

CABINET

21 DECEMBER 2010

PROVISIONAL LOCAL GOVERNMENT SETTLEMENT 2011/2013

Portfolio Holder: Councillor Alan Jarrett, Finance
Report from: Mick Hayward, Chief Finance Officer
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Summary

This report provides Cabinet with details of the provisional Local Government settlement announced by Government on 13 December 2010.

1. Budget and Policy Framework

- 1.1 The provisional settlement is an important step in the process of setting the 2011/2012 budget in that it gives a firm base to the resource anticipation around which the draft budget has been based. This is a matter for Cabinet at this stage. Later it will be the role of Council to adopt the budget for 2011/2012.
- 1.2 The Cabinet is asked to accept this as an urgent item to enable officers to commence formal consultation with staff in respect of the financial implications of the Local Government Settlement, as set out in this report, as soon as possible.

2. The Settlement

- 2.1 The Secretary of State announced the financial settlement to the House of Commons on 13 December, following on from the Chancellor's Spending Review that was announced on 20 October. The settlement continues to be based on the former 'Four Block' methodology but rather than a 3 year settlement it is only for 2 years with a second 2 year settlement planned for 2013/2014 based upon a new distribution method. The announcement launched a consultation period on the proposals that will end on 17 January 2011.
- 2.2 The Under Secretary of State has written to the LGA to confirm the arrangements for consultation meetings on the Settlement.

He says: "I will this year be agreeing to meet local authority associations, representative groups and delegations from individual authorities during the consultation on our proposals. However, given the tight timetable for consultation and the preparation of the final settlement in the New Year, requests for meetings from individual authorities will have to be treated on a first come first served basis. I would like to stress that written representations on the consultation are equally as effective as face to face meetings."

2.3 The headline features of the provisional local Government Settlement are:

- A two-year settlement for 2011/2012 and 2012/2013. A second 2-year settlement is expected to follow, for which Government intend to adopt a new distributional system.
- Central government Formula Grant funding for councils (including Revenue Support Grant and pooled Business Rates, but excluding Police Grant and the Metropolitan Police Special Payment) falls by 12.1% in 2011/2012 to £24.9bn.
- The total funding for local government, Aggregate External Finance (AEF), falls by 2.7% in 2011/2012 when compared with the adjusted 2010/2011 figure. This sum includes a 3% increase in ring-fenced and specific grants (mainly schools grant) and additional funding for PFI.
- A transitional grant of £85m for 2011/2012, benefiting 37 authorities whose 'revenue spending power' (broadly grants plus council tax) would have otherwise have fallen by more than 8.9%, has been provided to help minimise reductions for authorities facing exceptional decreases in grant allocation.
- Damping will continue with floors as follows:
Social service authorities -11.3% to -14.3%
Shire districts -13.8% to -16.8%
Police authorities -5.141%
Fire authorities -9.5%
- The different damping figures for social services authorities and shire districts are based on a new banded system which means the most grant dependent authorities have the least reductions.
- An Early Intervention Grant of £2.214bn, a decrease of over 27% when compared with the grants paid to councils in 2010/2011.
- Reform of the housing finance system, with detail contained in the Localism Bill.
- The detail of the settlement includes complex distributional changes in areas such as social care and concessionary fares funding.

3. Impact upon Medway

3.1 Formula grant is not easily comparable between 2010/2011 and 2011/2012 because of movement between both ABG and specific grants being incorporated into Formula Grant, reconstituted into new grant, or lost from the funding equation. A detailed analysis of Departmental websites has been undertaken to track the movement of grant and compare to the funding now presented. In total this analysis indicates that some £20.6m of grant has been lost.

