time equivalent numbers of pupils who had attained the age of 4 and had not attained the age of 5 as at 31 August 2006, in the private, voluntary or independent sectors are estimated by the Secretary of State for Children, Schools and Families on the basis of a count at the beginning of the spring term 2007. Pupils in the count are those who are receiving nursery education, which is funded by the local education authority and provided in the private, voluntary or independent sectors by a person other than a local education authority. This also includes pupils educated in local authority provision outside nursery or maintained schools but not in private, voluntary or independent settings and for whom funding is provided by the local education authority. In calculating the full-time equivalent number of pupils, ten sessions are calculated to be the equivalent of a full-time pupil and pupils attending sessions below this are counted pro-rata to the number of sessions attended, for example a pupil attending one session a week will count as one tenth of a full-time equivalent pupil.

PUPILS AGED 5 AND OVER

The number of pupils aged 5 and over at 31 August 2006, as estimated by the Secretary of State for Children, Schools and Families mainly on the basis of a count at the beginning of the spring term 2007.

Pupils in the count are those at schools maintained by the authority or grant maintained schools in the area of the authority, sixth forms, Pupil Referral Units and pupils educated otherwise than in maintained schools under arrangements made by the authority.

PUPILS IN ACADEMIES

The number of pupils aged 3 to 18 in academies, as estimated by the Secretary of State for Children, Schools and Families on the basis of a count at the beginning of the spring term 2007.

RESIDENT PUPILS AGED 3 TO 18

The number of pupils aged 3 to 18 resident in the Local Authority area at 31 August 2006, as estimated by the Secretary of State for Children, Schools and Families based mainly on a count at the beginning of the spring term 2007.

WARD SPARSITY

The sum of:

- (i) 3.5 *multiplied by* the resident population of those wards within the area of the authority at the 2001 Census with 0.5 or less residents per hectare, *divided by* the total resident population of the authority, calculated using information from the 2001 Census; *and*
- (ii) The resident population of those wards within the area of the authority at the 2001 Census with more than 0.5 but less than or

equal to 4 residents per hectare, *divided by* the total resident population of the authority, calculated using information from the 2001 Census.

**PROJECTED
POPULATION AGED
0 TO 17 IN 2008**

The projected number of residents under 18 years of age in 2008, as estimated by the Registrar General and published on 27 September 2007.

**CHILDREN WITHOUT
GOOD HEALTH**

The proportion of children aged 0 to 18 in fairly good health or bad health, calculated using the information from the 2001 Census.

**INCOME SUPPORT/
INCOME BASED
JOBSEEKER'S
ALLOWANCE/
GUARANTEE
ELEMENT OF
PENSION CREDIT
CLAIMANTS AGED 18
TO 64 YEARS**

The number of Income Support/Income based Jobseekers Allowance/ Guarantee Element of Pension Credit claimants aged between 18 to 64 inclusive, over a period between:

- a) May 2004 and February 2007, using twelve quarterly scans for this period for Income Support/ Guarantee Element of Pension Credit claimants, *and*
- b) August 2004 and August 2006, using scans made at the end of August of each year for Income based Jobseekers Allowance claimants,

as estimated by the Secretary of State for Work and Pensions, *divided by* the Resident population aged between 18 to 64 years at 30 June 2006, as estimated by the Registrar General.

**CHILDREN IN BLACK
ETHNIC GROUPS**

The proportion of children aged 0 to 15 in black ethnic groups (Black Caribbean, Black African or other Black ethnicity), calculated using the information from the 2001 Census.

**FOSTER COST
ADJUSTMENT**

A factor to reflect differences in the cost of providing foster care. This is calculated as:

- (i) 14.8648 *multiplied by* **PEOPLE IN OTHER ETHNIC GROUPS** (as defined below); *plus*
- (ii) 34.3436 *multiplied by* **PEOPLE IN MIXED ETHNIC GROUPS** (as defined below); *plus*
- (iii) 14.0199 *multiplied by* **PEOPLE AGED 16 TO 74 WHOSE HIGHEST QUALIFICATION ATTAINED WAS LEVEL 1 OR 2** (as defined below); *plus*
- (iv) 6.3347 *multiplied by* **PEOPLE AGED 16 TO 74 WHOSE HIGHEST QUALIFICATION ATTAINED WAS LEVEL 4 OR 5** (as defined below); *plus*
- (v) 20.0811 *multiplied by* **FEMALES AGED 16 TO 74 LOOKING AFTER HOME AND/OR FAMILY** (as defined below); *minus*
- (vi) 4.8612

The result of the above is *divided by* 4.4474, *multiplied by* 0.2, and then *added to* 0.8.

The indicator is the result of the above calculation *divided by* 0.9345 calculated to 4 decimal places.

PEOPLE IN OTHER ETHNIC GROUPS	The proportion of people in other ethnic groups (Chinese or other ethnic group), calculated using information from the 2001 Census.
PEOPLE IN MIXED ETHNIC GROUPS	The proportion of people in mixed ethnic groups (White and black Caribbean, white and black African, white and Asian or other mixed ethnicity), calculated using information from the 2001 Census.
PEOPLE AGED 16 TO 74 WHOSE HIGHEST QUALIFICATION ATTAINED WAS LEVEL 1 OR 2	The proportion of people aged 16 to 74 whose highest qualification attained was level 1 or 2. Level 1 qualification is one or more 'O' level pass, any CSE or GCSE grade, an NVQ level 1 or a foundation GNVQ. Level 2 qualification is five or more 'O' level passes, five or more CSEs (grade 1), five or more GCSEs (grade A to C), a School Certificate, one plus 'A' or 'AS' Level, an NVQ level 2 or an intermediate GNVQ, calculated using information from the 2001 Census.
PEOPLE AGED 16 TO 74 WHOSE HIGHEST QUALIFICATION ATTAINED WAS LEVEL 4 OR 5	The proportion of people aged 16 to 74 with their highest qualification being level 4 or 5. Levels 4 or 5 are a first degree, higher degree, NVQ levels 4 and 5. HNC, HND or Qualified Teacher, Medical Doctor, Dentist, Nurse, Midwife or Health Visitor Status, calculated using information from the 2001 Census.
FEMALES AGED 16 TO 74 LOOKING AFTER HOME AND/OR FAMILY	The proportion of females aged 16 to 74 whose economic activity is looking after the home and/or the family, calculated using information from the 2001 Census.
AREA COST ADJUSTMENT FOR EDUCATION	A factor calculated to reflect differences in the cost of providing education services across the country. The factor is given in Annex H. It is generally based on information derived from the following sources: the 2004, 2005 and 2006 Annual Survey of Hours and Earnings provided by the Office for National Statistics; Base Estimate Returns 1992-93; Subjective Analysis Return 2003-04 and 2005-06; the 2005 Revaluation of Local Authority Schools undertaken by the Valuation Office; and the total resident population at 30 June 2006, as estimated by the Registrar General.
AREA COST ADJUSTMENT FOR CHILDREN'S SOCIAL CARE AND YOUNGER ADULTS' PERSONAL SOCIAL SERVICES	A factor calculated to reflect differences in the cost of providing children's social care and younger adults' personal social services across the country. The factor is given in Annex H. It is generally based on information derived from the following sources: the 2004, 2005 and 2006 Annual Survey of Hours and Earnings provided by the Office for National Statistics; Subjective Analysis Return 2003-04 and 2005-06; Base Estimate Returns 1992-93; Trading Services Revenue accounts 2005-06; Council Personal Social Services Gross Expenditure PSS EX1 2005-06; and the total resident population as at 30 June 2006, as estimated by the Registrar General.