

Department for Communities and Local Government

**Local Government
Finance (England)**

**The Local Government
Finance Report
(England)
Provisional 2010/2011**

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Report by the
Secretary of State for Communities and Local Government
under section 78A of the Local Government Finance Act 1988

*Ordered by The House of Commons
to be printed on nn January 2010*

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1 Introduction

- 1.1 This Report is made by the Secretary of State for Communities and Local Government (“the Secretary of State”), and laid before the House of Commons, under section 78A of the Local Government Finance Act 1988 (“the 1988 Act”)¹. It applies in relation to England only.
- 1.2 This Report sets out the Secretary of State's determination for the financial year 2010/2011, made under section 78 of the 1988 Act², of the amount of Revenue Support Grant for that year, what amount of the grant she proposes to pay to receiving authorities and what amount of the grant she proposes to pay to each specified body. The Report also sets out the basis on which the Secretary of State proposes to distribute among receiving authorities the amount of Revenue Support Grant which, under Part V of the 1988 Act, falls to be paid to such authorities for the financial year 2010/2011.
- 1.3 Before making the determination under section 78 of the 1988 Act, the Secretary of State consulted such representatives of local government as appeared to her to be appropriate and obtained the Treasury's consent.
- 1.4 This Report also sets out the Secretary of State's specification of the amount arrived at under paragraph 9 of Schedule 8 to the 1988 Act³ as the distributable amount for the year 2010/2011. It also specifies, under paragraph 10 of that Schedule, the basis on which the Secretary of State proposes to distribute among receiving authorities the distributable amount for the financial year 2010/2011.
- 1.5 Before making this Report, the Secretary of State notified to such representatives of local government as appeared to her to be appropriate the general nature of the basis of distribution of Revenue Support Grant and the general nature of the basis of distribution of the distributable amount for the financial year 2010/2011.

¹ Section 78A was inserted by paragraph 10 of Schedule 10 to the Local Government Finance Act 1992 (“the 1992 Act”) and amended by paragraph 15 of Schedule 7 to the Local Government Act 2003 (“the 2003 Act”).

² Section 78 was amended by paragraph 9 of Schedule 10 to the 1992 Act, and by paragraph 15 of Schedule 7 to the 2003 Act.

³ Part III of Schedule 8 to the 1988 Act was substituted by paragraph 7 of Schedule 10 to the 1992 Act. Paragraph 9 of Schedule 8 was amended by paragraph 2(3) of Schedule 2 to the 2003 Act.

2 Revenue Support Grant

- 2.1 Pursuant to section 78(3)(a) of the 1988 Act, the Secretary of State hereby determines that the amount of Revenue Support Grant for the financial year 2010/2011 is £n,nnn,nnn,nnn.
- 2.2 Pursuant to section 78(3)(b) of the 1988 Act, she hereby determines that the amount of the grant she proposes to pay to receiving authorities is £n,nnn,nnn,nnn. A receiving authority is any billing authority¹ or major precepting authority².
- 2.3 Pursuant to section 78(3)(c) of the 1988 Act, the Secretary of State hereby determines as the amount of the grant she proposes to pay to each specified body the amount shown against its name in Annex A. Specified bodies are generally bodies which provide services for local authorities and are specified in regulations made by the Secretary of State under section 76(4) of the 1988 Act or similar provisions in earlier legislation.

Please note that it is not possible to determine the split between RSG and NNDR for 2010/11 yet. The total for these two grants is £24,621,999,634 excluding specified bodies; the total amount including specified bodies is £24,661,307,634.

1 Each of the following is a billing authority:

- i) a district council;
- ii) a London borough council;
- iii) the Common Council of the City of London;
- iv) the Council of the Isles of Scilly; and
- v) a county council which has the functions of a district council.

2 Each of the following is a major precepting authority:

- i) a county council which does not have the functions of a district council;
- ii) a police authority in England whose police area is listed in Schedule 1 to the Police Act 1996;
- iii) a metropolitan county fire and civil defence authority;
- iv) a fire and rescue authority constituted by a scheme under section 2 of the Fire and Rescue Services Act 2004 or a scheme to which section 4 of that Act applies (a “combined fire and rescue authority”); and
- v) the Greater London Authority.

3 The Distributable Amount

- 3.1 Pursuant to paragraph 9 of Schedule 8 to the 1988 Act, the Secretary of State hereby specifies that the amount arrived at under that paragraph, the distributable amount for the financial year 2010/2011, is £nn,nnn million.

Please note that it is not possible to determine the split between RSG and NNDR for 2010/11 yet. The total for these two grants is £24,621,999,634 excluding specified bodies; the total including specified bodies is £24,661,307,634.

4 The calculation of Relative Needs Formulae

Introduction

4.1 A Relative Needs Formula ('RNF') is calculated for each receiving authority. RNFs are built up from the relevant elements for the following seven major service blocks:

I	Children's Services
II	Adults Personal Social Services
III	Police
IV	Fire and Rescue
V	Highway Maintenance
VI	Environmental, Protective and Cultural Services
VII	Capital Financing

4.2 The purpose of the RNFs is to distribute Formula Grant. Formula Grant is compiled of Revenue Support Grant, the Distributable Amount and Police Grant.

4.3 Each of the following parts of this section describes the calculation of the RNF element or elements for one of the seven major service blocks. The description of each element has a similar framework: a brief description of the calculation, a list of the classes of authority for which the particular element is calculated, and a formula. The formula is generally specified in terms of the sum of a series of 'amounts' multiplied by 'indicators'. The indicators are given labels which appear in **BOLD CAPITALS** in the text. A full description of each indicator is given either in Annex D or in this section. Indicators are items of information which are available for each relevant authority. Examples of the types of indicators used are the size of the client group (e.g. numbers of pupils), a ratio (such as proportion of pensioners living alone) or some other relevant factor (such as density of population).

4.4 The sum of the RNF elements for individual authorities is constrained to equal the control total for the relevant service block or sub-block given in Annex E. To achieve this, generally the result for each authority of applying one of the formulae to its indicator data is multiplied by a scaling factor. The scaling factor for each relevant RNF element is given in Annex F and is equivalent to the ratio of the control total for the relevant service element (given in Annex E) to the sum across all relevant authorities of the results of applying the formula to their indicator data.

I Children's Services

- 4.5 There are three sub-blocks within the Children's Services service block. The calculation of the RNF elements for each of these reflects different client groups and associated unit costs. The sub-blocks are *Youth and Community*, *Local Authority Central Education Functions*, and *Children's Social Care*. The calculation of the RNF elements for each of these sub-blocks is described in turn.
- 4.6 The RNF element for each sub-block of the Children's Services service block is calculated for the following classes of authority:

non-metropolitan district councils which have functions of county councils as at 1 April 2008,
 county councils as at 1 April 2008,
 London borough councils,
 Common Council of the City of London,
 metropolitan district councils.

Youth and Community

- 4.7 The client group for the *Youth and Community* sub-block is the projected population aged 13 to 19 years. Cost adjustments are incorporated in the formula to reflect the increased costs associated with deprivation and differences in the costs of provision between areas.
- 4.8 The *Youth and Community* element for a particular authority consists of a basic amount per person aged 13 to 19 and top-ups for deprivation, ethnicity and area costs:

Basic amount

YOUTH AND COMMUNITY BASIC AMOUNT	16.1181
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Top-ups

YOUTH AND COMMUNITY DEPRIVATION TOP-UP	59.9073 <i>multiplied by</i> CHILDREN OF INCOME SUPPORT /INCOME BASED JOBSEEKER'S ALLOWANCE CLAIMANTS ABOVE THRESHOLD
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YOUTH AND COMMUNITY ETHNICITY TOP-UP	17.4672 <i>multiplied by</i> SECONDARY LOW ACHIEVING ETHNIC GROUPS ABOVE THRESHOLD
---	---

The full formula used to calculate the Youth and Community element is:

Youth and Community	
(a)	PROJECTED POPULATION AGED 13 TO 19 IN 2010 multiplied by the result of: YOUTH AND COMMUNITY BASIC AMOUNT ; plus YOUTH AND COMMUNITY DEPRIVATION TOP-UP ; plus YOUTH AND COMMUNITY ETHNICITY TOP-UP
(b)	The result of (a) is multiplied by AREA COST ADJUSTMENT FOR EDUCATION ;
(c)	The result of (b) is then multiplied by the scaling factor given in Annex F for the <i>Youth and Community Services</i> sub-block.
(d)	The result of (c) is then divided by 10,000,000,000.

Local Authority Central Education Functions

4.9 The client groups for the *Local Authority Central Education Functions* sub-block are pupils aged 3 to 18, including those in school sixth-forms and academies and resident pupils aged 3 to 18. Cost adjustments are incorporated in the formula to reflect the increased costs associated with deprivation, sparsity and differences in the costs of provision between areas.

4.10 The *Local Authority Central Education Functions* element for a particular authority consists of a basic amount per pupil, a basic amount per resident pupil, a fixed cost amount, a residual pensions element and top-ups for deprivation, sparsity and area costs:

Basic amounts

PUPILS BASIC AMOUNT	21.1232
RESIDENT PUPILS BASIC AMOUNT	20.867

Top-ups

PUPILS DEPRIVATION TOP-UP	35.3876 multiplied by CHILDREN OF INCOME SUPPORT /INCOME BASED JOBSEEKER'S ALLOWANCE CLAIMANTS ABOVE THRESHOLD
SPARSITY TOP-UP	27.6633 multiplied by WARD SPARSITY
RESIDENT PUPILS DEPRIVATION TOP-UP	35.3876 multiplied by 0.66 multiplied by CHILDREN OF INCOME SUPPORT /INCOME BASED JOBSEEKER'S ALLOWANCE CLAIMANTS ABOVE THRESHOLD

Fixed cost amount

CEF FIXED COST AMOUNT	73,542.7448
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The full formula used to calculate the *Local Authority Central Education Functions* element is:

Local Authority Central Education Functions

- (a) **PUPILS AGED 3 TO 18** multiplied by the result of:
PUPILS BASIC AMOUNT; plus
PUPILS DEPRIVATION TOP-UP
- (b) **RESIDENT PUPILS AGED 3 TO 18** multiplied by the result of:
RESIDENT PUPILS BASIC AMOUNT; plus
SPARSITY TOP-UP; plus
RESIDENT PUPILS DEPRIVATION TOP-UP
- (c) The results of (a) and (b) are added together and that result is multiplied by **AREA COST ADJUSTMENT FOR EDUCATION**;
- (d) The result of (c) is then added to the **CEF FIXED COST AMOUNT**;
- (e) The result of (d) is then multiplied by the scaling factor given in Annex F for the *Local Authority Central Education Functions* sub-block.
- (f) The result of (e) is then divided by 10,000,000,000

Children's Social Care

4.11 This sub-block covers the provision of social care for children. The client group for *Children's Social Care* is the projected population aged less than 18 years. Variations in cost per person aged under 18 are built into the formula to reflect social and health conditions and differences in the costs of provision between areas.

4.12 The element for *Children's Social Care* for a particular authority consists of a basic amount per person aged 0-17 and top-ups for deprivation, foster costs and area costs:

Basic amount

CHILDREN'S SOCIAL CARE BASIC AMOUNT 28.3003

Top-up

CHILDREN'S SOCIAL CARE DEPRIVATION TOP-UP 262.5600 multiplied by **CHILDREN WITHOUT GOOD HEALTH**; plus
148.7350 multiplied by **INCOME SUPPORT/INCOME BASED JOBSEEKER'S ALLOWANCE CLAIMANTS AGED 18 TO 64 YEARS**; plus
185.4902 multiplied by **CHILDREN OF INCOME SUPPORT/INCOME BASED JOBSEEKER'S ALLOWANCE CLAIMANTS**; plus
100.0765 multiplied by **CHILDREN IN BLACK ETHNIC GROUPS**;
minus
29.3071

The full formula used to calculate the *Children's Social Care* element is:

Children's Social Care

- (a) **PROJECTED POPULATION AGED 0-17 IN 2010** multiplied by the result of:
CHILDREN'S SOCIAL CARE BASIC AMOUNT; plus
CHILDREN'S SOCIAL CARE DEPRIVATION TOP-UP;
- (b) The result of (a) is multiplied by **FOSTER COST ADJUSTMENT;**
- (c) The result of (b) is multiplied by **AREA COST ADJUSTMENT FOR CHILDREN AND YOUNGER ADULTS PSS;**
- (d) The result of (c) is then multiplied by the scaling factor given in Annex F for the *Children's Social Care* sub-block.
- (e) The result of (d) is then divided by 10,000,000,000.

II Adults' Personal Social Services

4.13 There are two sub-blocks within the Adults' Personal Social Services (PSS) service block. The calculation of the RNF elements for each of these reflects the different client groups and associated unit costs. The sub-blocks are *Social Services for Older People* and *Social Services for Younger Adults* (that is, services provided for adults under 65 years of age). The calculation of the RNF elements for each of these sub-blocks is described in turn.

4.14 The RNF element for each sub-block of the Personal Social Services block is calculated for the following classes of authority:

non-metropolitan district councils which have functions of county councils as at 1 April 2008,
county councils as at 1 April 2008,
London borough councils,
Common Council of the City of London,
metropolitan district councils.

Social Services for Older People

4.15 This sub-block covers the provision of personal social services for older people. The client group is the number of people aged 65 and over in households plus residents in care homes aged 65 and over who are supported by the local authority. Cost adjustments are built into the formula to reflect differences in the costs of provision between areas and authorities' varying capacities to raise income from charges.

4.16 The element for *Social Services for Older People* for a particular authority consists of a basic amount per person aged 65 and over and top-ups for age, deprivation, sparsity, low income and area costs:

Basic amount

OLDER PEOPLE PSS 86.0387
BASIC
AMOUNT

Top-ups

OLDER PEOPLE PSS **HOUSEHOLD AND SUPPORTED RESIDENTS AGED 90 YEARS**
AGE TOP-UP **AND OVER** *divided by* **HOUSEHOLD AND SUPPORTED**
RESIDENTS AGED 65 AND OVER, rounded to 4 decimal places
and *multiplied by* 998.1913; *minus*
25.6535

OLDER PEOPLE PSS DEPRIVATION TOP-UP	288.3107 multiplied by OLDER PEOPLE RECEIVING ATTENDANCE ALLOWANCE ; plus 55.7551 multiplied by OLDER PEOPLE IN RENTED ACCOMMODATION ; plus 74.6782 multiplied by OLDER PEOPLE LIVING IN ONE PERSON HOUSEHOLDS ; plus 224.2339 multiplied by OLDER PEOPLE RECEIVING PENSION CREDIT GUARANTEE/INCOME BASED JOBSEEKER'S ALLOWANCE ; minus 77.6613
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The full formula used to calculate the *Social Services for Older People* element is:

Social Services for Older People	
(a)	PROJECTED HOUSEHOLD AND SUPPORTED RESIDENTS AGED 65 YEARS AND OVER multiplied by the result of: OLDER PEOPLE PSS BASIC AMOUNT ; plus OLDER PEOPLE PSS AGE TOP-UP ; plus OLDER PEOPLE PSS DEPRIVATION TOP-UP ;
(b)	The result of (a) is multiplied by LOW INCOME ADJUSTMENT ;
(c)	The result of (b) is multiplied by SPARSITY ADJUSTMENT FOR PEOPLE AGED 65 AND OVER ;
(d)	The result of (c) is multiplied by AREA COST ADJUSTMENT FOR OLDER PEOPLE'S PSS ;
(e)	The result of (d) is then multiplied by the scaling factor given in Annex F for the <i>Social Services for Older People</i> sub-block.
(f)	The result of (e) is then divided by 10,000,000,000.

Social Services for Younger Adults

4.17 This sub-block covers the provision of personal social services for people aged 18 to 64 years. The client group for *Social Services for Younger Adults* is the population aged 18 to 64 years. Variations in cost per person aged 18 to 64 years are built into the formula to reflect social and health conditions and differences in the costs of provision between areas.

4.18 The element for *Social Services for Younger Adults* for a particular authority consists of a basic amount per person aged 18-64 and top-ups for deprivation and area costs:

Basic amount

YOUNGER ADULTS PSS BASIC AMOUNT	9.8049
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Top-up

YOUNGER ADULTS PSS DEPRIVATION TOP-UP	284.1943 <i>multiplied by</i> PEOPLE AGED 18 TO 64 RECEIVING DISABILITY LIVING ALLOWANCE; plus
	76.8918 <i>multiplied by</i> PEOPLE AGED 18 TO 64 WHO ARE LONG TERM UNEMPLOYED OR HAVE NEVER WORKED; plus
	26.0100 <i>multiplied by</i> PEOPLE AGED 18 TO 64 WHO WORK IN ROUTINE OR SEMI ROUTINE OCCUPATIONS; plus
	21.7351 <i>multiplied by</i> HOUSEHOLDS WITH NO FAMILY; minus
	15.0541

The full formula used to calculate the *Social Services for Younger Adults* element is:

<i>Social Services for Younger Adults</i>	
(a)	PROJECTED POPULATION AGED 18-64 IN 2010 <i>multiplied by</i> the result of: YOUNGER ADULTS PSS BASIC AMOUNT; plus YOUNGER ADULTS PSS DEPRIVATION TOP-UP;
(b)	The result of (a) is <i>multiplied by</i> AREA COST ADJUSTMENT FOR CHILDREN AND YOUNGER ADULTS PSS;
(c)	The result of (b) is then <i>multiplied by</i> the scaling factor given in Annex F for the <i>Social Services for Younger Adults</i> sub-block.
(d)	The result of (c) is then <i>divided by</i> 10,000,000,000.

III Police

4.19 The main determinant of the RNF for the Police service block is the projected population. Cost adjustments are built into the formula for the socio-economic and other characteristics of police force areas and for differences in the costs of provision between areas.