- 3.2 For Formula Grant the Department of Communities and Local Government (CLG) provide an adjusted baseline that translates the 2010/2011 grant to an equivalent figure in the new formula calculation. For Medway this revises the allocation from £85.130m to £97.702m – an increase of £12.572m. Unfortunately the 2011/2012 actual figure is only £86.097m which is a cut of 11.9%. For 2012/2013 the figure is £78.286m a further decrease of £7.811m or 8.3%.
- 3.3 At 11.9% Medway’s loss of grant is higher than the Shire Unitary average of 11.4% and the all England average of 9.9%. Shire Districts, Counties and Unitaries are all the most hardest hit in the settlement.
- 3.4 The formula grant has traditionally been calculated by way of the four block system, however a new “Grants rolled in using ‘Tailored Distributions’ block has been incorporated for 2011/2012. This ‘passports’ some £8.067m of specific grants and ABG into the formula as a specific, rather than a formulaic distribution. This distribution includes the following grants:
- Local Transport Services
 - Supporting People
 - Housing Services for Older People
 - LSC Staff Transfer
 - HIV/AIDS Support
 - Preserved Rights
 - Animal Health and welfare.
- 3.5 The table below demonstrates the Formula grant and make up for 2011/12

	2010/11	2011/12	2012/13
	£000	£000	£000
2010-11 Formula Grant	85,130		
Adjusted 2010-11 Formula Grant (£)	97,702		
Revenue Support Grant (£)		20,303	78,286
Redistributed Business Rates (£)		65,794	Inc in above
Formula Grant (£)		86,097	78,286
Grants Rolled In Using Tailored Distribution		8,067	7,976
Relative Needs Amount		72,062	65,110
Relative Resource Amount		-26,058	-24,184
Central Allocation		35,500	31,691
Floor Damping		-3,474	-2,307
Total	97,702	86,097	78,286
% reduction		-11.9%	-8.3%

- 3.6 Formula Grant is calculated by way of a complex set of formulas and then to ensure that no individual authority suffers losses in excess of government floors a damping grant is applied to authorities in excess of that floor and

redistributed to authorities below the floor. For a number of years Medway has lost out from this mechanism and that continues to be the case although the movement in damping grant reduction is at least in a favourable direction.

Floor Damping 2010/11 £4.320m

Floor Damping 2011/12 £3.474m

Floor Damping 2012/13 £2.307m

However this movement is offset by an overall loss of grant (compared to the adjusted 2010/2011 base) of £11.6m. Unfortunately the adjusted base is not an absolute comparator since it reflects the changes introduced in 2011/2012 rather than the total grant position. A further £9m of ABG and Specific Grant has been lost from the calculation entirely (appendices C (£3.6m) and D (£5.4m)).

- 3.7 The announcement included a new grant to add to the floors and ceilings methodology and damping mechanisms already present in the calculation and payable in addition to the Formula Grant calculation. It is accompanied by a new concept of 'spending power' that is defined as formula grant plus council tax plus some specific grants. In addition it includes funding allocated to the NHS for social care and health benefits. The council tax figure also includes the Parish Precept and the new council tax freeze grant. The purpose is to identify the movement in spending power (-3.6% for Medway) and then to use this to award Transitional Grant to any authority with a loss greater than 8.9%. Medway does not benefit but obviously the overall sum allocated of £85 million is a top slice to the total funds available. Some 36 councils benefit from this, the largest being Liverpool at £15.55m and Manchester at £13.33m. The Grant awards are detailed at Appendix F which also includes a comparison to Formula Grant loss both before and after damping. It is evident from that table that the highest beneficiaries of the new grant are NOT the highest losers in terms of Formula Grant either before or after damping. The worst hit councils had losses of 16.6% (post damping) with the highest monetary loss being Birmingham at £78.4m but only 10.2% - Kent lost £45m (12.6%).
- 3.8 Business Rates – The national non-domestic rate multiplier will go up by 4.6% to 42.6p in the pound for small businesses and 43.3p in the pound for other businesses. The actual effect on businesses will unfortunately depend on their eligibility for relief (particularly small business) and the effect of transitional relief.
- 3.9 Council Tax – The settlement confirms that there will be a grant of £650m to fund the implementation of a council tax freeze in 2011/12, Medway will receive a grant of £2.471m in 2011/12 and 2012/13. There will be funding to support this amount in the four Spending Review years.
- 3.10 Housing Finance reform – replacing the Housing Revenue Account subsidy system with a locally-run system that allows councils to keep rental income and use it to maintain their homes. The Bill will enable a one-off payment between Government and each council; details are due to be released in January 2011.

