

Department for Communities and Local Government

## **Local Government Finance (England)**

# **The Local Government Finance Report (England) 2012/2013**

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Department for Communities and Local Government

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# **The Local Government Finance Report (England) 2012/2013**

Presented to the House of Commons pursuant to section 78A  
of the Local Government Finance Act 1988

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to be printed on 31 January 2012*

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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”)<sup>1</sup>. It applies in relation to England only.
- 1.2 This Report sets out the Secretary of State's determination for the financial year 2012/2013, made under section 78 of the 1988 Act<sup>2</sup>, of the amount of Revenue Support Grant for that year, what amount of the grant he proposes to pay to receiving authorities and what amount of the grant he proposes to pay to the 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 2012/2013.
- 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 him 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 Act<sup>3</sup> as the distributable amount for the year 2012/2013. 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 2012/2013.
- 1.5 Before making this Report, the Secretary of State notified to such representatives of local government as appeared to him 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 2012/2013.

---

<sup>1</sup> 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”).

<sup>2</sup> 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.

<sup>3</sup> 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 2012/2013 is £477,406,315.
- 2.2 Pursuant to section 78(3)(b) of the 1988 Act, he hereby determines that the amount of the grant he proposes to pay to receiving authorities is £448,156,315. A receiving authority is any billing authority<sup>1</sup> or major precepting authority<sup>2</sup>.
- 2.3 Pursuant to section 78(3)(c) of the 1988 Act, the Secretary of State hereby determines as the amount of the grant he proposes to pay to the 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. There is currently only one such body.

---

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 rescue 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 2012/2013, is £23,119 million.

# 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   | <b>Children's Services</b>                             |
| II  | <b>Adults Personal Social Services</b>                 |
| III | <b>Police</b>  |
| IV  | <b>Fire and Rescue</b>                                 |
| V   | <b>Highway Maintenance</b>                             |
| VI  | <b>Environmental, Protective and Cultural Services</b> |
| VII | <b>Capital Financing</b>                               |

- 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

#### Section 4: The calculation of Relative Needs Formulae

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,  
county councils,  
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***

|   |         |
|---|---------|
| <b>YOUTH AND<br/>COMMUNITY<br/>BASIC AMOUNT</b> | 11.4808 |
|---|---------|

#### ***Top-ups***

|   |  |
|---|--|
| <b>YOUTH AND<br/>COMMUNITY<br/>DEPRIVATION<br/>TOP-UP</b> | 39.5011 multiplied by <b>CHILDREN IN OUT-OF-WORK<br/>FAMILIES RECEIVING CHILD TAX CREDIT<br/>ABOVE THRESHOLD</b> |
| <b>YOUTH AND<br/>COMMUNITY<br/>ETHNICITY<br/>TOP-UP</b>   | 9.7343 multiplied by <b>SECONDARY LOW ACHIEVING<br/>ETHNIC GROUPS ABOVE THRESHOLD</b>                            |

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

| <b>Youth and Community</b> |  |
|----------------------------|--|
| (a)                        | <b>PROJECTED POPULATION AGED 13 TO 19 IN 2012 multiplied by</b><br>the result of:<br><b>YOUTH AND COMMUNITY BASIC AMOUNT; plus</b><br><b>YOUTH AND COMMUNITY DEPRIVATION TOP-UP; plus</b><br><b>YOUTH AND COMMUNITY ETHNICITY TOP-UP</b> |
| (b)                        | The result of (a) is <i>multiplied by AREA COST ADJUSTMENT FOR EDUCATION</i> ;   |
| (c)                        | The result of (b) is then <i>multiplied by</i> the scaling factor given in Annex F for the <i>Youth and Community Services</i> sub-block.  |
| (d)                        | The result of (c) is then <i>divided by</i> 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**

|                                     |         |
|-------------------------------------|---------|
| <b>PUPILS BASIC AMOUNT</b>          | 13.0332 |
| <b>RESIDENT PUPILS BASIC AMOUNT</b> | 12.8909 |

### **Top-ups**

|                                  |  |
|----------------------------------|--|
| <b>PUPILS DEPRIVATION TOP-UP</b> | 20.5718 <i>multiplied by CHILDREN IN OUT-OF-WORK FAMILIES RECEIVING CHILD TAX CREDIT ABOVE THRESHOLD</i> |
| <b>SPARSITY TOP-UP</b>           | 17.1367 <i>multiplied by WARD SPARSITY</i>   |

|   |   |
|---|---|
| <b>RESIDENT PUPILS<br/>DEPRIVATION<br/>TOP-UP</b> | <b>20.5718 multiplied by 0.66 multiplied by CHILDREN IN<br/>OUT-OF-WORK FAMILIES RECEIVING CHILD<br/>TAX CREDIT ABOVE THRESHOLD</b> |
|---|---|

***Fixed cost amount***

|                                  |                    |
|----------------------------------|--------------------|
| <b>CEF FIXED COST<br/>AMOUNT</b> | <b>48,512.1912</b> |
|----------------------------------|--------------------|

The full formula used to calculate the Local Authority Central Education Functions element is:

| <b><i>Local Authority Central Education Functions</i></b> |  |
|---|--|
| (a)   | <b>PUPILS AGED 3 TO 18 multiplied by the result of:<br/>PUPILS BASIC AMOUNT; plus<br/>PUPILS DEPRIVATION TOP-UP</b>  |
| (b)   | <b>RESIDENT PUPILS AGED 3 TO 18 multiplied by the result of:<br/>RESIDENT PUPILS BASIC AMOUNT; plus<br/>SPARSITY TOP-UP; plus<br/>RESIDENT PUPILS DEPRIVATION TOP-UP</b> |
| (c)   | The results of (a) and (b) are added together and that result is<br><i>multiplied by AREA COST ADJUSTMENT FOR EDUCATION</i> ;  |
| (d)   | The result of (c) is then added to the <b>CEF FIXED COST AMOUNT</b> ;  |
| (e)   | The result of (d) is then <i>multiplied by</i> the scaling factor given in Annex F for the <i>Local Authority Central Education Functions</i> sub-block.                 |
| (f)   | The result of (e) is then <i>divided by</i> 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**      20.7974

***Top-up***

|  |   |
|--|---|
| <b>CHILDREN'S<br/>SOCIAL CARE<br/>DEPRIVATION<br/>TOP-UP</b> | 167.3718 <i>multiplied by CHILDREN WITHOUT GOOD<br/>HEALTH; plus</i><br>97.4567 <i>multiplied by INCOME SUPPORT/INCOME<br/>BASED JOBSEEKER'S ALLOWANCE<br/>CLAIMANTS AGED 18 TO 64 YEARS; plus</i><br>117.0965 <i>multiplied by CHILDREN IN OUT-OF-WORK<br/>FAMILIES RECEIVING CHILD TAX CREDIT; plus</i><br>64.2395 <i>multiplied by CHILDREN IN BLACK ETHNIC<br/>GROUPS; minus</i><br>21.3129 |
|--|---|

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

***Children's Social Care***

- (a) **PROJECTED POPULATION AGED 0-17 IN 2012 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,  
county councils,  
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***

|                     |         |
|---------------------|---------|
| <b>OLDER PEOPLE</b> | 76.7881 |
| <b>PSS BASIC</b>    |         |
| <b>AMOUNT</b>       |         |

***Top-ups***

|  |   |
|--|---|
| <b>OLDER PEOPLE PSS AGE TOP-UP</b>         | <b>HOUSEHOLD AND SUPPORTED RESIDENTS AGED 90 YEARS AND OVER</b> divided by <b>HOUSEHOLD AND SUPPORTED RESIDENTS AGED 65 AND OVER</b> , rounded to 4 decimal places and multiplied by 917.5953; minus<br>21.1047   |
| <b>OLDER PEOPLE PSS DEPRIVATION TOP-UP</b> | <b>265.0319 multiplied by OLDER PEOPLE RECEIVING ATTENDANCE ALLOWANCE; plus 51.2533 multiplied by OLDER PEOPLE IN RENTED ACCOMMODATION; plus 68.6485 multiplied by OLDER PEOPLE LIVING IN ONE PERSON HOUSEHOLDS; plus 206.1289 multiplied by OLDER PEOPLE RECEIVING PENSION CREDIT GUARANTEE/INCOME BASED JOBSEEKER'S ALLOWANCE; minus</b><br>71.5646 |

The full formula used to calculate the Social Services for Older People element is:

| <b>Social Services for Older People</b> |   |
|---|---|
| (a)                                     | <b>PROJECTED HOUSEHOLD AND SUPPORTED RESIDENTS AGED 65 YEARS AND OVER</b> multiplied by the result of:<br><b>OLDER PEOPLE PSS BASIC AMOUNT; plus</b><br><b>OLDER PEOPLE PSS AGE TOP-UP; plus</b><br><b>OLDER PEOPLE PSS DEPRIVATION TOP-UP;</b> |
| (b)                                     | The result of (a) is multiplied by <b>LOW INCOME ADJUSTMENT</b> ;   |
| (c)                                     | The result of (b) is multiplied by <b>SPARSITY ADJUSTMENT FOR PEOPLE AGED 65 AND OVER</b> ;   |
| (d)                                     | The result of (c) is multiplied by <b>AREA COST ADJUSTMENT FOR OLDER PEOPLE'S PSS</b> ;   |
| (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**

|                       |         |
|-----------------------|---------|
| <b>YOUNGER ADULTS</b> | 10.3569 |
| <b>PSS BASIC</b>      |         |
| <b>AMOUNT</b>         |         |

**Top-up**

|                        |   |
|------------------------|---|
| <b>YOUNGER ADULTS</b>  | 287.6872 multiplied by <b>PEOPLE AGED 18 TO 64 RECEIVING DISABILITY LIVING ALLOWANCE;</b>                 |
| <b>PSS DEPRIVATION</b> | <i>plus</i>   |
| <b>TOP-UP</b>          | 77.8368 multiplied by <b>PEOPLE AGED 18 TO 64 WHO ARE LONG TERM UNEMPLOYED OR HAVE NEVER WORKED; plus</b> |
|                        | 26.3296 multiplied by <b>PEOPLE AGED 18 TO 64 WHO WORK IN ROUTINE OR SEMI ROUTINE OCCUPATIONS; plus</b>   |
|                        | 22.0023 multiplied by <b>HOUSEHOLDS WITH NO FAMILY;</b> minus   |
|                        | 15.6706   |

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

| <b><i>Social Services for Younger Adults</i></b> |  |
|--|--|
| (a)  | <b>PROJECTED POPULATION AGED 18-64 IN 2012 multiplied by the result of:</b><br><b>YOUNGER ADULTS PSS BASIC AMOUNT; plus</b><br><b>YOUNGER ADULTS PSS DEPRIVATION TOP-UP;</b> |
| (b)  | The result of (a) is <i>multiplied by AREA COST ADJUSTMENT FOR CHILDREN AND YOUNGER ADULTS PSS;</i>  |
| (c)  | The result of (b) is then <i>multiplied by the scaling factor given in Annex F for the Social Services for Younger Adults sub-block.</i>                                     |
| (d)  | The result of (c) is then <i>divided by 10,000,000,000.</i>  |

### 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 / local policing bodies other than the Common Council  
of the City of London and the Mayor's Office for Policing and Crime,  
Greater London Authority.

4.21 The Police element for a particular authority/body 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***

|                                    |         |
|------------------------------------|---------|
| <b>POLICE BASIC AMOUNT</b>         | 14.2879 |
| <b>SPECIAL EVENTS BASIC AMOUNT</b> | 0.7337  |

#### ***Top-ups***

|                              |  |
|------------------------------|--|
| <b>POLICE CRIME TOP-UP 1</b> | 2.2280 multiplied by <b>DAYTIME NET-INFLOW PER RESIDENT POPULATION</b> ; plus<br>0.2485 multiplied by <b>LOG OF WEIGHTED BARS PER 100 HECTARE</b> ; plus<br>13.6473 multiplied by <b>INCOME SUPPORT/ INCOME BASED JOBSEEKER'S ALLOWANCE/ GUARANTEE ELEMENT OF PENSION CREDIT CLAIMANTS</b> ; plus<br>28.7170 multiplied by <b>SINGLE PARENT HOUSEHOLDS</b> |
| <b>POLICE CRIME TOP-UP 2</b> | 0.0267 multiplied by <b>POPULATION DENSITY</b> ; plus<br>85.5865 multiplied by <b>LONG-TERM UNEMPLOYMENT-RELATED BENEFIT CLAIMANTS</b>   |

|                                    |  |
|------------------------------------|--|
| <b>POLICE CRIME TOP-UP 3</b>       | 0.0664 <i>multiplied by LOG OF WEIGHTED BARS PER 100 HECTARE; plus</i><br>0.0073 <i>multiplied by POPULATION DENSITY; plus</i><br>3.3304 <i>multiplied by RESIDENTS IN ROUTINE/SEMI ROUTINE OCCUPATIONS OR NEVER WORKED/LONG TERM UNEMPLOYED; plus</i><br>8.2070 <i>multiplied by SINGLE PARENT HOUSEHOLDS; plus</i><br>0.6205 <i>multiplied by DAYTIME NET-INFLOW PER RESIDENT POPULATION</i> |
| <b>POLICE CRIME TOP-UP 4</b>       | 0.1454 <i>multiplied by LOG OF WEIGHTED BARS PER 100 HECTARE; plus</i><br>0.9054 <i>multiplied by HARD PRESSED; plus</i><br>19.7900 <i>multiplied by STUDENT HOUSING; plus</i><br>6.4006 <i>multiplied by SINGLE PARENT HOUSEHOLDS</i>   |
| <b>POLICE CRIME TOP-UP 5</b>       | 0.2735 <i>multiplied by LOG OF WEIGHTED BARS PER 100 HECTARE; plus</i><br>119.5252 <i>multiplied by YOUNG MALE UNEMPLOYMENT-RELATED BENEFIT CLAIMANTS; plus</i><br>30.3767 <i>multiplied by STUDENT HOUSING</i>  |
| <b>POLICE CRIME TOP-UP 6</b>       | 1.1234 <i>multiplied by LOG OF OVERCROWDED HOUSEHOLDS; minus</i><br>0.4398 <i>multiplied by LOG OF POPULATION SPARSITY; plus</i><br>4.7822 <i>multiplied by DAYTIME NET-INFLOW PER RESIDENT POPULATION</i>   |
| <b>POLICE CRIME TOP-UP 7</b>       | 3.5775 <i>multiplied by DAYTIME NET-INFLOW PER RESIDENT POPULATION; minus</i><br>2.6621 <i>multiplied by WEALTHY ACHIEVERS; plus</i><br>22.4779 <i>multiplied by STUDENT HOUSING</i>   |
| <b>POLICE INCIDENTS TOP-UP</b>     | 34.9560 <i>multiplied by INCOME SUPPORT/ INCOME BASED JOBSEEKER'S ALLOWANCE/ GUARANTEE ELEMENT OF PENSION CREDIT CLAIMANTS; plus</i><br>9.3234 <i>multiplied by RESIDENTS IN TERRACED ACCOMMODATION</i>  |
| <b>POLICE FEAR OF CRIME TOP-UP</b> | 0.2934 <i>multiplied by LOG OF WEIGHTED BARS PER 100 HECTARE; plus</i><br>2.8680 <i>multiplied by HARD PRESSED</i>   |
| <b>POLICE TRAFFIC TOP-UP</b>       | 1.1105 <i>multiplied by POPULATION SPARSITY</i>  |
| <b>POLICE SPARSITY TOP-UP</b>      | 0.7990 <i>multiplied by POPULATION SPARSITY</i>  |

The full formula used to calculate the Police element is:

| <b>Police</b>   |
|---|
| (a) <b>PROJECTED POPULATION IN 2012</b> multiplied by the result of:<br><b>POLICE BASIC AMOUNT; plus</b><br><b>POLICE CRIME TOP-UP 1; plus</b><br><b>POLICE CRIME TOP-UP 2; plus</b><br><b>POLICE CRIME TOP-UP 3; plus</b><br><b>POLICE CRIME TOP-UP 4; plus</b><br><b>POLICE CRIME TOP-UP 5; plus</b><br><b>POLICE CRIME TOP-UP 6; plus</b><br><b>POLICE CRIME TOP-UP 7; plus</b><br><b>POLICE INCIDENTS TOP-UP; plus</b><br><b>POLICE FEAR OF CRIME TOP-UP; plus</b><br><b>POLICE TRAFFIC TOP-UP; plus</b><br><b>POLICE SPARSITY TOP-UP</b> |
| (b) <b>PROJECTED DAYTIME POPULATION IN 2012</b> multiplied by<br><b>SPECIAL EVENTS BASIC AMOUNT;</b>  |
| (c) The results of (a) and (b) are added together and the result is<br><i>multiplied by AREA COST ADJUSTMENT FOR POLICE</i> ;   |
| (d) The result of (c) is then <i>multiplied by</i> the result of 1 minus <b>POLICE GRANT RATE</b> ;   |
| (e) The result of (d) is then <i>multiplied by</i> 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 rescue 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***

|                        |        |
|------------------------|--------|
| <b>FIRE AND RESCUE</b> | 2.9930 |
| <b>BASIC AMOUNT</b>    |        |

### ***Top-ups***

|   |  |
|---|--|
| <b>FIRE AND RESCUE<br/>COASTLINE<br/>TOP-UP</b>               | 1.4472 <i>multiplied by COASTLINE</i>          |
| <b>FIRE AND RESCUE<br/>POPULATION<br/>DENSITY TOP-<br/>UP</b> | 0.1419 <i>multiplied by POPULATION DENSITY</i> |
| <b>FIRE AND RESCUE<br/>DEPRIVATION<br/>TOP-UP</b>             | 0.0747 <i>multiplied by RISK INDEX</i>         |
| <b>HIGH RISK TOP-UP</b>                                       | 22,446.5287 <i>multiplied by COMAH SITES</i>   |
| <b>PROPERTY AND<br/>SOCIETAL RISK<br/>TOP-UP</b>              | <b>PROPERTY AND SOCIETAL RISK</b>              |
| <b>COMMUNITY FIRE<br/>SAFETY TOP-<br/>UP</b>                  | <b>COMMUNITY FIRE SAFETY</b>                   |

The full formula used to calculate the Fire and Rescue element is:

***Fire and Rescue***

- (a) **PROJECTED POPULATION IN 2012** multiplied by the result of:  
**FIRE AND RESCUE BASIC AMOUNT; plus**  
**FIRE AND RESCUE COASTLINE TOP-UP; plus**  
**FIRE AND RESCUE POPULATION DENSITY 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,  
county councils,  
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***

|                                 |         |
|---------------------------------|---------|
| <b>HIGHWAY BASIC<br/>AMOUNT</b> | 74.6640 |
|---------------------------------|---------|

### ***Top-ups***

|  |  |
|--|--|
| <b>USAGE TOP-UP</b>                      | 7.1922 multiplied by <b>TRAFFIC FLOW</b> ; plus<br>0.5346 multiplied by <b>DAYTIME POPULATION PER KM</b>       |
| <b>WINTER<br/>MAINTENANCE<br/>TOP-UP</b> | 0.3126 multiplied by <b>DAYS WITH SNOW LYING</b> ; plus<br>0.7033 multiplied by <b>PREDICTED GRITTING DAYS</b> |

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

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

## 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,  
county councils which have the functions of district councils,  
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***

|                          |        |
|--------------------------|--------|
| <b>DISTRICT SERVICES</b> | 8.9278 |
| <b>EPCS BASIC</b>        |        |
| <b>AMOUNT</b>            |        |

#### ***Top-ups***

|                          |  |
|--------------------------|--|
| <b>DISTRICT SERVICES</b> | 0.7092 multiplied by <b>POPULATION DENSITY</b> |
| <b>EPCS DENSITY</b>      |  |
| <b>TOP-UP</b>            |  |

|                                     |  |
|-------------------------------------|--|
| <b>DISTRICT SERVICES</b>            | 4.2806 <i>multiplied by</i> <b>POPULATION SPARSITY</b>   |
| <b>EPCS</b>                         |  |
| <b>SPARSITY TOP-UP</b>              |  |
| <b>DISTRICT SERVICES</b>            | 3.6690 <i>multiplied by</i> <b>NET IN-COMMUTERS</b> ; plus   |
| <b>EPCS</b>                         | 3.0575 <i>multiplied by</i> <b>DAY VISITORS</b>  |
| <b>ADDITIONAL POPULATION TOP-UP</b> |  |
| <b>DISTRICT SERVICES</b>            | 15.8992 <i>multiplied by</i> <b>INCAPACITY BENEFIT AND SEVERE DISABLEMENT ALLOWANCE</b> ; plus   |
| <b>EPCS</b>                         |  |
| <b>DEPRIVATION TOP-UP</b>           | 19.5694 <i>multiplied by</i> <b>INCOME SUPPORT/ INCOME BASED JOBSEEKER'S ALLOWANCE/ GUARANTEE ELEMENT OF PENSION CREDIT CLAIMANTS</b> ; plus       |
|                                     | 15.8992 <i>multiplied by</i> <b>OLDER PEOPLE ON INCOME SUPPORT/ INCOME BASED JOBSEEKER'S ALLOWANCE/ GUARANTEE ELEMENT OF PENSION CREDIT</b> ; plus |
|                                     | 19.5694 <i>multiplied by</i> <b>UNEMPLOYMENT RELATED BENEFIT CLAIMANTS</b> ; plus  |
|                                     | 3.6690 <i>multiplied by</i> <b>COUNTRY OF BIRTH OF RESIDENTS</b>   |

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

| <b><i>Services provided predominantly by non-metropolitan district councils in non-metropolitan areas</i></b> |  |
|---|--|
| (a)   | <b>PROJECTED POPULATION IN 2012 multiplied by the result of:<br/>DISTRICT SERVICES EPCS BASIC AMOUNT; plus<br/>DISTRICT SERVICES EPCS DENSITY TOP-UP; plus<br/>DISTRICT SERVICES EPCS SPARSITY TOP-UP;</b> |
| (b)   | <b>DISTRICT SERVICES EPCS ADDITIONAL POPULATION TOP-UP;<br/>plus<br/>DISTRICT SERVICES EPCS DEPRIVATION TOP-UP</b>   |
| (c)   | The results of (a) and (b) are added together and that result is then multiplied by <b>AREA COST ADJUSTMENT FOR ENVIRONMENTAL, PROTECTIVE AND CULTURAL SERVICES</b> ;                                      |
| (d)   | The result of (c) is then multiplied by 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,  
metropolitan district councils,  
county councils,  
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***

|                          |        |
|--------------------------|--------|
| <b>COUNTY SERVICES</b>   |        |
| <b>EPCS BASIC AMOUNT</b> | 6.3974 |

***Top-ups***

|  |  |
|--|--|
| <b>COUNTY SERVICES</b>                   | <i>0.1558 multiplied by POPULATION DENSITY</i>   |
| <b>EPCS DENSITY TOP-UP</b>               |  |
| <b>COUNTY SERVICES</b>                   | <i>4.0844 multiplied by NET IN-COMMUTERS; plus</i>   |
| <b>EPCS ADDITIONAL POPULATION TOP-UP</b> | <i>6.8060 multiplied by DAY VISITORS</i>   |
| <b>COUNTY SERVICES</b>                   | <i>24.5011 multiplied by UNEMPLOYMENT RELATED BENEFIT CLAIMANTS; plus</i>  |
| <b>EPCS DEPRIVATION TOP-UP</b>           | <i>19.0565 multiplied by INCOME SUPPORT/ INCOME BASED JOBSEEKER'S ALLOWANCE/ GUARANTEE ELEMENT OF PENSION CREDIT CLAIMANTS; plus</i> |
|  | <i>9.5276 multiplied by INCAPACITY BENEFIT AND SEVERE DISABLEMENT ALLOWANCE ; plus</i>   |
|  | <i>3.4424 multiplied by COUNTRY OF BIRTH OF RESIDENTS</i>  |

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

| <b>Services provided predominantly by county councils in non-metropolitan areas</b> |  |
|---|--|
| (a)   | <b>PROJECTED POPULATION IN 2012 multiplied by the result of:<br/>COUNTY SERVICES EPCS BASIC AMOUNT; plus<br/>COUNTY SERVICES EPCS DENSITY TOP-UP;</b>                                    |
| (b)   | <b>COUNTY SERVICES EPCS ADDITIONAL POPULATION TOP-UP;<br/>plus<br/>COUNTY SERVICES EPCS DEPRIVATION TOP-UP</b>   |
| (c)   | The results of (a) and (b) are added together and that result is then<br><i>multiplied by AREA COST ADJUSTMENT FOR ENVIRONMENTAL, PROTECTIVE AND CULTURAL SERVICES</i> ;                 |
| (d)   | For London boroughs and the Common Council of the City of London, the result of (c) is then <i>multiplied by 0.81134</i> ; for all other authorities the result of (c) remains the same. |
| (e)   | The result of (d) is then <i>multiplied by the scaling factor given in Annex F for these services</i> ;  |
| (f)   | The result of (e) is then divided by 10,000,000,000.   |

### **Concessionary Travel**

4.35 The client group for this service is the total projected population in an area. There are adjustments for density, social and economic conditions, car ownership and differences in the cost of provision between areas.