4.20 The RNF element for the Police service block is calculated for the following classes of authority:

Common Council of the City of London,
 police authorities other than the Common Council of the City of London and the
 Metropolitan Police Authority,
 Greater London Authority.

4.21 The Police element for a particular authority consists of a basic amount per resident and a basic amount for special events, and top-ups for crime, incidents, fear of crime, traffic, sparsity, special events and area costs:

Basic amounts

POLICE BASIC AMOUNT	16.6310
SPECIAL EVENTS BASIC AMOUNT	0.8190

Top-ups

POLICE CRIME TOP-UP 1	2.6482 multiplied by DAYTIME NET-INFLOW PER RESIDENT POPULATION ; plus 0.2953 multiplied by LOG OF BARS PER 100 HECTARE ; plus 16.2210 multiplied by INCOME SUPPORT/ INCOME BASED JOBSEEKER'S ALLOWANCE/ GUARANTEE ELEMENT OF PENSION CREDIT CLAIMANTS ; plus 34.1326 multiplied by SINGLE PARENT HOUSEHOLDS
POLICE CRIME TOP-UP 2	0.0323 multiplied by POPULATION DENSITY ; plus 103.8493 multiplied by LONG-TERM UNEMPLOYMENT-RELATED BENEFIT CLAIMANTS
POLICE CRIME TOP-UP 3	0.0783 multiplied by LOG OF BARS PER 100 HECTARE ; plus 0.0086 multiplied by POPULATION DENSITY ; plus 3.9294 multiplied by RESIDENTS IN ROUTINE/SEMI ROUTINE OCCUPATIONS OR NEVER WORKED/LONG TERM UNEMPLOYED ; plus 9.6829 multiplied by SINGLE PARENT HOUSEHOLDS ; plus 0.7321 multiplied by DAYTIME NET-INFLOW PER RESIDENT POPULATION
POLICE CRIME TOP-UP 4	0.1980 multiplied by LOG OF BARS PER 100 HECTARE ; plus 1.2335 multiplied by HARD PRESSED ; plus 26.9606 multiplied by STUDENT HOUSING ; plus 8.7196 multiplied by SINGLE PARENT HOUSEHOLDS

POLICE CRIME TOP-UP 5	0.3330 <i>multiplied by</i> LOG OF BARS PER 100 HECTARE ; <i>plus</i> 145.5098 <i>multiplied by</i> YOUNG MALE UNEMPLOYMENT-RELATED BENEFIT CLAIMANTS ; <i>plus</i> 36.9806 <i>multiplied by</i> STUDENT HOUSING
POLICE CRIME TOP-UP 6	1.2538 <i>multiplied by</i> LOG OF OVERCROWDED HOUSEHOLDS ; <i>minus</i> 0.4908 <i>multiplied by</i> LOG OF POPULATION SPARSITY ; <i>plus</i> 5.3370 <i>multiplied by</i> DAYTIME NET-INFLOW PER RESIDENT POPULATION
POLICE CRIME TOP-UP 7	4.3181 <i>multiplied by</i> DAYTIME NET-INFLOW PER RESIDENT POPULATION ; <i>minus</i> 3.2132 <i>multiplied by</i> WEALTHY ACHIEVERS ; <i>plus</i> 27.1311 <i>multiplied by</i> STUDENT HOUSING
POLICE INCIDENTS TOP-UP	39.0432 <i>multiplied by</i> INCOME SUPPORT/ INCOME BASED JOBSEEKER'S ALLOWANCE/ GUARANTEE ELEMENT OF PENSION CREDIT CLAIMANTS ; <i>plus</i> 10.4135 <i>multiplied by</i> RESIDENTS IN TERRACED ACCOMMODATION
POLICE FEAR OF CRIME TOP-UP	0.3134 <i>multiplied by</i> LOG OF BARS PER 100 HECTARE ; <i>plus</i> 2.2570 <i>multiplied by</i> HARD PRESSED
POLICE TRAFFIC TOP-UP	1.2085 <i>multiplied by</i> POPULATION SPARSITY
POLICE SPARSITY TOP-UP	0.8835 <i>multiplied by</i> POPULATION SPARSITY

The full formula used to calculate the Police element is:

Police

- (a) **PROJECTED POPULATION IN 2010** *multiplied by* the result of:
 - POLICE BASIC AMOUNT**; *plus*
 - POLICE CRIME TOP-UP 1**; *plus*
 - POLICE CRIME TOP-UP 2**; *plus*
 - POLICE CRIME TOP-UP 3**; *plus*
 - POLICE CRIME TOP-UP 4**; *plus*
 - POLICE CRIME TOP-UP 5**; *plus*
 - POLICE CRIME TOP-UP 6**; *plus*
 - POLICE CRIME TOP-UP 7**; *plus*
 - POLICE INCIDENTS TOP-UP**; *plus*
 - POLICE FEAR OF CRIME TOP-UP**; *plus*
 - POLICE TRAFFIC TOP-UP**; *plus*
 - POLICE SPARSITY TOP-UP**
- (b) **PROJECTED DAYTIME POPULATION IN 2010** *multiplied by* **SPECIAL EVENTS BASIC AMOUNT**;
- (c) The results of (a) and (b) are added together and the result is *multiplied by* **AREA COST ADJUSTMENT FOR POLICE**;
- (d) The result of (c) is then *multiplied by* the result of 1 *minus* **POLICE GRANT RATE**;
- (e) The result of (d) is then *multiplied by* the scaling factor given in Annex F for the Police service block.
- (f) The result of (e) is then divided by 10,000,000,000.

IV Fire and Rescue

4.22 The main determinant of the RNF for the Fire and Rescue service block is projected population. Cost adjustments are made for the length of coastline, deprivation and high risk sites in terms of fire cover. Cost adjustments are also made for differences in the costs of provision between areas.

4.23 The RNF element for the Fire and Rescue service block is calculated for the following classes of authority:

county councils which have responsibility for the provision of fire and rescue services,
Greater London Authority,
metropolitan county fire and civil defence authorities,
combined fire and rescue authorities.

4.24 The Fire and Rescue element for a particular authority consists of a basic amount per resident and top-ups for coastline, deprivation, fire risk areas, fire safety enforcement, community fire safety and area costs:

Basic amounts

FIRE AND RESCUE BASIC AMOUNT	1.6824
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Top-ups

FIRE AND RESCUE COASTLINE TOP-UP	0.7825 <i>multiplied by</i> COASTLINE
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FIRE AND RESCUE DEPRIVATION TOP-UP	0.2349 <i>multiplied by</i> RISK INDEX
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HIGH RISK TOP-UP PROPERTY AND SOCIETAL RISK TOP-UP	30,869.6814 <i>multiplied by</i> COMAH SITES PROPERTY AND SOCIETAL RISK
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COMMUNITY FIRE SAFETY TOP- UP	COMMUNITY FIRE SAFETY
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The full formula used to calculate the *Fire and Rescue* element is:

Fire and Rescue

- (a) **PROJECTED POPULATION IN 2010** *multiplied by* the result of:
FIRE AND RESCUE BASIC AMOUNT; plus
FIRE AND RESCUE COASTLINE TOP-UP; plus
FIRE AND RESCUE DEPRIVATION TOP-UP; plus
HIGH RISK TOP-UP; plus
PROPERTY AND SOCIETAL RISK TOP-UP; plus
COMMUNITY FIRE SAFETY TOP-UP
- (b) The result of (a) is then *multiplied by* **AREA COST ADJUSTMENT FOR FIRE;**
- (c) The result of (b) is then *multiplied by* the scaling factor given in Annex F for the Fire and Rescue service block.
- (d) The result of (c) is then *divided by* 10,000,000,000.

V Highway Maintenance

4.25 The main determinants of the RNF for the Highway Maintenance block are the lengths of road of different types for which each highway authority is responsible, the relative costs of maintenance for these road types and the estimated unit costs per kilometre, which take account of traffic flows, population, visitors and commuters and winter weather conditions. A cost adjustment is made to reflect differences in the costs of provision between areas.

4.26 The RNF for the Highway Maintenance block is calculated for the following classes of authority:

non-metropolitan district councils which have functions of county councils as at 1 April 2008,
 county councils as at 1 April 2008,
 London borough councils,
 Common Council of the City of London,
 metropolitan district councils.

4.27 The *Highway Maintenance* element for a particular authority consists of a basic amount per weighted road-length and top-ups for usage, winter weather and area costs:

Basic amount

HIGHWAY BASIC AMOUNT 130.978

Top-ups

USAGE TOP-UP 10.8537 *multiplied by* **TRAFFIC FLOW**; *plus*
 0.7779 *multiplied by* **DAYTIME POPULATION PER KM**

WINTER MAINTENANCE TOP-UP 0.4999 *multiplied by* **DAYS WITH SNOW LYING**; *plus*
 1.1246 *multiplied by* **PREDICTED GRITTING DAYS**

The full formula used to calculate the *Highway Maintenance* element is:

Highway Maintenance	
(a)	WEIGHTED ROAD LENGTHS <i>multiplied by</i> the result of: HIGHWAY BASIC AMOUNT ; <i>plus</i> USAGE TOP-UP ; <i>plus</i> WINTER MAINTENANCE TOP-UP ;
(b)	The result of (a) is <i>multiplied by</i> AREA COST ADJUSTMENT FOR HIGHWAY MAINTENANCE ;
(c)	The result of (b) is then <i>multiplied by</i> the scaling factor given in Annex F for the Highway Maintenance service block.
(d)	The result of (c) is then <i>divided by</i> 10,000,000,000.

VI Environmental, Protective and Cultural Services

4.28 This block includes services provided by local authorities other than those specifically covered elsewhere in this section of the Report. The RNF element for these services is calculated in a number of stages. The main part of the calculation reflects the division of the services covered into two groups to reflect the division of responsibilities for providing services in non-metropolitan areas: some services are provided predominantly by district councils, others by county councils (see Annex G). There are also further adjustments, for example, for flood defence and coast protection. These further adjustments are described below.

Services provided predominantly by non-metropolitan district councils in non-metropolitan areas

4.29 The client group for these services is the total projected population in an area. There are cost adjustments for population density, social and economic conditions, the sparsity of population in an area, and differences in the cost of provision between areas.

4.30 The RNF element for these services is calculated for the following classes of authority:

district councils as at 1 April 2008,
county councils which have the functions of district councils as at 1 April 2008,
London borough councils,
Common Council of the City of London.

4.31 The RNF element for a particular authority consists of a basic amount per resident and top-ups for density, sparsity, additional population, deprivation and area costs:

Basic amount

DISTRICT SERVICES EPCS BASIC AMOUNT	12.3769
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Top-ups

DISTRICT SERVICES EPCS DENSITY TOP-UP	0.9389 <i>multiplied by</i> POPULATION DENSITY
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DISTRICT SERVICES EPCS SPARSITY TOP- UP	6.7031 <i>multiplied by</i> POPULATION SPARSITY
--	--

DISTRICT SERVICES EPCS ADDITIONAL POPULATION TOP-UP	4.9929 <i>multiplied by</i> NET IN-COMMUTERS ; plus 4.2388 <i>multiplied by</i> DAY VISITORS
--	---

DISTRICT SERVICES EPCS DEPRIVATION TOP-UP	40.1303 <i>multiplied by</i> INCAPACITY BENEFIT AND SEVERE DISABLEMENT ALLOWANCE; plus
	27.1297 <i>multiplied by</i> INCOME SUPPORT/ INCOME BASED JOBSEEKER'S ALLOWANCE/ GUARANTEE ELEMENT OF PENSION CREDIT CLAIMANTS; plus
	40.1303 <i>multiplied by</i> OLDER PEOPLE ON INCOME SUPPORT/ INCOME BASED JOBSEEKER'S ALLOWANCE/ GUARANTEE ELEMENT OF PENSION CREDIT; plus
	27.1297 <i>multiplied by</i> UNEMPLOYMENT RELATED BENEFIT CLAIMANTS; plus
	3.6578 <i>multiplied by</i> COUNTRY OF BIRTH OF RESIDENTS

The full formula used to calculate the RNF element for these services is:

<i>Services provided predominantly by non-metropolitan district councils in non-metropolitan areas</i>	
(a)	PROJECTED POPULATION IN 2010 <i>multiplied by</i> the result of: DISTRICT SERVICES EPCS BASIC AMOUNT; plus DISTRICT SERVICES EPCS DENSITY TOP-UP; plus DISTRICT SERVICES EPCS SPARSITY TOP-UP;
(b)	DISTRICT SERVICES EPCS ADDITIONAL POPULATION TOP-UP; plus DISTRICT SERVICES EPCS DEPRIVATION TOP-UP
(c)	The results of (a) and (b) are added together and that result is then <i>multiplied by</i> AREA COST ADJUSTMENT FOR ENVIRONMENTAL, PROTECTIVE AND CULTURAL SERVICES;
(d)	The result of (c) is then <i>multiplied by</i> the scaling factor given in Annex F for these services;
(e)	The result of (d) is then divided by 10,000,000,000.

Services provided predominantly by county councils in non-metropolitan areas

4.32 The client group for these services is the total projected population in an area. There are adjustments for population density, social and economic conditions and differences in the cost of provision between areas. The calculations reflect the fact that responsibility for public transport support in London lies with Transport for London. Adjustments are also made to take account of the provision of some services by the Greater London Authority which were formerly provided by the Common Council of the City of London and London borough councils (this adjustment is described in (d) of paragraph 4.34 below).

4.33 The RNF element for these services is calculated for the following classes of authority:

non-metropolitan district councils which have functions of county councils as at 1 April 2008,
metropolitan district councils,
county councils as at 1 April 2008,
London borough councils,
Common Council of the City of London.

4.34 The RNF element for these services for a particular authority consists of a basic amount per resident and top-ups for density, additional population, deprivation and area costs:

Basic amount

**COUNTY SERVICES
EPCS BASIC
AMOUNT** 9.1637

Top-ups

**COUNTY SERVICES
EPCS DENSITY
TOP-UP** 0.2232 *multiplied by* **POPULATION DENSITY**

**COUNTY SERVICES
EPCS
ADDITIONAL
POPULATION
TOP-UP** 5.8505 *multiplied by* **NET IN-COMMUTERS**; *plus*
9.7489 *multiplied by* **DAY VISITORS**

**COUNTY SERVICES
EPCS
DEPRIVATION
TOP-UP** 35.0954 *multiplied by* **UNEMPLOYMENT RELATED BENEFIT
CLAIMANTS**; *plus*
27.2965 *multiplied by* **INCOME SUPPORT/ INCOME BASED
JOBSEEKER'S ALLOWANCE/ GUARANTEE ELEMENT OF
PENSION CREDIT CLAIMANTS**; *plus*
13.6473 *multiplied by* **INCAPACITY BENEFIT AND SEVERE
DISABLEMENT ALLOWANCE** ; *plus*
4.9309 *multiplied by* **COUNTRY OF BIRTH OF RESIDENTS**

The full formula used to calculate the *RNF* element for these services is:

Services provided predominantly by county councils in non-metropolitan areas

- (a) **PROJECTED POPULATION IN 2010** *multiplied by* the result of:
COUNTY SERVICES EPCS BASIC AMOUNT; *plus*
COUNTY SERVICES EPCS DENSITY TOP-UP;
- (b) **COUNTY SERVICES EPCS ADDITIONAL POPULATION TOP-UP**; *plus*
COUNTY SERVICES EPCS DEPRIVATION TOP-UP
- (c) The results of (a) and (b) are added together and that result is then *multiplied by*
**AREA COST ADJUSTMENT FOR ENVIRONMENTAL, PROTECTIVE AND
CULTURAL SERVICES**;
- (d) For London boroughs and the Common Council of the City of London, the result of
(c) is then *multiplied by* 0.81134; for all other authorities the result of (c)
remains the same.
- (e) The result of (d) is then *multiplied by* the scaling factor given in Annex F for these
services;
- (f) The result of (e) is then divided by 10,000,000,000.

Fixed Costs

4.35 An RNF element for *Fixed Costs* is calculated for the following classes of authority:
 district councils as at 1 April 2008,
 county councils as at 1 April 2008,
 London borough councils,
 Common Council of the City of London.

4.36 The *Fixed Costs* element for a particular authority is calculated as follows:

Fixed Costs	
(a)	£325,000.00 is multiplied by the scaling factor given in Annex F for <i>Fixed Costs</i> .
(b)	The result of (a) is then divided by 10,000,000,000.

Flood Defence

4.37 An RNF element for *Flood Defence* is calculated for the following classes of authority:

district councils as at 1 April 2008,
 county councils as at 1 April 2008,
 London borough councils,
 Common Council of the City of London.

4.38 The *Flood Defence* element for a particular authority is calculated as follows:

Flood Defence	
(a)	FLOOD DEFENCE EXPENDITURE
(b)	The result of (a) is multiplied by the scaling factor given in Annex F for <i>Flood Defence</i> .
(c)	The result of (b) is divided by 10,000,000,000.

Continuing Environment Agency Levies

4.39 An RNF element for *Continuing Environment Agency Levies* is calculated for the following classes of authority:

non-metropolitan district councils which have functions of county
 councils as at 1 April 2008,
 metropolitan district councils,
 county councils as at 1 April 2008,
 London borough councils,
 Common Council of the City of London.

4.40 The *Continuing Environment Agency Levies* element for a particular authority is calculated as follows:

Continuing Environment Agency Levies

- (a) **ENVIRONMENT AGENCY (ENGLAND) LEVY** is *multiplied by* the scaling factor given in Annex F for *Continuing Environment Agency Levy*.
- (b) The result of (a) is then divided by 10,000,000,000.

Coast Protection

4.41 An RNF element for *Coast Protection* is calculated for the following classes of authority:

district councils as at 1 April 2008,
county councils as at 1 April 2008,
London borough councils,
Common Council of the City of London.