- 3.11 The transfer of learning disability funding from health to social care is being achieved through the introduction of a specific grant called the Learning Disability and Health Reform grant. This grant will be £9.098m and £9.314m for 2011/12 and 2012/13. However, these replace funding that we previously received from the PCT that totalled £8.876m in 2010/11. All other funding related to adult social care has been rolled into formula grant.
- 3.12 Concessionary fares has been subsumed into formula grant, revenue funding from the Department of Transport has been reduced by 28% over the spending review period.
- 3.13 Flood Defence – there is a new grant for Flood Defence totalling £131,900 and £209,000 in 2010/11 and 2011/12.

4. Department for Education (DfE)

- 4.1 The CLG announcement was mirrored by a similar announcement on funding by the DfE.
- 4.2 For schools the provisional increase for the expanded Dedicated Schools Grant is 3%, but this translates into a zero cash per pupil increase, due to pupil number rises. There will be a minimum funding guarantee at school level of -1.5%.
- 4.3 Dedicated Schools Grant
- 4.3.1 A cash-flat settlement, but the ‘Guaranteed Unit of Funding’ (GUF) has increased from £4,351 per pupil to £4,953. The increase represents the transfer of Standards Fund grants that are being mainstreamed through the DSG.
- 4.3.2 Estimates suggest that pupil numbers for 2011/12 will be 421 higher than 2010/11. However, most of this increase is accounted for by 3 years olds who are now counted as 0.6 full-time equivalents rather than 0.5, reflecting the increase in the free entitlement to nursery education from 12.5 hours to 15 hours per week.
- 4.3.3 On a like-for like basis the DSG is expected to increase by £0.564 million in 2011/12 as follows:

<u>Funding Source</u>	<u>2010/11</u>	<u>2011/12</u>	<u>Change</u>
Standards Funds	23.927		
Dedicated Schools Grant	173.058	199.074	
Early Years	1.525		
Total	198.510	199.074	0.564

- 4.3.4 Allocating the former Standards Fund money through the LA’s funding formula could produce a re-distribution of funds between schools i.e. winners and losers amongst individual schools.
- 4.3.5 The Minimum Funding Guarantee has been set at minus1.5% i.e. no school will experience a cut of more than 1.5% compared to their current funding

formula and Standards Fund allocations. The Pupil Premium allocation will not be taken into account in calculating the MFG.

4.3.6 The DSG budget gap previously estimated at £1.999m is now shown as having been resolved. This reflects the fact that inflationary pressures will have to be absorbed by individual schools from their delegated budgets rather than being funded by the Council.

4.4 Pupil Premium

4.4.1 Schools will receive a new grant to improve the attainment of pupils from deprived backgrounds, at the following rates:

- £430 for each child that receives a free school meal
- £200 for each child with a parent in the armed forces 'service Children'
- £430 for each Looked-After-Child (allocated initially to the LA)

4.4.2 This money is not ring-fenced at school level. Medway schools will receive a total of about £2.3 million which represents 1.2% of total school funds. The value of the premium will increase each year for the next three years

4.5 Academies

4.5.1 Funding for academies will continue to be based on the LA's funding formula for schools for the time being, pending a new national funding formula.

4.5.2 Minor changes have been made to the way money is recouped from the DSG allocation and passed to academies but the significant change is that academies will also have a negative impact on the Council's Formula Grant allocation from 2011/12. The central government Formula Grant for councils has been top-sliced to provide academies with a share of Council funds and this has reduced Medway's grant allocation by £0.759m for 2011/12 with a further reduction of £0.598m in 2012/13.

4.5.3 Sixth Form Funding from the Young People's Learning Agency (YPLA) has not yet been announced. However, school sixth forms are expected to see a reduction in funding rates per student as a step towards bringing their funding into line with further education colleges. The YPLA funding formula will be simplified in future.

4.5.4 The Early Intervention Grant, is a new non ring fenced grant which has subsumed a number of specific grants (notably Sure Start at £7.049m) and ABG grants. Although it is non ring fenced the DfE do clarify which component grants it is made up of. In summary, grants from ABG contributed £1,986,253 and other specific grants totalled £9,194,995, making a grand total of £11,181,242. However the allocation is only £10,236,400 in 2011/12, a reduction of £943,842 or 8.44%.