4.36 An RNF element for *Concessionary Travel* is calculated for the following classes of authority:

non-metropolitan district councils which have functions of county councils,  
metropolitan district councils,  
county councils,  
London borough councils,  
Common Council of the City of London.

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

***Basic amount***

|  |        |
|--|--------|
| <b>CONCESSIONARY TRAVEL BASIC AMOUNT</b> | 0.8926 |
|--|--------|

***Top-ups***

|  |  |
|--|--|
| <b>CONCESSIONARY TRAVEL DENSITY TOP-UP</b>       | -1.6169 <i>multiplied by POPULATION SPARSITY FOR PEOPLE AGED 60 AND OVER</i>     |
| <b>CONCESSIONARY TRAVEL DEPRIVATION TOP-UP</b>   | 10.2865 <i>multiplied by INCAPACITY BENEFIT AND SEVERE DISABLEMENT ALLOWANCE</i> |
| <b>CONCESSIONARY TRAVEL CAR OWNERSHIP TOP-UP</b> | 3.3222 <i>multiplied by PEOPLE AGED 60 AND OVER WITH NO CAR OR VAN</i>           |

The full formula used to calculate the *RNF* element for this service is:

| <b><i>Concessionary Travel</i></b>   |
|--|
| <ul style="list-style-type: none"> <li>(a) <b>PROJECTED POPULATION IN 2012</b> <i>multiplied by the result of:</i><br/> <b>CONCESSIONARY TRAVEL BASIC AMOUNT;</b> <i>plus</i><br/> <b>CONCESSIONARY TRAVEL DENSITY TOP-UP;</b> <i>plus</i><br/> <b>CONCESSIONARY TRAVEL DEPRIVATION TOP-UP;</b> <i>plus</i><br/> <b>CONCESSIONARY TRAVEL CAR OWNERSHIP TOP-UP</b></li> <br/> <li>(b) The result of (a) is then <i>multiplied by AREA COST ADJUSTMENT FOR ENVIRONMENTAL, PROTECTIVE AND CULTURAL SERVICES;</i></li> <br/> <li>(c) The result of (b) is then <i>multiplied by the scaling factor given in Annex F for this service;</i></li> <br/> <li>(d) The result of (c) is then divided by 10,000,000,000.</li> </ul> |

## **Fixed Costs**

4.38 An RNF element for *Fixed Costs* is calculated for the following classes of authority:

- district councils,
- county councils,
- London borough councils,
- Common Council of the City of London.

4.39 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 *Fixed Costs*.
- (b) The result of (a) is then divided by 10,000,000,000.

## **Flood Defence**

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

- district councils,
- county councils which have the functions of district councils,
- London borough councils,
- Common Council of the City of London.

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

### **Flood Defence**

- (a) 0.1338 multiplied by **IDB LEVY EXPENDITURE**
- (b) 12.8204 multiplied by **NON-IDB ORDINARY WATERCOURSE LENGTH**
- (c) The result of (a) and (b) are added together and that result is then multiplied by the scaling factor given in Annex F for *Flood Defence*.
- (d) The result of (c) is divided by 10,000,000,000.

## ***Continuing Environment Agency Levies***

4.42 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,  
metropolitan district councils,  
county councils,  
London borough councils,  
Common Council of the City of London.

4.43 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***

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

district councils,  
county councils,  
London borough councils,  
Common Council of the City of London.

4.45 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

4.46 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.

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

district councils,  
county councils,  
London borough councils,  
Common Council of the City of London,  
Greater London Authority,  
police authorities/bodies other than the Common Council of the City of London and the Mayor's Office for Policing and Crime,  
metropolitan county fire and rescue authorities,  
combined fire and rescue authorities.

4.48 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 ceiling<sup>1</sup> for the authority and/or its predecessors.

4.49 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.

4.50 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. **There were no new SCE(R) allocations from Central Government from 1 April 2011.**

4.51 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.

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<sup>1</sup> 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).

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

| <b><i>Capital Financing</i></b>  |
|--|
| <p>(a) <b>DEBT I</b> multiplied by 0.98;</p> <p>(b) The result of (a) is then multiplied by <b>INTEREST RATE</b>;</p> <p>(c) The result of (b) is then added to<br/><b>DEBT I</b> multiplied by 0.04;</p> <p>(d) The result of (c) is then multiplied by the scaling factor given in<br/>Annex F for <i>Capital Financing</i>.</p> <p>(e) The result of (d) is then divided by 10,000,000,000.</p> |

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

### ***Upper-tier services***

4.54 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,  
county councils,  
London borough councils,  
Common Council of the City of London,  
metropolitan district councils.

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

#### ***Upper-tier services***

- (a) The sum of the following elements:
- (i) the Youth and Community RNF as defined in paragraph 4.8 of this Report, *plus*
  - (ii) the Local Authority Central Education Functions RNF as defined in paragraph 4.10 of this Report, *plus*
  - (iii) the Children's Social Care RNF as defined in paragraph 4.12 of this Report, *plus*
  - (iv) the Social Services for Older People RNF as defined in paragraph 4.16 of this Report, *plus*
  - (v) the Social Services for Younger Adults RNF as defined in paragraph 4.18 of this Report, *plus*
  - (vi) the Highway Maintenance RNF as defined in paragraph 4.27 of this Report, *plus*
  - (vii) the County-Level EPCS RNF as defined in paragraph 4.34 of this Report, *plus*
  - (viii) the Concessionary Travel RNF as defined in paragraph 4.37 of this Report, *plus*
  - (ix) the Continuing Environment Agency Levies RNF as defined in paragraph 4.43 of this Report

## ***Lower-tier services***

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

non-metropolitan district councils which have functions of county councils,  
district councils,  
London borough councils,  
Common Council of the City of London.

4.57 The full formula used to calculate the *Lower-tier* element is:

| <b><i>Lower-tier</i></b>  |
|---|
| (a) The sum of the following elements:<br>(i) the District-Level EPCS RNF as defined in paragraph 4.31 of this Report, <i>plus</i><br>(ii) the Flood Defence RNF as defined in paragraph 4.41 of this Report, |

## ***Mixed-tier services***

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

district councils,  
county councils,  
London borough councils,  
Common Council of the City of London.

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

| <b><i>Mixed-tier</i></b>  |
|---|
| (a) The sum of the following elements:<br>(i) the Fixed Costs RNF as defined in paragraph 4.39 of this Report, <i>plus</i><br>(ii) the Coast Protection RNF as defined in paragraph 4.45 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 2012/2013. Formula Grant is comprised of Revenue Support Grant, the Distributable Amount and Police Grant.
- 5.2 DCLG Formula Grant is comprised 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 2012 is defined in Annex D of this Report.

### Part A – Council Tax Freeze Compensation

- 5.5 From the total of DCLG Formula Grant which the Secretary of State proposes to pay to receiving authorities, which is £23,567,156,315, he proposes to pay £652,158,704 with respect to council tax freeze compensation. The amount of grant to be paid to each authority from this total of £652,158,704 is described in Annex J of this Report.

### Part B – Isles of Scilly

- 5.6 From the remaining total of DCLG Formula Grant which the Secretary of State proposes to pay to receiving authorities, which is £22,914,997,611, he proposes to pay £2,599,000 with respect to the Isles of Scilly.

## Part C – Grants Rolling In Using Tailored Distribution

- 5.7 From the remaining total of DCLG Formula Grant which the Secretary of State proposes to pay to receiving authorities, he proposes to pay £2,004,438,252 with respect to grants rolling in using tailored distributions.
- 5.8 The Secretary of State has decided to amalgamate certain special and specific grants for each authority, to give authorities more control over how they may be used.
- 5.9 The Grants Rolling in Using Tailored Distribution is calculated as follows.

For the following classes of authority:

non-metropolitan district councils which have functions of county councils,  
metropolitan district councils,  
county councils,  
London borough councils,  
Common Council of the City of London,  
Greater London Authority:

The sum of:

the result of Annex K of this Report *plus*  
the result of Annex L of this Report *plus*  
the result of Annex M of this Report *plus*  
the result of Annex N of this Report *plus*  
the result of Annex O of this Report *plus*  
the result of Annex P of this Report *plus*  
the result of Annex Q of this Report *plus*  
the result of Annex R of this Report

where appropriate.

## Part D – Top-Up to Avoid Losers From Additional £10 million

- 5.10 From the remaining total of DCLG Formula Grant which the Secretary of State proposes to pay to receiving authorities, he proposes to pay £1,342,597 with respect to the authorities which are listed in Annex S. The amount of grant to be paid to each such authority from this total of £1,342,597 is the amount shown against the name of the authority in Annex S.
- 5.11 The amounts set out in Part 1 of Annex S ensure that those authorities with education and social service responsibilities whose formula grant would otherwise have been reduced as a consequence of adding a further £10 million into the settlement for shire districts are brought back up to the levels

previously calculated under the provisional Local Government Finance Report (England) 2012/2013 published on 31 January 2011.

- 5.12 The amounts set out in Part 2 of Annex S ensure that those single service fire authorities whose formula grant would otherwise have been reduced as a consequence of adding a further £10 million into the settlement for shire districts are brought back up to the levels previously calculated under the provisional Local Government Finance Report (England) 2012/2013 published on 31 January 2011.
- 5.13 The amounts set out in Part 3 of Annex S ensure that those single service police authorities whose formula grant would otherwise have been reduced as a consequence of adding a further £10 million into the settlement for shire districts are brought back up to the levels previously calculated under the provisional Local Government Finance Report (England) 2012/2013 published on 31 January 2011.

## Part E – Relative Needs Amount

- 5.14 From the remaining total of DCLG Formula Grant which the Secretary of State proposes to pay to receiving authorities, after paying Council Tax Freeze Compensation, the Isles of Scilly, the Grants Rolled In Using Tailored Distributions and Top-Up to Avoid Losers From Additional £10 million, which is £20,906,617,762, he proposes to pay 83.0% or £17,352,492,743 with respect to the relative needs of authorities.
- 5.15 The Relative Needs Amount is calculated as follows.

For the following classes of authority:

non-metropolitan district councils which have functions of county councils,  
county councils,  
London borough councils,  
Common Council of the City of London,  
metropolitan district councils:

- (a) **Upper-tier services RNF**, as defined in paragraph 4.55 of this Report, *multiplied by 1,000,000 and divided by PROJECTED POPULATION IN 2012*;
- (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/bodies other than the Common Council of the City of London and the Mayor's Office for Policing and Crime,  
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 2012*;
- (e) The minimum for all authorities/bodies 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 rescue 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 2012*;
- (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,  
county councils which have the functions of district councils,  
London borough councils,  
Common Council of the City of London:

- (j) **Lower-tier services RNF**, as defined in paragraph 4.57 of this Report, *multiplied by 1,000,000 and divided by PROJECTED POPULATION IN 2012*;
- (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,  
county councils,  
London borough councils,  
Common Council of the City of London:

- (m) **Mixed-tier services RNF**, as defined in paragraph 4.59 of this Report, *multiplied by 1,000,000 and divided by PROJECTED POPULATION IN 2012*;
- (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,  
county councils,  
London borough councils,  
Common Council of the City of London,  
Greater London Authority,  
police authorities/bodies other than the Common Council of the City of  
London and the Mayor's Office for Policing and Crime,  
metropolitan county fire and rescue authorities,  
combined fire and rescue authorities:

- (p) **Capital Financing RNF**, as defined at paragraph 4.52 of this Report, *multiplied by 1,000,000 and divided by PROJECTED POPULATION IN 2012*;
- (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 2012*
- (u) The sum for all authorities of the result of (t)
- (v) The result of (t) *divided by the result of (u) multiplied by £17,352,492,743*

## Part F – Relative Resource Amount

- 5.16 From the remaining total of DCLG Formula Grant which the Secretary of State proposes to pay to receiving authorities, after paying Council Tax Freeze Compensation, the Isles of Scilly, the Grants Rolled In Using Tailored Distributions and Top-Up to Avoid Losers From Additional £10 million, he proposes to adjust the amount payable by -26.6% or -£5,561,160,325 with respect to the relative resources of authorities.

5.17 The Relative Resource Amount is calculated as follows.

For the following classes of authority:

non-metropolitan district councils which have functions of county councils,  
county councils,  
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 2012;**
- (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/bodies other than the Common Council of the City of London and the Mayor's Office for Policing and Crime,  
Greater London Authority:

- (d) **Taxbase multiplied by Police Share of Taxbase divided by PROJECTED POPULATION IN 2012;**
- (e) The minimum for all authorities/bodies 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 rescue authorities,  
combined fire and rescue authorities:

- (g) **Taxbase multiplied by Fire and Rescue Share of Taxbase divided by PROJECTED POPULATION IN 2012;**
- (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,  
county councils which have the functions of district councils,  
London borough councils,  
Common Council of the City of London:

- (j) **Taxbase multiplied by Lower-Tier Share of Taxbase divided by PROJECTED POPULATION IN 2012;**
- (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,  
county councils,  
London borough councils,  
Common Council of the City of London,  
Greater London Authority,  
police authorities/bodies other than the Common Council of the City of London and the Mayor's Office for Policing and Crime,  
metropolitan county fire and rescue 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 2012;**
- (o) The sum for all authorities of the result of (n);
- (p) The result of (n) divided by the result of (o) multiplied by -£5,561,160,325

## Part G – Central Allocation

- 5.18 From the total of DCLG Formula Grant which the Secretary of State proposes to pay to receiving authorities, after paying Council Tax Freeze Compensation, the Isles of Scilly, and after paying the Grants Rolled In Using Tailored Distributions and Top-Up to Avoid Losers From Additional £10 million, he proposes to pay £9,115,285,344 with respect to the central allocation.
- 5.19 The Central Allocation is calculated as follows.

For the following classes of authority:

district councils,  
county councils,  
London borough councils,  
Common Council of the City of London,  
Greater London Authority,

police authorities/bodies other than the Common Council of the City of London and the Mayor's Office for Policing and Crime, metropolitan county fire and rescue authorities, combined fire and rescue authorities:

- (a) The sum of:
  - the result of (b) from paragraph 5.15 of this Report *plus*
  - the result of (e) from paragraph 5.15 of this Report *plus*
  - the result of (h) from paragraph 5.15 of this Report *plus*
  - the result of (k) from paragraph 5.15 of this Report *plus*
  - the result of (n) from paragraph 5.15 of this Report *plus*
  - the result of (q) from paragraph 5.15 of this Report where appropriate;
- (b) The result of (a) *divided by* the result of (u) from paragraph 5.15 of this Report *multiplied by* £17,352,492,743 *divided by* 1,000,000;
- (c) The sum of:
  - the result of (b) from paragraph 5.17 of this Report *plus*
  - the result of (e) from paragraph 5.17 of this Report *plus*
  - the result of (h) from paragraph 5.17 of this Report *plus*
  - the result of (k) from paragraph 5.17 of this Report where appropriate;
- (d) The result of (c) *divided by* the result of (o) from paragraph 5.17 of this Report *multiplied by* -£5,561,160,325;
- (e) The sum of the results of (b) *plus* (d);
- (f) The result of (e) *multiplied by* **PROJECTED POPULATION IN 2012**;
- (g) The sum for all authorities of the result of (f);
- (h) The result of (f) *divided by* the result of (g) *multiplied by* £9,115,285,344;

## Part H – Floor Damping

- 5.20 The results from the Part C, Part E, Part F and Part G when added together with Police Grant form Formula Grant before floor damping. In order to ensure that authorities receive at least a minimum grant change (called the 'floor') we adjust the results.
- 5.21 In order to calculate the floor damping element, the Secretary of State will first calculate the adjusted formula grant for 2011/12. The method by which the adjusted formula grant for 2011/12 is to be calculated is set out in detail in Annex T of this Report.

5.22 Formula grant funding for the emergency services (police, and fire and rescue authorities) has been relatively protected, in comparison with authorities with education and social service responsibilities and shire districts without the functions of county councils. Given the steeper reduction in grant for these latter classes of authority, the Government is adopting a new approach to setting floor levels for them. It recognises that some authorities have a higher proportion of their budget requirement funded through formula grant – and are consequently more dependent on formula grant - than others. Ministers have therefore decided to place each authority within these classes into one of four bands, for the purpose of floor damping, and to apply different floor levels to the authorities in the different bands based on this criterion. The method by which the bands are decided is set out in detail in Annex U of this Report.

5.23 The floor damping calculations are given below.

### **Authorities with Education and Social Service Responsibilities**

5.24 For London borough councils, metropolitan district councils, county councils and non-metropolitan district councils which have functions of county councils the final amount of Formula Grant for each authority for 2012/13 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 2011/12.
- (b) the results of (a) multiplied by x as set out in paragraph 5.25 below
- (c) the sum of the following items:
  - the Grants Rolling In Using Tailored Distribution as defined in paragraph 5.9 of this Report; *plus*
  - the Relative Needs Amount as defined in paragraph 5.15 of this Report; *plus*
  - the Relative Resource Amount as defined in paragraph 5.17 of this Report; *plus*
  - the Central Allocation as defined in paragraph 5.19 of this Report.
- (d) the result of:
  - (c) *minus*
  - (b)multiplied by 0.28260139; *plus*  
the result of (b)

- (e) either the result of (b) or the result of (d), whichever is the greater, plus the amount at Annex J, plus the amount at Annex S, if appropriate.

5.25 For the purpose of (b) in paragraph 5.24 above:

- for authorities in band 1,  $x = 0.926$ ;  
for authorities in band 2,  $x = 0.916$ ;  
for authorities in band 3,  $x = 0.906$ ; and  
for authorities in band 4,  $x = 0.896$ .

### **Police Authorities/Bodies**

5.26 For police authorities/bodies other than the Common Council of the City of London and the Mayor's Office for Policing and Crime, the final amount of Formula Grant for each such authority for 2012/2013 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 2011/12.
- (b) the results of (a) multiplied by 0.93297
- (c) the sum of the following items:
- the Relative Needs Amount as defined in paragraph 5.15 of this Report; *plus*
- the Relative Resource Amount as defined in paragraph 5.17 of this Report; *plus*
- the Central Allocation as defined in paragraph 5.19 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) 2012/13.
- (d) the result of:  
(c) *minus*  
(b)  
multiplied by 0.00015768; *plus*  
the result of (b)
- (e) either the result of (b) or the result of (d), whichever is the greater, plus the amount at Annex J, plus the amount at Annex S, if appropriate.

### The Common Council of the City of London

5.27 The amount of Revenue Support Grant for the Common Council of the City of London consists of the sum of an amount in respect of police services and an amount in respect of non-police services. The police amount is determined using the same floor and scaling factor as for police authorities/bodies, other than the Common Council of the City of London and the Mayor's Office for Policing and Crime. The non-police amount is determined using the same floor and scaling factor as for the London borough councils, metropolitan district councils, county councils and non-metropolitan district councils which have functions of county councils.

5.28 The amount for police services is calculated as follows:

- (a) the Secretary of State's estimate of that part of the Common Council of the City of London's share of adjusted formula grant for 2011/12 in respect of police services.
- (b) the results of (a) multiplied by 0.93297
- (c) the sum of the following items:
  - the Relative Needs Amount with respect to police services as defined in paragraph 5.15 of this Report; *plus*
  - the Relative Resource Amount with respect to police services as defined in paragraph 5.17 of this Report; *plus*
  - the Central Allocation with respect to police services as defined in paragraph 5.19 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) 2012/13.
- (d) the result of:
  - (c) *minus*
  - (b)multiplied by 0.00015768; *plus*  
the result of (b)
- (e) either the result of (b) or the result of (d), whichever is the greater.

5.29 The amount for non-police services is calculated as follows:

- (a) the Secretary of State's estimate of that part of the Common Council of the City of London's share of adjusted formula grant for 2011/12 in respect of non-police services.
- (b) the results of (a) multiplied by 0.926

- (c) the sum of the following items:
  - the Grants Rolling In Using Tailored Distribution as defined in paragraph 5.9 of this Report; *plus*
  - the Relative Needs Amount with respect to non-police services as defined in paragraphs 5.15 of this Report; *plus*
  - the Relative Resource Amount with respect to non-police services as defined in paragraph 5.17 of this Report; *plus*
  - the Central Allocation with respect to non-police services as defined in paragraph 5.19 of this Report.
- (d) The result of:
  - (c) *minus*
  - (b)

*multiplied by 0.28260139; plus*  
the result of (b)
- (e) either the result of (b) or the result of (d), whichever is the greater, plus the amount at Annex J.