4.42 The *Coast Protection* element for a particular authority is calculated as follows:

Coast Protection

- (a) **COAST PROTECTION EXPENDITURE** is *multiplied by* the scaling factor given in Annex F for *Coast Protection*
- (b) The result of (a) is then divided by 10,000,000,000.

VII Capital Financing

4.43 This service block covers the cost of financing capital expenditure incurred in providing all local authority services, other than those accounted for within the Housing Revenue Account.

4.44 An RNF element for *Capital Financing* is calculated for the following classes of authority:

district councils as at 1 April 2008,
 county councils as at 1 April 2008,
 London borough councils,
 Common Council of the City of London,
 Greater London Authority,
 police authorities other than the Common Council of the City of London and the
 Metropolitan Police Authority,
 metropolitan county fire and civil defence authorities,
 combined fire and rescue authorities.

4.45 The main determinant of the assumed cost of financing capital expenditure incurred prior to 1990/91 is the assumed level of outstanding debt at the beginning of the 1990/91 financial year. This is the larger of a notional debt figure, based on elements of the grant-related expenditure assessments for the financial year 1989/90 which relate to the cost of financing capital expenditure for the authority and/or its predecessors, or an estimate of actual debt, based principally on the adjusted initial credit ceiling¹ for the authority and/or its predecessors.

4.46 For capital expenditure incurred on or after 1 April 1990 and before 1 April 2004 the main determinant of the assumed cost of financing capital expenditure is an estimate of Basic and Supplementary Credit Approvals for the authority and/or its predecessors, or in the case of the Greater London Authority, aggregate and additional credit approvals.

4.47 For capital expenditure incurred on or after 1 April 2004 the main determinant of the assumed cost of financing capital expenditure is an estimate of Supported Capital Expenditure (Revenue) ('SCE(R)'), defined in Annex D, for the authority.

4.48 The assumed cost of financing capital expenditure comprises interest charges and repayments of debt. Interest charges are calculated by applying a notional pool rate of interest to each authority's assumed mid-year outstanding debt. Repayments of debt are calculated as 4 per cent of assumed outstanding debt at the end of the preceding financial year.

¹ The adjusted initial credit ceiling has the same meaning as it had in regulation 24 of the Local Authorities (Capital Finance) Regulations 1990 (S.I. 1990/432).

4.49 The RNF element for Capital Financing for a particular authority is calculated as follows:

Capital Financing

- (a) **DEBT I**; plus **SUPPORTED CAPITAL EXPENDITURE (REVENUE)** multiplied by 0.5; minus **DEBT I** multiplied by 0.02;
- (b) The result of (a) is then multiplied by **INTEREST RATE**;
- (c) The result of (b) is then added to **DEBT I** multiplied by 0.04;
- (d) The result of (c) is then multiplied by the scaling factor given in Annex F for *Capital Financing*.
- (e) The result of (d) is then divided by 10,000,000,000.

4.50 The sum of various RNF elements then produces a further two combined RNF elements as follows.

Upper-tier services

4.51 A combined RNF element for *Upper-tier services* is calculated for the following classes of authority:

non-metropolitan district councils which have functions of county councils as at 1 April 2008,
 county councils as at 1 April 2008,
 London borough councils,
 Common Council of the City of London,
 metropolitan district councils.

4.52 The full formula used to calculate the *Upper-tier services* element is:

<i>Upper-tier services</i>	
(a)	The sum of the following elements:
(i)	the Youth and Community RNF as defined in paragraph 4.8 of this Report, <i>plus</i>
(ii)	the Local Authority Central Education Functions RNF as defined in paragraph 4.10 of this Report, <i>plus</i>
(iii)	the Children's Social Care RNF as defined in paragraph 4.12 of this Report, <i>plus</i>
(iv)	the Social Services for Older People RNF as defined in paragraph 4.16 of this Report, <i>plus</i>
(v)	the Social Services for Younger Adults RNF as defined in paragraph 4.18 of this Report, <i>plus</i>
(vi)	the Highway Maintenance RNF as defined in paragraph 4.27 of this Report, <i>plus</i>
(vii)	the County-Level EPCS RNF as defined in paragraph 4.34 of this Report, <i>plus</i>
(viii)	the Continuing Environment Agency Levies RNF as defined in paragraph 4.40 of this Report

Mixed-tier services

4.53 A combined RNF element for *Mixed-tier services* is calculated for the following classes of authority:

district councils as at 1 April 2008,
county councils as at 1 April 2008,
London borough councils,
Common Council of the City of London.

4.54 The full formula used to calculate the *Mixed-tier* element is:

Mixed-tier

- (a) The sum of the following elements:
- (i) the Fixed Costs RNF as defined in paragraph 4.36 of this Report, *plus*
 - (ii) the Flood Defence RNF as defined in paragraph 4.38 of this Report, *plus*
 - (iii) the Coast Protection RNF as defined in paragraph 4.42 of this Report

5 Distribution of Formula Grant

- 5.1 This section specifies the basis on which the Secretary of State proposes to distribute among receiving authorities the amount of Formula Grant for the year 2010/2011. Formula Grant is composed of Revenue Support Grant, the Distributable Amount and Police Grant.
- 5.2 DCLG Formula Grant is composed of Revenue Support Grant and the Distributable Amount. The amount of Revenue Support Grant available for receiving authorities is defined in Section 2 of this Report. The Distributable Amount is defined in Section 3 of this Report.
- 5.3 In order to calculate the amount of grant to be paid to each receiving authority, the Secretary of State will first calculate the Relative Needs Formulae (RNFs) for that authority. The method by which RNFs are to be calculated is set out in detail in section 4 of this Report. The calculation makes use of information reflecting the demographic, physical and social characteristics of each area.
- 5.4 The distribution of Formula Grant also takes into account the council tax base for Revenue Support Grant purposes (“the taxbase”) for the area of an authority, calculated in accordance with Annex C of this Report. Since in all areas of England council services are supplied by more than one type of local authority the council tax has to be divided between the authorities supplying services in an area. In calculating Formula Grant a share of the council tax base is assumed for each tier of authority services. These shares are specified in Annex B of this Report. The indicator Projected Population in 2010 is defined in Annex D of this Report.

Part A – Isles of Scilly

- 5.5 From the total of DCLG Formula Grant which the Secretary of State proposes to pay to receiving authorities, which is £24,621,999,634, she proposes to pay £2,281,000 with respect to the Isles of Scilly.

Part B – Relative Needs Amount

- 5.6 From the remaining total of DCLG Formula Grant which the Secretary of State proposes to pay to receiving authorities, after paying the Isles of Scilly, which is £24,619,718,634, she proposes to pay 73.0% or £17,972,394,603 with respect to the relative needs of authorities.
- 5.7 The Relative Needs Amount is calculated as follows.

For the following classes of authority:

- non-metropolitan district councils which have functions of county councils as at 1 April 2008,
- county councils as at 1 April 2008,
- London borough councils,
- Common Council of the City of London,
- metropolitan district councils:

- (a) **Upper-tier services RNF**, as defined in paragraph 4.52 of this Report,

multiplied by 1,000,000 and divided by **PROJECTED POPULATION IN 2010;**

- (b) The minimum for all authorities of the result of (a);
- (c) The result of (a) *minus* the result of (b)

For the following classes of authority:

Common Council of the City of London,
police authorities other than the Common Council of the City of London and the
Metropolitan Police Authority,
Greater London Authority:

- (d) **Police RNF**, as defined in paragraph 4.21 of this Report, *multiplied by* 1,000,000 and *divided by* **PROJECTED POPULATION IN 2010;**
- (e) The minimum for all authorities of the result of (d);
- (f) The result of (d) *minus* the result of (e)

For the following classes of authority:

county councils which have responsibility for the provision of fire services,
Greater London Authority,
metropolitan county fire and civil defence authorities,
combined fire and rescue authorities:

- (g) **Fire and Rescue RNF**, as defined in paragraph 4.24 of this Report, *multiplied by* 1,000,000 and *divided by* **PROJECTED POPULATION IN 2010;**
- (h) The minimum for all authorities of the result of (g);
- (i) The result of (g) *minus* the result of (h)

For the following classes of authority:

district councils as at 1 April 2008,
county councils which have the functions of district councils as at 1 April 2008,
London borough councils,
Common Council of the City of London:

- (j) **District-Level EPCS RNF**, as defined in paragraph 4.31 of this Report, *multiplied by* 1,000,000 and *divided by* **PROJECTED POPULATION IN 2010;**
- (k) The minimum for all authorities of the result of (j);
- (l) The result of (j) *minus* the result of (k)

For the following classes of authority:

district councils as at 1 April 2008,
county councils as at 1 April 2008,
London borough councils,
Common Council of the City of London:

- (m) **Mixed-tier services RNF**, as defined in paragraph 4.54 of this Report, *multiplied by 1,000,000 and divided by PROJECTED POPULATION IN 2010*;
- (n) The minimum for all authorities of the result of (m);
- (o) The result of (m) *minus* the result of (n)

For the following classes of authority:

district councils as at 1 April 2008,
 county councils as at 1 April 2008,
 London borough councils,
 Common Council of the City of London,
 Greater London Authority,
 police authorities other than the Common Council of the City of London and the
 Metropolitan Police Authority,
 metropolitan county fire and civil defence authorities,
 combined fire and rescue authorities:

- (p) **Capital Financing RNF**, as defined at paragraph 4.49 of this Report, *multiplied by 1,000,000 and divided by PROJECTED POPULATION IN 2010*;
- (q) The minimum for all authorities of the result of (p);
- (r) The result of (p) *minus* the result of (q)
- (s) The sum of:
 - the result of (c) *plus*
 - the result of (f) *plus*
 - the result of (i) *plus*
 - the result of (l) *plus*
 - the result of (o) *plus*
 - the result of (r)
 where appropriate.
- (t) The result of (s) *divided by 1,000,000 and multiplied by PROJECTED POPULATION IN 2010*
- (u) The sum for all authorities of the result of (t)
- (v) The result of (t) *divided by the result of (u) multiplied by £17,972,394,603519,002,553*

Part C – Relative Resource Amount

5.8 From the remaining total of DCLG Formula Grant which the Secretary of State proposes to pay to receiving authorities, after paying the Isles of Scilly, she proposes to adjust the amount payable by -26.6% or -£6,548,845,157 with respect to the relative resources of authorities.

5.9 The Relative Resource Amount is calculated as follows.

For the following classes of authority:

non-metropolitan district councils which have functions of county councils as at 1 April 2008,
county councils as at 1 April 2008,
London borough councils,
Common Council of the City of London,
metropolitan district councils:

- (a) **Taxbase multiplied by Upper-tier Share of Taxbase divided by PROJECTED POPULATION IN 2010;**
- (b) The minimum for all authorities of the result of (a);
- (c) The result of (a) *minus* the result of (b)

For the following classes of authority:

Common Council of the City of London,
police authorities other than the Common Council of the City of London and the Metropolitan Police Authority,
Greater London Authority:

- (d) **Taxbase multiplied by Police Share of Taxbase divided by PROJECTED POPULATION IN 2010;**
- (e) The minimum for all authorities of the result of (d);
- (f) The result of (d) *minus* the result of (e)

For the following classes of authority:

county councils which have responsibility for the provision of fire services,
Greater London Authority,
metropolitan county fire and civil defence authorities,
combined fire and rescue authorities:

- (g) **Taxbase multiplied by Fire and Rescue Share of Taxbase divided by PROJECTED POPULATION IN 2010;**
- (h) The minimum for all authorities of the result of (g);
- (i) The result of (g) *minus* the result of (h)

For the following classes of authority:

district councils as at 1 April 2008,
county councils which have the functions of district councils as at 1 April 2008,
London borough councils,
Common Council of the City of London:

- (j) **Taxbase multiplied by Lower-Tier Share of Taxbase divided by PROJECTED POPULATION IN 2010;**

- (k) The minimum for all authorities of the result of (j);
- (l) The result of (j) *minus* the result of (k)

For the following classes of authority:
 district councils as at 1 April 2008,
 county councils as at 1 April 2008,
 London borough councils,
 Common Council of the City of London,
 Greater London Authority,
 police authorities other than the Common Council of the City of London and the
 Metropolitan Police Authority,
 metropolitan county fire and civil defence authorities,
 combined fire and rescue authorities:

- (m) The sum of:
 the result of (c) *plus*
 the result of (f) *plus*
 the result of (i) *plus*
 the result of (l)
 where appropriate.
- (n) The result of (m) *multiplied by* **PROJECTED POPULATION IN 2010**;
- (o) The sum for all authorities of the result of (n);
- (p) The result of (n) *divided by* the result of (o) multiplied by -£6,548,845,157

Part D – Central Allocation

5.10 From the total of DCLG Formula Grant which the Secretary of State proposes to pay to receiving authorities, after paying the Isles of Scilly, she proposes to pay £13,196,169,188 with respect to the central allocation.

5.11 The Central Allocation is calculated as follows.

For the following classes of authority:
 district councils as at 1 April 2008,
 county councils as at 1 April 2008,
 London borough councils,
 Common Council of the City of London,
 Greater London Authority,
 police authorities other than the Common Council of the City of London and the
 Metropolitan Police Authority,
 metropolitan county fire and civil defence authorities,
 combined fire and rescue authorities:

- (a) The sum of:
 the result of (b) from paragraph 5.7 of this Report *plus*
 the result of (e) from paragraph 5.7 of this Report *plus*
 the result of (h) from paragraph 5.7 of this Report *plus*

the result of (k) from paragraph 5.7 of this Report *plus*
the result of (n) from paragraph 5.7 of this Report *plus*
the result of (q) from paragraph 5.7 of this Report
where appropriate;

- (b) The result of (a) *divided by* the result of (u) from paragraph 5.7 of this Report *multiplied by* £17,972,394,603 *divided by* 1,000,000;
- (c) The sum of:
 - the result of (b) from paragraph 5.9 of this Report *plus*
 - the result of (e) from paragraph 5.9 of this Report *plus*
 - the result of (h) from paragraph 5.9 of this Report *plus*
 - the result of (k) from paragraph 5.9 of this Reportwhere appropriate;
- (d) The result of (c) *divided by* the result of (o) from paragraph 5.9 of this Report *multiplied by* -£6,548,845,157;
- (e) The sum of the results of (b) *plus* (d);
- (f) The result of (e) *multiplied by* **PROJECTED POPULATION IN 2010**;
- (g) The sum for all authorities of the result of (f);
- (h) The result of (f) *divided by* the result of (g) *multiplied by* £13,201,169,188;
- (i) The result of (h) is adjusted to reflect the transfer of responsibility for Critical Ordinary Watercourses to the Environment Agency

Part E – Floor Damping

- 5.12 The results from the Part B, Part C and Part D when added together with Police Grant form Formula Grant before floor damping. In order to ensure that authorities receive at least a minimum grant increase (called the ‘floor’) we adjust the results.
- 5.13 In order to calculate the floor damping element, the Secretary of State will first calculate the adjusted formula grant for 2009/10 for those authorities in existence at 1 April 2008. The method by which the adjusted formula grant for 2009/10 are to be calculated is set out in detail in Annex J of this Report.
- 5.14 The floor damping calculations are given below.

Authorities with Education and Social Service Responsibilities

- 5.15 For London borough councils, metropolitan district councils, county councils as at 1 April 2008, non-metropolitan district councils which have functions of county councils as at 1 April 2008 and the Common Council of the City of London the final amount of Formula Grant for each authority for 2010/11 is calculated as follows:
 - (a) which represents the previous year’s grant support, is the Secretary of State’s estimates of adjusted formula grant for 2009/10.
 - (b) the results of (a) multiplied by 1.015

- (c) the sum of the following items:
- the Relative Needs Amount as defined in paragraph 5.7 of this Report;
plus
 - the Relative Resource Amount as defined in paragraph 5.9 of this Report;
plus
 - the Central Allocation as defined in paragraph 5.11 of this Report;
plus
 - the Principal Formula Police Grant as shown in column (a) of the table contained in paragraph 3.1 of the Police Grant Report (England and Wales) 2010/11.
- (d) the result of:
- (c) *minus*
 - (b)
- multiplied by 0.28280679; *plus*
the result of (b)
- (e) either the result of (b) or the result of (d), whichever is the greater.

Police Authorities

- 5.16 For police authorities other than the Common Council of the City of London and the Metropolitan Police Authority, the final amount of Formula Grant for each such authority for 2010/2011 is calculated as in paragraph 5.15 above, substituting 1.025 for 1.015 in (b) and 0.13761671 for 0.28280679 in (d).

Fire and Rescue Authorities

- 5.17 For the metropolitan county fire and civil defence authorities and the combined fire and rescue authorities the final amount of Formula Grant for each such authority for 2010/2011 is calculated as in paragraph 5.15 above, substituting 1.005 for 1.015 in (b) and 0.40857380 for 0.28280679 in (d).

The Greater London Authority

- 5.18 The amount of Revenue Support Grant for the Greater London Authority (GLA) consists of the sum of an amount in respect of police services and an amount in respect of fire and rescue services. The police amount is determined using the same floor and scaling factor as for police authorities, other than the Common Council of the City of London and the Metropolitan Police Authority. The fire and rescue amount is determined using the same floor and scaling factor as for the metropolitan county fire and civil defence authorities and the combined fire and rescue authorities. The formula for the GLA takes into account that the authority makes budgetary provision for police services for only a part of the GLA's area¹.
- 5.19 The amount for police services is calculated as follows:
- (a) the Secretary of State's estimate of that part of the GLA's share of adjusted formula grant for 2009/10 in respect of police services.
 - (b) the results of (a) multiplied by 1.025

¹ Within the area of the City of London budgetary provision for police services is the responsibility of the Common Council of the City of London.

