



## SCOTTISH EXECUTIVE

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Finance and Central Services Department  
Local Government Finance & Performance Division

Victoria Quay  
Edinburgh EH6 6QQ

**Finance Circular No. 7/2002**

Chief Executives (By Email)  
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27 June 2002

Dear Chief Executive,

1. **AGGREGATE EXTERNAL FINANCE FOR 2002-03**
2. **REDETERMINATION OF REVENUE SUPPORT GRANT FOR 2001-02**

1. The Local Government Finance (Scotland) (No 2) Order 2002 was debated and approved by the Scottish Parliament on 20 June. This Circular provides authorities with a summary of the figures contained in that Order.

### Aggregate External Finance 2002-03

2. Finance Circular 1/2002, issued on 21 February 2002, covered Scottish Ministers' original distribution of AEF for 2002-03. Subsequent revisions were notified to you in Nikki Brown's letter of 30 May. The resulting allocations were approved by Parliament on 20 June 2002, and are shown in Annex A to this circular. Annex B summarises the breakdown of total AEF for 2002-03 and replaces Annex B to Circular 1/2002.

3. Annex C confirms the individual distributions as detailed in Nikki Brown's letter of the 30 May.

### Additional Allocations 2002-03

4. Discussions are still on-going between the Scottish Executive and COSLA about the allocation of additional funding for 2002-03 for the fire pensions. We will confirm the allocations for individual authorities in due course.

### Redetermination of RSG for 2001-02

5. The Local Government Finance Order also redetermined RSG for 2001-02 to take account of resources that are no longer required to support the PPP project for which they were set aside

6. Annex D summarises the adjustments that will be made to RSG/NDRI payments profiles for 3 July as a result of the redetermination of RSG for 2001-02, backdated Care Home Fees for 2001-02 and the new monies for present year. Revised payment profiles for 2002-03 will be sent to councils shortly.

7. An additional copy of this Circular has been e-mailed to your Director of Finance. A copy also goes to Norie Williamson at COSLA.

8. Enquiries about this Circular should be addressed to Mr Colin Cummins (0131 244 7004) or Mr Thomas Hastie (0131 244 7006).