## **Fire and Rescue Authorities**

5.30 For the metropolitan county fire and rescue authorities and the combined fire and rescue authorities the final amount of Formula Grant for each such authority for 2012/2013 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 2011/12.
- (b) the results of (a) multiplied by 0.966
- (c) the sum of the following items:
  - the Relative Needs Amount as defined in paragraph 5.15 of this Report; *plus*
  - the Relative Resource Amount as defined in paragraph 5.17 of this Report; *plus*
  - the Central Allocation as defined in paragraph 5.19 of this Report.
- (d) the result of:
  - (c) *minus*
  - (b)

*multiplied by 0.67913822; plus*  
the result of (b)

- (e) either the result of (b) or the result of (d), whichever is the greater, plus the amount at Annex J, plus the amount at Annex S, if appropriate.

## The Greater London Authority

- 5.31 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 Mayor's Office for Policing and Crime. The fire and rescue amount is determined using the same floor and scaling factor as for the metropolitan county fire and rescue 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 area<sup>1</sup>.
- 5.32 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 2011/12 in respect of police services.
  - (b) the results of (a) multiplied by 0.93297
  - (c) the sum of the following items:
    - the Relative Needs Amount with respect to police services as defined in paragraph 5.15 of this Report; *plus*
    - the Relative Resource Amount with respect to police services as defined in paragraph 5.17 of this Report; *plus*
    - the Central Allocation with respect to police services as defined in paragraph 5.19 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) 2012/13.
  - (d) the result of:
    - (c) *minus*
    - (b)multiplied by 0.00015768; *plus*  
the result of (b)
  - (e) either the result of (b) or the result of (d), whichever is the greater, plus the amount at Annex J.

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<sup>1</sup> 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.

5.33 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 2011/12 in respect of fire and rescue services.
- (b) the results of (a) multiplied by 0.966
- (c) the sum of the following items:
  - the Grants Rolling In Using Tailored Distribution as defined in paragraph 5.9 of this Report; *plus*
  - the Relative Needs Amount with respect to fire and rescue services as defined in paragraph 5.15 of this Report; *plus*
  - the Relative Resource Amount with respect to fire and rescue services as defined in paragraph 5.17 of this Report; *plus*
  - the Central Allocation with respect to fire and rescue services as defined in paragraph 5.19 of this Report.
- (d) The result of:
  - (c) *minus*
  - (b) *multiplied by 0.67913822; plus*the result of (b)
- (e) either the result of (b) or the result of (d), whichever is the greater, plus the amount at Annex J.

### **Shire Districts without Education and Social Service Responsibilities**

5.34 For non-metropolitan district councils which do not have functions of county councils the final amount of Formula Grant for each such authority for 2012/2013 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 2011/12.
- (b) the results of (a) multiplied by x as set out in paragraph 5.35 below

(c) the sum of the following items:

the Relative Needs Amount as defined in paragraph 5.15 of this Report; *plus*

the Relative Resource Amount as defined in paragraph 5.17 of this Report; *plus*

the Central Allocation as defined in paragraph 5.19 of this Report.

(d) the result of:

(c) *minus*

(b)

multiplied by 0.24901888; *plus*

the result of (b)

(e) either the result of (b) or the result of (d), whichever is the greater, plus the amount at Annex J.

5.35 For the purpose of (b) in paragraph 5.34 above:

for authorities in band 1,  $x = 0.888$ ;

for authorities in band 2,  $x = 0.878$ ;

for authorities in band 3,  $x = 0.868$ ; and

for authorities in band 4,  $x = 0.858$ .

## 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 2012/2013.

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 2012/13 calculated in accordance with Section 5 of this Report; and
- L** is the amount of any Principal Formula Police Grant for the authority for 2012/13 as shown in column (a) of the table contained in paragraph 3.1 of the Police Grant Report (England and Wales) 2012/2013.

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 2012/13 specified in Annex T of this Report;

- L1** is the amount of Principal Formula Police Grant for the authority for 2012/13 as shown in column (a) of the table contained in paragraph 3.1 of the Police Grant Report (England and Wales) 2012/2013; and
- K2** is the share of Formula Grant for fire and rescue services, for 2012/2013 specified in Annex T 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 2012/2013.

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 2012/13 calculated in accordance with Section 5 of this Report; and
- L** is the amount of any Police Grant for the authority for 2012/13 as shown in column (a) of the table contained in paragraph 3.1 of the Police Grant Report (England and Wales) 2012/2013.

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 7.2;
- K1** is the share of Formula Grant for police services, for 2012/13 specified in Annex T of this Report;
- L1** is the amount of Police Grant for the authority for 2012/13 as shown in column (a) of the table contained in paragraph 3.1 of the Police Grant Report (England and Wales) 2012/2013; and

**K2** is the share of Formula Grant for fire and rescue services, for 2012/13 specified in Annex T 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 2012. This Report may be amended by a report made under section 84A of the 1988 Act<sup>1</sup> or under paragraph 13 of Schedule 8 to the 1988 Act<sup>2</sup>.

Signed by authority of the Secretary of State.

Grant Shapps

*Minister for Housing and Local Government*

*Department of Communities and Local Government*

30 January 2012

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.

JP Duddridge

Brooks Newmark

*Two of the Lords Commissioners*

*of Her Majesty's Treasury*

27 January 2012

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

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

## Annex A

### Amount of Grant for Specified Body

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

|   | £          |
|---|------------|
| Improvement and Development Agency for Local Government | 29,250,000 |

## 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      | 0.786039580                      |
| Police services          | 0.074978485                      |
| Fire and rescue services | 0.026467409                      |
| Lower-tier services      | 0.112514527                      |

## 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 him in writing in accordance with the notice dated 24 September 2010 issued under section 139A of the 1988 Act and section 68 of the 1992 Act and which has been received by him on or before 15 October 2010. The information submitted will generally have been on the basis of information available to billing authorities on 4 October 2010<sup>1</sup>. If an authority has failed to provide the information in accordance with the notice, the Secretary of State will exercise his powers under section 139A(3) of the 1988 Act and section 68(3) of the 1992 Act, namely, he may assume the information required to be such as he sees fit. He may also take into account any other information available to him.
- 3 The taxbase for a billing authority's area as at 4 October 2010 will be equal to

#### ***Council Tax Base for Revenue Support Grant Purposes***

- (a) the total of the amounts calculated by applying the following formula in relation to dwellings shown on 13 September 2010 in each valuation band (“the band”) in the valuation list compiled under section 22 of the 1992 Act except for band A -

$$\left\{ R - (S1 + S2 + T + U - V + W + XA + XB + XC + XD) + (0.75 \times W) \right. \\ \left. + (0.5 \times XA) + (0.5 \times XB) + (0.5 \times XC) + \left( \left( 1 - \frac{AP}{100} \right) \times XD \right) \right\} \times \frac{Y}{Z}$$

*Plus*

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<sup>1</sup> More recent figures for discounts and exemptions applicable as at 4 October 2010 were acceptable if numbers changed significantly in light of information received after 4 October 2010 (for example, class N exemptions for students).

- (b) the amount calculated by applying the following formula in relation to dwellings shown on 13 September 2010 for valuation band A in the valuation list compiled under section 22 of the 1992 Act -

$$\left\{ \begin{aligned} & R - (S1 + S2 + T + U1 - V1 + W1 + X1A + X1B + X1C + X1D) + (0.75 \times W1) \\ & + (0.5 \times X1A) + (0.5 \times X1B) + (0.5 \times X1C) + \left( \left( 1 - \frac{AP}{100} \right) \times X1D \right) \} \times \frac{6}{9} \\ & + \left\{ (U1 - W2 - X2) + (0.75 \times W2) + (0.5 \times X2) \right\} \times \frac{5}{9} \end{aligned} \right.$$

*Plus*

- (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 4 October 2010 were exempt dwellings within Classes A to L and O to W of the Council Tax (Exempt Dwellings) Order 1992<sup>2</sup> ("the Exempt Dwellings Order");

**S2** Is the number of dwellings in the band which on 31 May 2010 were exempt dwellings within Classes M and N of the Exempt Dwellings Order,

*Minus*

the number of dwellings in the band which on 4 October 2010 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 4 October 2010 -

- (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

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<sup>2</sup> 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.

the Council Tax (Reductions for Disabilities) Regulations 1992<sup>3</sup> ("the Reductions for Disabilities Regulations"), the amount of council tax payable on 4 October 2010 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 4 October 2010 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 4 October 2010 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 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 4 October 2010 -

- (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 4 October 2010 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

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

the amount of council tax payable on 4 October 2010 -

- (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 4 October 2010 were within Class A or B of the Council Tax (Prescribed Classes of Dwellings) (England) Regulations 2003<sup>4</sup> ("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 4 October 2010 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 4 October 2010 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 the 1992 Act, in relation to the financial year 2010/11;
- 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 4 October 2010 was calculated as 5/9 the band D amount;

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

**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 4 October 2010 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 4 October 2010 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 4 October 2010 -

- (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 4 October 2010 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 4 October 2010 -

- (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 4 October 2010 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 4 October 2010 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 4 October 2010 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 4 October 2010 -
- (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 4 October 2010-
- (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 2011-12 is the taxbase for a billing authority's area as at 4 October 2010 adjusted for the number of May student exemptions, increased by the Secretary of State's estimate of the average annual increase in the taxbase for the authority between:
- (i) 6 October 2008 adjusted for the number of May student exemptions, on the basis of information submitted to him in writing in accordance with the notice dated 30 September 2008 issued under section 139A of the 1988 Act and section 68 of the 1992 Act; and
  - (ii) 4 October 2010 adjusted for the number of May student exemptions, on the basis of information submitted to him in writing in accordance

with the notice dated 24 September 2010 issued under section 139A of the 1988 Act and section 68 of the 1992 Act.

- 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 6 October 2008 and 4 October 2010, as described in paragraph 5, to give the taxbase for the billing authority's area for 2012/13.
- 7 Subject to paragraph 8, the taxbase for the area of each major precepting authority will be calculated as the total of the taxbase figures for 2011/12 for the area of each billing authority to which the major precepting authority has the power to issue a precept.
- 8 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 2010 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 2010 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, 1 April 2007 or 1 April 2009 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, under section 323 of the Greater London Authority Act 1999 or by an order under section 7 of the Local Government and Public Involvement in Health Act 2007. 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 2012** The projected number of residents aged 13-19 years in 2012, as estimated by the Office for National Statistics and published on 27 May 2010.

**CHILDREN IN OUT-OF-WORK FAMILIES RECEIVING CHILD TAX CREDIT ABOVE THRESHOLD**

*Either:*

**CHILDREN IN OUT-OF-WORK FAMILIES IN RECEIPT OF CHILD TAX CREDIT** (as defined below); *minus* 0.1079

**or zero**, whichever is the greater.

**CHILDREN IN OUT-OF-WORK FAMILIES IN RECEIPT OF CHILD TAX CREDIT**

The average number of children in out-of-work families who received Child Tax Credit, over the financial years 2006-07 to 2008-09 as estimated by the HM Revenue and Customs *divided by* the resident population under 18 years of age as at 30 June 2009, as estimated by the Office for National Statistics.

**SECONDARY LOW ACHIEVING ETHNIC GROUPS ABOVE THRESHOLD**

*Either:*

**PUPILS OF SECONDARY SCHOOL AGE IN LOW ACHIEVING ETHNIC GROUPS** (as defined below); *minus* 0.0189

**or zero**, whichever is the greater.

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

The number of pupils in secondary schools and academies who are from ethnic groups which are considered by the Secretary of State for Education to be low achieving *divided by* the number of pupils in secondary schools and academies who had an ethnic group recorded, as estimated by the Secretary of State for Education based on School Census returns 2010 January count.

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
- Black Caribbean
- Black African
- Any 'other Black' background
- Any 'other White' background

Annex D: Definition of indicators used for each authority in the calculation of Relative Needs Formulae

**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 Education considers appropriate, to reflect:

- (i) the estimated number of children in independent schools in respect of which the Secretary of State for Education had approved by 1 October 2010 proposals under section 212 of the Education Act 1996 for such schools to be maintained by a local education authority during the 2011-2012 financial year; and
- (ii) the estimated number of children in independent schools in respect of which the Secretary of State for Education had approved by 1 October 2010 proposals under section 41 of the Education Act 1996 for such schools to be maintained by a local education authority during the 2011-2012 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 2009, as estimated by the Secretary of State for Education on the basis of a count at the beginning of the spring term 2010.

**PUPILS AGED 3** The sum of:

- (i) The part-time equivalent number of pupils aged 4 at 31 December 2009 but aged 3 at 31 August 2009 in maintained schools; *plus*

- (ii) The part-time equivalent number of pupils aged 4 at 31 December 2009 but aged 3 at 31 August 2009 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 2009 in maintained schools; *plus*

- (iv) The part-time equivalent number of pupils aged 3 at 31 December 2009 in private, voluntary and

independent settings funded by the local education authority;

or

- (v) the resident population aged 3 at 30 June 2009, as estimated by the Office for National Statistics, *multiplied by 0.90*, whichever is the greater.

Part-time equivalent numbers of pupils aged 3 at 31 December 2009 and part-time equivalent numbers of pupils aged 4 at 31 December 2009 but aged 3 at 31 August 2009 in the maintained sector are estimated by the Secretary of State for Education, mainly on the basis of a count at the beginning of the spring term 2010. 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 Education 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 2009, and part-time equivalent numbers of pupils aged 4 at 31 December 2009 but aged 3 at 31 August 2009, in the private, voluntary or independent sectors are estimated by the Secretary of State for Education on the basis of a count at the beginning of the spring term 2010. 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:

## Annex D: Definition of indicators used for each authority in the calculation of Relative Needs Formulae

- (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 2009; *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 2009 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 Education, mainly on the basis of a count at the beginning of the spring term 2010. 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 Education 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 2009, in the private, voluntary or independent sectors are estimated by the Secretary of State for Education on the basis of a count at the beginning of the spring term 2010. 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 2009, as estimated by the Secretary of State for Education mainly on the basis of a count at the beginning of the spring term 2010.

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.

|  |   |
|--|---|
| <b>PUPILS IN ACADEMIES</b>                       | The number of pupils aged 3 to 18 in academies, as estimated by the Secretary of State for Education on the basis of a count at the beginning of the spring term 2010.  |
| <b>RESIDENT PUPILS AGED 3 TO 18</b>              | The number of pupils aged 3 to 18 resident in the Local Authority area at 31 August 2009, as estimated by the Secretary of State for Education based mainly on a count at the beginning of the spring term 2010.  |
| <b>WARD SPARSITY</b>                             | <p>The sum of:</p> <ul style="list-style-type: none"><li>(i) 3.5 <i>multiplied by</i> the resident population of those wards 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></li><li>(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, <i>divided by</i> the total resident population of the authority, calculated using information from the 2001 Census.</li></ul> |
| <b>PROJECTED POPULATION AGED 0 TO 17 IN 2012</b> | The projected number of residents under 18 years of age in 2012, as estimated by the Office for National Statistics and published on 27 May 2010.   |
| <b>CHILDREN WITHOUT GOOD HEALTH</b>              | The proportion of children aged 0 to 18 in fairly good health or bad health, calculated using the information from the 2001 Census.   |

## Annex D: Definition of indicators used for each authority in the calculation of Relative Needs Formulae

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|--|--|
| <b>INCOME SUPPORT/<br/>INCOME BASED<br/>JOBSEEKER'S<br/>ALLOWANCE/<br/>GUARANTEE<br/>ELEMENT OF<br/>PENSION CREDIT<br/>CLAIMANTS AGED<br/>18 TO 64 YEARS</b> | <p>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:</p> <ul style="list-style-type: none"><li>a) May 2007 and February 2010, using twelve quarterly scans for this period for Income Support/ Guarantee Element of Pension Credit claimants, <i>and</i></li><li>b) August 2007 and August 2009, using scans made at the end of August of each year for Income based Jobseekers Allowance claimants,</li></ul> <p>as estimated by the Secretary of State for Work and Pensions, <i>divided by</i> the resident population aged between 18 to 64 years at 30 June 2009, as estimated by the Office for National Statistics.</p>   |
| <b>CHILDREN IN<br/>BLACK ETHNIC<br/>GROUPS</b>   | <p>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.</p>  |
| <b>FOSTER COST<br/>ADJUSTMENT</b>  | <p>A factor to reflect differences in the cost of providing foster care. This is calculated as:</p> <ul style="list-style-type: none"><li>(i) 15.9595 <i>multiplied by</i> <b>PEOPLE IN OTHER ETHNIC GROUPS</b> (as defined below); <i>plus</i></li><li>(ii) 35.4364 <i>multiplied by</i> <b>PEOPLE IN MIXED ETHNIC GROUPS</b> (as defined below); <i>plus</i></li><li>(iii) 14.2320 <i>multiplied by</i> <b>PEOPLE AGED 16 TO 74 WHOSE HIGHEST QUALIFICATION ATTAINED WAS LEVEL 1 OR 2</b> (as defined below); <i>plus</i></li><li>(iv) 6.7052 <i>multiplied by</i> <b>PEOPLE AGED 16 TO 74 WHOSE HIGHEST QUALIFICATION ATTAINED WAS LEVEL 4 OR 5</b> (as defined below); <i>plus</i></li><li>(v) 20.5347 <i>multiplied by</i> <b>FEMALES AGED 16 TO 74 LOOKING AFTER HOME AND/OR FAMILY</b> (as defined below); <i>minus</i></li><li>(vi) 5.0574</li></ul> |

The result of the above is *divided by* 4.4918, *multiplied by* 0.2, and then *added to* 0.8.

The indicator is the result of the above calculation *divided by* 0.9320 calculated to 4 decimal places.

|   |  |
|---|--|
| <b>PEOPLE IN OTHER ETHNIC GROUPS</b>  | The proportion of people in other ethnic groups (Chinese or other ethnic group), calculated using information from the 2001 Census.  |
| <b>PEOPLE IN MIXED ETHNIC GROUPS</b>  | 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.   |
| <b>PEOPLE AGED 16 TO 74 WHOSE HIGHEST QUALIFICATION ATTAINED WAS LEVEL 1 OR 2</b> | 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.  |
| <b>PEOPLE AGED 16 TO 74 WHOSE HIGHEST QUALIFICATION ATTAINED WAS LEVEL 4 OR 5</b> | 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.   |
| <b>FEMALES AGED 16 TO 74 LOOKING AFTER HOME AND/OR FAMILY</b>                     | 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.  |
| <b>AREA COST ADJUSTMENT FOR EDUCATION</b>   | 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 2007, 2008 and 2009 Annual Survey of Hours and Earnings provided by the Office for National Statistics; Base Estimate Returns 1992-93; Subjective Analysis Return 2005-06 and 2007-08; Trading Services Revenue accounts 2005-06; the 2010 Revaluation of Local Authority Schools undertaken by the Valuation Office; and the total resident population at 30 June 2009, as estimated by the Office for National Statistics. |

## Annex D: Definition of indicators used for each authority in the calculation of Relative Needs Formulae

### **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 2007, 2008 and 2009 Annual Survey of Hours and Earnings provided by the Office for National Statistics; 2007 Annual Business Inquiry Part 2 provided by the Office for National Statistics; the 2008 Small and Medium Enterprise statistics provided by the Department for Business, Innovation and Skills; Subjective Analysis Return 2005-06 and 2007-08; Trading Services Revenue accounts 2007-08; Revenue Outturn (RO3) 2007-08; Council Personal Social Services Gross Expenditure PSS EX1 2008; an applicable sample of publicly available company accounts; and the total resident population as at 30 June 2009, as estimated by the Office for National Statistics.

## II Adults' Personal Social Services

**PROJECTED  
HOUSEHOLD AND  
SUPPORTED  
RESIDENTS AGED  
65 AND OVER IN  
2012**

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 2012, as estimated by the Office for National Statistics and published on 27 May 2010; *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 2009, 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 2009, as estimated by the Office for National Statistics; *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 2009, as estimated by the Secretary of State for Health.

Annex D: Definition of indicators used for each authority in the calculation of Relative Needs Formulae

|   |   |
|---|---|
| <b>HOUSEHOLD AND SUPPORTED RESIDENTS AGED 65 AND OVER</b> | An estimate of the number of residents aged 65 years and over who are residents in households <i>plus</i> the number of Local Authority supported residents in permanent care homes, calculated as:<br><br>(i) The resident population aged 65 years and over at 30 June 2009, as estimated by the Office for National Statistics; <i>multiplied by</i><br><br>(ii) The household population aged 65 years and over, using information from the 2001 Census; and then <i>divided by</i><br><br>(iii) The resident population aged 65 years and over, using information from the 2001 Census.<br><br>The result of the above calculation is <i>added</i> to the number of Local Authority supported residents in permanent care homes aged 65 years and over as at 31 March 2009, as estimated by the Secretary of State for Health. |
| <b>OLDER PEOPLE RECEIVING ATTENDANCE ALLOWANCE</b>        | The average number of people, aged 65 or over, in receipt of attendance allowance over a period between May 2007 and February 2010, using twelve quarterly scans for this period, as estimated by the Secretary of State for Work and Pensions <i>divided by</i> the resident population aged 65 years and over at 30 June 2009, as estimated by the Office for National Statistics.  |
| <b>OLDER PEOPLE IN RENTED ACCOMMODATION</b>               | The proportion of people aged 65 or over living in rented accommodation, calculated using information from the 2001 Census.   |
| <b>OLDER PEOPLE LIVING IN ONE PERSON HOUSEHOLDS</b>       | 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 2007 and February 2010, using twelve quarterly scans for this period for Income Support/ Guarantee Element of Pension Credit recipients, *and*
- b) August 2007 and August 2009, 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 2009, as estimated by the Office for National Statistics.

**LOW INCOME  
ADJUSTMENT**

The sum of:

- (i) 0.1201 *minus*
- (ii) 0.1218 *multiplied by* **OLDER PEOPLE ON INCOME SUPPORT/ INCOME BASED JOBSEEKER'S ALLOWANCE/ GUARANTEE ELEMENT OF PENSION CREDIT** (as defined above) *plus*
- (iii) 0.116689128

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. 775951152 and calculated to 4 decimal places.