- (c) the sum of the following items:
- the Relative Needs Amount with respect to police services as defined in paragraph 5.7 of this Report; *plus*
 - the Relative Resource Amount with respect to police services as defined in paragraph 5.9 of this Report; *plus*
 - the Central Allocation with respect to police services as defined in paragraph 5.11 of this Report; *plus*
 - the Principal Formula Police Grant as shown in column (a) of the table contained in paragraph 3.1 of the Police Grant Report (England and Wales) 2010/11.
- (d) the result of:
(c) *minus*
(b)
multiplied by 0.13761671; *plus*
the result of (b)
- (e) either the result of (b) or the result of (d), whichever is the greater.

5.20 The amount for fire and rescue services is calculated as follows:

- (a) the Secretary of State's estimate of that part of the GLA's share of adjusted formula grant for 2009/10 in respect of fire and rescue services.
- (b) the results of (a) multiplied by 1.005
- (c) the sum of the following items:
- the Relative Needs Amount with respect to fire and rescue services as defined in paragraph 5.7 of this Report; *plus*
 - the Relative Resource Amount with respect to fire and rescue services as defined in paragraph 5.9 of this Report; *plus*
 - the Central Allocation with respect to fire and rescue services as defined in paragraph 5.11 of this Report.
- (d) The result of:
(c) *minus*
(b)
multiplied by 0.40857380; *plus*
the result of (b)
- (e) either the result of (b) or the result of (d), whichever is the greater.

Shire Districts without Education and Social Service Responsibilities

5.21 For non-metropolitan district councils which do not have functions of county councils as at 1 April 2008 the final amount of Formula Grant for each such authority for 2009/2010 is calculated as in paragraph 5.15 above, substituting 1.005 for 1.015 in (b) and 0.42121570 for 0.28280679 in (d).

Cornwall County Council

- 5.22 The full amount calculated for Caradon District Council, Carrick District Council, Kerrier District Council, North Cornwall District Council, Penwith District Council, and Restormel Borough Council, is transferred to the Cornwall County Council, from the amount of Formula Grant calculated in paragraph 5.21 above. This transferred amount is then added to the amount already calculated for Cornwall County Council.
- 5.23 These transfers are to reflect the fact that from 1 April 2009 Cornwall County Council will become the sole principal local authority for its area².

County Durham Council

- 5.24 The full amount calculated for Chester-le-Street District Council, Derwentside District Council, Durham City Council, Easington District Council, Sedgefield Borough Council, Teesdale District Council and Wear Valley District Council, is transferred to the Durham County Council, from the amount of Formula Grant calculated in paragraph 5.21 above. This transferred amount is then added to the amount already calculated for County Durham Council.
- 5.25 These transfers are to reflect the fact that from 1 April 2009 County Durham Council will become the sole principal local authority for its area³.

Northumberland County Council

- 5.26 The full amount calculated for Alnwick District Council, Berwick-upon-Tweed Borough Council, Blyth Valley Borough Council, Castle Morpeth Borough Council, Tynedale District Council and Wansbeck District Council, is transferred to the Northumberland County Council, from the amount of Formula Grant calculated in paragraph 5.21 above. This transferred amount is then added to the amount already calculated for Northumberland County Council.
- 5.27 These transfers are to reflect the fact that from 1 April 2009 Northumberland County Council will become the sole principal authority for its area⁴.

Shropshire County Council

- 5.28 The full amount calculated for Bridgnorth District Council, North Shropshire District Council, Oswestry Borough Council, Shrewsbury and Atcham District Council and South Shropshire District Council, is transferred to the Shropshire County Council, from the amount of Formula Grant calculated in paragraph 5.21 above. This transferred amount is then added to the amount already calculated for Shropshire County Council.
- 5.29 These transfers are to reflect the fact that from 1 April 2009 Shropshire County Council will become the sole principal authority for its area⁵.

Wiltshire County Council

- 5.30 The full amount calculated for Kennet District Council, North Wiltshire District Council, Salisbury District Council and West Wiltshire District Council, is transferred to the Wiltshire County Council, from the amount of Formula Grant calculated in paragraph 5.21 above. This transferred amount is then added to the amount already calculated for Wiltshire County Council.

² Under the Cornwall (Structural Change) Order 2008 (S.I. 2008/491).

³ Under the County Durham (Structural Change) Order 2008 (S.I. 2008/493).

⁴ Under the Northumberland (Structural Change) Order 2008 (S.I. 2008/494).

⁵ Under the Shropshire (Structural Change) Order 2008 (S.I. 2008/492).

- 5.31 These transfers are to reflect the fact that from 1 April 2009 Wiltshire County Council will become the sole principal authority for its area⁶.

Bedford Borough Council

- 5.32 For Bedford Borough Council, an amount, £38,975,908, is transferred, which comprises an agreed proportion of the amount of Formula Grant calculated for Bedfordshire County Council in accordance with paragraph 5.15 above. This amount is then added to the amount already calculated for Bedford Borough Council in accordance with paragraph 5.21 above.
- 5.33 This transfer is to reflect the fact that from 1 April 2009 Bedford Borough Council will become the sole principal local authority for its area⁷.

Central Bedfordshire District Council

- 5.34 For Central Bedfordshire District Council, an amount, £32,954,566, is transferred, which comprises an agreed proportion of the amount of Formula Grant calculated for Bedfordshire County Council in accordance with paragraph 5.15 above.
- 5.35 The amount calculated for Mid-Bedfordshire District Council and South Bedfordshire District Council in accordance with paragraph 5.21 above is also transferred to Central Bedfordshire District Council.
- 5.36 These transfers are to reflect the fact that from 1 April 2008 Central Bedfordshire District Council will become the sole principal local authority for its area⁸.

Cheshire East District Council

- 5.37 For Cheshire East District Council, an amount, £40,172,472, is transferred, which comprises an agreed proportion of the amount of Formula Grant calculated for Cheshire County Council in accordance with paragraph 5.15 above.
- 5.38 The amount calculated for Congleton Borough Council, Crewe and Nantwich Borough Council and Macclesfield Borough Council in accordance with paragraph 5.21 above is also transferred to the Cheshire East District Council.
- 5.39 These transfers are to reflect the fact that from 1 April 2008 Cheshire East District Council will become the sole principal local authority for its area⁹.

Cheshire West and Chester District Council

- 5.40 For Cheshire West and Chester District Council, an amount, £67,020,169, is transferred, which comprises an agreed proportion of the amount of Formula Grant calculated for Cheshire County Council in accordance with paragraph 5.15 above.
- 5.41 The amount calculated for Chester City Council, Ellesmere Port and Neston Borough Council and Vale Royal Borough Council, is transferred to the Cheshire West and Chester District Council in accordance with paragraph 5.21 above is transferred to the Cheshire West and Chester District Council.

⁶ Under the Wiltshire (Structural Change) Order 2008 (S.I. 2008/490).

⁷ Under the Bedfordshire (Structural Change) Order 2008 (S.I. 2008/907).

⁸ Under the Bedfordshire (Structural Change) Order 2008 (S.I. 2008/907).

⁹ Under the Cheshire (Structural Change) Order 2008 (S.I. 2008/634).

5.42 This transfer is to reflect the fact that from 1 April 2008 Cheshire West and Chester District Council will become the sole principal local authority for its area¹⁰.

¹⁰ Under the Cheshire (Structural Change) Order 2008 (S.I. 2008/634).

6 Distribution of Revenue Support Grant

- 6.1 This section specifies the basis on which the Secretary of State proposes to distribute among receiving authorities the amount of Revenue Support Grant which under Part V of the 1988 Act falls to be paid to such authorities for the year 2010/2011.
- 6.2 The share of Revenue Support Grant for each receiving authority, other than the Greater London Authority, is to be calculated by applying the formula:

$$\frac{I}{(I+J)} \times (K-L)$$

where:

- I** is the amount of Revenue Support Grant that the Secretary of State proposes to pay to receiving authorities, as specified in section 2 of this Report;
- J** is the distributable amount, as specified in section 3 of this Report;
- K** is the authority's share of Formula Grant for 2010/11 calculated in accordance with Section 5 of this Report; and
- L** is the amount of any Principal Formula Police Grant for the authority for 2010/11 as shown in column (a) of the table contained in paragraph 3.1 of the Police Grant Report (England and Wales) 2010/2011.

- 6.3 The share of Revenue Support Grant for the Greater London Authority is to be calculated by applying the formula:

$$\left(\frac{I}{(I+J)} \times (K1 - L1) \right) + \left(\frac{I}{(I+J)} \times K2 \right)$$

where:

- I** and **J** have the same meanings as in paragraph 6.2;
- K1** is the share of Formula Grant for police services, for 2010/11 specified in Annex K of this Report;
- L1** is the amount of Principal Formula Police Grant for the authority for 2010/11 as shown in column (a) of the table contained in paragraph 3.1 of the Police Grant Report (England and Wales) 2010/2011; and
- K2** is the share of Formula Grant for fire and rescue services, for 2010/2011 specified in Annex K of this Report.

7 Distribution of the Distributable Amount

7.1 This section specifies the basis on which the Secretary of State proposes to distribute among receiving authorities the distributable amount for the year 2010/2011.

7.2 The share of the distributable amount for each receiving authority, other than the Greater London Authority, is to be calculated by applying the formula:

$$\frac{J}{(I+J)} \times (K - L)$$

where:

- I** is the amount of Revenue Support Grant that the Secretary of State proposes to pay to receiving authorities, as specified in section 2 of this Report;
- J** is the distributable amount, as specified in section 3 of this Report;
- K** is the authority's share of Formula Grant for 2010/11 calculated in accordance with Section 5 of this Report; and
- L** is the amount of any Police Grant for the authority for 2010/11 as shown in column (a) of the table contained in paragraph 3.1 of the Police Grant Report (England and Wales) 2010/2011.

7.3 The share of the distributable amount for the Greater London Authority is to be calculated by applying the formula:

$$\left(\frac{J}{(I+J)} \times (K1 - L1) \right) + \left(\frac{J}{(I+J)} \times K2 \right)$$

where:

- I** and **J** have the same meanings as in paragraph 6.2;
- K1** is the share of Formula Grant for police services, for 2010/11 specified in Annex K of this Report;
- L1** is the amount of Police Grant for the authority for 2010/11 as shown in column (a) of the table contained in paragraph 3.1 of the Police Grant Report (England and Wales) 2010/2011; and
- K2** is the share of Formula Grant for fire and rescue services, for 2010/11 specified in Annex K of this Report.

8 Conclusion

- 8.1 This Report is made by the Secretary of State under section 78A of the Local Government Finance Act 1988. It is laid before the House of Commons in accordance with that section.
- 8.2 The financial year for which the Report is to operate is that beginning on 1 April 2010. This Report may be amended by a report made under section 84A of the 1988 Act¹ or under paragraph 13 of Schedule 8 to the 1988 Act².

Signed by authority of the Secretary of State.

nn January 2010

John Healey
Minister for Local Government
Department of Communities and Local Government

The consent of the Treasury has been obtained to the making of the determinations specified in paragraphs 2.1 to 2.3 of this Report.

nn January 2010


Two of the Lords Commissioners
of Her Majesty's Treasury

1 Section 84A was inserted by paragraph 15 of Schedule 10 to the 1992 Act.

2 Paragraph 13 was substituted by paragraph 7 of Schedule 10 to the 1992 Act.

Annex A

Amounts of Grant for Specified Bodies

The Secretary of State has determined as the amount of Revenue Support Grant which she proposes to pay to each specified body the amount shown against its name below:

	£
Improvement and Development Agency for Local Government	25,335,000
Employers' Organisation for Local Government / Local Government Employers	3,680,000
The Fire Services Examination Board	0
The National Foundation for Educational Research in England and Wales	1,311,000
The National Institute of Adult Continuing Education	694,000
The Local Government International Bureau	1,797,000
The Local Authorities Co-ordinators for Regulatory Services	2,080,000
Public Private Partnerships Programme	2,950,000
National Youth Agency	1,461,000
TOTAL	39,308,000

Annex B

Shares of the Council Tax Base used in Calculating an Authority's Share of Formula Grant

- 1 The distribution of Formula Grant takes into account the council tax base of an authority. Since in all areas of England council services are supplied by more than one type of local authority the council tax has to be divided between the authorities supplying services in an area. In calculating Formula Grant a share of the council tax base is assumed for each tier of authority services.
- 2 The table below shows the share of tax base for each tier of authority services.

<i>Tier of Service</i>	<i>Share of council tax base</i>
Upper-tier services	0.722079958
Police services	0.088692078
Fire and rescue services	0.033356743
Lower-tier services	0.155871221

Annex C

The Council Tax Base for Formula Grant purposes

- 1 This Annex contains rules for calculating the council tax base for Formula Grant purposes (“the taxbase”), for the area of each receiving authority.
- 2 The Secretary of State will calculate the taxbase for each receiving authority's area using information which billing authorities have submitted to her in writing in accordance with the notice dated 2 October 2007 issued under section 139A of the 1988 Act and section 68 of the 1992 Act and which has been received by her on or before 26 October 2007 in accordance with the notice dated 2 October 2007 which was issued under section 139A of the 1988 Act and section 68 of the 1992 Act. The information submitted will generally have been on the basis of information available to billing authorities on 8 October 2007¹. If an authority has failed to provide the information in accordance with the notice, the Secretary of State will exercise her powers under section 139A(3) of the 1988 Act and section 68(3) of the 1992 Act, namely, she may assume the information required to be such as she sees fit. She may also take into account any other information available to her.
- 3 The taxbase for a billing authority's area as at 8 October 2007 will be equal to -

Council Tax Base for Revenue Support Grant Purposes	
(a)	<p>the total of the amounts calculated by applying the following formula in relation to dwellings shown on 17 September 2007 in each valuation band (“the band”) in the valuation list compiled under section 22 of the 1992 Act except for band A -</p> $\left\{ \begin{aligned} &R - \left(S1 + \left(\frac{S2}{2} \right) + T + U - V + W + XA + XB + XC + XD \right) + (0.75 \times W) \\ &+ (0.5 \times XA) + (0.5 \times XB) + (0.5 \times XC) + \left(\left(1 - \frac{AP}{100} \right) \times XD \right) \end{aligned} \right\} \times \frac{Y}{Z}$ <p><i>Plus</i></p>
(b)	<p>the amount calculated by applying the following formula in relation to dwellings shown on 17 September 2007 for valuation band A in the valuation list compiled under section 22 of the 1992 Act -</p> $\left\{ \begin{aligned} &R - \left(S1 + \left(\frac{S2}{2} \right) + T + U1 - V1 + W1 + X1A + X1B + X1C + X1D \right) + (0.75 \times W1) \\ &+ (0.5 \times X1A) + (0.5 \times X1B) + (0.5 \times X1C) + \left(\left(1 - \frac{AP}{100} \right) \times X1D \right) \end{aligned} \right\} \times \frac{6}{9}$ $+ \left\{ (U1 - W2 - X2) + (0.75 \times W2) + (0.5 \times X2) \right\} \times \frac{5}{9}$ <p><i>Plus</i></p>

¹ More recent figures for discounts and exemptions applicable as at 8 October 2007 were acceptable if numbers changed significantly in light of information received after 8 October 2007 (for example, class N exemptions for students).

- (c) the amount of the taxbase element for dwellings situated in the authority's area which are exempt dwellings by virtue of falling within Class O of the Exempt Dwellings Order, calculated by the authority in accordance with the notice referred to in paragraph 2.

where -

- R** is the number of dwellings in the band;
- S1** is the number of dwellings in the band which on 8 October 2007 were exempt dwellings within Classes A to L and O to W of the Council Tax (Exempt Dwellings) Order 1992² (“the Exempt Dwellings Order”);
- S2** is the number of dwellings in the band which on 31 May 2007 were exempt dwellings within Classes M and N of the Exempt Dwellings Order,
Plus
- the number of dwellings in the band which on 8 October 2007 were exempt dwellings within Classes M and N;
- T** is the number of dwellings in the band not included in S1 or S2 above which in the opinion of the authority on 8 October 2007-
- (i) had ceased to exist, or
- (ii) were not within the area of the authority;

And where for dwellings in the bands **B** to **H**:

- U** is the number of dwellings in the band in respect of which, by virtue of the Council Tax (Reductions for Disabilities) Regulations 1992³ (“the Reductions for Disabilities Regulations”), the amount of council tax payable on 8 October 2007 was calculated by reference to the valuation band which is immediately above the band in the Table in section 5(2) of the 1992 Act (“the relevant Table”);
- V** is the number of dwellings in the valuation band which is immediately below the band in the relevant Table in respect of which, by virtue of the Reductions for Disabilities Regulations, the amount of council tax payable on 8 October 2007 was calculated by reference to the band;
- W** is the number of dwellings in the band in respect of which the amount of council tax payable on 8 October 2007 was subject to a 25 per cent discount by virtue of section 11(1) of the 1992 Act,
Less
- the number of those dwellings in respect of which, by virtue of the Reductions for Disabilities Regulations, the amount of council tax payable was calculated by

2 S.I. 1992/558 as amended by S.I. 1992/2941, S.I. 1993/150, S.I. 1994/539, S.I. 1995/619, S.I. 1997/74, S.I. 1997/656, S.I. 1998/291, S.I. 1999/536, S.I. 2000/424, S.I. 2003/3121 and S.I. 2006/2318.

