

Annex J

Calculation of Adjusted Formula Grant for 2007/08

The adjusted formula grant is created to enable like-for-like comparisons between the amount of formula grant an authority would have received in 2007/08, had formula grant in that year covered the same functions for each authority as it does for 2008/09. 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 2007/08.

Adjustments (b) to (h) are to take account of functions which were funded through specific grants in 2007/08 but which will be included in the functions funded through formula grant from 2008/09 onwards.

Adjustments (i) to (o) are to take account of changes in the functions exercised by local authorities.

The Secretary of State has estimated the amount of adjusted formula grant for each authority as (p) 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 2007/2008, *plus*
 - the share of Revenue Support Grant calculated in accordance with section 6 of the Local Government Finance Report 2007/2008, *plus*
 - the amount of Police Grant calculated in accordance with section 5 of the Police Grant Report (England and Wales) 2007/2008 plus the amount specified in paragraph 4.4 of that Report, where appropriate.
- (b) An adjustment for Delayed Discharges, being the 2007/08 allocations of the Delayed Discharges Grant described in the Local Authority Social Services Letter (2006)1 issued on 28th November 2006 by the Department of Health
- (c) An adjustment for Access and Systems Capacity, being the 2007/08 allocations of the Access and Systems Capacity Grant for each authority as described in the Local Authority Social Services Letter (2006)1 issued on 28th November 2006 by the Department of Health
- (d) An adjustment for Waste Performance and Efficiency, being the 2007/08 revenue element of the Waste Performance and Efficiency Grant awards allocated for each authority, except London, as described in annex A of the letter to Local Authorities in December 2005 by the Department for Environment Food and Rural Affairs
- (e) An adjustment for Children's Services, being the 2007/08 allocations of Children's Services Grants for each authority as allocated by the Department for Education and Skills and paid in the 2007 Local Area Agreement Grant Determinations by the Department for Communities and Local Government.
- (f) An adjustment for the enforcement of S107A and S198A of the Copyright,

Patents and Designs Act (Gowers Review), being the 2007/08 allocations for each authority as described in Grant Determination (2007): No 31/568 by the Department for Trade and Industry.

- (g) An adjustment for Food Hygiene, being the 2007/08 allocations of the funding to enforce EU food hygiene legislation on farms for each authority as described in the letter from Food Standards Agency to Directors of Trading Standards (England) on 17 August 2007, Reference: ENF/E/07/050
- (h) An adjustment for Contaminated Land, being the intended 2007/08 allocations of the funding for contaminated land – radioactivity, as at 29th November 2007 for each authority.
- (i) An adjustment for Animal Feed, being the result of:
- the 2007/08 county-level Environmental, Protective and Cultural Services Relative Needs Formulae for each authority calculated in accordance with paragraph 4.42 of section 4 of the Local Government Finance Report 2007/2008, *divided by*
- the control total for the county-level Environmental, Protective and Cultural Services Relative Needs Formulae given in Annex E of the Local Government Finance Report 2007/2008, *multiplied by*
- £1,400,000 deflated by the GDP deflator (2.75%) i.e. £1,362,530
- (j) An adjustment for the Local Government New Conduct Regime for Upper tier authorities, being the result of:
- the 2007/08 county-level Environmental, Protective and Cultural Services Relative Needs Formulae for each authority calculated in accordance with paragraph 4.42 of section 4 of the Local Government Finance Report 2007/2008, *divided by*
- the control total for the county-level Environmental, Protective and Cultural Services Relative Needs Formulae given in Annex E of the Local Government Finance Report 2007/2008, *multiplied by*
- £777,000 deflated by the GDP deflator (2.75%) i.e. £756,204
- (k) An adjustment for the Service Directive, being the result of:
- the 2007/08 county-level Environmental, Protective and Cultural Services Relative Needs Formulae for each authority calculated in accordance with paragraph 4.42 of section 4 of the Local Government Finance Report 2007/2008, *divided by*
- the control total for the county-level Environmental, Protective and Cultural Services Relative Needs Formulae given in Annex E of the Local Government Finance Report 2007/2008, *multiplied by*
- £51,000 deflated by the GDP deflator (2.75%) i.e. £49,635
- (l) An adjustment for the Local Government New Conduct Regime for Lower tier authorities, being the result of:
- the 2007/08 district-level Environmental, Protective and Cultural

Services Relative Needs Formulae for each authority calculated in accordance with paragraph 4.39 of section 4 of the Local Government Finance Report 2007/2008, *divided by*

the control total for the district-level Environmental, Protective and Cultural Services Relative Needs Formulae given in Annex E of the Local Government Finance Report 2007/2008, *multiplied by*

£1,523,000 deflated by the GDP deflator (2.75%) i.e. £1,482,238

(m) An adjustment for Stray Dog Control, being the result of:

the 2007/08 district-level Environmental, Protective and Cultural Services Relative Needs Formulae for each authority calculated in accordance with paragraph 4.39 of section 4 of the Local Government Finance Report 2007/2008, *divided by*

the control total for the district-level Environmental, Protective and Cultural Services Relative Needs Formulae given in Annex E of the Local Government Finance Report 2007/2008, *multiplied by*

£3,700,000 deflated by the GDP deflator (2.75%) i.e. £3,600,973

(n) An adjustment for Student Finances, being the result of:

the 2007/08 Local Authority Central Education Functions Relative Needs Formulae for each authority calculated in accordance with paragraph 4.10 of section 4 of the Local Government Finance Report 2007/2008, *divided by*

the control total for the Local Authority Central Education Functions given in Annex E of the Local Government Finance Report 2007/2008, *multiplied by*

£5,400,000 deflated by the GDP deflator (2.75%) i.e. £5,255,474

(o) An adjustment for Stray Dog Control, being the result of:

the 2007/08 Police Grant for each authority calculated in accordance with section 5 of the Police Grant Report (England and Wales) 2007/2008 *divided by*

£3,836,326,519 being the total Police Grant paid to English police authorities in accordance with section 5 of the Police Grant Report (England and Wales) 2007/2008, *multiplied by*

£3,700,000 deflated by the GDP deflator (2.75%) i.e. £3,600,973

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

(a) as defined above *plus*

(b) as defined above *plus*

(c) as defined above *plus*

(d) as defined above *plus*

(e) as defined above *plus*

(f) as defined above *plus*

(g) as defined above *plus*

(h) as defined above *plus*

(i) as defined above *plus*

(j) as defined above *plus*

(k) as defined above *plus*

(l) as defined above *plus*

(m) as defined above *minus*

(n) as defined above *minus*

(o) as defined above