## Annex D: Definition of indicators used for each authority in the calculation of Relative Needs Formulae

|   |  |
|---|--|
| <b>SPARSITY<br/>ADJUSTMENT<br/>FOR PEOPLE<br/>AGED 65 AND<br/>OVER</b>                            | The sum of:<br><br><ul style="list-style-type: none"><li>(i) <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</i></li><li>(ii) <i>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.</i></li></ul><br><p>The sum is then <i>divided by 0.2091080, multiplied by 0.0043, and then added to 0.9957.</i></p> <p>The indicator is the result of the above calculation <i>divided by 0.9957, calculated to 4 decimal places.</i></p> |
| <b>PROJECTED<br/>POPULATION<br/>AGED 18 TO 64 IN<br/>2012</b>                                     | The projected number of residents aged between 18 and 64 years in 2012, as estimated by the Office for National Statistics and published on 27 May 2010.   |
| <b>PEOPLE AGED 18<br/>TO 64 RECEIVING<br/>DISABILITY<br/>LIVING<br/>ALLOWANCE</b>                 | The average number of people aged 18 to 64, in receipt of disability living allowance over a period between May 2007 and February 2010, using twelve quarterly scans for this period, as estimated by the Secretary of State for Work and Pensions <i>divided by the resident population aged 18 to 64 at 30 June 2009, as estimated by the Office for National Statistics.</i>  |
| <b>PEOPLE AGED 18<br/>TO 64 WHO ARE<br/>LONG TERM<br/>UNEMPLOYED OR<br/>HAVE NEVER<br/>WORKED</b> | 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 2007, 2008 and 2009 Annual Survey of Hours and Earnings provided by the Office for National Statistics; 2007 Annual Business Inquiry Part 2 provided by the Office for National Statistics; the 2008 Small and Medium Enterprise statistics provided by the Department for Business, Innovation and Skills; Subjective Analysis Return 2005-06 and 2007-08; Trading Services Revenue accounts 2007-08; Revenue Outturn (RO3) 2007-08; Council Personal Social Services Gross Expenditure PSS EX1 2008; an applicable sample of publicly available company accounts; and the total resident population as at 30 June 2009, as estimated by the Office for National Statistics.

**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 2007, 2008 and 2009 Annual Survey of Hours and Earnings provided by the Office for National Statistics; 2007 Annual Business Inquiry Part 2 provided by the Office for National Statistics; the 2008 Small and Medium Enterprise statistics provided by the Department for Business, Innovation and Skills; Subjective Analysis Return 2005-06 and 2007-08; Trading Services Revenue accounts 2007-08; Revenue Outturn (RO3) 2007-08; Council Personal Social Services Gross Expenditure PSS EX1 2008; an applicable sample of publicly available company accounts; and the total resident population as at 30 June 2009, as estimated by the Office for National Statistics.

### III Police

In this section a reference to “the authority/body’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.

|   |   |
|---|---|
| <b>PROJECTED POPULATION IN 2012</b>               | The projected total resident population in 2012, as estimated by the Office for National Statistics and published on 27 May 2010.   |
| <b>DAYTIME NET-INFLOW PER RESIDENT POPULATION</b> | <b>THE DAYTIME NET-INFLOW</b> (as defined below) <i>divided by</i> the total resident population of the authority/body, calculated using information from the 2001 Census.  |
| <b>DAYTIME NET-INFLOW</b>                         | The number of persons working but not resident in the authority/body’s area <i>minus</i> the number of persons resident in but working outside the authority/body’s area, as estimated by the Secretary of State using information from the 2001 Census.  |
| <b>LOG OF WEIGHTED BARS PER 100 HECTARE</b>       | The natural logarithm <sup>1</sup> of:<br><br>The number of units that are bars ( <i>defined as Standard Industrial Classification 2007 (SIC) 56.30-beverage serving activities</i> ), measured at the Community Safety Partnerships (CSP) level, as estimated by the Secretary of State, based on information provided by the Office for National Statistics from the 2008 Annual Business Inquiry; <i>divided by</i> the number of hectares in the CSP, using information from the 2001 Census which is <i>divided by</i> 100; the result is then <i>multiplied by</i> the number of units that are bars within CSP level <i>divided by</i> the number of bars within the force level area; the result is then <i>summed to</i> the force level area. |

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<sup>1</sup> The natural logarithm is also known as the Napierian log or log to the base e

|   |  |
|---|--|
| <b>INCOME SUPPORT/ INCOME BASED JOBSEEKER'S ALLOWANCE / GUARANTEE ELEMENT OF PENSION CREDIT</b> | <p>The average number of Income Support/ Income based Jobseekers Allowance/ Guarantee Element of Pension Credit claimants, over a period between:</p> <ul style="list-style-type: none"><li>a) May 2007 and February 2010, using twelve quarterly scans for this period for Income Support/ Guarantee Element of Pension Credit claimants , <i>and</i></li><li>b) August 2007 and August 2009, using scans made at the end of August of each year for Income based Jobseekers Allowance claimants,</li></ul> <p>as estimated by the Secretary of State for Work and Pensions, <i>divided by</i> the resident population at 30 June 2009, as estimated by the Office for National Statistics.</p> |
| <b>SINGLE PARENT HOUSEHOLDS</b>   | The proportion of households which are lone parent households with dependant children, calculated using information from the 2001 Census.  |
| <b>POPULATION DENSITY</b>   | The resident population at 30 June 2009, as estimated by the Office for National Statistics, <i>divided by</i> the area of the authority/body in hectares, using information from the 2001 Census.   |
| <b>LONG-TERM UNEMPLOYMENT -RELATED BENEFIT CLAIMANTS</b>  | The number of claimants of unemployment-related benefits, currently Jobseeker's Allowance and National Insurance credits, with a duration of unemployment of more than one year, averaged over the period between May 2007 and April 2010, 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 2009, as estimated by the Office for National Statistics.  |
| <b>RESIDENTS IN ROUTINE/ SEMI-ROUTINE OCCUPATIONS OR NEVER WORKED/ LONG-TERM UNEMPLOYED</b>     | 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.   |
| <b>STUDENT HOUSING</b>  | The proportion of households that contain all students, calculated using information from the 2001 Census.   |

Annex D: Definition of indicators used for each authority in the calculation of Relative Needs Formulae

|   |   |
|---|---|
| <b>HARD PRESSED POPULATION</b>                            | 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 in 2010.   |
| <b>YOUNG MALE UNEMPLOYMENT -RELATED BENEFIT CLAIMANTS</b> | 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 2007 and April 2010, 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 2009, as estimated by the Office for National Statistics.   |
| <b>LOG OF POPULATION SPARSITY</b>                         | The natural logarithm of <b>POPULATION SPARSITY</b> (as defined below).   |
| <b>POPULATION SPARSITY</b>                                | <p>The population sparsity of each authority/body measured at Output Area level.</p> <p>The sum of:</p> <ul style="list-style-type: none"><li>(i) <i>2 multiplied by</i> the resident population of those Output Areas within the area of the authority/body at the 2001 Census with 0.5 or less residents per hectare, <i>divided by</i> the total resident population of the authority/body, calculated using information from the 2001 Census; <i>and</i></li><li>(ii) The resident population of those census Output Areas within the area of the authority/body 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/body, calculated using information from the 2001 Census.</li></ul> |
| <b>LOG OF OVERCROWDED HOUSEHOLDS</b>                      | <p>The natural logarithm of:</p> <p>The proportion of overcrowded households with an occupancy rating of "-1 or less", calculated using information from the 2001 Census.</p>   |

**WEALTHY  
ACHIEVERS  
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 updated lifestyle data, and released in 2010.

**TERRACED  
HOUSEHOLDS**

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

**PROJECTED  
DAYTIME  
POPULATION IN  
2012**

**PROJECTED POPULATION IN 2012** (as defined above)  
*plus DAYTIME NET-INFLOW* (as defined above).

**POLICE GRANT  
RATE**

The proportion of police revenue expenditure in England and Wales for 2012-2013, 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 Appendix A of the Police Grant Report (England and Wales) 2012-2013.

**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 2007, 2008 and 2009 Annual Survey of Hours and Earnings provided by the Office for National Statistics; Subjective Analysis Return 2005-06 and 2007-08; Base Estimate Returns 1992-93; rateable values and hereditaments at 31 July 2010 from the HMRC; estimates of office hereditaments and floor space as at 2008; 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 2010-2011; and the total resident population as at 30 June 2009, as estimated by the Office for National Statistics.

## IV Fire and Rescue

|  |   |
|--|---|
| <b>PROJECTED POPULATION IN 2012</b>              | The projected total resident population in 2012, as estimated by the Office for National Statistics and published on 27 May 2010.   |
| <b>COASTLINE</b>                                 | 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 2009, as estimated by the Office for National Statistics.  |
| <b>RISK INDEX</b>                                | The sum of the following factors, (each calculated to 4 decimal places):<br><br>(i) <b>WORKING AGE ADULTS WITH NO QUALIFICATIONS</b> (as defined below) minus 0.0766 and divided by 0.0184 plus 2; and<br><br>(ii) <b>WORKING AGE POPULATION NOT IN EMPLOYMENT</b> (as defined below) minus 0.0896 and divided by 0.0245 plus 2; and<br><br>(iii) <b>INCOME SUPPORT/INCOME BASED JOBSEEKERS ALLOWANCE/GUARANTEE ELEMENT OF PENSION CREDIT CLAIMANTS</b> (as defined below) minus 0.0809 and divided by 0.0216 plus 2; and<br><br>(iv) <b>STANDARDISED MORTALITY RATIO UNDER 75 YEARS</b> (as defined below) minus 1.0026 and divided by 0.1320 plus 2 |
| <b>WORKING AGE ADULTS WITH NO QUALIFICATIONS</b> | The proportion of households containing people of working age with no qualifications, averaged over the calendar year period 2007 to 2009 as estimated by the Secretary of State, based on information from the Labour Force Survey provided by the Office for National Statistics.   |
| <b>WORKING AGE POPULATION NOT IN EMPLOYMENT</b>  | The proportion of the working age population who are receiving Incapacity Benefit, Severe Disablement Allowance or Employment Support Allowance, or who are on New Deal Programs or on Apprenticeships. This is calculated as<br><br>(i) the average number of claimants who received Incapacity Benefit, Severe Disability Allowance or Employment Support Allowance over the period May 2007 to February 2010, using twelve quarterly scans for this period as estimated by the Secretary of State  |

**INCOME SUPPORT /  
INCOME BASED  
JOBSEEKERS  
ALLOWANCE /  
GURANTEE  
ELEMENT OF  
PENSION  
CREDIT  
CLAIMANTS**

for Work and Pensions; *plus*

(ii) the average number of people starting the New Deal Program over the period 2006 to 2008 using information derived from the New Deal Evaluation database as estimated by the Secretary of State for Work and Pensions; *plus*

(iii) the average number of apprenticeship learners over the period 2006-07 to 2008-09 as estimated by the Secretary of State for Business, Innovation and Skills on the basis of the apprenticeships recorded at any point of each year using Individualised Learner Record data returned by employers and training providers;

*divided by* 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 2009, as estimated by the Office for National Statistics.

**STANDARDISED  
MORTALITY  
RATIO UNDER  
75**

The ratio of the actual number to the expected number of deaths of residents aged under 75 years of age in the period January 2007 to December 2009, as estimated by the Secretary of State using information provided by the Office for National Statistics.

The number of expected deaths is obtained by multiplying the death rates for England (by age group and sex) for the calendar years 2007, 2008 and 2009 by the authority's resident population (by age group and sex) as at 30 June 2007, 30 June 2008 and 30 June 2009 respectively.

**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 usually resident population in the authority. This sum is then *multiplied* by the

## Annex D: Definition of indicators used for each authority in the calculation of Relative Needs Formulae

ratio of the resident population at 30 June 2009 as estimated by the Office for National Statistics to the 2001 Census resident population. This result is then *divided by 10*.

Output Areas were introduced by the ONS 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).

|                                   |   |
|-----------------------------------|---|
| <b>COMAH SITES</b>                | 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 2010 by the Health and Safety Executive; <i>divided by</i> the total resident population at 30 June 2009, as estimated by the Office for National Statistics.   |
| <b>PROPERTY AND SOCIETAL RISK</b> | <p>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.</p> <p>The result of the above is <i>multiplied by</i> 761.8406 <i>divided by</i> the projected total resident population in 2012, as estimated by the Office for National Statistics.</p>   |
| <b>COMMUNITY FIRE SAFETY</b>      | <p>The sum of :</p> <ul style="list-style-type: none"><li>(i) 5 <i>multiplied by</i> 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 2009. Numbers of pupils aged 5-10 in maintained and independent schools are estimated by the Secretary of State for Education on the basis of a count at the beginning of the spring term 2010; <i>and</i></li><li>(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, <i>multiplied by</i> the total resident population at 30 June 2009 as estimated by the Office for National Statistics; <i>and</i></li><li>(iii) The resident population aged 65 years and over at 30 June 2009, as estimated by the Office for National Statistics.</li></ul> <p>The result of the above is <i>multiplied by</i> 0.4045 <i>divided by</i> the projected total resident population in 2012, as estimated by the Office for National Statistics.</p> |

**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 2007, 2008 and 2009 Annual Survey of Hours and Earnings provided by the Office for National Statistics; Subjective Analysis Return 2005-06 and 2007-08; Base Estimate Returns 1992-93; rateable values and hereditaments at 31 July 2010 from the HMRC; estimates of office hereditaments and floorspace as at 2008; 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 2010-11; and the total resident population as at 30 June 2009, as estimated by the Office for National Statistics.

## V Highway Maintenance

|                                  |   |
|----------------------------------|---|
| <b>WEIGHTED ROAD LENGTHS</b>     | The sum of:<br><ul style="list-style-type: none"><li>(i) <b>Principal built-up roads</b> <i>multiplied by 2</i>; and</li><li>(ii) <b>Principal non built-up roads</b>; and</li><li>(iii) <b>Other built-up roads</b> <i>multiplied by 2</i>; and</li><li>(iv) <b>Other non built-up roads</b>.</li></ul>  |
|                                  | Each of the types of roads in (i) to (iv) above is as defined below for <b>UNWEIGHTED ROAD LENGTHS</b> .  |
| <b>TRAFFIC FLOW</b>              | The result of:<br><ul style="list-style-type: none"><li>(i) The annual average flow of all motor vehicles (in millions) during 2007, 2008 and 2009 on principal roads for which the authority is the highway authority, except those roads that are detrunken, as estimated by the Secretary of State for Transport. The flows in each year are then averaged; <i>plus</i></li><li>(ii) 100 <i>multiplied by</i> the annual average flow of heavy goods vehicles, buses and coaches (in millions) during 2007, 2008 and 2009 on principal roads for which the authority is the highway authority, except those roads that are detrunken, as estimated by the Secretary of State for Transport. The flows in each year are then averaged.</li></ul> <p>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 2010 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.</p> |
| <b>DAYTIME POPULATION PER KM</b> | The sum of:<br><ul style="list-style-type: none"><li>(i) The total resident population at 30 June 2009, as estimated by the Office for National Statistics; <i>plus</i></li><li>(ii) <i>Either the result of:</i><br/>The number of persons working but not resident in the authority's area <i>minus</i> 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;<br/><i>or zero</i>, whichever is the greater; <i>plus</i></li></ul>  |

- (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

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 (2001 to 2009), for domestic visitors; and from the International Passenger Surveys (2007 to 2009) and the 1991 Census, for the apportionment only, of foreign visitors.

**UNWEIGHTED** The sum of:

**ROAD  
LENGTHS**

**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 2010, 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 detrunken.

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 2010 and 1 April 2011 which was agreed by the Secretary of State for Transport on or by 1 October 2010 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 detrunken.

Annex D: Definition of indicators used for each authority in the calculation of Relative Needs Formulae

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|---|---|
| <b>DAYS WITH SNOW LYING</b>                         | 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.  |
| <b>PREDICTED GRITTING DAYS</b>                      | 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.   |
| <b>AREA COST ADJUSTMENT FOR HIGHWAY MAINTENANCE</b> | 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 2007, 2008 and 2009 Annual Survey of Hours and Earnings provided by the Office for National Statistics; 2007 Annual Business Inquiry Part 2 provided by the Office for National Statistics; 2008 Small and Medium Enterprise statistics provided by the Department for Business, Innovation and Skills; Subjective Analysis Return 2005-06 and 2007-08; Trading Services Revenue accounts 2007-08; Revenue Outturn forms (RO2) 2007-08; rateable values and hereditaments at 31 July 2010 from the HMRC; estimates of office hereditaments and floorspace as at 2008; 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 2010-11; an applicable sample of publicly available company accounts; and the total resident population as at 30 June 2009, as estimated by the Office for National Statistics. |

## VI Environmental, Protective and Cultural Services

|  |   |
|--|---|
| <b>PROJECTED POPULATION IN 2012</b>  | The projected total resident population in 2012, as estimated by the Office for National Statistics and published on 27 May 2010.   |
| <b>POPULATION DENSITY</b>  | The sum of the number of residents per hectare for each Output Area (OA) within the area of the authority at the 2001 Census <i>multiplied by</i> that OA's share of the total usually resident population in the authority for each authority. This sum is then <i>multiplied by</i> the ratio of the total resident population at 30 June 2009 (as estimated by the Office for National Statistics) to the 2001 Census resident population. This result is then <i>divided by</i> 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). |   |
| <b>POPULATION SPARSITY</b>   | <p>The population sparsity of each local authority measured at Output Area level. The sum of:</p> <ul style="list-style-type: none"><li>(i) 2 <i>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; and</li><li>(ii) The resident population of those 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.</li></ul> |
| <b>NET IN-COMMUTERS</b>  | <p><i>Either the result of:</i></p> <p>The number of persons working but not resident in the authority's area <i>minus</i> 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; <i>or zero</i>, whichever is the greater.</p>   |
| <b>DAY VISITORS</b>  | The annual number of day visitors to the authority's area, <i>divided by</i> 365, as estimated by the Secretary of State using information provided by the Secretary of State for Culture, Media and Sport.   |

## Annex D: Definition of indicators used for each authority in the calculation of Relative Needs Formulae

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|--|--|
|  | <p>The estimate for day visitors is based on research commissioned by the former 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 former Secretary of State for National Heritage on 1 November 1993.</p>  |
| <b>INCAPACITY BENEFIT AND SEVERE DISABLEMENT ALLOWANCE</b>   | <p>The average number of people receiving Incapacity Benefit, Severe Disablement Allowance or Employment and Support Allowance, over a period between May 2007 to February 2010, using twelve quarterly scans for this period, as estimated by the Secretary of State for Work and Pensions.</p>   |
| <b>INCOME SUPPORT/ INCOME BASED JOBSEEKER'S ALLOWANCE/ GUARANTEE ELEMENT OF PENSION CREDIT CLAIMANTS</b>       | <p>The number of Income Support/ Income based Jobseekers Allowance/ Guarantee Element of Pension Credit claimants, over a period between:</p> <ul style="list-style-type: none"><li>a) May 2007 and February 2010, using twelve quarterly scans for this period, for Income Support/ Guarantee Element of Pension Credit claimants, <i>and</i></li><li>b) August 2007 and August 2009, using scans made at the end of August of each year, for Income based Jobseekers Allowance claimants,</li></ul> <p>as estimated by the Secretary of State for Work and Pensions.</p>   |
| <b>OLDER PEOPLE ON INCOME SUPPORT/ INCOME BASED JOBSEEKER'S ALLOWANCE/ GUARANTEE ELEMENT OF PENSION CREDIT</b> | <p>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:</p> <ul style="list-style-type: none"><li>a) May 2007 and February 2010, using twelve quarterly scans for this period, for Income Support/ Guarantee Element of Pension Credit recipients, <i>and</i></li><li>b) August 2007 and August 2009, using scans made at the end of August of each year, for Income based Jobseekers Allowance recipients,</li></ul> <p>as estimated by the Secretary of State for Work and Pensions.</p> |
| <b>UNEMPLOYMENT RELATED BENEFIT CLAIMANTS</b>  | <p>The average number of claimants of unemployment-related benefits, currently Jobseeker's Allowance and National Insurance credits, over the period between May 2007 and April 2010, calculated using monthly information provided by the Office for National Statistics through NOMIS.</p>   |

|   |  |
|---|--|
| <b>COUNTRY OF BIRTH OF RESIDENTS</b>  | 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 Office for National Statistics and published on 9 September 2004.   |
| <b>POPULATION SPARSITY FOR PEOPLE AGED 60 AND OVER</b>                              | <p>The population sparsity of the resident population aged 60 and over in each Local Authority measured at Output Area level.</p> <p>The sum of:</p> <ul style="list-style-type: none"><li>(i) 2 <i>multiplied by</i> the resident population aged 60 and over 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 resident population of the authority aged 60 and over, calculated using information from the 2001 Census; and</li><li>(ii) The resident population aged 60 and over of those 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 resident population of the authority aged 60 and over, calculated using information from the 2001 Census.</li></ul> |
| <b>INCAPACITY BENEFIT AND SEVERE DISABLEMENT ALLOWANCE FOR CONCESSIONARY TRAVEL</b> | The average number of people receiving Incapacity Benefit, Severe Disablement Allowance or Employment and Support Allowance, over a period between May 2007 to February 2010, using twelve quarterly scans for this period, as estimated by the Secretary of State of Work and Pensions <i>divided by</i> the total resident population at 30 June 2009, as estimated by the Office for National Statistics  |
| <b>PEOPLE AGED 60 AND OVER WITH NO ACCESS TO A CAR OR VAN</b>                       | The proportion of people aged 60 and over with no car or van owned or available to the household, calculated using information from the 2001 Census.   |
| <b>INTERNAL DRAINAGE BOARD LEVY EXPENDITURE</b>                                     | The total of any special levies which are payable in the financial year 2010-2011 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 2010 (Form IDB1) to the Department for the Environment, Food and Rural Affairs.  |

## Annex D: Definition of indicators used for each authority in the calculation of Relative Needs Formulae

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|---|---|
| <b>NON-IDB<br/>ORDINARY<br/>WATERCOURSE<br/>LENGTH</b>  | The length of ordinary watercourses not covered by an Internal Drainage Board in the Local Authority (in km) as estimated by the Environment Agency on the basis of their Detailed River Network database, Main River Layer and Local Authority Boundary data.  |
| <b>ENVIRONMENT<br/>AGENCY<br/>(ENGLAND) LEVY</b>  | The total of any Environment Agency levies which are payable in the financial year 2010-2011 to English Regional Flood Defence Committees. Derived from the statements of levies on councils for the financial year 2010-2011 provided by the Environment Agency to the Department for the Environment, Food and Rural Affairs.   |
| <b>COAST<br/>PROTECTION<br/>EXPENDITURE</b>   | The average of net current expenditure in the financial years 2006-07, 2007-08 and 2008-09 on coast protection, uprated to reflect 2010-2011 market prices, as estimated by the Secretary of State. The estimate is generally derived from the authority's General Fund Revenue Accounts Returns (R05) ending 31 March 2007, 31 March 2008 and 31 March 2009.   |
| <b>AREA COST<br/>ADJUSTMENT<br/>FOR<br/>ENVIRONMENTAL,<br/>PROTECTIVE AND<br/>CULTURAL<br/>SERVICES</b> | 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 2007, 2008 and 2009 Annual Survey of Hours and Earnings provided by the Office for National Statistics; 2007 Annual Business Inquiry Part 2 provided by the Office for National Statistics; the 2008 Small and Medium Enterprise statistics provided by the Department for Business, Innovation and Skills; Subjective Analysis Return 2005-06 and 2007-08; Trading Services Revenue accounts 2007-08; Revenue Outturn forms (R05) 2007-08; rateable values and hereditaments at 31 July 2010 from the HMRC; estimates of office hereditaments and floorspace as at 2008; 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 2010-11; an applicable sample of publicly available company accounts; and the total resident population as at 30 June 2009, as estimated by the Office for National Statistics. |

## 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 2010. This is 5.1 per cent.

**DEBT I** Assumed outstanding debt at 1 April 2012, as calculated by the Secretary of State. Assumed outstanding debt at 1 April 2012 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

## Annex D: Definition of indicators used for each authority in the calculation of Relative Needs Formulae

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 2012 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, or under section 7 of the Local Government and Public Involvement in Health Act 2007, 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 taxbase<sup>1</sup>, and the debt of any predecessor shire districts will be transferred to the reorganised shire

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<sup>1</sup> 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.