3 S.I. 1992/554 as amended by S.I. 1993/195 and S.I. 1999/1004.

reference to the valuation band which is immediately above the band in the relevant Table,

Plus

the number of dwellings in the valuation band which is immediately below the band in the relevant Table in respect of which the amount of council tax payable on 8 October 2007 -

- (i) was subject to a 25 per cent discount, by virtue of section 11(1) of the 1992 Act, and
- (ii) was calculated by reference to the band, by virtue of the Reductions for Disabilities Regulations;

XA is the number of dwellings in the band in respect of which the amount of council tax payable on 8 October 2007 was subject to a 50 per cent discount by virtue of section 11(2)(b) of the 1992 Act,

Less

the number of those dwellings in respect of which, by virtue of the Reductions for Disabilities Regulations, the amount of council tax payable was calculated by reference to the valuation band which appears immediately above the band in the relevant Table,

Plus

the number of dwellings in the valuation band which appears immediately below the band in the relevant Table in respect of which the amount of council tax payable on 8 October 2007 -

- (i) was subject to a 50 percent discount, by virtue of section 11(2) of the 1992 Act, and
- (ii) was calculated by reference to the band by virtue of the Reductions for Disabilities Regulations;

XB is the number of dwellings in the band which on 8 October 2007 were within Class A or B of the Council Tax (Prescribed Classes of Dwellings) (England) Regulations 2003⁴ (“the 2003 Regulations”) (for RSG purposes these dwellings are treated as being entitled to a 50% discount even if the authority has determined a lesser discount under section 11A(3) of the 1992 Act);

XC is the number of dwellings in the band which on 8 October 2007 were within Class C of the 2003 Regulations and were entitled to a 50% discount;

XD is the number of dwellings in the band in respect of which the amount of council tax payable on 8 October 2007 was subject to a discount of between 0% and 50% by reason of any determination under section 11A(4) of the 1992 Act;

AP is the appropriate percentage (i.e. the percentage discount given by the authority to long-term empty homes) in any determination made under section 11A(4) of

4 S.I.2003/3011 as amended by S.I. 2004/926, S.I. 2005/416 and S.I. 2005/2866.

the 1992 Act, in relation to the financial year 2007/08;

Y is the number in the proportion set out in paragraph 4 which is applicable to dwellings shown in the band in the valuation list;

Z is 9; that is, the number in the proportion set out in paragraph 4 which is applicable to dwellings in valuation band D.

And where for dwellings in band A:

U1 is the number of dwellings in band A in respect of which, by virtue of the Reduction for Disabilities Regulations, the amount of council tax payable on 8 October 2007 was calculated as 5/9 the band D amount;

V1 is the number of dwellings in valuation band B in respect of which, by virtue of the Reductions for Disabilities Regulations, the amount of council tax payable on 8 October 2007 was calculated by reference to band A;

W1 is the number of dwellings in band A, in respect of which the amount of council tax payable on 8 October 2007 was subject to a 25 per cent. discount by virtue of section 11(1) of the 1992 Act,

Less

the number of those dwellings in respect of which the amount of council tax payable was calculated by reference to 5/9 of the band D amount by virtue of the Reductions for Disabilities Regulations,

Plus

the number of dwellings in band B in respect of which the amount of council tax payable on 8 October 2007 -

- (i) was subject to a 25 per cent discount, by virtue of section 11(1) of the 1992 Act, and
- (ii) was calculated by reference to band A, by virtue of the Reductions for Disabilities Regulations;

X1A is the number of dwellings in band A in respect of which the amount of council tax payable on 8 October 2007 was subject to a 50 per cent discount by virtue of section 11(2)(b) of the 1992 Act,

Less

the number of those dwellings in respect of which the amount of council tax payable was calculated by reference to 5/9 of the band D amount by virtue of the Reductions for Disabilities Regulations,

Plus

the number of dwellings in band B in respect of which the amount of council tax payable on 8 October 2007 -

- (i) was subject to a 50 per cent discount, by virtue of section 11(2) of the 1992 Act, and
- (ii) was calculated by reference to band A by virtue of the Reductions for Disabilities Regulations;

X1B is the number of dwellings in band A which on 8 October 2007 were within Class A or B of the 2003 Regulations (for RSG purposes these dwellings are treated as being entitled to a 50% discount even if the authority has determined a lesser discount under section 11A(3) of the 1992 Act);

X1C is the number of dwellings in band A which on 8 October 2007 were within Class C of the 2003 Regulations and were entitled to a 50% discount;

X1D is the number of dwellings in band A in respect of which the amount of council tax payable on 8 October 2007 was subject to a discount of between 0% and 50% by reason of any determination made by the authority under section 11A(4) of the 1992 Act;

W2 Is the number of dwellings in band A in respect of which the amount of council tax payable on 8 October 2007-

- (i) was subject to a 25 per cent discount, by virtue of section 11(1) of the 1992 Act, and
- (ii) was calculated by reference to 5/9 of the band D amount by virtue of the Reductions for Disabilities Regulations;

X2 is the number of dwellings in band A in respect of which the amount of council tax payable on 8 October 2007-

- (i) was subject to a 50 per cent discount, by virtue of section 11(2) of the 1992 Act, and
- (ii) was calculated by reference to 5/9 of the band D amount by virtue of the Reductions for Disabilities Regulations.

4 For the purposes of the definitions of Y in paragraph 3, the proportion is the proportion in section 5(1) of the 1992 Act, namely, -

7 : 8 : 9 : 11 : 13 : 15 : 18

where 7 is for dwellings in band B, 8 is for dwellings in band C, and so on.

5 The taxbase for a billing authority's area for 2008/09 is the taxbase for a billing authority's area in 2007/08, as calculated under paragraph 3, increased by the Secretary of State's estimate of the average annual increase in the taxbase for the authority between:

- (i) 10 October 2005, on the basis of information submitted to him in writing in accordance with the notice dated 26 September 2005 issued under section 139A of the 1988 Act and section 68 of the 1992 Act; and
- (ii) 8 October 2007, on the basis of information submitted to him in writing in accordance with the notice dated 2 October 2007 issued under the same powers.

- 6 The amount calculated at paragraph 5 is then increased by the Secretary of State's estimate of the average annual increase in the taxbase for the authority between 10 October 2005 and 8 October 2007, as described in paragraph 5, to give the taxbase for the billing authority's area for 2009/10.
- 7 The amount calculated at paragraph 6 is then increased by the Secretary of State's estimate of the average annual increase in the taxbase for the authority between 10 October 2005 and 8 October 2007, as described in paragraph 5, to give the taxbase for the billing authority's area for 2010/11.
- 8 Subject to paragraph 9, the taxbase for the area of each major precepting authority will be calculated as the total of the taxbase figures for 2010/11 for the area of each billing authority to which the major precepting authority has the power to issue a precept.
- 9 The taxbase for the whole of the Greater London Authority's area will be calculated as the total of the taxbase figures for the London borough councils and Common Council of the City of London. The taxbase for that part of the Greater London Authority's area for which the Greater London Authority makes budgetary provision for police services, will be calculated as the total of the taxbase figures for the London borough councils.

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, by an order under section 2 of the Fire and Rescue Services Act 2004, or under section 323 of the Greater London Authority Act 1999. 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 2010**

The projected number of residents aged 13-19 years in 2010, 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 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 2010**

The projected number of residents under 18 years of age in 2010, 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* 4.4517, *multiplied by* 0.2, and then *added to* 0.8.

The indicator is the result of the above calculation *divided by* 0.9344 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.

II Adults' Personal Social Services

PROJECTED HOUSEHOLD AND SUPPORTED RESIDENTS AGED 65 AND OVER IN 2010

The projected number of residents aged 65 years and over who are residents in households *plus* the number of Local Authority supported residents in permanent care homes, calculated as:

- (i) The projected resident population aged 65 years and over in 2010, as estimated by the Registrar General and published on 27 September 2007; *multiplied by*
- (ii) The household population aged 65 years and over, using information from the 2001 Census; and then *divided by*
- (iii) The resident population aged 65 years and over, using information from the 2001 Census.

The result of the above calculation is *added* to the number of Local Authority supported residents in permanent care homes aged 65 years and over as at 31 March 2006, as estimated by the Secretary of State for Health.

HOUSEHOLD AND SUPPORTED RESIDENTS AGED 90 AND OVER

An estimate of the number of residents aged 90 years and over who are residents in households *plus* the number of Local Authority supported residents in permanent care homes, calculated as:

- (i) The resident population aged 90 years and over at 30 June 2006, as estimated by the Registrar General; *multiplied by*
- (ii) The household population aged 90 years and over, using information from the 2001 Census; and then *divided by*
- (iii) The resident population aged 90 years and over, using information from the 2001 Census.

The result of the above calculation is *added* to the number of Local Authority supported residents in permanent care homes aged 90 years and over as at 31 March 2006, as estimated by the Secretary of State for Health.

HOUSEHOLD AND SUPPORTED RESIDENTS AGED 65 AND OVER

An estimate of the number of residents aged 65 years and over who are residents in households *plus* the number of Local Authority supported residents in permanent care homes, calculated as:

- (i) The resident population aged 65 years and over at 30 June 2006, as estimated by the Registrar General; *multiplied by*
- (ii) The household population aged 65 years and over, using information from the 2001 Census; and then *divided by*
- (iii) The resident population aged 65 years and over, using information from the 2001 Census.

The result of the above calculation is *added* to the number of Local Authority supported residents in permanent care homes aged 65 years and over as at 31 March 2006, as estimated by the Secretary of State for Health.

**OLDER PEOPLE
RECEIVING
ATTENDANCE
ALLOWANCE**

The average number of people, aged 65 or over, in receipt of attendance allowance over a period between May 2004 and February 2007, using twelve quarterly scans for this period, as estimated by the Secretary of State for Work and Pensions *divided by* the resident population aged 65 years and over at 30 June 2006, as estimated by the Registrar General.

**OLDER PEOPLE IN
RENTED
ACCOMMODATION**

The proportion of people aged 65 or over living in rented accommodation, calculated using information from the 2001 Census.

**OLDER PEOPLE
LIVING IN ONE
PERSON
HOUSEHOLDS**

The proportion of people aged 65 or over who are living alone, calculated using information from the 2001 Census.

**OLDER PEOPLE ON
INCOME SUPPORT/
INCOME BASED
JOBSEEKER'S
ALLOWANCE/
GUARANTEE
ELEMENT OF
PENSION CREDIT**

The average number of persons who are, or whose partner is, aged 60 years and over and in receipt of Income Support/ Income Based Jobseeker's Allowance/ the Guarantee element of Pension Credit, 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 recipients, *and*
- b) August 2004 and August 2006, using scans made at the end of August of each year for Income based Jobseekers Allowance recipients,

as estimated by the Secretary of State for Work and Pensions, *divided by* the Resident population aged 65 and over at 30 June 2006, as estimated by the Registrar General.

**LOW INCOME
ADJUSTMENT**

The sum of:

- (i) 0.1042 *minus*
- (ii) 0.102 *multiplied by* **OLDER PEOPLE ON INCOME SUPPORT/
INCOME BASED JOBSEEKER'S ALLOWANCE/
GUARANTEE ELEMENT OF PENSION CREDIT** (as defined above) *plus*
- (iii) 0.126281166

The sum of the above is then divided by the **AREA COST ADJUSTMENT FOR OLDER PEOPLES PSS** (as defined below) and *subtracted from* 1.

The indicator is the result of the above calculation *divided by* 0.783105234 and calculated to 4 decimal places.

**SPARSITY
ADJUSTMENT FOR
PEOPLE AGED 65
AND OVER**

The sum of:

- (i) 2 *multiplied by* the resident population aged 65 years and over of those Lower Super Output Areas within the area of the authority at the 2001 Census with 0.08 or fewer residents per hectare, *divided by* the total resident population aged 65 years and over of the authority, calculated using information from the 2001 Census; *and*
- (ii) The resident population aged 65 years and over of those Lower Super Output Areas within the area of the authority at the 2001 Census with more than 0.08 but less than or equal to 0.64 residents per hectare, *divided by* the total resident population aged 65 years and over of the authority, calculated using information from the 2001 Census.

The sum is then *divided by* 0.2051009, *multiplied by* 0.0043, and then added to 0.9957.

The indicator is the result of the above calculation *divided by* 0.9957, calculated to 4 decimal places.

Output Areas were introduced by the Office for National Statistics as the smallest units of output for the 2001 census. In England and Wales they have a minimum size of 100 residents and 40 households. They are based on census day postcodes and fit within the boundaries of 2003 statistical wards (and parishes).

**PROJECTED
POPULATION AGED
18 TO 64 IN 2010**

The projected number of residents aged between 18 and 64 years in 2010, as estimated by the Registrar General and published on 27 September 2007.

**PEOPLE AGED 18 TO
64 RECEIVING
DISABILITY LIVING
ALLOWANCE**

The average number of people aged 18 to 64, in receipt of disability living allowance over a period between May 2004 and February 2007, using twelve quarterly scans for this period, as estimated by the Secretary of State for Work and Pensions *divided by* the resident population aged 18 to 64 at 30 June 2006, as estimated by the Registrar General.

**PEOPLE AGED 18 TO
64 WHO ARE LONG
TERM UNEMPLOYED
OR HAVE NEVER
WORKED**

The proportion of people aged 18 to 64 who are long term unemployed or have never worked (National Statistics – Socio Economic Classification 8 (NS-SEC 8)), calculated using information from the 2001 Census.

**PEOPLE AGED 18 TO
64 WHO WORK IN
ROUTINE OR SEMI
ROUTINE
OCCUPATIONS**

The proportion of people aged 18 to 64 who work in routine or semi routine occupations (NS-SEC 6 and 7), calculated using information from the 2001 Census.

**HOUSEHOLDS WITH
NO FAMILY**

The proportion of households with no family (married couple, cohabiting couple or lone parent family), calculated using information from the 2001 Census.

**AREA COST
ADJUSTMENT FOR
OLDER PEOPLE'S
PERSONAL SOCIAL
SERVICES**

A factor calculated to reflect differences in the cost of providing older people's 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.

**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.

III Police

In this section a reference to “the authority’s area” is to be read, in the case of the Greater London Authority, as a reference to the area of the Metropolitan Police District.

PROJECTED POPULATION IN 2010

The projected total resident population in 2010, as estimated by the Registrar General and published on 27 September 2007.

DAYTIME NET-INFLOW PER RESIDENT POPULATION

THE DAYTIME NET-INFLOW (as defined below) *divided by* the total resident population of the authority, calculated using information from the 2001 Census.

DAYTIME NET-INFLOW

The number of persons working but not resident in the authority’s area *minus* the number of persons resident in but working outside the authority’s area, as estimated by the Secretary of State using information from the 2001 Census.

LOG OF BARS PER 100 HECTARES

The natural logarithm¹ of:

The number of units that are bars (*defined as Standard Industrial Classification (SIC) 55.40 - BARS*), as estimated by the Secretary of State, based on information provided by the Office for National Statistics from the 2005 Annual Business Inquiry; *divided by* the number of hectares, using information from the 2001 Census; the result is then *multiplied by* 100.

INCOME SUPPORT/ INCOME BASED JOBSEEKER’S ALLOWANCE/ GUARANTEE ELEMENT OF PENSION CREDIT CLAIMANTS

The number of Income Support/ Income based Jobseekers Allowance/ Guarantee Element of Pension Credit claimants, 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 at 30 June 2006, as estimated by the Registrar General.

SINGLE PARENT HOUSEHOLDS

The proportion of households which are lone parent households with dependant children, calculated using information from the 2001 Census.

POPULATION DENSITY

The resident population at 30 June 2006, as estimated by the Registrar General, *divided by* the area of the authority in hectares, using information from the 2001 Census.

LONG-TERM UNEMPLOYMENT-

The number of claimants of unemployment-related benefits, currently Jobseeker's Allowance and National Insurance credits, with a duration of

¹ The natural logarithm is also known as the Napierian log or log to the base e

RELATED BENEFIT CLAIMANTS	unemployment of more than one year, averaged over the period between May 2004 and April 2007, calculated using monthly information provided by the Office for National Statistics through NOMIS, <i>divided by</i> the sum of the number of resident males aged 18-64 years and the number of resident females aged 18-59 years at 30 June 2006, as estimated by the Registrar General.
RESIDENTS IN ROUTINE/ SEMI-ROUTINE OCCUPATIONS OR NEVER WORKED/ LONG-TERM UNEMPLOYED	The proportion of residents in routine or semi-routine occupations or who have never worked or are long-term unemployed (National Statistics – Socio Economic Classifications (NS-SEC) 6, 7 and 8), calculated using information from the 2001 Census.
STUDENT HOUSING	The proportion of households that contain all students, calculated using information from the 2001 Census.
HARD PRESSED POPULATION	The proportion of household residents living in areas classified as ACORN category 'Hard Pressed', as defined in ACORN data produced by CACI Limited, based upon information from the 2001 Census and updated lifestyle data, and released at the end of 2006.
YOUNG MALE UNEMPLOYMENT-RELATED BENEFIT CLAIMANTS	The number of claimants of unemployment-related benefits, currently Jobseeker's Allowance and National Insurance credits, who were male and aged under 25 years, averaged over the period between May 2004 and April 2007, calculated using monthly information provided by the Office for National Statistics through NOMIS, <i>divided by</i> the sum of the number of resident males aged 18-64 years and the number of resident females aged 18-59 years at 30 June 2006, as estimated by the Registrar General.
LOG OF POPULATION SPARSITY	The natural logarithm of POPULATION SPARSITY (as defined below).
POPULATION SPARSITY	The population sparsity of each authority measured at Output Area level. The sum of: <ul style="list-style-type: none"> (i) <i>2 multiplied by</i> the resident population of those Output Areas within the area of the authority at the 2001 Census with 0.5 or less residents per hectare, <i>divided by</i> the total resident population of the authority, calculated using information from the 2001 Census; <i>and</i> (ii) The resident population of those census Output Areas 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, <i>divided by</i> the total resident population of the authority, calculated using information from the 2001 Census.

Output Areas were introduced by the Office for National Statistics as the smallest units of output for the 2001 census. In England and Wales they have a minimum size of 100 residents and 40 households. They are based on census day postcodes and fit within the boundaries of 2003 statistical wards (and parishes).

**LOG OF
OVERCROWDED
HOUSEHOLDS**

The natural logarithm of:

The proportion of overcrowded households with an occupancy rating of “-1 or less”, calculated using information from the 2001 Census.

**WEALTHY
ACHEIVERS
POPULATION**

The proportion of household residents living in areas classified as ACORN category 'Wealthy Achievers', as defined in ACORN data produced by CACI Limited, based upon information from the 2001 Census and the updated lifestyle data, and released at the end of 2006.