5. Capital Settlement

5.1 The capital settlement announcement reflect an even more dramatic reduction in the core funding with the overall allocation for Medway reducing from

£33.254m in 2010/2011 to £14.751m in 2011/2012. Some announcements such as disabled facility grants are not to be made until the New year and others such as decent homes backlog funding will be subject to a bidding process. No announcements have been made in respect of Homes and Communities Agency (HCA) funding for regeneration schemes and as Members will be aware current funding ends 31 March 2011. Appendix A has details of funding announced to date. Significant highlights include, no borrowing approvals SCE(R), DfE funding more than halved compared to 2010/11 and in particular the Devolved Capital grant to schools has reduced from £4.8m to £0.8m and LTP funding has been cut from £6.0m to £3.8m

6. Impact on the Capital and Revenue Budget 2011/2012

- 6.1 Appendix B tracks the changes that have been identified in the funding now proposed as set against that predicted in the Capital and Revenue Budget 2011/2012 report on the 30 November 2010. That report highlighted to Members the potential funding gap of £21.5m for both DSG and non-DSG budgets. However, at that stage officers were only able to predict the settlement figure using best intelligence. The appendix is summarised in the Table below and it can be seen that whilst the DSG position has improved, the General Fund situation is a deterioration of some £4m. Appendices C & D provides details of the grants that have been subsumed or lost in the settlement process and Appendix E an analysis of the Early intervention Grant to source.
- 6.2 As highlighted within the table below the Council is now facing a funding gap of £23.5m for 2011/2012. This is a material deterioration from an already bleak position and will necessitate dramatic action to close this gap and set a balanced budget.
- 6.3 The budget report on the 30 November identified three main strands of work being undertaken to assist in this exercise. These were:
- A challenge to budget pressures;
 - The 'better for Less' initiative; and
 - The exercise being undertaken by Directors and Assistant Directors to reduce budgets by 25% over the next 4 years.

To this now needs to be added a review of those areas where the settlement has seen specific funding streams removed.

- 6.4 Either directly or through our contracts and partners, service delivery involves people and there is a corresponding likelihood that these reductions will therefore result in redundancies although the final number is not yet known. To ensure that savings can be maximised within 2011/12, and that we are able to make the necessary changes to the ways in which we work with schools and partners, we need to commence consultation as soon as is practically possible. This report therefore requests that Officers are instructed to commence formal consultation as appropriate.

Directorate	Original Budget	30 Nov 2010 Forecast Requirement	Settlement adjusted Forecast Requirement
	2010/2011 £000's	2011/2012 £000's	2011/12 £000's
Children and Adult Services (C&A):			
DSG Related Expenditure	172,130	172,102	197,577
Other Expenditure	113,602	114,288	134,960
Regeneration, Community and Culture (RCC)	48,641	48,704	49,407
Business Support (BS):			
DSG Related Expenditure	1,497	1,497	1,497
Other Expenditure	29,731	29,876	32,180
Public Health	388	371	371
Interest & Financing	15,358	16,358	16,358
Levies	900	974	974
Corporate Savings	(2,300)	0	0
Budget Requirement	379,947	384,170	433,324
Estimated Funding			
Dedicated Schools Grant	(173,627)	(171,600)	(199,074)
Pupil Premium Grant	0	0	(2,300)
Council Tax	(97,583)	(100,760)	(98,289)
Council Tax Freeze	0	0	(2,471)
Formula Grant	(85,130)	(90,296)	(86,097)
Area Based Grant	(17,716)	0	0
PSA Reward Grant	(830)	0	0
Early Intervention Grant	0	0	(10,236)
Learning Disability and Health Reform Grant	0	0	(9,098)
BIS Adult Education Grant	0	0	(2,144)
Flood Defence	0	0	(132)
Planned Use of Reserves	(4,078)	0	0
Collection fund Surplus	(983)	0	0
Estimated Available Funding	(379,947)	(362,656)	(409,841)
Budget Gap DSG	0	1,999	0
 General Fund	0	19,515	23,483

7. Risk management

- 7.1 There remains a small possibility that consultation changes could affect the overall position for the Council in terms of Government support. This is a low risk but in the event that it proves to materialise there will remain time between the final announcement in January and the presentation of the proposed budget by Cabinet in February to adjust for any adverse, or favourable impact prior to Council agreeing the budget.

