

**1. Allocation of Costs**

- i. As proposed in the bid document, it is proposed in the early years that Scotland Excel be funded by requisition. To ensure a fair allocation of costs across authorities, the original bid proposed that the funding model to be used combined a standard participation fee that will account for 20% of the organisation's costs, the remaining 80% of costs to be recovered by way of a population driven requisition.
- ii. On the basis of this model and the costs outlined in the previous section, the costs per authority are set out Appendix 3, table 1 below.

<b>Requisition by Authority</b>	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>
	<b>2008/2009</b>	<b>2009/2010</b>	<b>2010/2011</b>
Aberdeen City	125,258	128,601	131,866
Aberdeenshire	136,880	140,533	144,102
Angus	74,594	76,585	78,530
Argyle and Bute	66,301	68,070	69,798
Clackmannanshire	43,996	45,170	46,317
Dumfries and Galloway	94,889	97,422	99,895
Dundee City	92,783	95,259	97,677
East Ayrshire	80,736	82,890	84,995
East Dunbartonshire	74,313	76,296	78,234
East Lothian	66,193	67,960	69,685
East Renfrewshire	65,472	67,219	68,926
Edinburgh (City of Edinburgh)	248,884	255,526	262,014
Eilean Siar	32,961	33,841	34,700
Falkirk	94,230	96,745	99,201
Fife	199,626	204,954	210,158
Glasgow City	314,703	323,102	331,305
Highland	126,526	129,902	133,201
Inverclyde	62,082	63,739	65,357
Midlothian	60,374	61,985	63,559
Moray	64,337	66,054	67,731
North Ayrshire	89,173	91,552	93,877
North Lanarkshire	184,174	189,089	193,890
Orkney Islands	29,489	30,276	31,045
Perth and Kinross	89,152	91,531	93,855
Renfrewshire	107,044	109,901	112,691
Scottish Borders	74,983	76,984	78,939
Shetland Islands	30,798	31,620	32,423
South Ayrshire	76,670	78,717	80,715
South Lanarkshire	174,556	179,214	183,764
Stirling	63,780	65,482	67,144
West Dunbartonshire	66,822	68,605	70,347
West Lothian	101,951	104,672	107,329
<b>Total</b>	<b>3,213,730</b>	<b>3,299,496</b>	<b>3,383,270</b>

- iii. Fees for any non-local authority organisations, such as the Police or Fire and Rescue Services, will be aligned to a similar sized local authority based upon expected contract expenditure.
- iv. It is proposed that during the transition phase to the new organisation and in the early development years as the organisation is established, the grant funding will be used to provide an essential period of stability. It is predicted that this funding will be required until the end of the financial year 2010/2011. Initiatives will also be developed over this period to deliver ongoing cost efficiencies and additional income generation opportunities.