**TERRACED
HOUSEHOLDS**

The proportion of households which are terraced, including end terraced, calculated using information from the 2001 Census.

**PROJECTED
DAYTIME
POPULATION IN 2010**

PROJECTED POPULATION IN 2010 (as defined above) *plus* **DAYTIME NET-INFLOW** (as defined above).

**POLICE GRANT
RATE**

The proportion of police revenue expenditure in England and Wales for 2010-2011, as estimated by the Secretary of State for the Home Department, which is to be met directly by the aggregate of police grant calculated under section 5 of the Police Grant Report (England and Wales) 2010-2011.

**AREA COST
ADJUSTMENT FOR
POLICE**

A factor calculated to reflect differences in the costs of providing police 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; rateable values and hereditaments at 1 July 2007 from the HMRC; estimates of office hereditaments and floorspace as at 2006; gross non-domestic rates and increases and reductions in rate yields, as supplied by authorities to the Secretary of State on the National Non-Domestic Rates Provisional Contributions Return 2007-08; and the total resident population as at 30 June 2006, as estimated by the Registrar General.

IV Fire and Rescue

PROJECTED POPULATION IN 2010 The projected total resident population in 2010, as estimated by the Registrar General and published on 27 September 2007.

COASTLINE The length of coastline (to the nearest 1000 metres) at low water, as estimated by the Secretary of State generally using information on 1991 administrative areas from the Boundary Line Product provided by Ordnance Survey, *divided by* the total resident population at 30 June 2006, as estimated by the Registrar General.

RISK INDEX The sum of the following factors, (each calculated to 4 decimal places):

- (i) **CHILDREN OF INCOME SUPPORT/ INCOME BASED JOBSEEKER'S ALLOWANCE CLAIMANTS** (as defined below) *minus* 0.1929 and *divided by* 0.0682 *plus* 2; and
- (ii) **HOUSEHOLDS NOT CONTAINING A COUPLE WITH NO CHILDREN** (as defined below) *minus* 0.7214 and *divided by* 0.0406 *plus* 2; and
- (iii) **PEOPLE IN RENTED ACCOMMODATION** (as defined below) *minus* 0.2571 and *divided by* 0.0657 *plus* 2; and
- (iv) **ABSENCES IN PUPILS OF PRIMARY SCHOOL AGE** (as defined below) *minus* 21.6666 and *divided by* 1.3578 *plus* 3; and
- (v) **AVERAGE NUMBER OF ROOMS PER HOUSEHOLD RESIDENT** (as defined below) *minus* 2.2578 and *divided by* 0.1389 *plus* 2; and
- (vi) **ACORN TYPES 50 AND 53** (as defined below) *minus* 0.0211 and *divided by* 0.0111 *plus* 2.

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 annual scans made at the end of August of each year as estimated by the Secretary of State for Work and Pensions; *divided by* the number of residents under 18 years of age at 30 June 2003, as estimated by the Registrar General and published on 22 August 2007.

HOUSEHOLDS NOT CONTAINING A COUPLE WITH NO CHILDREN The proportion of households other than those containing a married or cohabiting couple who have no children and no others, averaged over the period between Autumn 2004 (September to November) and Quarter 2 2007 (April to June), as estimated by the Secretary of State, based on information from the Labour Force Survey provided by the Office for National Statistics.

In 2006 ONS started using calendar quarters as opposed to seasonal

quarters for the Labour Force Survey. Back series were produced for Quarter 2 2005 and Quarter 2 2006 by the ONS. However, there is no back series for Quarter 4 2004 and Quarter 4 2005, therefore Autumn 2004 and Autumn 2005 seasons have been used.

PEOPLE IN RENTED ACCOMMODATION

The proportion of people in accommodation that is rented, averaged over the period of 2004 to 2006, as estimated by the Secretary of State, based on information from the Labour Force Survey provided by the Office for National Statistics.

ABSENCES IN PUPILS OF PRIMARY SCHOOL AGE

The average number of absences (both authorised and unauthorised) of pupils of primary school age, over the period 2003-2004 to 2005-2006, as estimated by the Secretary of State, using information from the Secretary of State for Children, Schools and Families.

AVERAGE NUMBER OF ROOMS PER HOUSEHOLD RESIDENT

The average number of rooms per household resident, calculated using information from the 2001 Census.

ACORN TYPES 50 AND 53

The proportion of household residents in ACORN Type 50 (Single elderly people, council flats) and Acorn Type 53 (Old people, high rise flats), as defined in ACORN data produced by CACI Limited, based upon information from the 2001 Census and updated lifestyle data, and released at the end of 2006.

COMAH SITES

The number of top tier Control of Major Accident Hazards (COMAH) sites, as estimated by the Secretary of State using information extracted on 1 October 2007 by the Health and Safety Executive, *divided by* the total resident population at 30 June 2006, as estimated by the Registrar General.

PROPERTY AND SOCIETAL RISK

The property and societal risk to a Fire and Rescue Authority, as estimated by the Secretary of State, based on buildings information derived from the Valuation Office Agency and property and societal risk frequency for other buildings information from the 2006 Fire Services Emergency Cover Toolkit (FSEC) Toolkit.

The result of the above is *multiplied by 798.5731 divided by* the projected total resident population in 2010, as estimated by the Registrar General.

COMMUNITY FIRE SAFETY

The sum of :

- (i) 5 *multiplied by* the number of pupils in maintained and independent schools who had attained the age of 5 and had not attained the age of 11 at 31 August 2006. Numbers of pupils aged 5-10 in maintained and independent schools 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; *and*

- (ii) The proportion of residents living in areas with a greater need for fire safety education, as estimated by the Secretary of State using information from ACORN classifications provided by CACI Limited, *multiplied by* the total resident population at 30 June 2006 as estimated by the Registrar General; *and*
- (iii) The resident population aged 65 years and over at 30 June 2006, as estimated by the Registrar General.

The result of the above is *multiplied by 0.4327 divided by* the projected total resident population in 2010, as estimated by the Registrar General.

**AREA COST
ADJUSTMENT
FOR FIRE AND
RESCUE**

A factor calculated to reflect differences in the cost of providing fire and rescue 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; rateable values and hereditaments at 1 July 2007 from the HMRC; estimates of office hereditaments and floorspace as at 2006; gross non-domestic rates and increases and reductions in rate yields, as supplied by authorities to the Secretary of State on the National Non-Domestic Rates Provisional Contributions Return 2007-08; and the total resident population as at 30 June 2006, as estimated by the Registrar General.

V Highway Maintenance

WEIGHTED ROAD LENGTHS

The sum of:

- (i) **Principal built-up roads** *multiplied by 2*; and
- (ii) **Principal non built-up roads**; and
- (iii) **Other built-up roads** *multiplied by 2*; and
- (iv) **Other non built-up roads**.

Each of the types of roads in (i) to (iv) above is as defined below for **UNWEIGHTED ROAD LENGTHS**.

TRAFFIC FLOW

The result of:

- (i) The annual average flow of all motor vehicles (in millions) during 2004, 2005 and 2006 on principal roads for which the authority is the highway authority, except those roads that are funded under the Maintenance of Roads Grant Determination, as estimated by the Secretary of State for Transport. The flows in each year are then averaged; *plus*
- (ii) 100 *multiplied by* the annual average flow of heavy goods vehicles, buses and coaches (in millions) during 2004, 2005 and 2006 on principal roads for which the authority is the highway authority, except those roads that are funded under the Maintenance of Roads Grant Determination, as estimated by the Secretary of State for Transport. The flows in each year are then averaged.

For all authorities, the Secretary of State for Transport has also applied the above formula as he thinks appropriate to take account of traffic flows on substantial lengths of road which became principal roads for which the authority was the highway authority in the financial year beginning 1 April 2007 and in respect of which there was no significant change to the local road network or to the flow of traffic following the change in status of the road.

DAYTIME POPULATION PER KM

The sum of:

- (i) The total resident population at 30 June 2006, as estimated by the Registrar General; *plus*
- (ii) *Either the result of:*
The number of persons working but not resident in the authority's area *minus* the number of persons resident in but working outside the authority's area, as estimated by the Secretary of State using information from the 2001 Census;
or zero, whichever is the greater; *plus*
- (iii) The annual average number of nights stayed by domestic and foreign visitors in the authority's area, *divided by 365*, as estimated by the Secretary of State; *plus*
- (iv) The annual number of day visitors to the authority's area, *divided by 365*, as estimated by the Secretary of State using information provided by the Secretary of State for Culture, Media and Sport.

The result of the above is then divided by **UNWEIGHTED ROAD LENGTHS** (as defined below).

Overnight visitors

The estimate at (iii) is generally based on information from the United Kingdom Tourism Surveys (1998 to 2006), for domestic visitors; and from the International Passenger Surveys (2004 to 2006) and the 1991 Census, for the apportionment only, of foreign visitors.

Day visitors

The estimate at (iv) is based on research commissioned by the Department of National Heritage generally using information from the Leisure Day Visits Survey 1988-1989, the 1991 Census, the 1991 Survey of Visits to Tourist Attractions undertaken by the National Tourist Boards, the 1991 Census of Employment and other information about urban areas, National Parks, areas of outstanding natural beauty and official bathing beaches. The information used for this purpose is that available to the Secretary of State for National Heritage on 1 November 1993.

UNWEIGHTED ROAD LENGTHS

The sum of:

Principal built-up roads: the length (in kilometres) of principal roads that are subject to a speed limit not exceeding 40 miles per hour and principal motorways; and

Principal non built-up roads: the length (in kilometres) of principal roads that are not subject to a speed limit of 40 miles per hour or less, but excluding principal motorways; and

Other built-up roads: the length (in kilometres) of all other roads that are subject to a speed limit not exceeding 40 miles per hour; and

Other non built-up roads: the length (in kilometres) of all other roads that are not subject to a speed limit of 40 miles per hour or less,

where the lengths of principal roads relate to the position at 1 April 2007, as estimated by the Secretary of State for Transport. The roads are those for which the authority is the highway authority. These road lengths exclude those roads that are funded under the Maintenance of Roads Grant Determination 2007.

The lengths of roads have been adjusted, as the Secretary of State for Transport considers appropriate, to reflect any change in responsibility for the maintenance of roads between the local authority and the Department for Transport, between 1 April 2007 and 1 April 2008 which was agreed by the Secretary of State for Transport on or by 1 October 2007 and involves a net adjustment of at least one kilometre of road length for the local authority. These road lengths exclude those roads that are funded under the Maintenance of Roads Grant Determination 2007.

DAYS WITH SNOW LYING

The annual average number of days with snow lying at 09.00 hours during 1978 to 1990 inclusive, as estimated by the Secretary of State on the basis of information from the Meteorological Office.

PREDICTED GRITTING DAYS

The annual average number of days where gritting would have been predicted, using the Meteorological Office Open Road Index (MOORI), generally averaged over the 10 most recent winters up to and including 2001-02 where data are available, as estimated by the Secretary of State.

**AREA COST
ADJUSTMENT
FOR HIGHWAY
MAINTENANCE**

A factor calculated to reflect differences in the cost of highway maintenance 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; Revenue Outturn forms (RO2) 2005-06; rateable values and hereditaments at 1 July 2007 from the HMRC; estimates of office hereditaments and floorspace as at 2006; gross non-domestic rates and increases and reductions in rate yields, as supplied by authorities to the Secretary of State on the National Non-Domestic Rates Provisional Contributions Return 2007-08; and the total resident population as at 30 June 2006, as estimated by the Registrar General.

VI Environmental, Protective and Cultural Services

PROJECTED POPULATION IN 2010 The projected total resident population in 2010, as estimated by the Registrar General and published on 27 September 2007.

POPULATION DENSITY The sum of the number of residents per hectare for each Output Area (OA) within the area of the authority at the 2001 Census *multiplied by* that OA's share of the total usually resident population in the authority for each authority. This sum is then *multiplied by* the ratio of the total resident population at 30 June 2006 (as estimated by the Registrar General) to the 2001 Census resident population. This result is then *divided by* 10.

Output Areas were introduced by the Office for National Statistics as the smallest units of output for the 2001 census. In England and Wales they have a minimum size of 100 residents and 40 households. They are based on census day postcodes and fit within the boundaries of 2003 statistical wards (and parishes).

POPULATION SPARSITY The population sparsity of each local authority measured at Output Area level. The sum of:

- (i) 2 *multiplied by* the resident population of those Output Areas 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 census Output Areas 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.

NET IN-COMMUTERS *Either the result of:*
The number of persons working but not resident in the authority's area *minus* the number of persons resident in but working outside the authority's area, as estimated by the Secretary of State using information from the 2001 Census;
or zero, whichever is the greater.

DAY VISITORS The annual number of day visitors to the authority's area, *divided by* 365, as estimated by the Secretary of State using information provided by the Secretary of State for Culture, Media and Sport.

The estimate for day visitors is based on research commissioned by the Department of National Heritage generally using information from the Leisure Day Visits Survey 1988-89, the 1991 Census, the 1991 Survey of Visits to Tourist Attractions undertaken by the National Tourist Boards, the 1991 Census of Employment and other information about urban areas, National Parks, areas of outstanding natural beauty and official bathing beaches. The information used for this purpose is that available to the Secretary of State for National Heritage on 1 November 1993.

**INCAPACITY
BENEFIT AND
SEVERE
DISABLEMENT
ALLOWANCE**

The average number of people receiving Incapacity Benefit and Severe Disablement Allowance, over the period 2004 to 2006, using annual information, as estimated by the Secretary of State for Work and Pensions.

**INCOME SUPPORT/
INCOME BASED
JOBSEEKER'S
ALLOWANCE/
GUARANTEE
ELEMENT OF
PENSION CREDIT
CLAIMANTS**

The number of Income Support/ Income based Jobseekers Allowance/ Guarantee Element of Pension Credit claimants, 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.

**OLDER PEOPLE ON
INCOME SUPPORT/
INCOME BASED
JOBSEEKER'S
ALLOWANCE/
GUARANTEE
ELEMENT OF
PENSION CREDIT**

The average number of persons who are, or whose partner is, aged 60 years and over and in receipt of Income Support/ Income Based Jobseeker's Allowance/ the Guarantee element of Pension Credit, over a period between:

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

as estimated by the Secretary of State for Work and Pensions.

**UNEMPLOYMENT
RELATED BENEFIT
CLAIMANTS**

The average number of claimants of unemployment-related benefits, currently Jobseeker's Allowance and National Insurance credits, over the period between May 2004 and April 2007, calculated using monthly information provided by the Office for National Statistics through NOMIS.

**COUNTRY OF BIRTH
OF RESIDENTS**

The proportion of residents who were born outside the UK, the Republic of Ireland, Ireland (part not specified), Channel Islands and Isle of Man, EU Countries, Canada, USA, Australia and New Zealand, calculated using information from the 2001 Census. The figure is adjusted using the resident population at 30 June 2001, as estimated by the Registrar General and published on 9 September 2004.

**FLOOD DEFENCE
EXPENDITURE**

The sum of:

- (i) The average of net current expenditure in 2003-04, 2004-05 and 2005-06 on flood defence, uprated to reflect 2007-2008 market prices, as estimated by the Secretary of State. The estimate is generally derived from the authority's General Fund Revenue Accounts Returns (RO5) ending 31 March 2004, 31 March 2005, and 31 March 2006 and excluding for this purpose any levies payable to the Environment Agency (as successor body to the National Rivers Authority) or Internal Drainage Boards; and

- (ii) The total of any special levies which are payable in the financial year 2007-2008 to Internal Drainage Boards in accordance with the Land Drainage Act 1991 and the Internal Drainage Boards (Finance) Regulations 1992 (S.I. 1992/3079), generally using information provided in Section A of the Annual Reports of Internal Drainage Boards for the year ended 31 March 2007 (form IDB1) to the Department for the Environment, Food and Rural Affairs.

**ENVIRONMENT
AGENCY
(ENGLAND) LEVY**

The total of any Environment Agency levies which are payable in the financial year 2007-2008 to English Regional Flood Defence Committees. Derived from the statements of levies on councils for the financial year 2007-2008 provided by the Environment Agency to the Department for the Environment, Food and Rural Affairs.

**COAST
PROTECTION
EXPENDITURE**

The average of net current expenditure in 2003-04, 2004-05 and 2005-06 on coast protection, uprated to reflect 2007-2008 market prices, as estimated by the Secretary of State. The estimate is generally derived from the authority's General Fund Revenue Accounts Returns (RO5) ending 31 March 2004, 31 March 2005 and 31 March 2006.

**AREA COST
ADJUSTMENT FOR
ENVIRONMENTAL,
PROTECTIVE AND
CULTURAL
SERVICES**

A factor calculated to reflect differences in the cost of providing the relevant 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; Revenue Outturn forms (RO2) 2005-06; rateable values and hereditaments at 1 July 2007 from the HMRC; estimates of office hereditaments and floorspace as at 2006; gross non-domestic rates and increases and reductions in rate yields, as supplied by authorities to the Secretary of State on the National Non-Domestic Rates Provisional Contributions Return 2007-08; and the total resident population as at 30 June 2006, as estimated by the Registrar General.

VII Capital Financing

INTEREST RATE A notional pool rate of interest calculated by the Secretary of State using a 12 month average of short and long term interest rates up to September 2007. This is 5.4 per cent.

DEBT I Assumed outstanding debt at 1 April 2010, as calculated by the Secretary of State. Assumed outstanding debt at 1 April 2010 is based generally on assumed outstanding debt at 1 April 1990, credit approvals for the financial years 1990/91 to 2003/2004, Supported Capital Expenditure (Revenue) amounts for 2004/2005 to 2010/2011 and assumed capital repayments.

Assumed outstanding debt at 1 April 1990 is the larger of a notional debt figure, based principally on the capital financing components of 1989/90 grant-related expenditure assessments, or an estimate of actual debt, based principally on the adjusted initial credit ceiling.