Yours sincerely,

*Neil Rennick*

NEIL RENNICK

	(1) Estimated Service Expenditure	(2) Loan Charges Support 2002-03 including PPP LPFS	(3) Housing and Council Tax Benefit (residual subsidy)	(4) Floor Adjustment 2002-03	(5) Total Estimated Expenditure (Cols.1 to 4)	(6) Band D Properties forecast	(7) Deduction for TBE not supported by AEF ((Tot Col 5-Tot Col 8) * Col 6/Tot Col 6) 0.00074	(8) Total AEF (Col 5-7)	(9) Specific Grants	(10) NDRI	(11) RSG (Col 8-9-10)
	£M	£M	£M	£M	£M		£M	£M	£M	£M	£M
Aberdeen City	269.464	31.482	2.423	-0.446	302.923	84,093	62.078	240.846	25.923	70.963	143.960
Aberdeenshire	301.638	27.265	1.603	-0.486	330.020	87,423	64.536	265.484	21.366	76.321	167.797
Angus	152.447	10.536	1.341	-0.246	164.078	39,161	28.909	135.169	11.796	36.676	86.697
Argyll & Bute	136.007	27.116	1.181	-0.251	164.053	37,088	27.378	136.675	10.271	29.826	96.578
Clackmannanshire	64.887	6.476	0.862	-0.113	72.112	16,661	12.299	59.813	5.104	16.279	38.430
Dumfries & Galloway	213.075	23.526	1.894	-0.366	238.129	55,153	40.714	197.415	17.342	48.977	131.096
Dundee City	218.242	25.109	3.624	-0.393	246.582	46,863	34.594	211.987	20.364	47.936	143.687
East Ayrshire	167.596	14.659	1.856	-0.289	183.822	38,687	28.559	155.264	14.368	40.522	100.374
East Dunbartonshire	141.413	12.873	0.791	-0.224	154.853	46,161	34.076	120.776	10.345	37.207	73.224
East Lothian	116.182	13.125	1.113	-0.190	130.230	36,301	26.797	103.433	9.294	30.663	63.476
East Renfrewshire	118.320	11.031	0.679	-0.182	129.848	39,139	28.893	100.956	8.319	30.162	62.475
Edinburgh, City of	568.311	84.712	6.457	-0.957	658.523	190,043	140.290	518.233	57.417	152.317	308.499
Eilean Siar	62.734	20.163	0.362	4.313	87.572	9,038	6.672	80.901	4.255	9.130	67.516
Falkirk	187.859	24.269	2.253	-0.315	214.066	49,417	36.480	177.586	15.924	48.480	113.182
Fife	471.339	36.597	5.359	-0.785	512.510	123,976	91.519	420.990	35.900	117.707	267.383
Glasgow City	941.482	164.095	17.528	4.292	1127.397	205,991	152.063	975.334	103.632	204.701	667.001
Highland	321.852	45.155	2.565	-0.568	369.004	80,826	59.666	309.338	27.657	70.073	211.608
Inverclyde	123.764	14.602	1.655	-0.223	139.798	27,801	20.523	119.276	11.417	28.419	79.440
Midlothian	108.770	10.080	1.068	0.695	120.613	28,882	21.321	99.292	9.115	27.613	62.564
Moray	116.099	12.572	1.021	-0.007	129.685	29,540	21.807	107.878	9.095	28.537	70.246
North Ayrshire	193.426	18.705	2.301	-0.333	214.099	47,412	35.000	179.100	15.281	46.643	117.176
North Lanarkshire	442.694	40.539	6.076	-0.778	488.531	102,161	75.416	413.116	36.280	110.055	266.781
Orkney	42.993	8.006	0.190	0.075	51.264	6,844	5.052	46.212	2.395	6.544	37.273
Perth & Kinross	181.723	16.916	1.390	-0.285	199.744	55,128	40.696	159.048	14.052	44.886	100.110
Renfrewshire	239.662	25.864	3.099	-0.411	268.214	65,253	48.170	220.044	20.342	59.448	140.254
Scottish Borders	154.238	18.312	1.352	-0.264	173.638	40,937	30.220	143.418	12.863	35.910	94.645
Shetland	55.676	15.299	0.162	0.501	71.638	7,390	5.455	66.182	2.852	7.538	55.792
South Ayrshire	154.846	12.815	1.498	-0.249	168.910	45,070	33.271	135.639	11.716	38.268	85.655
South Lanarkshire	411.826	39.186	4.937	-0.701	455.248	105,629	77.976	377.272	32.634	103.262	241.376
Stirling	119.434	15.385	0.974	-0.202	135.591	33,519	24.744	110.848	9.360	28.627	72.861
West Dunbartonshire	143.823	14.026	2.062	-0.256	159.655	32,718	24.153	135.502	14.013	31.778	89.711
West Lothian	206.977	19.293	2.400	-0.355	228.315	52,677	38.886	189.429	17.584	52.636	119.209
Scotland	7,148.800	859.791	82.076	0.000	8090.667	1,866,982	1,378.211	6712.456	618.276	1718.104	4,376.076

**Aggregate External Finance 2002-03**

	£m
(1) Specific Grants	604.773
(2) Revenue Support Grants	4,376.076
(3) Distributable Amount of NDRI	1,718.104
(4) Undistributed Excellence Fund	16.579
(5) Undistributed SEN Specific Grant	3.500
(6) Undistributed Loan Charge Support	2.209

<b>Total Aggregate External Finance</b>	<u><u>6,721.241</u></u>
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(7) <i>plus</i> Police Loan Charge Specific Grant	13.503
(8) <i>less</i> Undistributed Excellence Fund	16.579
(9) Undistributed INSET (SEN) Specific Grant	3.500
(10) Undistributed Loan Charge Support	2.209

<b>Distributable Aggregate External Finance</b>	<u><u>6,712.456</u></u>
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**Breakdown of Specific Grants 2002-03**