8 Financial and legal implications

- 8.1 The financial implications of this report are set out above. There are no direct legal implications.

9. Recommendations

- 9.1 This report recommends that Cabinet notes the provisional settlement as an essential part of the budget setting process for 2011/2012.
- 9.2 That Directors and Assistant Directors are instructed to commence formal consultation with staff in respect of the financial implications of the Local Government Settlement as set out in this report.

10. Suggested reasons for decision(s)

- 10.1 These provisional levels of grant form a fundamental component of the 2011/2012 budget, and their announcement is a further stage in the process of preparing a balanced budget.

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Background papers

Capital and Revenue Budget 2011/2012 report to Cabinet on 30 November 2010
Medium Term Financial Plan 2011/2014 report to Cabinet on 28 September

Capital Grants Core Funding Allocations 2011/2014

Govt Dept	Grant Programme	Ringfenced Status	Allocation					Comments
			2010/2011 £	2011/2012 £	2012/2013 £	2013/2014 Indicative £	2014/2015 Indicative £	
DfE	Basic Need	Ring fenced	2,744,552	3,836,404				All SCE(R) in 2010/2011 Inc £289,357 SCE(R) in 2010/2011
	Modernisation		3,814,207	No funding				
	Primary Capital Programme		5,781,830	No funding				
	Capital Maintenance		0	5,112,660				
	Cap Maint LCVAP (Memo)		665,116	591,360				
	Targeted Capital Fund		6,000,000	No funding				
	Devolved Formula Capital		4,820,036	790,510			To be adjusted for March 2011 pupil nos. To be adjusted for March 2011 pupil nos.	
	DFC VA Schools (Memo)		481,303	100,944				
	Sure Start, Early Years & Childcare		1,784,173	TBA				
Total DfE			26,091,217	10,431,878	0	0	0	
DoH	DoH Capital Grant		0	489,484	503,903			No further information at present
	Mental Health		115,000	No funding				
	Social Care		138,000	No funding				
	Children's Social Services		50,426	No funding				
Total DoH			303,426	489,484	503,903	0	0	All SCE(R) in 2010/2011
DfT	Integrated Transport		3,494,000	1,477,000	1,576,000	1,576,000	2,216,000	£2,329,000 SCE(R) in 2010/2011 All SCE(R) in 2010/2011 Bid Based allocations not yet finalised Bid Based allocations not yet finalised
	Highways Capital Maintenance		2,462,000	2,353,000	2,350,000	2,153,000	2,122,000	
	Major Local Enhancement Schemes							
	Local Sustainable Transport Fund							
Total DfT			5,956,000	3,830,000	3,926,000	3,729,000	4,338,000	
DEFRA	Waste Infrastructure Capital grant		164,700					Announced January
Total DEFRA			164,700	0	0	0	0	
DCLG	Disabled Facilities Grants		739,000					Allocations to be announced in New Year Bid based. Process to be announced in December
	Decent Homes Backlog Funding							
Total DCLG			739,000	0	0	0	0	
Total Core Programme			33,254,343	14,751,362	4,429,903	3,729,000	4,338,000	

Note: There are no SCE(R) allocations in 2011/2012

Movement between 30th November Forecast Budget Requirement and Forecast Requirement Post Settlement