In deriving the notional debt figures, notional debt for the Inner London Education Authority has been reallocated to the City and the inner London boroughs and notional debt for the passenger transport authorities has been reallocated to the relevant metropolitan districts. Adjustments have been made to the notional debt figures for all London boroughs in respect of part of the debt (the “deemed debt”) of the former Greater London Council which was transferred to the London Residuary Body on 1 April 1986 (this adjustment covers the Housing Revenue Account part of debt associated with Thamesmead Housing, debt associated with Seaside and Country Homes, and debt associated with the 1971-73 Transfers).

The estimate of actual debt excludes HRA debt, estimated non-HRA debt associated with trading activities, and an estimate of debt associated with capital financing related grants. Adjustments have been made in respect of transfers made under the 1982 HRA Directions, the debts of former metropolitan county councils held by debt administering authorities designated under the Local Government Act 1985, the debt of the former Inner London Education Authority held by the London Residuary Body, parts of the “deemed debt” which were transferred from the Housing Revenue Account to the General Fund, and the debt held by Luton Borough Council for which Bedfordshire County Council is responsible.

Assumed outstanding debt at 1 April 1990 has been reallocated amongst the West Midlands districts to reflect their financing arrangements in respect of waste disposal. Assumed outstanding debt at 1 April 1990 has been reallocated amongst the West Yorkshire districts to reflect their financing arrangements in respect of waste disposal. For the Receiver for the Metropolitan Police District assumed outstanding debt at 1 April 1990 is estimated by the Secretary of State for Transport, Local Government and the Regions on the basis of 1989/90 expenditures.

Assumed outstanding debt at 31 March 1991 is calculated by subtracting the assumed capital repayment (4 per cent of the debt at 1 April 1990) and adding on approved new borrowing (obtained from the credit approvals for 1990/91, as estimated by the Secretary of State in the manner described below in the definition of **CREDIT APPROVALS** but substituting “1990/91” for 2003/2004 and excluding any credit approvals for the London Waste Regulation Agency). Applying this process to each of the

financial years for the period 1991/92 to 2003/2004 yields assumed outstanding debt at 1 April 2004. Assumed outstanding debt at 1 April 2010 is then calculated by an analogous process but using **SUPPORTED CAPITAL EXPENDITURE (REVENUE)** amounts instead of **CREDIT APPROVALS**.

Adjustments have been incorporated in respect of assumed outstanding debt at 31 March 1993 in respect of which the Further Education Funding Council makes payments under section 38 of the Further and Higher Education Act 1992.

Where functions have been transferred to new or reorganised local authorities on 1 April in a financial year by or in consequence of an order under section 17 of the Local Government Act 1992 assumed outstanding debt at 31 March in the preceding financial year has been reallocated to the relevant new or reorganised authorities by applying the following principles:

- (i) where shire county and shire district functions for the whole of a county area are transferred to a single shire county council the debt of the predecessor districts is transferred to the county council;
- (ii) where shire county and shire district functions throughout a county council area are transferred to two or more shire district authorities the debt of the shire county council will be apportioned among the reorganised shire district authorities on the basis of taxbase¹, and the debt of any predecessor shire districts will be transferred to the reorganised shire districts, distributed where necessary among two or more reorganised shire district authorities on the basis of taxbase¹;
- (iii) where part of the area of one shire district is transferred to another shire district a portion of the debt of the first district, based on taxbase¹, is transferred to the second district; and
- (iv) where county functions for part of the area of a shire county are transferred to a shire district a portion of the debt of the county, based on taxbase¹, is transferred to that district, except in the following three cases concerning:
 - (a) Derbyshire County Council and Derby City Council where 25.54 per cent of the assumed outstanding debt of Derbyshire County Council at 31 March 1997 is transferred to Derby City Council;
 - (b) Bedfordshire County Council and Luton Borough Council where 29.06 per cent of the assumed outstanding debt of Bedfordshire County Council at 31 March 1997 is transferred to Luton Borough Council; and
 - (c) Hampshire County Council, Portsmouth City Council and Southampton City Council where 9.74 per cent of the assumed outstanding debt of Hampshire County Council

¹ The taxbase used for apportioning debt is the Council Tax Base for Revenue Support Grant purposes for the financial year in which the new or reorganised authority takes on its new or additional functions.

at 31 March 1997 is transferred to Portsmouth City Council and 10.78 per cent of the assumed outstanding debt of Hampshire County Council at 31 March 1997 is transferred to Southampton City Council.

For the county councils of Bedfordshire, Cambridgeshire, Cheshire, Cleveland, Cumbria, Derbyshire, Dorset, Durham, Essex, Gloucestershire, Hampshire, Hertfordshire, Humberside, Kent, Lancashire, Leicestershire, Lincolnshire, Norfolk, Northamptonshire, North Yorkshire, Nottinghamshire, Staffordshire, Suffolk, Surrey, Warwickshire and Wiltshire assumed outstanding debt at 1 April 1995 is assumed outstanding debt at 31 March 1995 less an amount estimated by the Secretary of State in respect of police debt. This estimate of assumed outstanding police debt at 31 March 1995 forms the 1 April 1995 assumed outstanding debt for the police authority within whose police area the county council was situated (assumed outstanding police debt in respect of the county councils of Essex, Hertfordshire and Surrey forms the assumed outstanding debt for the Essex, Hertfordshire and Surrey police authorities, respectively).

For the Receiver of the Metropolitan Police District assumed outstanding debt at 31 March 2000 has been divided between police and non-police services, with the police element being transferred to the Greater London Authority. The Receiver's assumed outstanding non-police debt at 31 March 2001 has been re-allocated to the inner London boroughs.

For the London Fire and Civil Defence Authority assumed outstanding debt at 31 March 2000 has been transferred to the Greater London Authority.

For the combined fire authorities assumed outstanding debt at 1 April 2008 is based on credit approvals and Supported Capital Expenditure (Revenue) amounts issued to the relevant CFA since it came into existence.

For Devon and Somerset Fire and Rescue Authority assumed outstanding debt at 1 April 2007 is the assumed outstanding debt held by Devon Fire and Rescue Authority at 31 March 2007 plus a share of the assumed outstanding debt held by Somerset County Council at 31 March 2007. Somerset County Council's assumed debt at 31 March 2007 has been consequently adjusted.

SUPPORTED CAPITAL EXPENDITURE (REVENUE)

Supported Capital Expenditure (Revenue) ('SCE(R)') for an authority for 2010/11 is estimated by the Secretary of State on the basis of the aggregate of any amounts which the Secretary of State² has decided by 5 November 2007 is capital expenditure for that authority that should be supported by RSG or HRA subsidy³. Where the Secretary of State has not decided such an amount in relation to any area of her responsibility by that date, the Secretary of State shall estimate the amount, if any, on the basis of information available to her on 5 November 2007 and shall use that estimate when calculating the aggregate of the amounts.

² References to the Secretary of State may include more than one Secretary of State in relation to different areas of her responsibility.

³ HRA subsidy means Housing Revenue Account subsidy payable to a local housing authority under section 79 of the Local Government and Housing Act 1989.

SCE(R) amounts for statutory waste authorities and the Lee Valley Regional Park Authority are divided between their constituent authorities in proportion to their taxbase used in the 2007/08 Settlement.

SCE(R) amounts for passenger transport authorities are divided between their constituent authorities as a common amount per head of their projected population used in the 2007/08 Settlement.

The Comprehensive Spending Review 2007 determined the total amount of public sector capital expenditure that was prudent and how that national total (“the national total”) would be allocated by the Treasury between different Government Departments. For 2010/11, the Secretary of State for each of those Government Departments will decide firstly how her Department’s share of the national total, relevant to her Department’s responsibilities, will be allocated between local authorities and secondly how the amount allocated to each local authority should be split between capital expenditure supported by capital grants and capital expenditure supported by revenue grants.

For 2010/11, where a share of the national total has been allocated to a local authority by the Secretary of State and where she has decided that part of that share should be supported by revenue grants, she will decide the amount, if any, of that part which she considers should attract support through RSG or HRA subsidy.

CREDIT APPROVALS Basic Credit Approvals (BCAs) for 2003/2004; plus Supplementary Credit Approvals (SCAs) so far as they apply to 2003/2004, as estimated by the Secretary of State⁴.

For both BCAs and SCAs, a reduction is made to take account of trading activities. Any SCAs issued as a result of receiving support from the European Regional Development Fund, or in respect of Specified Capital Grants, or credit approvals relating to local authority projects undertaken through the Private Finance Initiative⁵, or which are not expected to give rise to additional long-term borrowing, are excluded.

For housing authorities, reductions are made to the BCA to take account of any part of the BCA issued to cover Specified Capital Grants and of an assumed portion of the BCA to be used in relation to local authority rented housing. Any SCAs issued for services accounted for within the Housing Revenue Account are also excluded.

Credit Approvals for statutory waste authorities and the Lee Valley Regional Park Authority are divided between the relevant authorities in proportion to their taxbase used in the 2007/08 Settlement.

⁴ Aggregate and Additional Credit Approvals for the Greater London Authority.

⁵ The Private Finance Initiative (PFI) and its applicability to the local authority sector were originally explained in section 1 of the booklet *The Private Finance Initiative and Local Authorities – An Explanatory Note* published jointly by the Department of the Environment and the Welsh Office in October 1996. Current advice on the PFI and public/private partnerships is available on the Office’s web site at www.local.communities.gov.uk/pfi/index.htm.

Credit Approvals for passenger transport authorities are divided between their constituent authorities as a common amount per head of the projected population used in the 2007/08 Settlement.

Annex E

Control totals for Relative Needs Formulae

Service Block	Sub-block (where relevant)	Control total
Children's Services		0.14692084592104
<i>composed of:</i>	<i>Youth and Community</i>	0.01099929537085
	<i>Local Authority Central Education Functions</i>	0.04574276835975
	<i>Children's Social Care</i>	0.09017878219044
Adult Personal Social Services		0.21650711528656
<i>composed of:</i>	<i>Social Services for Older People</i>	0.13554064294611
	<i>Social Services for Younger Adults</i>	0.08096647234045
Police		0.08792670829388
Fire and Rescue		0.03086724374341
Highway Maintenance		0.03199865082020
Environmental, Protective and Cultural Services		0.21412172806346
<i>composed of:</i>	<i>Services provided predominantly by non-metropolitan district councils in non-metropolitan areas</i>	0.13486264660114
	<i>Services provided predominantly by county councils in non-metropolitan areas,</i>	0.07616930056736
	<i>Flood Defence</i>	0.00074219358316
	<i>Continuing Environment Agency Levies</i>	0.00017089814737
	<i>Coast Protection</i>	0.00021191371521
	<i>Fixed Costs</i>	0.00196477544922
Capital Financing		0.05601307638329
TOTAL		0.78435536851185

Annex F

Scaling factors for Relative Needs Formulae

Service Block	Sub-block (where relevant)	Scaling Factor
Children's Services	<i>Youth and Community</i>	0.99999835235125
	<i>Local Education Authority Central Functions</i>	1.00000108142956
	<i>Children's Social Care</i>	0.9999983766246
Adult Personal Social Services	<i>Social Services for Older People</i>	0.9999999239837
	<i>Social Services for Younger Adults</i>	1.00000076314349
Police		0.99999960549579
Fire and Rescue		1.00001583271762
Highway Maintenance		0.99998482234184
Environmental, Protective and Cultural Services	<i>Services provided predominantly by non-metropolitan district councils in non-metropolitan areas</i>	0.99999890173945
	<i>Services provided predominantly by county councils in non-metropolitan areas</i>	1.00000997899815
	<i>Fixed Costs</i>	0.15621351216205
	<i>Flood Defence</i>	0.15541296676291
	<i>Continuing Environment Agency Levies</i>	0.06672810119144
	<i>Coast Protection</i>	0.15451236981804
		0.16179648605718
Capital Financing		

Annex G

Services Included in the Environmental, Protective and Cultural Services Block

Services included in this block which are provided predominantly by non-metropolitan district councils in non-metropolitan areas

Allotments	Parking
Building regulations	Performing Arts
Cemeteries and crematoria	Planning control
Council tax collection	Planning implementation
Concessionary fares	Private housing
Economic development	Recreation
Environmental and port health	Refuse collection
Miscellaneous services	Registration of electors
Museums and galleries	

Services included in this block which are provided predominantly by county councils in non-metropolitan areas

Civil defence	Public transport support for buses
Consumer protection	Refuse disposal
Coroners' courts	Registration of births, deaths and marriages
Libraries	School crossing patrols
Magistrates' courts	Sheltered employment

Annex H

Area Cost Adjustment Factors

ACA Area	Education	Children's SC & Young Adults PSS	PSS Older People	Police	Fire	Highways	EPCS
City of London	1.4607	1.4260	1.4544	1.5146		1.3726	1.4329
Inner London	1.2584	1.2363	1.2521			1.2046	1.2358
West Outer London	1.1460	1.1325	1.1413			1.1125	1.1278
Rest Outer London	1.0927	1.0825	1.0880			1.0725	1.0845
Surrey, Berkshire & West Sussex Fringe	1.1350	1.1241	1.1323	1.1506	1.1506	1.1092	1.1274
Hertfordshire & Buckinghamshire Fringe							1.1016
Kent & Essex Fringe	1.0779	1.0705	1.0752			1.0664	1.0810
Bedfordshire & Hertfordshire Non- Fringe	1.0455	1.0401	1.0428	1.0491	1.0491	1.0357	1.0421
Berkshire Non-Fringe	1.1314	1.1207	1.1287			1.1001	1.1119
Buckinghamshire Non-Fringe	1.0932	1.0848	1.0905			1.0715	1.0808
Essex Non-Fringe	1.0183	1.0147	1.0156			1.0153	1.0200
Kent Non-Fringe	1.0136	1.0102	1.0109			1.0118	1.0161
Avon	1.0361	1.0336	1.0359		1.0410	1.0298	1.0349
Cambridgeshire	1.0490	1.0458	1.0488	1.0548	1.0548	1.0395	1.0454
Cheshire	1.0080	1.0075	1.0080	1.0107	1.0107	1.0082	1.0109
East Sussex	1.0129	1.0095	1.0102		1.0144	1.0112	1.0156
Gloucestershire	1.0165	1.0153	1.0163	1.0202	1.0202	1.0151	1.0189
Greater Manchester	1.0220	1.0206	1.0220	1.0256	1.0256	1.0187	1.0223
Hampshire & Isle of Wight	1.0448	1.0395	1.0421	1.0483	1.0483	1.0352	1.0415
Leicestershire	1.0098	1.0090	1.0096	1.0131	1.0131	1.0101	1.0135
Merseyside	1.0040	1.0037	1.0040	1.0064	1.0064	1.0052	1.0076
Northamptonshire	1.0159	1.0147	1.0157	1.0196	1.0196	1.0147	1.0185
Nottinghamshire	1.0024	1.0020	1.0022	1.0052	1.0052	1.0045	1.0075
Oxfordshire	1.0728	1.0657	1.0701		1.0781	1.0562	1.0643
Warwickshire	1.0207	1.0192	1.0205	1.0247	1.0247	1.0183	1.0224
West Midlands	1.0122	1.0112	1.0120	1.0156	1.0156	1.0119	1.0154
West Yorkshire	1.0101	1.0095	1.0101	1.0129	1.0129	1.0098	1.0126
Wiltshire	1.0311	1.0290	1.0309	1.0357	1.0357	1.0261	1.0308
Authorities which cut across ACA areas							
Buckinghamshire County Council	1.0964	1.0878	1.0937			1.0759	1.0874
Essex County Council	1.0376	1.0327	1.0349			1.0319	1.0398
Hertfordshire County Council	1.0923	1.0840	1.0896		1.1040	1.0760	1.0903
Kent County Council	1.0231	1.0191	1.0204			1.0199	1.0256
West Sussex County Council	1.0175	1.0161	1.0171		1.0195	1.0142	1.0165
Avon & Somerset Constabulary				1.0274			
Essex Police Authority				1.0449			
Hertfordshire Constabulary				1.1040			
Kent County Constabulary				1.0245			
Sussex Police Authority				1.0170			
Thames Valley Police Authority				1.1118			
Greater London Authority				1.1837			
Royal Berkshire Fire Authority					1.1841		
Buckinghamshire & Milton Keynes Fire Authority					1.1450		
Essex Fire Authority					1.1035		
Kent and Medway Towns Fire Authority					1.0449		
					1.0245		

Notes:

- The authorities in each ACA area are defined in the Appendix to this Annex.
- The area cost adjustment factors for all other English authorities are 1.