- districts, distributed where necessary among two or more reorganised shire district authorities on the basis of taxbase<sup>1</sup>;
- (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 taxbase<sup>1</sup>, 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 taxbase<sup>1</sup>, 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 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.
  - (v) where shire district or shire county functions are transferred to a single unitary authority, the debt of the predecessor districts or county is transferred to the unitary.
  - (vi) where shire district or shire county functions are transferred to two or more unitaries, the debt of the predecessor district or county will be apportioned among the reorganised unitaries on the basis of taxbase<sup>1</sup>, except in the following case concerning:

Cheshire County Council, where 50.8 per cent of the assumed outstanding debt at 31 March 2009 was transferred to Cheshire East Unitary Authority, and 49.2 per cent of the assumed outstanding debt at 31 March 2009 was

## Annex D: Definition of indicators used for each authority in the calculation of Relative Needs Formulae

transferred to Cheshire West and Chester Unitary Authority.

For the county councils of Bedfordshire<sup>2</sup>, Cambridgeshire, Cheshire<sup>2</sup>, 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.

For City of London the assumed outstanding non-police debt at 1 April 1990, is assumed outstanding debt for City of London at 31 March 1990 less an amount estimated by the Secretary of State in respect of police debt. The assumed

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<sup>2</sup> Bedfordshire County Council was abolished at 1 April 2009 and replaced by Bedford Unitary Authority and Central Bedfordshire Unitary Authority. Cheshire County Council was abolished at 1 April 2009 and replaced by Cheshire East Unitary Authority and Cheshire West and Chester Unitary Authority.

outstanding police debt at 1 April 2012 is based on credit approvals and Supported Capital Expenditure (Revenue) amounts issued to the City of London for police programmes since 1 April 1990. The assumed outstanding non-police debt at 1 April 2012 is based on credit approvals and Supported Capital Expenditure (Revenue) amounts issued to the City of London for non-police programmes since 1 April 1990.

## SUPPORTED CAPITAL EXPENDITURE (REVENUE)

**There were no new Supported Capital Expenditure (Revenue) ('SCE(R)') allocations from Central Government from 1 April 2011.**

SCE(R) for an authority for the financial years 2008/09, 2009/10, 2010/11 was estimated by the Secretary of State on the basis of the aggregate of any amounts which the Secretary of State decided by 5 November 2007 was capital expenditure for that authority that should be supported by RSG or HRA subsidy<sup>3</sup>. Where the Secretary of State did not decide such an amount in relation to any area of his responsibility by that date, the Secretary of State estimated the amount, if any, on the basis of information available to him on 5 November 2007 and used that estimate when calculating the aggregate of the amounts for the purposes of formula grant in 2008/09, 2009/10 and 2010/11.

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<sup>4</sup> are divided between their constituent authorities as a common amount per head of their projected population used in the 2007/08 Settlement.

**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 State<sup>5</sup>.

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

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

<sup>4</sup> Passenger Transport Authorities were abolished and replaced with Integrated Transport Authorities on 9 February 2009.

<sup>5</sup> Aggregate and Additional Credit Approvals for the Greater London Authority.

## Annex D: Definition of indicators used for each authority in the calculation of Relative Needs Formulae

respect of Specified Capital Grants, or credit approvals relating to local authority projects undertaken through the Private Finance Initiative<sup>6</sup>, 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 their constituent authorities in proportion to their taxbase used in the 2007/08 Settlement.

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.

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<sup>6</sup> 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](http://www.local.communities.gov.uk/pfi/index.htm).

## VIII Grants Rolling In Using Tailored Distribution

The following definitions are ordered according to the indicators required for the calculation of the Supporting People allocation formula described in Annex K, Housing Strategy for Older People allocation formula described in Annex L, HIV/AIDS Support allocation formula described in Annex N and Preserved Rights allocation formula described in Annex O.

|  |   |
|--|---|
| <b>PROJECTED POPULATION AGED 60 AND OVER IN 2011</b>         | The projected number of residents aged 60 years and over in 2011, as estimated by the Office for National Statistics and published on 27 May 2010.  |
| <b>WEIGHTED POPULATION AGED 60 AND OVER</b>                  | The weighted sum of the percentage of people aged 60 and over in each age group relative to the percentage of people aged 60 and over in each five year age group in England.   |
|  | The projected number of residents aged 60 years and over in 2011 by five year age group up to 84, and the age group 85 and over, as estimated by the Office for National Statistics and published on 27 May 2010  |
| <b>INDEX OF MULTIPLE DEPRIVATION – EMPLOYMENT AND INCOME</b> | <p>The result of:</p> <ul style="list-style-type: none"><li>(i) The Employment domain scale of the Index of Multiple Deprivation 2007 <i>divided by</i> the projected number of residents aged between 16 and 64 in 2011; <i>divided by</i></li><li>(ii) The sum of the Employment domain scale of the Index of Multiple Deprivation 2007 for each local authority in England <i>divided by</i> the projected number of residents aged between 16 and 64 in England in 2011.</li></ul> <p>The result of the above is <i>added to</i> the result of:</p> <ul style="list-style-type: none"><li>(i) The Income domain scale of the Index of Multiple Deprivation 2007 <i>divided by</i> the projected number of residents aged between 16 and 64 in 2011; <i>divided by</i></li><li>(ii) The sum of the Employment domain scale of the Index of Multiple Deprivation 2007 for each local authority in England <i>divided by</i> the projected number of residents aged between 16 and 64 in England in 2011.</li></ul> <p>The indicator is the result of the above calculation divided by 2.</p> <p>The Employment domain scale and Income domain scale are as estimated from the Index of Multiple Deprivation 2007 produced by the Department for Communities and</p> |

## Annex D: Definition of indicators used for each authority in the calculation of Relative Needs Formulae

### Local Government.

The projection number of residents aged between 16 and 64 in 2011 as estimated by the Office for National Statistics and published on 27 May 2010.

#### INDEX OF MULTIPLE DEPRIVATION – GEOGRAPHICAL BARRIERS

For authorities other than county councils, the indicator is the result of:

(i) The Geographical Barrier sub-domain score of the Index of Multiple Deprivation 2007 *multiplied by*

(ii) 1 *divided by* the result of the:

sum of the Geographical Barrier sub-domain score of the Index of Multiple Deprivation 2007 *multiplied by* the projected total resident population in 2011 for each local authority;

*divided by* the projected total resident population in England in 2011;

*minus* the minimum Geographical Barrier sub-domain score of the Index of Multiple Deprivation 2007.

The result above is added to the result of:

(i) 1 *minus*

the sum of the Geographical Barrier sub-domain score of the Index of Multiple Deprivation 2007 *multiplied by* the projected total resident population in 2011 for each local authority;

*divided by* the projected total resident population in England in 2011.

For county councils, the indicator is the result of:

(i) The sum of Geographical Barrier sub-domain score of the Index of Multiple Deprivation 2007 *multiplied by* the projected total resident population in 2011, calculated for shire districts within the local authority; *divided by*

(ii) the projected total resident population in 2011 for the local authority.

The Geographical Barrier sub-domain score are as estimated from the Index of Multiple Deprivation 2007 produced by the Department for Communities and Local Government.

The projection total resident population in 2011 as

estimated by the Office for National Statistics and published on 27 May 2010.

**INDEX OF  
MULTIPLE  
DEPRIVATION –  
INDOORS LIVING  
ENVIRONMENT**

For authorities other than county councils, the indicator is the result of:

(iii) The Indoors Living Environment sub-domain score of the Index of Multiple Deprivation 2007 *multiplied by*

(iv) 1 *divided by* the result of the:

sum of the Indoors Living Environment sub-domain score of the Index of Multiple Deprivation 2007 *multiplied by* the projected total resident population in 2011 for each local authority;

*divided by* the projected total resident population in England in 2011;

*minus* the minimum Indoors Living Environment sub-domain score of the Index of Multiple Deprivation 2007.

The result above is added to the result of:

(ii) 1 *minus*

the sum of the Indoors Living Environment sub-domain score of the Index of Multiple Deprivation 2007 *multiplied by* the projected total resident population in 2011 for each local authority;

*divided by* the projected total resident population in England in 2011.

For county councils, the indicator is the result of:

(iii) The sum of Indoors Living Environment sub-domain score of the Index of Multiple Deprivation 2007 *multiplied by* the number of projected total resident population for 2011, calculated for shire districts within the local authority; *divided by*

(iv) the projected total resident population for 2011 for the local authority.

The Indoors Living Environment sub-domain score are as estimated from the Index of Multiple Deprivation 2007 produced by the Department for Communities and Local Government.

The projection total resident population in 2011 as estimated by the Office for National Statistics and published

Annex D: Definition of indicators used for each authority in the calculation of Relative Needs Formulae

on 27 May 2010.

**POPULATION DENSITY INDEX**

The projected total resident population in 2011 as estimated by the Office for National Statistics and published on 27 May 2010; *divided by* the area of the authority in hectares, using information from the 2001 Census. This is then *divided by* the projected total resident population in 2011 per hectare for England.

**POPULATION SPARSITY INDEX**

The **POPULATION SPARSITY** at the local authority level (as defined below) *divided by* the population sparsity for England.

**POPULATION SPARSITY**

The population sparsity of each authority measured at Output Area level. This is 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.
- (ii) the resident population of those Output Areas within the area of the authority at the 2001 Census with more than 0.5 but less than 4 residents per hectare, divided by the total resident population of the authority, calculated using information from the 2001 Census.

**LABOUR COST ADJUSTMENT INDEX**

The **LABOUR COST ADJUSTMENT** (as defined below) *divided by* the result of;

- (i) the sum of the labour cost adjustment *multiplied by* the projected number of residents aged 16 – 64 in 2011, as estimated by the Office for National Statistics and published on 27 May 2010, calculated at the local authority level and aggregated to England, *divided by*
- (ii) the projected number of residents aged 16 – 64 in England in 2011 as estimated by the Office for National Statistics and published on 27 May 2010

**LABOUR COST ADJUSTMENT**

A factor calculated to reflect the differences in wage costs between areas. It is generally based on information from the 2007, 2008 and 2009 Annual Survey of Hours and Earnings provided by the Office for National Statistics.

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|--|---|
| <b>PROJECTED POPULATION AGED 20 TO 59 IN 2011</b>                                  | The projected number of residents aged 20 to 59 years of age in 2011, as estimated by the Office for National Statistics and published on 27 May 2010.  |
| <b>HOUSEHOLDS THAT ARE ELIGIBLE, UNINTENTIONALLY HOMELESS AND IN PRIORITY NEED</b> | The average number of households that are eligible, unintentionally homeless and in priority need over the financial years 2007-08, 2008-09 & 2009-10, as estimated by the Secretary of State for Communities and Local Government using data from P1E returns; <i>divided by</i> number of households as at October 2009 as estimated by the Secretary of State for Communities and Local Government using data from Council Tax Base returns; <i>multiplied by</i> 100.   |
| <b>PROJECTED POPULATION AGED 16 TO 25 IN 2011</b>                                  | The projected number of residents aged 16 to 25 years of age in 2011, as estimated by the Office for National Statistics and published on 27 May 2010.  |
| <b>BIRTHS TO TEENAGE MOTHERS</b>   | The number of births to teenage mothers in 2009 using data from the Office for National Statistics <i>divided by</i> the projected number of female residents aged 15 to 19 in 2011, as estimated by the Office for National Statistics and published on 27 May 2010; <i>multiplied by</i> 100.   |
| <b>YOUNG PEOPLE WHO CEASE TO BE LOOKED AFTER IN CARE</b>                           | The average number of young people aged 16 and over who ceased to be looked after in care, over the period 2008 and 2009 as estimated by the Secretary of State for Education using data collected from the SSDA 903 return <i>divided by</i> the projected number of residents aged 16 to 25 in 2011, as estimated by the Office for National Statistics and published on 27 May 2010; <i>multiplied by</i> 100.   |
| <b>SINGLE HOMELESS HOUSEHOLDS</b>  | The average number of households accepted as in priority need without dependent children and/or pregnant women, and number of households who are homeless but not in priority need, over the financial years 2007-08, 2008-09 & 2009-10 as estimated by the Secretary of State for Communities and Local Government using data from P1E returns <i>divided by</i> the number of households as at October 2009 as estimated by the Secretary of State for Communities and Local Government using data from Council Tax Base returns; <i>multiplied by</i> 100. |

Annex D: Definition of indicators used for each authority in the calculation of Relative Needs Formulae

**ROUGH SLEEPERS** The result of:

- (i) The average number of households in temporary accommodation, over the financial years 2007-08, 2008-09 & 2009-10 as estimated by the Secretary of State for Communities and Local Government using data from P1E returns *divided by* the number of households as at October 2009 as estimated by the Secretary of State for Communities and Local Government using data from Council Tax Base returns; *plus*
- (ii) the average number of rough sleepers, over the period 2008, 2009 & 2010 as estimated by the Secretary of State for Communities and Local Government; *divided by* the projected number of residents in 2011, as estimated by the Office for National Statistics and published on the 27 May 2010;
- (iii) *divided by* 2 and then *multiplied by* 100.

**PEOPLE TREATED FOR DRUG MISUSE** The number of people treated for drug misuse in the financial year 2009-10, based on information from National Drug Treatment Monitoring System (NDTMS) provided by the National Treatment Agency; *divided by* the projected total resident population in 2011 as estimated by the Office for National Statistics and published on the 27 May 2010; *multiplied by* 100.

**PROJECTED POPULATION AGED 16 TO 64 IN 2011** The projected number of residents aged 16 to 64 years of age in 2011, as estimated by the Office for National Statistics and published on 27 May 2010

**PEOPLE TREATED FOR MENTAL HEALTH PROBLEMS** The number of people treated for mental health problems in the financial year 2009-10 as estimated by the Secretary of State for Health using data collected on the RAP P1 return; *divided by* the projected number of residents aged 20 to 64 in 2011 as estimated by the Office for National Statistics and published on the 27 May 2010; *multiplied by* 100.

**ASYLUM SEEKERS POPULATION** The number of asylum seekers (including dependents) in receipt of subsistence only support or supported in National Asylum Support Service Accommodation in the 12 months to June 2010, using data from the Home Office Control of Immigration; *divided by* the projected total resident population in 2011 as estimated by the Office for National Statistics and published on 27 May 2010; *multiplied by* 100.

|   |   |
|---|---|
| <b>POPULATION WITH HIV</b>  | The number of people aged 16 to 59 treated for HIV related care in 2009 using data provided by the Health Protection Agency; <i>divided by</i> the projected number of residents aged 16 to 64 in 2011 as estimated by the Office for National Statistics and published on the 27 May 2010; <i>multiplied by</i> 100.   |
| <b>GYPSIES AND TRAVELLERS</b>   | The average number of gypsies and travellers caravans, in July 2007, January 2008, July 2008, January 2009 and July 2009 as estimated by the Secretary of State for Communities and Local Government using data provided by local authorities using the Gypsy and Traveller Caravan Count return; <i>divided by</i> the projected total resident population in 2011, as estimated by the Office for National Statistics and published on the 27 May 2010; <i>multiplied by</i> 100. |
| <b>PROJECTED POPULATION AGED 20 TO 64 IN 2011</b>   | The projected number of residents aged 20 to 64 years of age in 2011, as estimated by the Office for National Statistics and published on 27 May 2010.  |
| <b>PEOPLE WITH LEARNING AND PHYSICAL DISABILITIES THAT ARE USING COMMUNITY BASED SERVICES</b> | The number of people with learning and physical disabilities that are using community based services in the financial year 2009-10 as estimated by the Secretary of State for Health using data collected on the RAP P1 return; <i>divided by</i> the projected number of residents aged 20 to 64 in 2011, as estimated by the Office for National Statistics and published on 27 May 2010; <i>multiplied by</i> 100.   |
| <b>HIV CASELOAD</b>   | The number of HIV infected individuals seen for care in each local authority in 2008, as estimated by the Secretary of State for Health, based on information from the 2008 SOPHID survey, performed by the Health Protection Agency.   |
| <b>WOMEN AND CHILDREN LIVING WITH HIV</b>   | The number of diagnosed HIV-infected women seen for care in each local authority <i>plus</i> the number of diagnosed HIV-infected children aged 14 or under seen for care by each local authority, as estimated by the Secretary of State for Health, based on information from the 2008 SOPHID survey, performed by the Health Protection Agency.  |

**Annex D: Definition of indicators used for each authority in the calculation of Relative Needs Formulae**

|  |  |
|--|--|
| <b>PRESERVED<br/>RIGHTS CLIENTS<br/>AGED 18 TO 64</b>        | The number of people in each local authority area aged 18-64 who were supported in residential care in April 1993 when the benefit rules changed and who remain in receipt of social care, as estimated by the Secretary of State for Health, based on information from a Department of Health survey of local authorities in 2009.        |
| <b>PRESERVED<br/>RIGHTS CLIENTS<br/>AGED 65 AND<br/>OVER</b> | The number of people in each local authority area aged 65 and over who were supported in residential care in April 1993 when the benefit rules changed and who remain in receipt of social care, as estimated by the Secretary of State for Health, based on information from a Department for Health survey of local authorities in 2009. |

# Annex E

## Control totals for Relative Needs Formulae

| <b>Service Block</b>                                   | <b>Sub-block (where relevant)</b>  | <b>Control total</b>    |
|--|--|-------------------------|
| <b>Children's Services</b>                             |  | <b>0.09606627353460</b> |
| <b>composed of:</b>                                    |  |                         |
|  | <i>Youth and Community</i>   | 0.00736884535527        |
|  | <i>Local Authority Central Education Functions</i>   | 0.02786340416773        |
|  | <i>Children's Social Care</i>  | 0.06083402401161        |
| <b>Adult Personal Social Services</b>                  |  | <b>0.21550652031040</b> |
| <b>composed of:</b>                                    |  |                         |
|  | <i>Social Services for Older People</i>  | 0.13054566488832        |
|  | <i>Social Services for Younger Adults</i>  | 0.08496085542207        |
| <b>Police</b>  |  | <b>0.07792342286975</b> |
| <b>Fire and Rescue</b>                                 |  | <b>0.02938038228442</b> |
| <b>Highway Maintenance</b>                             |  | <b>0.01984332669787</b> |
| <b>Environmental, Protective and Cultural Services</b> |  | <b>0.16254971011560</b> |
| <b>composed of:</b>                                    |  |                         |
|  | <i>Services provided predominantly by non-metropolitan district councils in non-metropolitan areas</i> | 0.09526648925123        |
|  | <i>Services provided predominantly by county councils in non-metropolitan areas,</i>                   | 0.05467620440189        |
|  | <i>Concessionary Travel</i>  | 0.01043291958633        |
|  | <i>Flood Defence</i>   | 0.00064243796042        |
|  | <i>Continuing Environment Agency Levies</i>  | 0.00012267490753        |
|  | <i>Coast Protection</i>  | 0.00016949986919        |
|  | <i>Fixed Costs</i>   | 0.00123948413901        |
| <b>Capital Financing</b>                               |  | <b>0.04975136547770</b> |
| <b>TOTAL</b>   |  | <b>0.65102100129034</b> |

# Annex F

## Scaling factors for Relative Needs Formulae

| <b>Service Block</b>                                   | <b>Sub-block (where relevant)</b>  | <b>Scaling Factor</b> |
|--|--|-----------------------|
| <b>Children's Services</b>                             | <i>Youth and Community</i>   | 1.00000237497510      |
|  | <i>Local Education Authority Central Functions</i>   | 0.99999969123833      |
|  | <i>Children's Social Care</i>  | 0.99999976287301      |
| <b>Adult Personal Social Services</b>                  | <i>Social Services for Older People</i>  | 1.00000006654637      |
|  | <i>Social Services for Younger Adults</i>  | 1.00000002149029      |
| <b>Police</b>  |  | 0.99999723132367      |
| <b>Fire and Rescue</b>                                 |  | 0.99995200412423      |
| <b>Highway Maintenance</b>                             |  | 1.00001277530109      |
| <b>Environmental, Protective and Cultural Services</b> | <i>Services provided predominantly by non-metropolitan district councils in non-metropolitan areas</i> | 0.99999940340201      |
|  | <i>Services provided predominantly by county councils in non-metropolitan areas</i>                    | 1.00002511551334      |
|  | <i>Concessionary Travel</i>  | 1.00000995187705      |
|  | <i>Fixed Costs</i>   | 0.10834651564750      |
|  | <i>Flood Defence</i>   | 0.99986958157284      |
|  | <i>Continuing Environment Agency Levies</i>  | 0.04097562768577      |
|  | <i>Coast Protection</i>  | 0.10815458728465      |
| <b>Capital Financing</b>                               |  | 0.15581090001901      |

## 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  |
| Economic development          | Private housing          |
| Environmental and port health | Recreation               |
| Miscellaneous services        | Refuse collection        |
| Museums and galleries         | Registration of electors |