Directorate	Original Budget 2010/2011 £000's	Forecast Req'ment 2011/2012 £000's	Formula Adjustments £000's	RCC adj	BSD adjustments		C & A adjustments										Revised Forecast Requirement Post Settlement 2011/12 £000's	Movement £000's		
				Con Fares to FG £000's	BIS Adult Ed £000's	TDA Golden Hellos £000's	Specific Grants to Early Intervention Grant £000's	Learning Disability Campus Closure £000's	Drug Action Teams £000's	Youth Offending Team Grant £000's	Respect £000's	Tackling Extremism £000's	Minor repairs & adaptions handyperson Grant £000's	PCT Funding Learning Disability & Health Reform £000's	Aids Support Grant to FG £000's	DFE Schools £000's			Pupil Premium Grant £000's	
Children and Adult Services (C&A):																				
DSG Related Expenditure	172,130	172,102															25,475		197,577	25,475
Other Expenditure	113,602	114,288					8,505	43	227	431	50	102	70	8,876	68		2,300	134,960	20,672	
Regeneration, Community and Culture (RCC)	48,641	48,704		703														49,407	703	
Business Support (BS):																		0	0	
DSG Related Expenditure	1,497	1,497																1,497	0	
Other Expenditure	29,731	29,876			2,144	160												32,180	2,304	
Public Health	388	371																371	0	
Interest & Financing	15,358	16,358																16,358	0	
Levies	900	974																974	0	
Corporate Savings	(2,300)	0																0	0	
Budget Requirement	379,947	384,170	0	703	2,144	160	8,505	43	227	431	50	102	70	8,876	68	25,475	2,300	433,324	49,154	
Estimated Funding																				
Dedicated Schools Grant	(173,627)	(171,600)														(27,474)		(199,074)	(27,474)	
Pupil Premium Grant																	(2,300)	(2,300)	(2,300)	
Council Tax	(97,583)	(100,760)	2,471															(98,289)	2,471	
Council Tax Freeze			(2,471)															(2,471)	(2,471)	
Formula Grant	(85,130)	(90,296)	4,199															(86,097)	4,199	
Area Based Grant	(17,716)	0																0	0	
PSA Reward Grant	(830)	0																0	0	
Early Intervention Grant							(10,236)											(10,236)	(10,236)	
Learning Disability and Health Reform Grant														(9,098)				(9,098)	(9,098)	
BIS Adult Ed					(2,144)													(2,144)	(2,144)	
Flood Defence Grant					(132)													(132)	(132)	
Planned Use of Reserves	(4,078)	0																0	0	
Collection fund Surplus	(983)	0																0	0	
Estimated Available Funding	(379,947)	(362,656)	4,199	(132)	(2,144)	0	(10,236)	0	0	0	0	0	0	(9,098)	0	(27,474)	(2,300)	(409,841)	(47,185)	
Budget Gap	DSG	0	1,999															0	(1,999)	
General Fund	0	19,515	4,199	571	0	160	(1,731)	43	227	431	50	102	70	(222)	68	0	0	23,483	3,968	

Area Based Grant 2010/2011 Subsumed/Lost in 2011/2012

	Issued By	Actual 2010/2011 £000's
<u>Grants subsumed to Formula Grant</u>		
Care Matters White Paper	DfE	301
Child Death Review Processes	DfE	40
LSC Staff Transfer: Special Purpose Grant	DfE	316
Adult Social Care Workforce	DH	534
Carers	DH	1,039
Child & Adolescent Mental Health	DH	540
Learning & Disability Development Fund	DH	189
Local Involvement Networks	DH	136
Mental Capacity Act & Independent Mental Capacity	DH	113
Mental Health	DH	664
Preserved Rights	DH	895
Supporting People	CLG	5,841
Total		10,608
<u>Grants subsumed to Early Intervention Grant</u>		
Connexions	DfE	2,550
Children's Fund	DfE	632
Child Trust Fund	DfE	8
Positive Activities for Young People	DfE	118
Teenage Pregnancy	DfE	129
Children's Social Care Workforce	DfE	96
Young Peoples Substance Misuse	DfE	33
January Guarantee	DfE	50
DfE Pro rata reduction	DfE	(1,630)
Total		1,986
<u>Grants Lost</u>		
Community Call for Action/Overview Scrutiny Cmmtte	HO	2
Stronger Safer Communities	HO	256
Young People Substance Misuse Partnership	HO	60
Home Office Pro rata reduction	HO	(25)
Road Safety Grant	DfT	235
Rural Bus Subsidy	DfT	196
School Development Grant	DfE	1,168
Extended Schools Start-Up Grants	DfE	341
Primary National Strategy - Central	DfE	189
Secondary National Strategy - Central Co-ordination	DfE	187
Secondary National Strategy - Behaviour and Attendance	DfE	68
School Improvement Partners	DfE	123
Education Health Partnerships	DfE	63
School Travel Advisers	DfE	32
Choice Advisers	DfE	29
School Intervention Grant	DfE	76
14 - 19 Flexible Funding Pot	DfE	84
Sustainable Travel - General Duty	DfE	20
Extended Rights to Free Transport	DfE	136
Designated Teacher Funding	DfE	16
Local Child Poverty Duties	CPU	52
Cohesion	CLG	107
Economic Assessment Duty	CLG	6
Prevent	CLG	138
Climate Change	CLG	23
NI160 STATUS Survey	CLG	9
NI160 Reduction	CLG	(4)
Familiarisation costs of new statutory guidance on social housing allocations	CLG	1
Petitions	CLG	17
Total		3,605
Total ABG 2010-11		16,199