Appendix to Annex H

Inner London boroughs

Camden Borough Council
Greenwich Borough Council
Hackney Borough Council
Hammersmith and Fulham Borough Council
Islington Borough Council
Kensington and Chelsea Borough Council

Lambeth Borough Council
Lewisham Borough Council
Southwark Borough Council
Tower Hamlets Borough Council
Wandsworth Borough Council
Westminster City Council

West Outer London

Barnet Borough Council
Brent Borough Council
Ealing Borough Council
Harrow Borough Council
Hillingdon Borough Council

Hounslow Borough Council
Kingston upon Thames Borough Council
Merton Borough Council
Richmond upon Thames Borough Council
Sutton Borough Council

Rest of Outer London

Barking and Dagenham Borough Council
Bexley Borough Council
Bromley Borough Council
Croydon Borough Council
Enfield Borough Council

Haringey Borough Council
Havering Borough Council
Newham Borough Council
Redbridge Borough Council
Waltham Forest Borough Council

Berkshire, Surrey and West Sussex Fringe

Surrey County Council
Surrey Police Authority
Bracknell Forest Borough Council
Crawley Borough Council
Elmbridge Borough Council
Epsom and Ewell Borough Council
Guildford Borough Council
Mole Valley District Council
Reigate and Banstead Borough Council

Runnymede Borough Council
Slough Borough Council
Spelthorne Borough Council
Surrey Heath Borough Council
Tandridge District Council
Waverley District Council
Windsor and Maidenhead Borough Council
Woking Borough Council

Hertfordshire and Buckinghamshire Fringe

Broxbourne Borough Council
Chiltern District Council
Dacorum Borough Council
East Hertfordshire District Council
Hertsmere Borough Council

South Buckinghamshire District Council
St Albans City Council
Three Rivers District Council
Watford Borough Council
Welwyn Hatfield District Council

Kent and Essex Fringe

Basildon District Council
Brentwood Borough Council
Dartford Borough Council
Epping Forest District Council

Harlow District Council
Sevenoaks District Council
Thurrock District Council

Bedfordshire and Hertfordshire Non-Fringe

Bedfordshire County Council
Bedfordshire Police Authority
Bedfordshire & Luton Combined Fire
Authority
Bedford Borough Council

Luton Borough Council
Mid Bedfordshire District Council
North Hertfordshire District Council
South Bedfordshire District Council
Stevenage Borough Council

Berkshire Non-Fringe

Reading Borough Council
West Berkshire District Council

Wokingham District Council

Buckinghamshire Non-Fringe

Aylesbury Vale District Council
Milton Keynes District Council

Wycombe District Council

Essex Non-Fringe

Braintree District Council
Castle Point District Council
Chelmsford Borough Council
Colchester Borough Council
Maldon District Council

Rochford District Council
Southend-on-Sea Borough Council
Tendring District Council
Uttlesford District Council

Kent Non-Fringe

Ashford Borough Council
Canterbury City Council
Dover District Council
Gravesham Borough Council
Maidstone Borough Council
Medway Borough Council

Shepway District Council
Swale Borough Council
Thanet District Council
Tonbridge and Malling Borough Council
Tunbridge Wells Borough Council

Avon

Avon Fire Authority
Bath & North East Somerset District Council
Bristol City Council

North Somerset District Council
South Gloucestershire District Council

Cambridgeshire

Cambridgeshire County Council
Cambridge Constabulary
Cambridgeshire & Peterborough Fire Authority
Cambridge City Council
East Cambridgeshire District Council

Fenland District Council
South Cambridgeshire District Council
Huntingdonshire District Council
Peterborough City Council

Cheshire

Cheshire County Council
 Cheshire Constabulary
 Cheshire Fire Authority
 Chester City Council
 Congleton Borough Council
 Crewe and Nantwich Borough Council

Ellesmere Port and Neston Borough Council
 Halton Borough Council
 Macclesfield Borough Council
 Vale Royal Borough Council
 Warrington Borough Council

East Sussex

East Sussex County Council
 East Sussex Fire Authority
 Brighton & Hove City Council
 Eastbourne Borough Council

Hastings Borough Council
 Lewes District Council
 Rother District Council
 Wealden District Council

Gloucestershire

Gloucestershire County Council
 Gloucestershire Constabulary
 Cheltenham Borough Council
 Cotswold District Council

Forest of Dean District Council
 Gloucester City Council
 Stroud District Council
 Tewkesbury Borough Council

Greater Manchester

Greater Manchester Police Authority
 Greater Manchester Fire & Civil Defence
 Authority
 Bolton District Council
 Bury District Council
 Manchester City Council
 Oldham District Council

Rochdale District Council
 Salford City Council
 Stockport District Council
 Tameside District Council
 Trafford District Council
 Wigan District Council

Hampshire and Isle of Wight

Hampshire County Council
 Hampshire Constabulary
 Hampshire Fire and Rescue Authority
 Isle of Wight County Council
 Basingstoke and Deane Borough Council
 East Hampshire District Council
 Eastleigh Borough Council
 Fareham Borough Council
 Gosport Borough Council

Hart District Council
 Havant Borough Council
 New Forest District Council
 Portsmouth City Council
 Rushmoor Borough Council
 Southampton City Council
 Test Valley Borough Council
 Winchester City Council

Leicestershire

Leicestershire County Council
 Leicestershire Combined Fire
 Leicestershire, Leicestershire and Rutland
 Police Authority
 Blaby District Council
 Charnwood Borough Council
 Harborough District Council

Hinckley & Bosworth Borough Council
 Leicester City Council
 Melton Borough Council
 North West Leicestershire District Council
 Oadby & Wigston Borough Council
 Rutland District Council

Merseyside

Merseyside Police Authority
 Merseyside Fire Authority
 Knowsley
 Liverpool

St Helens
 Sefton
 Wirral

Northamptonshire

Northamptonshire County Council
Northamptonshire Police Authority
Corby Borough Council
Daventry District Council
East Northamptonshire District Council

Kettering Borough Council
Northampton Borough Council
South Northamptonshire District Council
Wellingborough Borough Council

Nottinghamshire

Nottinghamshire County Council
Nottinghamshire Fire Authority
Nottinghamshire Police Authority
Ashfield
Bassetlaw

Broxtowe
Gedling
Mansfield
Newark and Sherwood
Rushcliffe

Oxfordshire

Oxfordshire County Council
Cherwell District Council
Oxford City Council

South Oxfordshire District Council
Vale of White Horse District Council
West Oxfordshire District Council

Warwickshire

Warwickshire County Council
Warwickshire Constabulary
North Warwickshire Borough Council
Nuneaton and Bedworth Borough Council

Rugby Borough Council
Stratford-on-Avon District Council
Warwick District Council

West Midlands

West Midlands Police Authority
West Midlands Fire and Civil Defence
Authority
Birmingham City Council
Coventry City Council
Dudley District Council

Sandwell District Council
Solihull District Council
Walsall District Council
Wolverhampton City Council

West Yorkshire

West Yorkshire Police Authority
West Yorkshire Fire and Civil Defence
Authority
Bradford City Council

Calderdale District Council
Kirklees District Council
Leeds City Council
Wakefield District Council

Wiltshire

Wiltshire County Council
Wiltshire Constabulary
Wiltshire & Swindon Combined Fire
Authority
Kennet District Council

North Wiltshire District Council
Salisbury District Council
Swindon Borough Council
West Wiltshire District Council

Annex I

Reorganised Authorities and Areas

These are authorities 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 pursuant to-

- section 323 of the Greater London Authority Act 1999, or
- the following orders made under section 17 of the Local Government Act 1992 or section 2 of the Fire and Rescue Services Act 2004.

Part I Reorganised billing authorities and areas

(a) 1 April 1995

SI 1994/1210 The Isle of Wight (Structural Change) Order 1994

Predecessor billing authority	Reorganised authority
<i>The Council of:</i>	<i>The Council of:</i>
The Borough of Medina }	The Isle of Wight
The Borough of South Wight }	

(b) 1 April 1996

SI 1995/187 The Cleveland (Structural Change) Order 1995

Predecessor billing authority	Reorganised authority
<i>The Council of:</i>	<i>The Council of:</i>
The Borough of Hartlepool	The Borough of Hartlepool
The Borough of Langbaugh-on-Tees	The Borough of Redcar and Cleveland
The Borough of Middlesbrough	The Borough of Middlesbrough
The Borough of Stockton-on-Tees	The Borough of Stockton-on-Tees

SI 1995/493 The Avon (Structural Change) Order 1995

Predecessor billing authority	Reorganised authority
<i>The Council of:</i>	<i>The Council of:</i>
The City of Bath }	The District of Bath and
The District of Wansdyke }	North East Somerset
The City of Bristol	The City of Bristol
The District of Woodspring	The District of North Somerset
The Borough of Kingswood }	The District of South
The District of Northavon }	Gloucestershire

SI 1995/600 The Humberside (Structural Change) Order 1995

Predecessor billing authority

Reorganised authority

The Council of:

The Borough of Beverley }
 The Borough of Boothferry (part) }
 The Borough of East Yorkshire }
 The Borough of Holderness }

The Council of:

The District of the East Riding
 of Yorkshire

The Borough of Great Grimsby }
 The Borough of Cleethorpes }

The Borough of North East
 Lincolnshire

The City of Kingston-upon-Hull

The City of Kingston-upon-Hull

The Borough of Glanford }
 The Borough of Scunthorpe }
 The Borough of Boothferry (part) }

The Borough of
 North Lincolnshire

**SI 1995/610 The North Yorkshire (District of York) (Structural and
 Boundary Changes) Order 1995**

Predecessor billing authority

Reorganised authority

The Council of:

The City of York }
 The Borough of Harrogate (part) }
 The District of Ryedale (part) }
 The District of Selby (part) }

The Council of:

The City of York

The Borough of Harrogate (part)
 The District of Ryedale (part)
 The District of Selby (part)

The Borough of Harrogate
 The District of Ryedale
 The District of Selby

(c) 1 April 1997

**SI 1995/1769 The Buckinghamshire (Borough of Milton Keynes) (Structural
 Change) Order 1995**

Predecessor billing authority

Reorganised authority

The Council of:

The Borough of Milton Keynes

The Council of:

The Borough of Milton Keynes

SI 1995/1770 The East Sussex (Boroughs of Brighton and Hove) (Structural Change) Order 1995

Predecessor billing authority

The Council of:
The Borough of Brighton
The Borough of Hove

}
}

Reorganised authority

The Council of:
The Borough of Brighton and Hove

SI 1995/1771 The Dorset (Boroughs of Poole and Bournemouth) (Structural Change) Order 1995

Predecessor billing authority

The Council of:
The Borough of Bournemouth
The Borough of Poole

Reorganised authority

The Council of:
The Borough of Bournemouth
The Borough of Poole

SI 1995/1772 The Durham (Borough of Darlington) (Structural Change) Order 1995

Predecessor billing authority

The Council of:
The Borough of Darlington

Reorganised authority

The Council of:
The Borough of Darlington

SI 1995/1773 The Derbyshire (City of Derby) (Structural Change) Order 1995

Predecessor billing authority

The Council of:
The City of Derby

Reorganised authority

The Council of:
The City of Derby

SI 1995/1774 The Wiltshire (Borough of Thamesdown) (Structural Change) Order 1995

Predecessor billing authority

The Council of:
The Borough of Thamesdown

Reorganised authority

The Council of:
The Borough of Swindon

**SI 1995/1775 The Hampshire (Cities of Portsmouth and Southampton)
(Structural Change) Order 1995**

Predecessor billing authority

The Council of:
The City of Portsmouth
The City of Southampton

Reorganised authority

The Council of:
The City of Portsmouth
The City of Southampton

**SI 1995/1776 The Bedfordshire (Borough of Luton) (Structural Change) Order
1995**

Predecessor billing authority

The Council of:
The Borough of Luton

Reorganised authority

The Council Of:
The Borough of Luton

**SI 1995/1779 The Staffordshire (City of Stoke-on-Trent) (Structural and
Boundary Changes) Order 1995**

Predecessor billing authority

The Council of:
The City of Stoke-on-Trent }
The Borough of Stafford (part) }

The Borough of Stafford (part)

Reorganised authority

The Council Of:
The City of Stoke-on-Trent

The Borough of Stafford

**SI 1996/507 The Leicestershire (City of Leicester and District of Rutland)
(Structural Change) Order 1996**

Predecessor billing authority

The Council of:
The City of Leicester
The District of Rutland

Reorganised authority

The Council of:
The City of Leicester
The District of Rutland

(d) 1 April 1998

**SI 1996/1863 The Cheshire (Boroughs of Halton and Warrington)
(Structural Change) Order 1996**

Predecessor billing authority

The Council of:
The Borough of Halton
The Borough of Warrington

Reorganised authority

The Council of:
The Borough of Halton
The Borough of Warrington

**SI 1996/1865 The Devon (City of Plymouth and Borough of Torbay)
(Structural Change) Order 1996**

SI 1996/1875 The Essex (Boroughs of Colchester, Southend-on-Sea and Thurrock and District of Tendring) (Structural, Boundary and Electoral Changes) Order 1996

Predecessor billing authority

The Council of:
The Borough of Southend-on-Sea
The Borough of Thurrock

Reorganised authority

The Council of:
The Borough of Southend-on-Sea
The Borough of Thurrock

SI 1996/1876 The Kent (Borough of Gillingham and City of Rochester upon Medway) (Structural Change) Order 1996

Predecessor billing authority

The Council of:
The Borough of Gillingham }
The City of Rochester upon Medway }

Reorganised authority

The Council of:
The District of the Medway Towns (now Medway)

SI 1996/1877 The Nottinghamshire (City of Nottingham) (Structural Change) Order 1996

Predecessor billing authority

The Council of:
The City of Nottingham

Reorganised authority

The Council of:
The City of Nottingham

SI 1996/1878 The Cambridgeshire (City of Peterborough) (Structural, Boundary and Electoral Changes) Order 1996

Predecessor billing authority

The Council of:
The City of Peterborough (part) }
The District of Huntingdonshire (part) }

Reorganised authority

The Council of:
The District of Huntingdonshire

The City of Peterborough (part) }
The District of Huntingdonshire (part) }

The City of Peterborough

SI 1996/1879 The Berkshire (Structural Change) Order 1996

Predecessor billing authority

The Council of:

The Borough of Reading

The Royal Borough of

Windsor and Maidenhead

The District of Newbury

The Borough of Bracknell Forest

The Borough of Slough

The District of Wokingham

Reorganised authority

The Council of:

The Borough of Reading

The Royal Borough of

Windsor and Maidenhead

The District of Newbury (now West Berkshire)

The Borough of Bracknell Forest

The Borough of Slough

The District of Wokingham

Part II Reorganised receiving authorities

(a) 1 April 1995

The reorganised receiving authority is the Isle of Wight Council.

(b) 1 April 1996

Reorganised receiving authorities comprise all the reorganised billing authorities listed in **Part I(b)** above and the Council of the County of North Yorkshire.

(c) 1 April 1997

Reorganised receiving authorities comprise all the reorganised billing authorities listed in **Part I(c)** above and the Councils of the Counties of Buckinghamshire, East Sussex, Dorset, Durham, Derbyshire, Wiltshire, Hampshire, Bedfordshire, Staffordshire and Leicestershire.

(d) 1 April 1998

Reorganised receiving authorities comprise all the reorganised billing authorities listed in **Part I(d)** above and the Councils of the Counties of Cheshire, Devon, Shropshire, Lancashire, Kent, Worcestershire, Nottinghamshire, Essex and Cambridgeshire.

Part III Reorganised police areas

1 April 2000

The reorganised police authorities comprise the police authorities for Essex, Hertfordshire and Surrey and the Metropolitan Police District is a reorganised police area.

Part IV Reorganised fire areas

1 April 2007

SI 2006/2790 The Devon and Somerset Fire and Rescue Authority (Combination Scheme) Order 2006

Predecessor fire authority

The Council of the County of Somerset }
The Devon Fire and Rescue Authority }

Reorganised authority

The Devon and Somerset Fire and Rescue Authority

Annex J

Calculation of Adjusted Formula Grant for 2009/10

The adjusted formula grant is created to enable like-for-like comparisons between the amount of formula grant an authority would have received in 2009/10, had formula grant in that year covered the same functions for each authority as it does for 2010/11. The adjusted formula grant is used in calculating the floor damping amount for each authority. These calculations do not affect an authority's grant entitlement in 2009/10.

Adjustment (b) is to take account of changes in the functions exercised by local authorities.

The Secretary of State has estimated the amount of adjusted formula grant for each authority as (c) in the table below, as follows:

- (a) the sum of the following items:
- the share of the Distributable Amount calculated in accordance with section 7 of the Local Government Finance Report 2009/2010, *plus*
 - the share of Revenue Support Grant calculated in accordance with section 6 of the Local Government Finance Report 2009/2010, *plus*
 - the amount of Police Grant calculated in accordance with section 5 of the Police Grant Report (England and Wales) 2009/2010 plus the amount specified in paragraph 4.4 of that Report, where appropriate.
- (b) An adjustment for Student Finances, being the result of:
- the 2009/10 Local Authority Central Education Functions Relative Needs Formulae for each authority calculated in accordance with paragraph 4.10 of section 4 of the Local Government Finance Report 2009/2010, *divided by*
 - the control total for the Local Authority Central Education Functions given in Annex E of the Local Government Finance Report 2009/2010, *multiplied by*
- £6,200,000 deflated by the GDP deflator (2.75%) i.e. £6,034,063
- (c) the sum of the following items as appropriate:
- (a) as defined above *minus*
 - (b) as defined above

Annex K

Shares of Formula Grant for Police Services and Fire and Rescue Services within the Greater London Authority

- 1 The share of Formula Grant for police services and for fire and rescue services for the Greater London Authority, for 2010/2011 calculated in accordance with Section 5 of this Report is given below.

	Police services	Fire and rescue services
Relative Needs Amount	£662,167,048	£161,481,885
Relative Resource Amount	-£96,431,349	-£36,420,379
Central Allocation	£322,110,129	£127,969,350
Police Grant ¹	£1,114,754,343	Not applicable
Floor Damping	£25,137,395	£6,543,511
Formula Grant	£2,027,737,566	£259,574,367
of which:		
Revenue Support Grant	£nnn,nnn,nnn	£nnn,nnn,nnn
Share of the Distributable Amount	£nnn,nnn,nnn	£nnn,nnn,nnn
Police Grant ¹	£1,114,754,343	Not applicable

- 2 The above amounts should be used in the calculation of the amounts for P1 and P2 as specified under section 88 and 89 of the Greater London Authority Act 1999. More specifically-
- in relation to the calculation of P2, the amounts in the 8th, 9th and 10th rows of column 2 of the Table are specified in respect of the corresponding items in column 1; and
 - in relation to the calculation of P1, the amounts in the 8th and 9th rows of column 3 are specified in respect of the corresponding items in column 1.

Please note that it is not possible to determine the split between RSG and NNDR for 2010/11 yet.

¹ The amount of Principal Formula Police Grant for the authority for 2008/09 as shown in column (a) of the table contained in paragraph 3.1 of the Police Grant Report (England and Wales) 2008/2009