***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                                 | 1.4488    | 1.3607                           | 1.3607           | 1.5018 |        | 1.2521   | 1.3932 |
| Inner London                                   | 1.2488    | 1.1982                           | 1.1982           |        |        | 1.1435   | 1.2259 |
| West Outer London                              | 1.1397    | 1.1108                           | 1.1108           |        |        | 1.0729   | 1.1116 |
| Rest Outer London                              | 1.0898    | 1.0703                           | 1.0703           |        |        | 1.0480   | 1.0742 |
| Surrey, Berkshire & West Sussex Fringe         | 1.1295    | 1.1040                           | 1.1040           | 1.1422 | 1.1422 | 1.0703   | 1.1087 |
| Hertfordshire & Buckinghamshire Fringe         |           |                                  |                  |        |        |          | 1.0788 |
| Kent & Essex Fringe                            | 1.0879    | 1.0702                           | 1.0702           |        |        | 1.0495   | 1.0775 |
| Bedfordshire & Hertfordshire Non-Fringe        | 1.0388    | 1.0303                           | 1.0303           | 1.0419 | 1.0419 | 1.0209   | 1.0325 |
| Berkshire Non-Fringe                           | 1.1044    | 1.0836                           | 1.0836           |        |        | 1.0536   | 1.0816 |
| Buckinghamshire Non-Fringe                     | 1.1000    | 1.0800                           | 1.0800           |        |        | 1.0515   | 1.0784 |
| Essex Non-Fringe                               | 1.0108    | 1.0076                           | 1.0076           |        |        | 1.0069   | 1.0115 |
| Kent Non-Fringe                                | 1.0084    | 1.0056                           | 1.0056           |        |        | 1.0057   | 1.0097 |
| Avon   | 1.0444    | 1.0359                           | 1.0359           |        | 1.0492 | 1.0243   | 1.0376 |
| Cambridgeshire                                 | 1.0411    | 1.0332                           | 1.0332           | 1.0457 | 1.0457 | 1.0227   | 1.0351 |
| Cheshire                                       | 1.0171    | 1.0139                           | 1.0139           | 1.0199 | 1.0199 | 1.0103   | 1.0162 |
| Cumbria  | 1.0001    | 1.0001                           | 1.0001           | 1.0018 | 1.0018 | 1.0017   | 1.0035 |
| Dorset   | 1.0071    | 1.0056                           | 1.0056           | 1.0095 | 1.0095 | 1.0057   | 1.0096 |
| Gloucestershire                                | 1.0170    | 1.0136                           | 1.0136           | 1.0200 | 1.0200 | 1.0106   | 1.0170 |
| Greater Manchester                             | 1.0207    | 1.0168                           | 1.0168           | 1.0236 | 1.0236 | 1.0120   | 1.0189 |
| Hampshire & Isle of Wight                      | 1.0461    | 1.0362                           | 1.0362           | 1.0496 | 1.0496 | 1.0245   | 1.0380 |
| Merseyside                                     | 1.0042    | 1.0034                           | 1.0034           | 1.0062 | 1.0062 | 1.0038   | 1.0066 |
| Northamptonshire                               | 1.0117    | 1.0093                           | 1.0093           | 1.0144 | 1.0144 | 1.0079   | 1.0130 |
| Nottinghamshire                                | 1.0060    | 1.0047                           | 1.0047           | 1.0084 | 1.0084 | 1.0051   | 1.0088 |
| Oxfordshire                                    | 1.0613    | 1.0486                           | 1.0486           |        | 1.0657 | 1.0321   | 1.0493 |
| Warwickshire                                   | 1.0193    | 1.0155                           | 1.0155           | 1.0225 | 1.0225 | 1.0118   | 1.0187 |
| West Midlands                                  | 1.0096    | 1.0076                           | 1.0076           | 1.0121 | 1.0121 | 1.0069   | 1.0114 |
| West Yorkshire                                 | 1.0011    | 1.0009                           | 1.0009           | 1.0028 | 1.0028 | 1.0022   | 1.0042 |
| Wiltshire                                      | 1.0256    | 1.0206                           | 1.0206           | 1.0292 | 1.0292 | 1.0149   | 1.0234 |
| <b>Authorities which cut across ACA areas</b>  |           |                                  |                  |        |        |          |        |
| Buckinghamshire County Council                 | 1.0967    | 1.0774                           | 1.0774           |        |        | 1.0511   | 1.0785 |
| Essex County Council                           | 1.0358    | 1.0278                           | 1.0278           |        |        | 1.0207   | 1.0328 |
| Hertfordshire County Council                   | 1.0801    | 1.0639                           | 1.0639           |        | 1.0891 | 1.0449   | 1.0701 |
| Kent County Council                            | 1.0201    | 1.0151                           | 1.0151           |        |        | 1.0121   | 1.0196 |
| West Sussex County Council                     | 1.0172    | 1.0138                           | 1.0138           |        | 1.0189 | 1.0093   | 1.0144 |
| Avon & Somerset Police Authority               |           |                                  |                  | 1.0332 |        |          |        |
| Essex Police Authority                         |           |                                  |                  | 1.0426 |        |          |        |
| Hertfordshire Police Authority                 |           |                                  |                  | 1.0891 |        |          |        |
| Kent Police Authority                          |           |                                  |                  | 1.0206 |        |          |        |
| Sussex Police Authority                        |           |                                  |                  | 1.0096 |        |          |        |
| Thames Valley Police Authority                 |           |                                  |                  | 1.1017 |        |          |        |
| Greater London Authority                       |           |                                  |                  | 1.1798 | 1.1803 |          |        |
| Royal Berkshire Fire Authority                 |           |                                  |                  |        | 1.1255 |          |        |
| Buckinghamshire & Milton Keynes Fire Authority |           |                                  |                  |        | 1.1054 |          |        |
| Essex Fire Authority                           |           |                                  |                  |        | 1.0426 |          |        |
| Kent and Medway Towns Fire Authority           |           |                                  |                  |        | 1.0206 |          |        |

Notes:

- 1 The authorities in each ACA area are defined in the Appendix to this Annex.  
 2 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 Borough 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 Police Authority  
Bedfordshire & Luton Combined Fire Authority  
Bedford Borough Council

Central Bedfordshire Council  
Luton Borough Council  
North Hertfordshire District Council  
Stevenage Borough Council

**Berkshire Non-Fringe**

Reading Borough Council  
West Berkshire Council

Wokingham Borough Council

**Buckinghamshire Non-Fringe**

Aylesbury Vale District Council  
Milton Keynes 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 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 Council  
Bristol City Council

North Somerset Council  
South Gloucestershire Council

**Cambridgeshire**

Cambridgeshire County Council  
Cambridge Police Authority  
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 East Council  
Cheshire West and Chester Council  
Cheshire Fire Authority  
Cheshire Police Authority

Halton Borough Council  
Warrington Borough Council

**Cumbria**

Cumbria County Council  
Cumbria Police Authority  
Allerdale District Council  
Barrow-in-Furness District Council

Carlisle District Council  
Copeland District Council  
Eden District Council  
South Lakeland District Council

**Dorset**

Dorset County Council  
Dorset Fire Authority  
Dorset Police Authority  
Bournemouth Borough Council  
Christchurch District Council  
East Dorset District Council

North Dorset District Council  
Purbeck District Council  
West Dorset District Council  
Weymouth and Portland District Council  
Poole Borough Council

**Gloucestershire**

Gloucestershire County Council  
Gloucestershire Police Authority  
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 & Rescue Authority  
Bolton Borough Council  
Bury Borough Council  
Manchester City Council  
Oldham Borough Council

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

**Hampshire and Isle of Wight**

Hampshire County Council  
Hampshire Police Authority  
Hampshire Fire and Rescue Authority  
Isle of Wight 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

**Merseyside**

Merseyside Police Authority  
Merseyside Fire Authority  
Knowsley Borough Council  
Liverpool City Council

St Helens Borough Council  
Sefton Borough Council  
Wirral Borough Council

**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 Police Authority  
Nottinghamshire Fire Authority  
Ashfield District Council  
Bassetlaw District Council  
Broxtowe Borough Council

Gedling Borough Council  
Mansfield District Council  
Newark and Sherwood District Council  
Nottingham City Council  
Rushcliffe Borough Council

**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 Police Authority  
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 Rescue Authority  
Birmingham City Council  
Coventry City Council  
Dudley Borough Council

Sandwell Borough Council  
Solihull Borough Council  
Walsall Borough Council  
Wolverhampton City Council

**West Yorkshire**

West Yorkshire Police Authority  
West Yorkshire Fire and Rescue Authority  
Bradford City Council  
Calderdale Borough Council

Kirklees Borough Council  
Leeds City Council  
Wakefield City Council

**Wiltshire**

Wiltshire County Council  
Wiltshire Police Authority  
Wiltshire & Swindon Combined Fire Authority  
Swindon Borough 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><br>The Borough of Medina              }<br>The Borough of South Wight       } | <i>The Council of:</i><br>The Isle of Wight |

#### (b) 1 April 1996

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

| Predecessor billing authority   | Reorganised authority   |
|---|---|
| <i>The Council of:</i><br>The Borough of Hartlepool<br>The Borough of Langbaugh-on-Tees | <i>The Council of:</i><br>The Borough of Hartlepool<br>The Borough of Redcar and<br>Cleveland |
| The Borough of Middlesbrough<br>The Borough of Stockton-on-Tees                         | The Borough of Middlesbrough<br>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><br>The City of Bath<br>The District of Wansdyke        } | <i>The Council of:</i><br>The District of Bath and<br>North East Somerset |
| The City of Bristol   | The City of Bristol   |
| The District of Woodspring<br>The Borough of Kingswood        }                 | The District of North Somerset  |
| The District of Northavon        }  | The District of South<br>Gloucestershire                                  |

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

| Predecessor billing authority                              | Reorganised authority   |
|--|---|
| <i>The Council of:</i><br>The Borough of Beverley        } | <i>The Council of:</i><br>The District of the East Riding<br>of Yorkshire |
| The Borough of Boothferry (part)        }                  |   |
| The Borough of East Yorkshire        }                     |   |
| The Borough of Holderness        }                         |   |
| The Borough of Great Grimsby        }                      | The Borough of North East<br>Lincolnshire                                 |
| The Borough of Cleethorpes        }                        |   |
| The City of Kingston-upon-Hull                             | The City of Kingston-upon-Hull  |
| The Borough of Glanford        }                           |   |
| The Borough of Scunthorpe        }                         | The Borough of<br>North Lincolnshire                                      |
| The Borough of Boothferry (part)        }                  |   |

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

| Predecessor billing authority                       | Reorganised authority                      |
|---|--|
| <i>The Council of:</i><br>The City of York        } | <i>The Council of:</i><br>The City of York |
| The Borough of Harrogate (part)        }            |  |
| The District of Ryedale (part)        }             |  |
| The District of Selby (part)        }               |  |
| The Borough of Harrogate (part)                     | The Borough of Harrogate                   |
| The District of Ryedale (part)                      | The District of Ryedale                    |
| The District of Selby (part)                        | The District of Selby                      |

**(c) 1 April 1997**

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

**Predecessor billing authority**

*The Council of:*  
The Borough of Milton Keynes

**Reorganised authority**

*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 | Reorganised authority |
|-------------------------------|-----------------------|
|-------------------------------|-----------------------|

|   |  |
|---|--|
| <i>The Council of:</i><br>The Borough of Thamesdown | <i>The Council of:</i><br>The Borough of Swindon |
|---|--|

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

| Predecessor billing authority | Reorganised authority |
|-------------------------------|-----------------------|
|-------------------------------|-----------------------|

|   |   |
|---|---|
| <i>The Council of:</i><br>The City of Portsmouth<br>The City of Southampton | <i>The Council of:</i><br>The City of Portsmouth<br>The City of Southampton |
|---|---|

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

| Predecessor billing authority | Reorganised authority |
|-------------------------------|-----------------------|
|-------------------------------|-----------------------|

|  |  |
|--|--|
| <i>The Council of:</i><br>The Borough of Luton | <i>The Council Of:</i><br>The Borough of Luton |
|--|--|

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

| Predecessor billing authority | Reorganised authority |
|-------------------------------|-----------------------|
|-------------------------------|-----------------------|

|  |  |
|--|--|
| <i>The Council of:</i><br>The City of Stoke-on-Trent      }<br>The Borough of Stafford (part)      } | <i>The Council Of:</i><br>The City of Stoke-on-Trent |
|--|--|

|                                |                         |
|--------------------------------|-------------------------|
| The Borough of Stafford (part) | The Borough of Stafford |
|--------------------------------|-------------------------|

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

| Predecessor billing authority | Reorganised authority |
|-------------------------------|-----------------------|
|-------------------------------|-----------------------|

|  |  |
|--|--|
| <i>The Council of:</i><br>The City of Leicester<br>The District of Rutland | <i>The Council of:</i><br>The City of Leicester<br>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**

**Predecessor billing authority**

*The Council of:*  
The City of Plymouth  
The Borough of Torbay

**Reorganised authority**

*The Council of:*  
The City of Plymouth  
The Borough of Torbay

**SI 1996/1866      The Shropshire (District of The Wrekin) (Structural Change) Order 1996**

**Predecessor billing authority**

*The Council of:*  
The District of The Wrekin

**Reorganised authority**

*The Council of:*  
The District of The Wrekin (now  
Telford and the Wrekin)

**SI 1996/1867      The Hereford and Worcester (Structural, Boundary and Electoral Changes) Order 1996**

**Predecessor billing authority**

*The Council of:*  
The City of Hereford  
The District of Leominster (part)  
The District of Malvern Hills (part)  
The District of South Herefordshire

**Reorganised authority**

*The Council of:*  
The District of Herefordshire

The District of Leominster (part)  
The District of Malvern Hills (part)

The District of Malvern Hills

|  |  |   |
|--|--|---|
| <b>SI 1996/1868</b>                                      | <b>The Lancashire (Boroughs of Blackburn and Blackpool) (Structural Change) Order 1996</b>   |   |
| <b>Predecessor billing authority</b>                     |  | <b>Reorganised authority</b>  |
| <i>The Council of:</i><br>The Borough of Blackburn       |  | <i>The Council of:</i><br>The Borough of Blackburn (now<br>Blackburn with Darwen) |
| The Borough of Blackpool                                 |  | The Borough of Blackpool  |
| <b>SI 1996/1875</b>                                      | <b>The Essex (Boroughs of Colchester, Southend-on-Sea and Thurrock and District of Tendring) (Structural, Boundary and Electoral Changes) Order 1996</b> |   |
| <b>Predecessor billing authority</b>                     |  | <b>Reorganised authority</b>  |
| <i>The Council of:</i><br>The Borough of Southend-on-Sea |  | <i>The Council of:</i><br>The Borough of Southend-on-Sea                          |
| The Borough of Thurrock                                  |  | The Borough of Thurrock   |
| <b>SI 1996/1876</b>                                      | <b>The Kent (Borough of Gillingham and City of Rochester upon Medway) (Structural Change) Order 1996</b>   |   |
| <b>Predecessor billing authority</b>                     |  | <b>Reorganised authority</b>  |
| <i>The Council of:</i><br>The Borough of Gillingham      | }  | <i>The Council of:</i><br>The District of the Medway Towns                        |
| The City of Rochester upon Medway                        |  | (now Medway)  |
| <b>SI 1996/1877</b>                                      | <b>The Nottinghamshire (City of Nottingham) (Structural Change) Order 1996</b>   |   |
| <b>Predecessor billing authority</b>                     |  | <b>Reorganised authority</b>  |
| <i>The Council of:</i><br>The City of Nottingham         |  | <i>The Council of:</i><br>The City of Nottingham                                  |

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

| <b>Predecessor billing authority</b>   | <b>Reorganised authority</b> |
|--|------------------------------|
| <i>The Council of:</i>                 | <i>The Council of:</i>       |
| The City of Peterborough (part)        | }                            |
| The District of Huntingdonshire (part) | }                            |
| <br>                                   |                              |
| The City of Peterborough (part)        | }                            |
| The District of Huntingdonshire (part) | }                            |

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

| <b>Predecessor billing authority</b>           | <b>Reorganised authority</b>                    |
|--|---|
| <i>The Council of:</i>                         | <i>The Council of:</i>                          |
| The Borough of Reading                         | The Borough of Reading                          |
| The Royal Borough of<br>Windsor and Maidenhead | The Royal Borough of<br>Windsor and Maidenhead  |
| The District of Newbury                        | The District of Newbury (now West<br>Berkshire) |
| <br>   |   |
| The Borough of Bracknell Forest                | The Borough of Bracknell Forest                 |
| The Borough of Slough                          | The Borough of Slough                           |
| The District of Wokingham                      | The District of Wokingham                       |

**(e) 1 April 2009**

The following orders were made under section 7 of the Local Government and Public Involvement in Health Act 2007.

**SI 2008/490                    The Wiltshire (Structural Change) Order 2008**

| <b>Predecessor billing authority</b> | <b>Reorganised authority</b> |
|--------------------------------------|------------------------------|
| <i>The Council of:</i>               | <i>The Council of:</i>       |
| The District of Kennet               | }                            |
| The District of North Wiltshire      | }                            |
| The District of Salisbury            | }                            |
| The District of West Wiltshire       | }                            |

**SI 2008/491              The Cornwall (Structural Change) Order 2008**

| <b>Predecessor billing authority</b> | <b>Reorganised authority</b> |
|--------------------------------------|------------------------------|
| <i>The Council of:</i>               |                              |
| The Borough of Restormel             | }                            |
| The District of Caradon              | }                            |
| The District of Carrick              | }                            |
| The District of Kerrier              | }                            |
| The District of North Cornwall       | }                            |
| The District of Penwith              | }                            |

**SI 2008/491              The Shropshire (Structural Change) Order 2008**

| <b>Predecessor billing authority</b> | <b>Reorganised authority</b> |
|--------------------------------------|------------------------------|
| <i>The Council of:</i>               |                              |
| The Borough of Oswestry              | }                            |
| The Borough of Shrewsbury and Atcham | }                            |
| The District of Bridgnorth           | }                            |
| The District of North Shropshire     | }                            |
| The District of South Shropshire     | }                            |

**SI 2008/493              The County Durham (Structural Change) Order 2008**

| <b>Predecessor billing authority</b> | <b>Reorganised authority</b> |
|--------------------------------------|------------------------------|
| <i>The Council of:</i>               |                              |
| The Borough of Sedgefield            | }                            |
| The City of Durham                   | }                            |
| The District of Chester-le-Street    | }                            |
| The District of Derwentside          | }                            |
| The District of Easington            | }                            |
| The District of Teesdale             | }                            |
| The District of Wear Valley          | }                            |

**SI 2008/494              The Northumberland (Structural Change) Order 2008**

| <b>Predecessor billing authority</b> | <b>Reorganised authority</b> |
|--------------------------------------|------------------------------|
| <i>The Council of:</i>               |                              |
| The Borough of Berwick-upon-Tweed    | }                            |
| The Borough of Blyth Valley          | }                            |
| The Borough of Castle Morpeth        | }                            |
| The District of Alnwick              | }                            |
| The District of Tynedale             | }                            |
| The District of Wansbeck             | }                            |

**SI 2008/634      The Cheshire (Structural Changes) Order 2008**

| <b>Predecessor billing authority</b>               |   | <b>Reorganised authority</b>            |
|--|---|---|
| <i>The Council of:</i><br>The Borough of Congleton | } | <i>The Council of:</i><br>Cheshire East |
| The Borough of Crewe and Nantwich                  | } |   |
| The Borough of Macclesfield                        | } |   |
| <br>The City of Chester                            |   | Cheshire West and Chester               |
| The Borough of Ellesmere Port and<br>Neston}       | } |   |
| The Borough of Vale Royal                          | } |   |

**SI 2008/907      The Bedfordshire (Structural Changes) Order 2008**

| <b>Predecessor billing authority</b>             |   | <b>Reorganised authority</b>      |
|--|---|-----------------------------------|
| <i>The Council of:</i><br>The Borough of Bedford |   | <i>The Council of:</i><br>Bedford |
| The District of Mid Bedfordshire                 |   | Central Bedfordshire              |
| The District of South Bedfordshire               | } |                                   |

## **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.

**(e) 1 April 2009**

Reorganised receiving authorities comprise all the reorganised billing authorities listed in **Part I(e)** above.

**(f) 1 April 2011**

Reorganised receiving authorities comprise all the reorganised billing authorities listed in **Part I(f)** above and the Councils of the Counties of Norfolk and Devon.

## **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**

| <b>Predecessor fire authority</b>  | <b>Reorganised authority</b>                        |
|--|---|
| The Council of the County of Somerset }<br>The Devon Fire and Rescue Authority } | The Devon and Somerset Fire and<br>Rescue Authority |

## Annex J

### Council Tax Freeze Compensation

- 1 This part of the calculation is relevant to the compensation for the council tax income foregone by local authorities during 2011-12 due to them setting their basic amount of council tax for 2011-12 at a level which meets the terms of the 2011-12 Council Tax Freeze Scheme.
- 2 A Council Tax Freeze Compensation element is provided for the following classes of authority:
  - district councils,
  - county councils,
  - 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 Mayor's Office for Policing and Crime,
  - metropolitan county fire and rescue authorities,
  - combined fire and rescue authorities:
- 3 The *Council Tax Freeze Compensation* element for a particular authority is equal to the allocation for the authority of Council Tax Freeze Grant notified to authorities on 18 April 2011.

# Annex K

## Local Transport Services

- 1 This part of the calculation is relevant to the relative costs of providing local transport services.
- 2 The following part of this Annex describes the calculation of the Local Transport Services.
- 3 A Local Transport Services element is calculated for the following classes of authority:
  - non-metropolitan district councils which have functions of county councils,
  - county councils,
  - Metropolitan district councils.
- 4 The *Local Transport Services* element for a particular authority is calculated as follows:

| <b>Local Transport Services</b> |   |
|---------------------------------|---|
| (a) The sum of:                 | <p>the 2010/11 allocations of the Road Safety Grant, as estimated by the Secretary of State. The estimate is generally derived from the Road Safety Grant allocations as allocated by the Department for Transport and paid in the 2010 Area Based Grant by the Department for Communities and Local Government. The 2010/11 Road Safety Grant for the Integrated Transport Authorities, including where an authority has acted as the lead authority for the area, has been divided between their constituent authorities as a common amount per head of their resident population at 30 June 2009, as estimated by the Registrar General; <i>plus</i></p> <p>the 2010/11 allocations of the Rural Bus Subsidy, as estimated by the Secretary of State. The estimate is generally derived from the Road Safety Grant allocations as allocated by the Department for Transport and paid in the 2010 Area Based Grant by the Department for Communities and Local Government. The 2010/11 Road Safety Grant for the Integrated Transport Authorities has been divided between their constituent authorities as a common amount per head of their resident population at 30 June 2009, as estimated by the Registrar General; <i>plus</i></p> |

the 2010/11 allocations of the Detrunking Grant for each authority as allocated by the Department for Transport and paid in the 2010 Area Based Grant by the Department for Communities and Local Government

- (b) The sum for all authorities of the result of (a)
- (c) The result of (a) *divided by* the result of (b) *multiplied by* £72,000,000

# Annex L

## Supporting People

- 1 This part of the calculation is relevant to the costs of providing housing related support services. The total amount relating to the former Supporting People Grant which has been rolled into formula grant for 2011/2012 onwards is £1,620 million.
- 2 The following part of this annex describes the calculation for Supporting People. The calculations for each of the sub-blocks are described in turn. The indicators are given labels which appear in **BOLD CAPITALS** in the text. A full description of each indicator is given either in the section for the sub-block or in Annex D.

### Isles of Scilly

- 3 From the total for Supporting People, the Secretary of State allocates £1,722 with respect to the Isles of Scilly.