Specific and Special Revenue Grants 2010/2011 Subsumed/Lost in 2011/2012

	Issued By	Actual 2010/2011 £000's
<u>Grants subsumed to Dedicated Schools Grant</u>		
School Standards Grant (including Personalisation)	DCSF	8,552
Standards Fund (excluding elements now in ABG)	DCSF	13,959
Diploma Specific Formula Grant	DCSF	95
Total		22,606
<u>Grants subsumed to Formula Grant</u>		
Concessionary Fares	DfT	703
AIDS Support	DH	68
Total		771
<u>Grants subsumed to Early Intervention Grant</u>		
Sure Start, Early Years and Childcare Grant	DCSF	7,049
Targeted Mental Health in Schools	DCSF	224
Youth Opportunity	DCSF	150
Aiming High for Disabled Children	DCSF	1,082
Total		8,505
<u>Grants Lost</u>		
Social Care Reform	DH	932
Learning Disability Campus Closure Programme	DH	43
Stroke Strategy	DH	89
Local Public Service Agreement (LPSA) Performance Reward Grant	CLG	830
Free Swimming	DCMS	229
Drug Action Teams	HO	227
Respect	HO	50
Medway Renaissance	HCA	1,000
Education Maintenance Allowance	DCSF	108
Tackling Extremism	CLG	102
Youth Offending Teams Grant	HO	431
European Funding	DWP	947
Minor repairs and adaptations Handyperson grant		70
WMDG	TDA	129
Support staff & Training	TDA	101
Golden hellos	TDA	160
Total		5,448
Total Grants		37,330

Grants subsumed to Early Intervention Grant in 2011/2012

	Actual 2010/2011 £000's
ABG Grants subsumed to Early Intervention Grant	
Connexions	2,550
Children's Fund	632
Child Trust Fund	8
Positive Activities for Young People	118
Teenage Pregnancy	129
Children's Social Care Workforce	96
Young Peoples Substance Misuse	33
January Guarantee	50
DfE Pro rata reduction	(1,630)
Total	1,986
<u>Specific Grants subsumed to Early Intervention Grant</u>	
Sure Start, Early Years and Childcare Grant	7,049
Targeted Mental Health in Schools	224
Youth Opportunity	150
Aiming High for Disabled Children (Disabled Children's Services - Short Breaks for disabled Children)	1,082
Total	8,505
Total Grants subsumed to Early Intervention Grant	10,491
Total Early Intervention Grant 2011/12	10,236

