

SCHEDULE 5

Regulation 2

SPECIFIED PROPORTION—PERSONNEL SERVICES

1. The specified proportion in respect of personnel services means the greater of—

- (a) £0; or
- (b) an amount equal to the product of the following formula—

$$T - (A + B + C + D + E + F + G + H);$$

where

- T = an amount equal to the cost to a defined authority of the specified work;
- A = an amount equal to the cost of specified work which is being carried out by a person other than a defined authority in connection with—
 - (a) work falling within any other defined activity; or
 - (b) work to which Part III of the 1980 Act applies, where that work is being carried out by another person on behalf of a defined authority;
- B = an amount equal to any amount included in T in respect of goods or services which are provided by a person other than a defined authority;
- C = an amount equal to whichever is the greater of—
 - (a) 60% of (T - (A + B));
 - (b) £300,000;
- D = for the period ending on 1st April 1999 or five years after work was awarded, whichever is the shorter, an amount equal to the cost of specified work which is being carried out following voluntary competitive tendering;
- E = an amount equal to the cost of any specified work being carried out following a competitive tendering process in respect of that work conducted in accordance with the provisions of the Act;
- F = an amount equal to the cost of any specified work being carried out by a person other than a defined authority following a competitive tendering process where—
 - (a) no defined authority submitted a bid to carry out that work; and
 - (b) that work had previously been carried out by the defined authority conducting that process or by a predecessor of that authority;
- G = an amount equal to the cost of specified work carried out by a defined authority which is funded from a school's devolved budget allocated under a local authority's devolved school management scheme; and
- H = until 1st April 1999, an amount equal to the cost of specified work which is being carried out by a defined authority in connection with functional work falling within housing management where that functional work is not subject to section 6 of the Act.

2. Where an amount is counted towards any such cost or amount as is specified in component A, B, D, E, F, G, or H in paragraph 1(b) above—

- (a) that amount may not be counted towards any other cost or amount in any such component; and
- (b) that amount may not be counted towards any cost or amount in any component in paragraph 1(b) of Schedule 1, 2, 3 or 4 to these Regulations.