### City of London

- 4 From the total for Supporting People, the Secretary of State allocates £651,608 with respect to the City of London.

### Rutland

- 5 From the total for Supporting People, the Secretary of State allocates £681,716 with respect to the Rutland District Council.

### Supporting People calculation

- 6 A Supporting People element is calculated for the following classes of authority:
  - metropolitan district councils
  - non-metropolitan district councils which have functions of county councils, other than Rutland
  - county councils
  - London borough councils
- 7 There are eight sub-block clusters within the element for each authority. The calculation for each sub-block is on a needs basis for each client group. The sub-blocks are older people, homeless families, young people, single vulnerable people (single homeless and mentally ill), socially excluded, people with disabilities, generic services.
- 8 The *Supporting People* element for a particular authority is calculated as follows:

### **Supporting People**

- (a) OLDER PEOPLE; *plus*
- (b) HOMELESS FAMILIES; *plus*
- (c) YOUNG PEOPLE; *plus*
- (d) SINGLE VULNERABLE (SINGLE HOMELESS); *plus*
- (e) SINGLE VULNERABLE (MENTALLY ILL); *plus*
- (f) SOCIALLY EXCLUDED; *plus*
- (g) PEOPLE WITH DISABILITIES; *plus*
- (h) GENERIC SERVICES

The formula for each element are described in the sections below.

#### **Older People**

- 9 The total amount for the older people sub group is £317,099,671 and is allocated between each of the administering authorities, based on the projected population aged 60 years and over. Cost adjustments are incorporated in the formula to reflect the increased costs associated with deprivation and differences in the costs of provision between areas. The following formula is used to calculate the distribution of funding for the older people sub-group:

**POPULATION AT RISK INDEX      WEIGHTED POPULATION AGED 60 AND OVER**

|                          |   |
|--------------------------|---|
| <b>DEPRIVATION INDEX</b> | The result of below <i>to the power of 0.5:</i><br>0.925 <i>multiplied by INDEX OF MULTIPLE DEPRIVATION - EMPLOYMENT AND INCOME; plus</i><br>0.025 <i>multiplied by INDEX OF MULTIPLE DEPRIVATION - GEOGRAPHICAL BARRIERS; plus</i><br>0.025 <i>multiplied by INDEX OF MULTIPLE DEPRIVATION - INDOORS LIVING ENVIRONMENT; plus</i><br>0.025 <i>multiplied by POPULATION DENSITY INDEX</i> |
| <b>COST INDEX</b>        | 0.010 <i>multiplied by POPULATION SPARSITY INDEX; plus</i><br>0.990 <i>multiplied by LABOUR COST ADJUSTMENT INDEX</i>   |

The full formula used to calculate the Older People sub group for a particular authority is:

***Older People***

- (a) **PROJECTED POPULATION AGED 60 AND OVER IN 2011** multiplied by the result of:  
**POPULATION AT RISK INDEX** multiplied by  
**DEPRIVATION INDEX** multiplied by  
**COST INDEX**
- (b) The result of (a) divided by the sum for all authorities of the result of (a)
- (c) The result of (b) multiplied by the sum of the **PROJECTED POPULATION AGED 60 AND OVER IN 2011** for all authorities
- (d) **£317,099,671** divided by the sum of the **PROJECTED POPULATION AGED 60 AND OVER IN 2011** for all authorities
- (e) The result of (c) is then multiplied by the result of (d)

**Homeless Families**

- 10 The total amount for the homeless families sub group is £118,529,380 and is allocated between each of the administering authorities, based on the population of households that are eligible, unintentionally homeless and in priority need. Cost adjustments are incorporated in the formula to reflect the increased costs associated with deprivation and differences in the costs of provision between areas. The following formula is used to calculate the distribution of funding for the homeless families sub-group:

|                                 |   |
|---------------------------------|---|
| <b>POPULATION AT RISK INDEX</b> | <b>HOUSEHOLDS THAT ARE ELIGIBLE, UNINTENTIONALLY HOMELESS AND IN PRIORITY NEED</b>  |
| <b>DEPRIVATION INDEX</b>        | <p>The result of below to the power of 0.8:</p> <p>0.925 multiplied by <b>INDEX OF MULTIPLE DEPRIVATION - EMPLOYMENT AND INCOME</b>; plus</p> <p>0.025 multiplied by <b>INDEX OF MULTIPLE DEPRIVATION - GEOGRAPHICAL BARRIERS</b>; plus</p> <p>0.025 multiplied by <b>INDEX OF MULTIPLE DEPRIVATION - INDOORS LIVING ENVIRONMENT</b>; plus</p> <p>0.025 multiplied by <b>POPULATION DENSITY INDEX</b></p> |

|                   |   |
|-------------------|---|
| <b>COST INDEX</b> | 0.010 <i>multiplied by POPULATION SPARSITY INDEX; plus</i><br>0.990 <i>multiplied by LABOUR COST ADJUSTMENT INDEX</i> |
|-------------------|---|

The full formula used to calculate the Homeless Families sub group for a particular authority is:

| <b>Homeless Families</b> |   |
|--------------------------|---|
| (a)                      | <b>PROJECTED POPULATION AGED 20 TO 59 IN 2011</b> <i>multiplied by</i> the result of:<br><b>POPULATION AT RISK INDEX</b> <i>multiplied by</i><br><b>DEPRIVATION INDEX</b> <i>multiplied by</i><br><b>COST INDEX</b> |
| (b)                      | The result of (a) <i>divided by</i> the sum for all authorities of the result of (a)  |
| (c)                      | The result of (b) <i>multiplied by</i> the sum of the <b>PROJECTED POPULATION AGED 20 TO 59 IN 2011</b> for all authorities   |
| (d)                      | <b>£118,529,380</b> <i>divided by</i> the sum of the <b>PROJECTED POPULATION AGED 20 TO 59 IN 2011</b> for all authorities  |
| (e)                      | The result of (c) is then <i>multiplied by</i> the result of (d)  |

### Young People

- 11 The total amount for the young people sub group £174,808,899 and is allocated between each of the administering authorities, based on the population of children who ceased to be looked after in care, and the number of births to teenage mothers. Cost adjustments are incorporated in the formula to reflect the increased costs associated with deprivation and differences in the costs of provision between areas. The following formula is used to calculate the distribution of funding for the young people sub-group:

|                                 |  |
|---------------------------------|--|
| <b>POPULATION AT RISK INDEX</b> | 0.518 <i>multiplied by BIRTHS TO TEENAGE MOTHERS; plus</i><br>0.482 <i>multiplied by YOUNG PEOPLE WHO CEASE TO BE LOOKED AFTER IN CARE;</i><br><i>divided by 1.0816</i>          |
| <b>DEPRIVATION INDEX</b>        | 0.925 <i>multiplied by INDEX OF MULTIPLE DEPRIVATION - EMPLOYMENT AND INCOME; plus</i><br>0.025 <i>multiplied by INDEX OF MULTIPLE DEPRIVATION - GEOGRAPHICAL BARRIERS; plus</i> |

|                   |   |
|-------------------|---|
|                   | <i>0.025 multiplied by INDEX OF MULTIPLE DEPRIVATION - INDOORS LIVING ENVIRONMENT; plus</i> |
|                   | <i>0.025 multiplied by POPULATION DENSITY INDEX</i>   |
| <b>COST INDEX</b> | <i>0.010 multiplied by POPULATION SPARSITY INDEX; plus</i>                                  |

**0.990 multiplied by LABOUR COST ADJUSTMENT INDEX**

The full formula used to calculate the Young People sub group for a particular authority is:

| <b>Young People</b>  |
|--|
| <ul style="list-style-type: none"> <li>(a) <b>PROJECTED POPULATION AGED 16 TO 25 IN 2011</b> <i>multiplied by</i> the result of:<br/> <b>POPULATION AT RISK INDEX</b> <i>multiplied by</i><br/> <b>DEPRIVATION INDEX</b> <i>multiplied by</i><br/> <b>COST INDEX</b></li> <li>(b) The result of (a) <i>divided by</i> the sum for all authorities of the result of (a)</li> <li>(c) The result of (b) <i>multiplied by</i> the sum of the <b>PROJECTED POPULATION AGED 16 TO 25 IN 2011</b> for all authorities</li> <li>(d) <b>£174,808,899</b> <i>divided by</i> the sum of the <b>PROJECTED POPULATION AGED 16 TO 25 IN 2011</b> for all authorities</li> <li>(e) The result of (c) is then <i>multiplied by</i> the result of (d)</li> </ul> |

### **Single Vulnerable (single homeless)**

- 12 The total amount for the single vulnerable (single homeless) sub group is £285,406,790 and is allocated between each of the administering authorities, based on the numbers of single homeless, rough sleepers, and people treated for drug misuse. Cost adjustments are incorporated in the formula to reflect the increased costs associated with deprivation and differences in the costs of provision between areas. The following formula is used to calculate the distribution of funding for the single vulnerable (single homeless) sub-group:

|                                 |   |
|---------------------------------|---|
| <b>POPULATION AT RISK INDEX</b> | 0.7539 multiplied by <b>SINGLE HOMELESS HOUSEHOLDS</b> ; plus<br>0.0672 multiplied by <b>ROUGH SLEEPERS</b> ; plus<br>0.1789 multiplied by <b>PEOPLE TREATED FOR DRUG MISUSE</b> ;<br>divided by 1.7413   |
| <b>DEPRIVATION INDEX</b>        | The result of below to the power of 0.8:<br>0.925 multiplied by <b>INDEX OF MULTIPLE DEPRIVATION - EMPLOYMENT AND INCOME</b> ; plus<br>0.025 multiplied by <b>INDEX OF MULTIPLE DEPRIVATION - GEOGRAPHICAL BARRIERS</b> ; plus<br>0.025 multiplied by <b>INDEX OF MULTIPLE DEPRIVATION - INDOORS LIVING ENVIRONMENT</b> ; plus<br>0.025 multiplied by <b>POPULATION DENSITY INDEX</b> |
| <b>COST INDEX</b>               | 0.010 multiplied by <b>POPULATION SPARSITY INDEX</b> ; plus<br>0.990 multiplied by <b>LABOUR COST ADJUSTMENT INDEX</b>  |

The full formula used to calculate the Single Vulnerable (single homeless) sub group for a particular authority is:

**Single Vulnerable (single homeless)**

- (a) **PROJECTED POPULATION AGED 20 TO 59 IN 2011** multiplied by the result of:  
**POPULATION AT RISK INDEX** multiplied by  
**DEPRIVATION INDEX** multiplied by  
**COST INDEX**
- (b) The result of (a) divided by the sum for all authorities of the result of (a)
- (c) The result of (b) multiplied by the sum of the **PROJECTED POPULATION AGED 20 TO 59 IN 2011** for all authorities
- (d) £285,406,790 divided by the sum of the **PROJECTED POPULATION AGED 20 TO 59 IN 2011** for all authorities
- (e) The result of (c) is then multiplied by the result of (d)

**Single Vulnerable (mentally ill)**

- 13 The total amount for the single vulnerable (mentally ill) sub group is £284,204,019 and is allocated between each of the administering authorities, based on the number of people being treated for mental health problems. Cost adjustments are incorporated in the formula to reflect the increased costs associated with deprivation and differences in the costs of provision between areas. The following formula is used to calculate the distribution of funding for the single vulnerable (mentally ill) sub-group:

| <b>POPULATION AT RISK INDEX</b> | <b>PEOPLE TREATED FOR MENTAL HEALTH PROBLEMS</b>   |
|---------------------------------|--|
| <b>DEPRIVATION INDEX</b>        | <p>The result of below <i>to the power of 0.8:</i></p> <p><b>0.925 multiplied by INDEX OF MULTIPLE DEPRIVATION - EMPLOYMENT AND INCOME; plus</b></p> <p><b>0.025 multiplied by INDEX OF MULTIPLE DEPRIVATION - GEOGRAPHICAL BARRIERS; plus</b></p> <p><b>0.025 multiplied by INDEX OF MULTIPLE DEPRIVATION - INDOORS LIVING ENVIRONMENT; plus</b></p> <p><b>0.025 multiplied by POPULATION DENSITY INDEX</b></p> |
| <b>COST INDEX</b>               | <p><b>0.010 multiplied by POPULATION SPARSITY INDEX; plus</b></p> <p><b>0.990 multiplied by LABOUR COST ADJUSTMENT INDEX</b></p>   |

The full formula used to calculate the Single Vulnerable (mentally ill) sub group for a particular authority is:

| <b>Single Vulnerable (mentally ill)</b>   |
|---|
| <p>(a) <b>PROJECTED POPULATION AGED 16 TO 64 IN 2011 multiplied by the result of:</b><br/> <b>POPULATION AT RISK INDEX multiplied by DEPRIVATION INDEX multiplied by COST INDEX</b></p> <p>(b) The result of (a) <i>divided by</i> the sum for all authorities of the result of (a)</p> <p>(c) The result of (b) <i>multiplied by</i> the sum of the <b>PROJECTED POPULATION AGED 16 TO 64 IN 2011</b> for all authorities</p> <p>(d) <b>£284,204,019 divided by</b> the sum of the <b>PROJECTED POPULATION AGED 16 TO 64 IN 2011</b> for all authorities</p> |

(e) The result of (c) is then *multiplied by* the result of (d)

### Socially Excluded

- 14 The total amount for the socially excluded sub group is £13,253,452 and is allocated between each of the administering authorities, based on the numbers of asylum seekers, gypsies and travellers, and people with HIV. Cost adjustments are incorporated in the formula to reflect the increased costs associated with deprivation and differences in the costs of provision between areas. The following formula is used to calculate the distribution of funding for the socially excluded sub-group:

|                                 |   |
|---------------------------------|---|
| <b>POPULATION AT RISK INDEX</b> | 0.6334 <i>multiplied by</i> <b>ASYLUM SEEKERS POPULATION; plus</b><br>0.1905 <i>multiplied by</i> <b>POPULATION WITH HIV; plus</b><br>0.1762 <i>multiplied by</i> <b>GYPSIES AND TRAVELLERS</b>   |
| <b>DEPRIVATION INDEX</b>        | The result of below <i>to the power of</i> 0.8:<br>0.925 <i>multiplied by</i> <b>INDEX OF MULTIPLE DEPRIVATION - EMPLOYMENT AND INCOME; plus</b><br>0.025 <i>multiplied by</i> <b>INDEX OF MULTIPLE DEPRIVATION - GEOGRAPHICAL BARRIERS; plus</b><br>0.025 <i>multiplied by</i> <b>INDEX OF MULTIPLE DEPRIVATION - INDOORS LIVING ENVIRONMENT; plus</b><br>0.025 <i>multiplied by</i> <b>POPULATION DENSITY INDEX</b> |
| <b>COST INDEX</b>               | 0.010 <i>multiplied by</i> <b>POPULATION SPARSITY INDEX; plus</b><br>0.990 <i>multiplied by</i> <b>LABOUR COST ADJUSTMENT INDEX</b>   |

The full formula used to calculate the Socially Excluded sub group for a particular authority is:

### Socially Excluded

- (a) **PROJECTED POPULATION AGED 20 TO 59 IN 2011** *multiplied by* the result of:  
**POPULATION AT RISK INDEX** *multiplied by*  
**DEPRIVATION INDEX** *multiplied by*  
**COST INDEX**
- (b) The result of (a) *divided by* the sum for all authorities of the result of (a)
- (c) The result of (b) *multiplied by* the sum of the **PROJECTED**

**POPULATION AGED 20 TO 59 IN 2011 for all authorities**

- (d) £13,253,452 divided by the sum of the **PROJECTED POPULATION AGED 20 TO 59 IN 2011** for all authorities
- (e) The result of (c) is then multiplied by the result of (d)

**People with Disabilities**

- 15 The total amount for the people with disabilities sub group is £331,548,473 and is allocated between each of the administering authorities, based on the number of people with learning and physical disabilities using community based services. Cost adjustments are incorporated in the formula to reflect the increased costs associated with deprivation and differences in the costs of provision between areas. The following formula is used to calculate the distribution of funding for the people with disabilities sub-group:

|                                 |   |
|---------------------------------|---|
| <b>POPULATION AT RISK INDEX</b> | <b>PEOPLE WITH LEARNING AND PHYSICAL DISABILITIES THAT ARE USING COMMUNITY BASED SERVICES</b>   |
| <b>DEPRIVATION INDEX</b>        | The result of below to the power of 0.5:<br>0.925 multiplied by <b>INDEX OF MULTIPLE DEPRIVATION - EMPLOYMENT AND INCOME</b> ; plus<br>0.025 multiplied by <b>INDEX OF MULTIPLE DEPRIVATION - GEOGRAPHICAL BARRIERS</b> ; plus<br>0.025 multiplied by <b>INDEX OF MULTIPLE DEPRIVATION - INDOORS LIVING ENVIRONMENT</b> ; plus<br>0.025 multiplied by <b>POPULATION DENSITY INDEX</b> |
| <b>COST INDEX</b>               | 0.010 multiplied by <b>POPULATION SPARSITY INDEX</b> ; plus<br>0.990 multiplied by <b>LABOUR COST ADJUSTMENT INDEX</b>  |

The full formula used to calculate the People with Disabilities sub group for a particular authority is:

### **People with Disabilities**

- (a) **PROJECTED POPULATION AGED 20 TO 64 IN 2011** multiplied by the result of:  
**POPULATION AT RISK INDEX** multiplied by  
**DEPRIVATION INDEX** multiplied by  
**COST INDEX**
- (b) The result of (a) divided by the sum for all authorities of the result of (a)
- (c) The result of (b) multiplied by the sum of the **PROJECTED POPULATION AGED 20 TO 64 IN 2011** for all authorities
- (d) £331,548,473 divided by the sum of the **PROJECTED POPULATION AGED 20 TO 64 IN 2011** for all authorities
- (e) The result of (c) is then multiplied by the result of (d)

### **Generic Services**

- 16 The total amount for the generic services sub group is £93,814,269 and is allocated between each of the administering authorities, based on the numbers of single homeless, rough sleepers, and people with drug problems. Cost adjustments are incorporated in the formula to reflect the increased costs associated with deprivation and differences in the costs of provision between areas. The following formula is used to calculate the distribution of funding for the generic services sub-group:

|                                 |   |
|---------------------------------|---|
| <b>POPULATION AT RISK INDEX</b> | 0.7539 multiplied by <b>SINGLE HOMELESS HOUSEHOLDS</b> ; plus<br>0.0672 multiplied by <b>ROUGH SLEEPERS</b> ; plus<br>0.1789 multiplied by <b>PEOPLE TREATED FOR DRUG MISUSE</b> ;<br>divided by 1.7413   |
| <b>DEPRIVATION INDEX</b>        | The result of below to the power of 0.8:<br>0.925 multiplied by <b>INDEX OF MULTIPLE DEPRIVATION - EMPLOYMENT AND INCOME</b> ; plus<br>0.025 multiplied by <b>INDEX OF MULTIPLE DEPRIVATION - GEOGRAPHICAL BARRIERS</b> ; plus<br>0.025 multiplied by <b>INDEX OF MULTIPLE DEPRIVATION - INDOORS LIVING ENVIRONMENT</b> ; plus<br>0.025 multiplied by <b>POPULATION DENSITY INDEX</b> |

|                   |   |
|-------------------|---|
| <b>COST INDEX</b> | 0.010 <i>multiplied by POPULATION SPARSITY INDEX;</i><br><i>plus</i><br>0.990 <i>multiplied by LABOUR COST ADJUSTMENT INDEX</i> |
|-------------------|---|

The full formula used to calculate the Generic Services sub group for a particular authority is:

**Generic Services**

- (a) **PROJECTED POPULATION AGED 16 TO 64 IN 2011** *multiplied by* the result of:  
**POPULATION AT RISK INDEX** *multiplied by*  
**DEPRIVATION INDEX** *multiplied by*  
**COST INDEX**
- (b) The result of (a) *divided by* the sum for all authorities of the result of (a)
- (c) The result of (b) *multiplied by* the sum of the **PROJECTED POPULATION AGED 16 TO 64 IN 2011** for all authorities
- (d) **£93,814,269** *divided by* the sum of the **PROJECTED POPULATION AGED 16 TO 64 IN 2011** for all authorities
- (e) The result of (c) is then *multiplied by* the result of (d)

## Annex M

### Housing Strategy for Older People

- 1 This part of the calculation is relevant to the relative costs of providing handypersons services for older people. The total amount for 2012/2013 is £13.5 million.
- 2 The following part of this annex describes the calculation for Housing Strategy for Older People. The indicators are given labels which appear in **BOLD CAPITALS** in the text. A full description of each indicator is given either in the section or in Annex D.

#### Isles of Scilly

- 3 From the total for Housing Strategy for Older People, the Secretary of State allocates £70,000 with respect to the Isles of Scilly.

#### City of London

- 4 From the total for Housing Strategy for Older People, the Secretary of State allocates £70,000 with respect to the City of London.

#### Rutland

- 5 From the total for Housing Strategy for Older People, the Secretary of State allocates £70,000 with respect to the Rutland District Council.

#### Housing Strategy for Older People calculation

- 6 A Housing Strategy for Older People element is calculated for the following classes of authority:

metropolitan district councils  
non-metropolitan district councils which have functions of county councils, other than Rutland  
county councils  
London borough councils

- 7 The *Housing Strategy for Older People* element for a particular authority is calculated as described from paragraph 8.