Appendix F

Transition Grant Funding vs Formula grant

Local Authority	Transition grant - cost of bringing reduction to 8.9%	2010-11 Adjusted Formula Grant	2011-12 Formula Grant Before Floor Damping	increase/ Decrease before damping	% increase/ Decrease	2011-12 Formula Grant After Floor Damping	increase/ Decrease after damping	% increase/ Decrease after damping
	£m	£m	£m	£m		£m	£m	
West Somerset	0.017	2.915	2.555	-0.359	-12.3%	2.514	-0.401	-13.8%
Corby	0.019	5.434	4.154	-1.281	-23.6%	4.685	-0.750	-13.8%
Halton	0.026	75.573	65.360	-10.213	-13.5%	67.033	-8.540	-11.3%
Rochdale	0.031	131.488	113.245	-18.243	-13.9%	115.315	-16.173	-12.3%
Bassetlaw	0.044	10.680	7.743	-2.937	-27.5%	9.206	-1.474	-13.8%
Breckland	0.055	10.727	8.026	-2.702	-25.2%	9.247	-1.480	-13.8%
Boston	0.109	144.753	130.237	-14.516	-10.0%	127.888	-16.865	-11.7%
Fenland	0.126	9.282	7.480	-1.802	-19.4%	7.908	-1.374	-14.8%
Harlow	0.138	7.491	6.764	-0.727	-9.7%	6.318	-1.173	-15.7%
Ashford	0.253	7.469	6.438	-1.030	-13.8%	6.365	-1.104	-14.8%
Middlesbrough	0.364	95.247	91.010	-4.237	-4.4%	86.348	-8.899	-9.3%
North East Lincolnshire	0.396	84.188	74.953	-9.235	-11.0%	74.153	-10.035	-11.9%
Copeland	0.603	6.520	5.133	-1.387	-21.3%	5.621	-0.900	-13.8%
Ashfield	0.660	10.047	8.068	-1.979	-19.7%	8.661	-1.386	-13.8%
Norwich	0.850	14.112	13.760	-0.352	-2.5%	12.200	-1.912	-13.5%
St Helens	0.935	103.743	90.419	-13.323	-12.8%	90.982	-12.760	-12.3%
Thanet	1.076	12.294	10.090	-2.204	-17.9%	10.475	-1.820	-14.8%
Chesterfield	1.164	8.721	7.035	-1.686	-19.3%	7.517	-1.203	-13.8%
Hyndburn	1.335	9.096	7.120	-1.975	-21.7%	7.841	-1.255	-13.8%
Pendle	1.517	10.203	8.146	-2.057	-20.2%	8.795	-1.408	-13.8%
Hartlepool	1.661	59.043	52.600	-6.443	-10.9%	52.015	-7.028	-11.9%
Bolsover	1.828	7.211	5.315	-1.896	-26.3%	6.216	-0.995	-13.8%
Doncaster	2.118	163.419	142.880	-20.538	-12.6%	144.952	-18.466	-11.3%
Burnley	2.237	10.501	8.587	-1.915	-18.2%	9.052	-1.449	-13.8%
Preston	2.311	13.632	12.159	-1.474	-10.8%	11.627	-2.005	-14.7%
Kingston upon Hull	2.391	172.908	162.350	-10.557	-6.1%	155.935	-16.973	-9.8%
Barrow-in-Furness	2.407	8.084	6.415	-1.669	-20.6%	6.968	-1.116	-13.8%
Hastings	2.623	9.084	7.766	-1.317	-14.5%	7.740	-1.344	-14.8%
Blackburn with Darwen	2.806	92.418	84.041	-8.377	-9.1%	82.565	-9.853	-10.7%
South Tyneside	3.009	101.062	91.097	-9.965	-9.9%	90.058	-11.004	-10.9%
Great Yarmouth	3.347	9.964	8.190	-1.774	-17.8%	8.589	-1.375	-13.8%
Tower Hamlets	3.767	258.932	223.337	-35.595	-13.7%	229.673	-29.259	-11.3%
Knowsley	3.968	133.350	113.569	-19.780	-14.8%	118.281	-15.068	-11.3%
Newham	5.731	247.935	218.927	-29.009	-11.7%	219.919	-28.017	-11.3%
Hackney	5.776	253.597	203.642	-49.954	-19.7%	224.940	-28.656	-11.3%
Manchester	13.332	397.256	358.304	-38.952	-9.8%	354.062	-43.194	-10.9%
Liverpool	15.550	383.392	327.265	-56.128	-14.6%	340.069	-43.323	-11.3%
Medway	0.000	97.702	89.571	-8.131	-8.3%	86.097	-11.605	-11.9%
Brighton and Hove	0.000	129.689	97.918	-31.771	-24.5%	112.441	-17.249	-13.3%
Total	84.582							