	£m
Police*	404.228
Civil Defence (Police Element)	0.574
Supported Employment	4.348
In-Service Training of Teachers	7.386
Gaelic	2.834
Housing Benefit and Council Tax Rebate Scheme	18.482
Mental Health	13.300
Social Work Training	2.200
Excellence Fund Core Programme	126.500
Excellence Fund Special Programme	24.921
	<u><u>604.773</u></u>

\*Excludes specific grant for Police loan charges and CFCR

LOCAL AUTHORITIES	DEBT ADVICE £ (000)	CONCESSIONARY FARES £ (000)	FREE PERSONAL CARE £ (000)	CARE HOME FEES £ (000)	ADDITIONAL MONIES TOTAL £ (000)
Aberdeen City	93.000	200.427	4,242.573	1,943.139	6,479.139
Aberdeenshire	65.000	197.754	4,950.390	1,533.014	6,746.159
Angus	50.000	116.551	3,465.948	782.724	4,415.223
Argyll and Bute	42.000	104.339	2,654.616	653.570	3,454.525
Clackmannanshire	40.000	45.774	660.840	428.195	1,174.809
Dumfries and Galloway	70.000	174.975	3,744.384	905.400	4,894.759
Dundee City	114.000	160.037	3,018.182	1,000.364	4,292.583
East Ayrshire	81.000	123.098	2,649.153	814.834	3,668.085
East Dunbartonshire	40.000	108.040	2,255.154	533.820	2,937.013
East Lothian	40.000	94.438	1,867.943	616.217	2,618.598
East Renfrewshire	40.000	85.808	2,210.390	580.684	2,916.882
Edinburgh, City of	210.000	426.295	12,170.232	2,397.919	15,204.447
Eilean Siar	20.000	32.312	454.178	159.141	665.631
Falkirk	80.000	139.054	2,195.318	1,033.363	3,447.735
Fife	166.000	351.076	7,504.281	2,139.330	10,160.686
Glasgow City	636.000	562.747	10,762.586	5,229.906	17,191.240
Highland	96.000	214.019	4,105.892	2,308.263	6,724.174
Inverclyde	63.000	85.516	1,941.172	357.757	2,447.445
Midlothian	40.000	73.856	1,326.159	639.531	2,079.545
Moray	40.000	86.820	1,868.630	518.913	2,514.363
North Ayrshire	95.000	137.907	3,225.828	831.127	4,289.863
North Lanarkshire	217.000	292.712	4,232.314	2,063.020	6,805.046
Orkney	20.000	20.631	254.819	38.783	334.233
Perth and Kinross	49.000	154.420	4,517.430	1,288.507	6,009.357
Renfrewshire	105.000	167.866	3,081.751	1,093.422	4,448.039
Scottish Borders	40.000	126.631	2,650.850	763.463	3,580.944
Shetland	20.000	18.791	247.943	93.556	380.290
South Ayrshire	59.000	131.782	3,220.859	744.570	4,156.210
South Lanarkshire	177.000	280.770	5,919.747	1,798.862	8,176.380
Stirling	40.000	82.193	2,174.604	572.494	2,869.292
West Dunbartonshire	76.000	90.115	1,590.513	576.784	2,333.412
West Lothian	76.000	113.245	1,835.321	777.871	2,802.438
<b>TOTAL</b>	<b>3,000.000</b>	<b>5,000.000</b>	<b>107,000.000</b>	<b>35,218.545</b>	<b>150,218.545</b>

<b>Distribution of new monies for 2002-03</b>	
Care Home Fees (2001-02)	Lump sum payment 1 <sup>st</sup> week in July
Loan Charge support (2001-02)	Lump sum payment 1 <sup>st</sup> week in July
Free Personal Care	Distributed from 1 <sup>st</sup> week in July (pro-rata 39 weeks)
Remaining monies (Care Home fees 2002-03, Concessionary fares and Debt Advice)	Distributed from 1 <sup>st</sup> week in July (pro-rata 52 weeks, 1st week in July contains backdated monies from April, May and June)