#### Housing Strategy for Older People

- 8 The Housing Strategy for Older People is allocated between each of the administering authorities, based on the projected population aged 60 years and over. Cost adjustments are incorporated in the formula to reflect the increased costs associated with deprivation and differences

in the costs of provision between areas. The following formula is used to calculate the distribution of funding for the older people sub-group:

| <b>POPULATION AT RISK INDEX</b> | <b>WEIGHTED POPULATION AGED 60 AND OVER</b>  |
|---------------------------------|--|
| <b>DEPRIVATION INDEX</b>        | <p>The result of below <i>to the power of 0.5</i>:</p> <p>0.925 multiplied by <b>INDEX OF MULTIPLE DEPRIVATION - EMPLOYMENT AND INCOME</b>; plus</p> <p>0.025 multiplied by <b>INDEX OF MULTIPLE DEPRIVATION - GEOGRAPHICAL BARRIERS</b>; plus</p> <p>0.025 multiplied by <b>INDEX OF MULTIPLE DEPRIVATION - INDOORS LIVING ENVIRONMENT</b>; plus</p> <p>0.025 multiplied by <b>POPULATION DENSITY INDEX</b></p> |
| <b>COST INDEX</b>               | <p>0.010 multiplied by <b>POPULATION SPARSITY INDEX</b>; plus</p> <p>0.990 multiplied by <b>LABOUR COST ADJUSTMENT INDEX</b></p>   |

The full formula used to calculate the Housing Strategy for Older People for a particular authority is:

| <b><i>Housing Strategy for Older People</i></b> |   |
|---|---|
| (a)   | <b>PROJECTED POPULATION AGED 60 AND OVER IN 2011</b> multiplied by the result of:<br><b>POPULATION AT RISK INDEX</b> multiplied by<br><b>DEPRIVATION INDEX</b> multiplied by<br><b>COST INDEX</b> |
| (b)   | The result of (a) divided by the sum for all authorities of the result of (a)   |
| (c)   | The result of (b) multiplied by the sum of the <b>PROJECTED POPULATION AGED 60 AND OVER IN 2011</b> for all authorities   |
| (d)   | <b>£13,290,000</b> divided by the sum of the <b>PROJECTED POPULATION AGED 60 AND OVER IN 2011</b> for all authorities   |
| (e)   | The result of (c) is then multiplied by the result of (d)   |

## Annex N

### LSC Staff Transfer

- 1 This part of the calculation is relevant to the funding of posts transferred to local authorities
- 2 The following part of this Annex describes the calculation for the LSC Staff Transfer.
- 3 A LSC Staff Transfer element is calculated for the following classes of authority:
  - non-metropolitan district councils which have functions of county councils,
  - county councils,
  - London borough councils,
  - Common Council of the City of London,
  - Metropolitan district councils,
  - Council of the Isles of Scilly.
- 4 The *LSC Staff Transfer* element for a particular authority is calculated as follows:

#### LSC Staff Transfer

- (a) The sum of:

2010/11 allocations of LSC Staff Transfer Grant for each authority as estimated by the Secretary of State. The estimate is generally derived from the LSC Staff Transfer Grant as allocated by the Department for Education and paid either in the 2010 Area Based Grant by the Department for Communities and Local Government or, in the case of additional funding for Buckinghamshire County Council, paid directly by the Department for Education through separate invoice arrangements. For Greater Manchester, 2010/11 funding for the entire area was allocated to Bury as the lead authority, for 2010/11 this has now been reallocated to each of the metropolitan districts according to the number of staff that transferred to their authority; *plus*

2010-11 allocations of the LSC Staff Transfer Top-Up for each authority as estimated by the Secretary of State. The estimate is generally derived from the LSC Staff Transfer Top-Up as allocated by the Department for Education and paid in the Children and Young People (Revenue) Grant 2010-11 as described in Grant Determination No: 31/1825. For Greater Manchester, 2010/11 funding for the entire area was allocated

to Bury as the lead authority, for 2010/11 this has now been reallocated to each of the metropolitan districts according to the number of staff that transferred to their authority; *minus*

the amount allocated in 2010/11 for the six staff who transferred from the LSC and who will transfer to the Young People's Learning Agency on, or before, 1 April 2011

- (b) The sum for all authorities of the result of (a)
- (c) The result of (a) *divided by* the result of (b) *multiplied by* £42,349,705

## Annex O

### HIV/AIDS Support Allocations

- 1 This part of the calculation is relevant to the relative costs of providing HIV related personal social services.
- 2 The following part of this Annex describes the calculation for HIV/AIDS Support. The formula is specified in terms of 'indicators'. The indicators are given in labels which appear in **BOLD CAPITALS** in the text. A full description of each indicator is given in Annex D. Indicators are items of information which are available for each relevant authority.
- 3 A HIV/AIDS Support element is calculated for the following classes of authority:
  - non-metropolitan district councils which have functions of county councils,
  - county councils,
  - London borough councils,
  - Common Council of the City of London,
  - Metropolitan district councils.
- 4 The client groups for the HIV/AIDS Support elements are HIV caseload in a local authority area and women and children living with HIV in a local authority area.

- 5 The *HIV/AIDS Support* element for a particular authority is calculated as follows:

| <b>HIV/AIDS Support</b> |  |
|-------------------------|--|
| (a)                     | <b>HIV CASELOAD</b>  |
| (b)                     | The sum for all authorities of the result of (a)                                       |
| (c)                     | The result of (a) <i>divided by</i> the result of (b) <i>multiplied by</i> £21,350,000 |
| (d)                     | <b>WOMEN AND CHILDREN LIVING WITH HIV</b>  |
| (e)                     | The sum for all authorities of the result of (d)                                       |
| (f)                     | The result of (d) divided by the result of (e) <i>multiplied by</i> £9,150,000         |
| (g)                     | The result of (c) is added to the result of (f)  |

## Annex P

### Preserved Rights

1. This part of the calculation is relevant to the relative costs of people who were supported in residential care in April 1993 when the benefit rules changed.
2. The following part of this Annex describes the calculation of the Preserved Rights allocation. The formula is specified in terms of 'indicators'. The indicators are given in labels which appear in **BOLD CAPITALS** in the text. A full description of each indicator is given in Annex D. Indicators are items of information which are available for each relevant authority.
3. A Preserved Rights element is calculated for the following classes of authority:
  - non-metropolitan district councils which have functions of county councils,
  - county councils,
  - London borough councils,
  - Common Council of the City of London,
  - Metropolitan district councils.
4. The client group for the Preserved Rights element is the number of social services clients with preserved rights reported by Local Authorities in 2009. Cost adjustments are incorporated in the formula to reflect the differences in costs of provision between areas.

5. The *Preserved Rights* element for a particular authority is calculated as follows:

| Preserved Rights  |
|---|
| (a) <b>PRESERVED RIGHTS CLIENTS AGED 18 TO 64</b>   |
| (b) The result of (a) is <i>multiplied by</i> the <b>AREA COST ADJUSTMENT FOR CHILDREN AND YOUNGER ADULTS PSS</b> |
| (c) The sum for all authorities of the result of (b)  |
| (d) The result of (b) divided by the result of (c) multiplied by £197,293,000.                                    |
| (e) <b>PRESERVED RIGHTS CLIENTS AGED 65 AND OVER</b>  |
| (f) The result of (e) is <i>multiplied by</i> the <b>AREA COST ADJUSTMENT FOR OLDER PEOPLE'S PSS</b>              |
| (g) The sum for all authorities of the result of (f)  |
| (h) The result of (f) divided by the result of (g) multiplied by £24,384,000.                                     |
| (i) The result of (d) is added to the result of (h).  |

## Annex Q

### Animal Health and Welfare

- 1 This part of the calculation is relevant to the relative costs of delivering animal health and welfare services.
- 2 The following part of this Annex describes the calculation for Animal Health and Welfare.
- 3 An Animal Health and Welfare element is calculated for the following classes of authority:
  - non-metropolitan district councils which have functions of county councils,
  - county councils,
  - London borough councils,
  - Common Council of the City of London,
  - Metropolitan district councils,
  - Council of the Isles of Scilly.
- 4 The *Animal Health and Welfare* element for a particular authority is calculated as follows:

#### Animal Health and Welfare

- (a) The 2010/11 allocations of Animal Health and Welfare Grant for each authority
- (b) The sum for all authorities of the result of (a)
- (c) The result of (a) *divided by* the result of (b) *multiplied by* £4,000,000

## Annex R

### County Council Functions for Civil Contingencies in London

- 1 This part of the calculation relates to the cost to the London Fire and Emergency Planning Authority of supporting the London Boroughs and the Common Council of the City of London in fulfilling their civil contingencies functions in London.
- 2 The following part of this Annex describes the County Council Functions for Civil Contingencies in London funding element.
- 3 A County Council Functions for Civil Contingencies in London funding element is determined for the Greater London Authority.
- 4 The *County Council Functions for Civil Contingencies in London* element is as follows:

| County Council Functions for Civil Contingencies in London |
|--|
| £550,000   |

# Annex S

## Top-Up to Avoid Losers From Additional £10 million

### Part 1: Authorities with Education and Social Service Responsibilities

| Amounts of Formula Grant        | £       |
|---------------------------------|---------|
| Cambridgeshire County Council   | 52,714  |
| Cumbria County Council          | 30,005  |
| Derbyshire County Council       | 48,406  |
| Devon County Council            | 62,265  |
| Dorset County Council           | 44,233  |
| East Sussex County Council      | 48,155  |
| Essex County Council            | 124,110 |
| Gloucestershire County Council  | 53,565  |
| Kent County Council             | 127,313 |
| Lancashire County Council       | 69,466  |
| Leicestershire County Council   | 53,332  |
| Lincolnshire County Council     | 42,599  |
| Norfolk County Council          | 52,663  |
| North Yorkshire County Council  | 56,249  |
| Northamptonshire County Council | 50,397  |
| Nottinghamshire County Council  | 48,858  |
| Somerset County Council         | 41,617  |
| Staffordshire County Council    | 61,440  |
| Suffolk County Council          | 52,557  |
| Warwickshire County Council     | 47,869  |
| West Sussex County Council      | 92,586  |
| Worcestershire County Council   | 50,173  |

### Part 2: Single-Service Fire Authorities

| Amounts of Formula Grant                         | £     |
|--|-------|
| Bedfordshire and Luton Combined Fire Authority   | 422   |
| Royal Berkshire Fire Authority                   | 2,280 |
| Buckinghamshire and Milton Keynes Fire Authority | 3,325 |
| Cheshire Fire Authority                          | 1,441 |
| Derbyshire Fire Authority                        | 602   |
| Dorset Fire Authority                            | 2,884 |
| East Sussex Fire Authority                       | 1,959 |
| Essex Fire Authority                             | 2,223 |
| Hampshire Fire and Rescue Authority              | 2,923 |
| Hereford and Worcester Combined Fire Authority   | 2,517 |
| Kent and Medway Fire and Rescue Authority        | 4,095 |
| North Yorkshire Fire and Rescue Authority        | 2,297 |
| Devon and Somerset Fire and Rescue Authority     | 1,998 |
| Stoke-on-Trent and Staffordshire Fire Authority  | 676   |
| Wiltshire and Swindon Fire Authority             | 2,369 |

**Part 3: Single-Service Police Authorities**

| <b>Amounts of Formula Grant</b>   | <b>£</b> |
|-----------------------------------|----------|
| Devon & Cornwall Police Authority | 1        |
| Dorset Police Authority           | 2        |
| Essex Police Authority            | 2        |
| Gloucestershire Police Authority  | 1        |
| Hertfordshire Police Authority    | 2        |
| Lincolnshire Police Authority     | 1        |
| Staffordshire Police Authority    | 1        |
| Thames Valley Police Authority    | 3        |
| Warwickshire Police Authority     | 1        |

## Annex T

### Calculation of Adjusted Formula Grant for 2011/12

The adjusted formula grant is created to enable like-for-like comparisons between the amount of formula grant an authority would have received in 2011/12, had formula grant in that year covered the same functions for each authority as it does for 2012/13. 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 2011/12.

Adjustment (b) and (c) are to take account of functions which were funded through formula grant in 2011/12 but which will be included in the functions funded through specific grants in 2012/13.

The Secretary of State has estimated the amount of adjusted formula grant for each authority as (d) 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 (England) 2011/2012, *plus*
  - the share of Revenue Support Grant calculated in accordance with section 6 of the Local Government Finance Report (England) 2011/2012, *plus*
  - the amount of Police Grant calculated in accordance with section 5 of the Police Grant Report (England and Wales) 2011/2012 plus the amount specified in paragraph 4.4 of that Report, where appropriate.
- (b) An adjustment for Private Sewers, being:
  - (i) The number of properties within each authority as estimated by the Secretary of State. The estimate is generally derived from the authority's Council Taxbase Return (CTB) for October 2010
  - (ii) The sum of (i) above for all authorities
  - (iii) The result of (i) above divided by the result of (ii) above.
  - (iv) The result of (iii) above *multiplied by £20,058,708*
- (c) An adjustment for Academies, being the result of:

the 2012/13 Local Authority Central Education Services Relative Needs Formula for each authority calculated in accordance with paragraph 4.10 of section 4 of this Report, *divided by*

the control total for the Local Authority Central Education Services given in Annex E of this Report, *multiplied by*

£114,481,409

(d) the sum of the following items as appropriate:

(a) as defined above *minus*

(b) as defined above *minus*

(c) as defined above.

## Annex U

### Floor Damping Bands

- 1 The floor damping bands are based on grant dependency in 2010/11. For this purpose grant dependency is defined as the proportion of the 2010/11 Budget Requirement that was funded through the 2010/11 Formula Grant.

#### Authorities with Education and Social Service Responsibilities

- 2 For London borough councils, metropolitan district councils, county councils, non-metropolitan district councils which have functions of county councils and the Common Council of the City of London the band allocated to each authority was calculated as follows:
  - (a) the 2010/11 Formula Grant was *divided by* 2010/11 Budget Requirement for each authority;
  - (b) all the authorities were then ranked in descending order based on the result of (a);
  - (c) the rank for each authority was then *divided by* 151 and *multiplied by* 4;
  - (d) for each authority, the result of (c) *plus* 0.99, rounded down to the nearest whole number.
- 3 The results are given in the tables below:

#### Local Authorities in Band 1

|                        |                     |
|------------------------|---------------------|
| Barking and Dagenham   | Liverpool           |
| Birmingham             | Luton               |
| Blackburn with Darwen  | Manchester          |
| Bradford               | Middlesbrough       |
| Brent                  | Newcastle upon Tyne |
| Camden                 | Newham              |
| City of London         | Nottingham          |
| Doncaster              | Oldham              |
| Greenwich              | Salford             |
| Hackney                | Sandwell            |
| Halton                 | South Tyneside      |
| Hammersmith and Fulham | Southwark           |
| Haringey               | Stoke-on-Trent      |
| Islington              | Sunderland          |
| Kingston upon Hull     | Tower Hamlets       |
| Knowsley               | Waltham Forest      |
| Lambeth                | Wandsworth          |
| Leicester              | Westminster         |
| Lewisham               | Wolverhampton       |

**Local Authorities in Band 2**

|                         |                        |
|-------------------------|------------------------|
| Barnsley                | Plymouth               |
| Blackpool               | Portsmouth             |
| Bolton                  | Redcar and Cleveland   |
| Calderdale              | Rochdale               |
| Coventry                | Rotherham              |
| Darlington              | Sefton                 |
| Derby                   | Sheffield              |
| Dudley                  | Slough                 |
| Durham                  | Southampton            |
| Ealing                  | St Helens              |
| Enfield                 | Stockton-on-Tees       |
| Gateshead               | Tameside               |
| Hartlepool              | Telford and the Wrekin |
| Kensington and Chelsea  | Thurrock               |
| Kirklees                | Wakefield              |
| Leeds                   | Walsall                |
| North East Lincolnshire | Wigan                  |
| North Tyneside          | Wirral                 |
| Peterborough            |                        |

**Local Authorities in Band 3**

|                           |                    |
|---------------------------|--------------------|
| Barnet                    | Lincolnshire       |
| Bedford                   | Medway             |
| Bexley                    | Merton             |
| Bournemouth               | Milton Keynes      |
| Brighton & Hove           | Norfolk            |
| Bristol                   | North Lincolnshire |
| Bury                      | Northamptonshire   |
| Cheshire West and Chester | Northumberland     |
| Cornwall                  | Reading            |
| Croydon                   | Redbridge          |
| Cumbria                   | Shropshire         |
| Derbyshire                | Southend-on-Sea    |
| East Riding of Yorkshire  | Stockport          |
| Harrow                    | Sutton             |
| Herefordshire             | Swindon            |
| Hillingdon                | Torbay             |
| Hounslow                  | Trafford           |
| Isle of Wight Council     | Warrington         |
| Lancashire                | York               |

| <b>Local Authorities in Band 4</b> |                        |
|------------------------------------|------------------------|
| Bath & North East Somerset         | North Yorkshire        |
| Bracknell Forest                   | Nottinghamshire        |
| Bromley                            | Oxfordshire            |
| Buckinghamshire                    | Poole                  |
| Cambridgeshire                     | Richmond upon Thames   |
| Central Bedfordshire               | Rutland                |
| Cheshire East                      | Solihull               |
| Devon                              | Somerset               |
| Dorset                             | South Gloucestershire  |
| East Sussex                        | Staffordshire          |
| Essex                              | Suffolk                |
| Gloucestershire                    | Surrey                 |
| Hampshire                          | Warwickshire           |
| Havering                           | West Berkshire         |
| Hertfordshire                      | West Sussex            |
| Kent                               | Wiltshire              |
| Kingston upon Thames               | Windsor and Maidenhead |
| Leicestershire                     | Wokingham              |
| North Somerset                     | Worcestershire         |

### **Shire Districts without Education and Social Service Responsibilities**

- 4 For non-metropolitan district councils which do not have functions of county councils the band allocated to each authority was calculated as follows:
  - (a) the 2010/11 Formula Grant was *divided by* 2010/11 Budget Requirement for each authority;
  - (b) all the authorities were then ranked in descending order based on the result of (a);
  - (c) the rank for each authority was then *divided by* 201 and *multiplied by* 4;
  - (d) for each authority, the result of (c) *plus* 0.99, rounded down to the nearest whole number.
- 5 The results are given in the tables below:

**Local Authorities in Band 1**

|                       |                             |
|-----------------------|-----------------------------|
| Allerdale             | Hinckley and Bosworth       |
| Ashfield              | Huntingdonshire             |
| Barrow-in-Furness     | Hyndburn                    |
| Bassetlaw             | Kings Lynn and West Norfolk |
| Bolsover              | Lancaster                   |
| Boston                | Lincoln                     |
| Breckland             | Mansfield                   |
| Broadland             | Newcastle-under-Lyme        |
| Broxbourne            | North Dorset                |
| Burnley               | North Kesteven              |
| Cambridge             | Norwich                     |
| Charnwood             | Pendle                      |
| Cherwell              | Sedgemoor                   |
| Chesterfield          | South Holland               |
| Copeland              | South Kesteven              |
| Corby                 | South Staffordshire         |
| East Cambridgeshire   | Tamworth                    |
| East Lindsey          | Taunton Deane               |
| East Northamptonshire | Tendring                    |
| Erewash               | Tewkesbury                  |
| Exeter                | Torridge                    |
| Forest Heath          | Waveney                     |
| Gedling               | Wellingborough              |
| Great Yarmouth        | West Oxfordshire            |
| Hambleton             | West Somerset               |

**Local Authorities in Band 2**

|                       |                         |
|-----------------------|-------------------------|
| Amber Valley          | North East Derbyshire   |
| Ashford               | North Norfolk           |
| Babergh               | Northampton             |
| Basingstoke and Deane | Nuneaton and Bedworth   |
| Blaby                 | Oxford                  |
| Broxtowe              | Preston                 |
| Cannock Chase         | Ribble Valley           |
| Canterbury            | Rushcliffe              |
| Carlisle              | Scarborough             |
| Chorley               | Selby                   |
| Crawley               | South Derbyshire        |
| Dartford              | South Norfolk           |
| Daventry              | Stafford                |
| Dover                 | Staffordshire Moorlands |
| East Staffordshire    | Stevenage               |
| Eastbourne            | Swale                   |
| Eastleigh             | Teignbridge             |
| Fenland               | Thanet                  |
| Forest of Dean        | Warwick                 |
| Gloucester            | West Dorset             |
| Gosport               | West Lancashire         |
| Gravesham             | West Lindsey            |
| Hastings              | Worcester               |
| Mendip                | Wychavon                |
| Newark and Sherwood   | Wyre                    |
| North Devon           |                         |

### Local Authorities in Band 3

|                |                           |
|----------------|---------------------------|
| Arun           | North Warwickshire        |
| Aylesbury Vale | North West Leicestershire |
| Braintree      | Oadby and Wigston         |
| Cheltenham     | Purbeck                   |
| Chichester     | Redditch                  |
| Colchester     | Richmondshire             |
| Craven         | Rossendale                |
| East Devon     | Rugby                     |
| Eden           | Runnymede                 |
| Epping Forest  | Rushmoor                  |
| Fareham        | Ryedale                   |
| Fylde          | Shepway                   |
| Guildford      | South Cambridgeshire      |
| Harlow         | South Hams                |
| Havant         | South Oxfordshire         |
| Hertsmere      | South Somerset            |
| High Peak      | St Edmundsbury            |
| Kettering      | Stratford-on-Avon         |
| Lichfield      | Suffolk Coastal           |
| Maldon         | Test Valley               |
| Malvern Hills  | Tunbridge Wells           |
| Melton         | Vale of White Horse       |
| Mid Devon      | West Devon                |
| Mid Suffolk    | Wycombe                   |
| New Forest     | Wyre Forest               |

### Local Authorities in Band 4

|                    |                        |
|--------------------|------------------------|
| Adur               | North Hertfordshire    |
| Basildon           | Reigate and Banstead   |
| Brentwood          | Rochford               |
| Bromsgrove         | Rother                 |
| Castle Point       | Sevenoaks              |
| Chelmsford         | South Bucks            |
| Chiltern           | South Lakeland         |
| Christchurch       | South Northamptonshire |
| Cotswold           | South Ribble           |
| Dacorum            | Spelthorne             |
| Derbyshire Dales   | St Albans              |
| East Dorset        | Stroud                 |
| East Hampshire     | Surrey Heath           |
| East Hertfordshire | Tandridge              |
| Elmbridge          | Three Rivers           |
| Epsom and Ewell    | Tonbridge and Malling  |
| Harborough         | Uttlesford             |
| Harrogate          | Watford                |
| Hart               | Waverley               |
| Horsham            | Wealden                |
| Ipswich            | Welwyn Hatfield        |
| Lewes              | Weymouth and Portland  |
| Maidstone          | Winchester             |
| Mid Sussex         | Woking                 |
| Mole Valley        | Worthing               |

## Annex V

### 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 2012/2013 calculated in accordance with Section 5 of this Report is given below.

|  | Police services       | Fire and rescue services |
|--|-----------------------|--------------------------|
| Council Tax Freeze Compensation  | £16,347,412           | £7,024,815               |
| Grants Rolling In Using Tailored Distribution                              | Not applicable        | £550,000                 |
| Relative Needs Amount  | £603,013,475          | £151,164,266             |
| Relative Resource Amount   | -£62,016,819          | -£21,942,987             |
| Central Allocation   | £261,597,790          | £126,521,369             |
| Police Grant <sup>1</sup>  | £1,051,608,009        | Not applicable           |
| Floor Damping  | £35,602,585           | -£4,232,375              |
| <b>Formula Grant</b>   | <b>£1,906,152,452</b> | <b>£259,085,088</b>      |
| of which:  |                       |                          |
| Revenue Support Grant  | £16,250,135           | £4,926,798               |
| Share of the Distributable Amount (i.e. re-distributed non-domestic rates) | £838,294,309          | £254,158,290             |
| Police Grant <sup>1</sup>  | £1,051,608,009        | 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.

<sup>1</sup> The amount of Principal Formula Police Grant for the authority for 2012/13 as shown in column (a) of the table contained in paragraph 3.1 of the Police Grant Report (England and Wales) 2012/2013



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