

Finance Circular No. 4/2008

By e-mail

Chief Executives and Directors of Finance of Scottish Local Authorities

Chief Executive, Convention of Scottish Local Authorities (COSLA)

Our ref: B2006196
27 March 2008

Dear Chief Executive/Director of Finance

LOCAL GOVERNMENT FINANCE SETTLEMENT: 2008-09

1. The Scottish Parliament today debated and approved the Local Government Finance (Scotland) Amendment Order 2008. The Amendment Order provides the statutory authority to pay the amended General Revenue Funding (GRF or Revenue Support Grant) for 2008-09. The amended GRF includes the, previously undistributed, additional £70 million as a result of local authorities freezing 2008-09 council tax rates at 2007-08 levels, as mentioned in paragraph 4 of Finance Circular 1/2008, issued on 7 February 2008. I can confirm that the £70 million has also been added to both the 2009-10 and 2010-11 baseline allocations. This circular provides a summary of the figures contained in the 2008 Amendment Order, together with details of individual council allocations of Total Revenue Support for 2008-11.

2. The annexes to this circular are as follows:

- Annex A:** All Scotland Aggregate Funding Totals;
- Annex B:** Individual shares of the additional £70 million; and,
- Annex C:** Individual Revenue Allocations for 2008-11.

Enquiries relating to this Circular

3. As agreed with COSLA, specific enquiries relating to the figures contained in this Circular should be addressed through COSLA in the first instance. We have given an undertaking to COSLA to make every effort to respond to these enquiries as quickly as possible. The contact details for COSLA are:

Martin Booth
0131 474 9229 martin@cosla.gov.uk

4. This Circular is being sent electronically to the Chief Executive of COSLA, Chief Executives and Directors of Finance of each local authority and made available on the Local Government section of the Scottish Government website at:

<http://www.scotland.gov.uk/Topics/Government/local-government/17999/11203>

5. Any other enquiries should be addressed to:

Bill Stitt
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Yours faithfully



David Henderson
Deputy Director, Local Government Division

	2007-08	2008-09	2009-10	2010-11
	£ million	£ million	£ million	£ million
Total SR07 Revenue Funding	9,790.7	10,162.3	10,607.4	10,998.6
<i>plus increases since SR07</i>				
Police Loans Charges Specific Grant		14.7	14.7	14.7
Supported Employment Specific Grant		4.9	4.9	4.9
Former Ring-fenced grants		16.2	13.4	13.0
Transfers out (district courts/ferries)		1.4	1.4	1.4
Housing Benefit Inspection		0.2	0.2	0.2
Extra Police Officers ¹		10.0	13.0	17.0
Revised Revenue Funding		10,209.7	10,655.0	11,049.8
Total Capital Funding	860.4	975.0	993.0	993.6
<i>less transfer post SR07</i>		-0.4	-0.4	-0.4
Revised Capital Funding		974.6	992.6	993.6
Revised Total Funding	10,651.1	11,184.3	11,647.6	12,043.4
<i>year-on-year increase</i>		5.0%	4.1%	3.4%
Revised Revenue Funding	9,790.7	10,209.7	10,655.0	11,049.8
<i>year-on-year increase</i>		4.3%	4.4%	3.7%
<i>less top slice for Police¹</i>		23.5	31.0	39.5
<i>less Revenue to be distributed later:</i>				
Teachers Induction Scheme		37.6	37.6	37.6
Criminal Justice Social Work		86.4	86.4	86.4
Funding for Council Tax Freeze		²	70.0 ²	140.0 ²
Distributable Revenue Funding		10,062.2	10,430.0	10,746.3
General Revenue Grant		7,335.4	9,648.5	10,091.7
Non-Domestic Rate Income		1,962.8	inc above	inc above
Ring-fenced Revenue Grants		763.9	781.5	654.5
Capital	860.4	974.6	992.6	993.6
<i>year-on-year increase</i>		13.3%	1.8%	0.1%
<i>less Capital to be distributed later</i>		249.2	252.9	255.5
Distributable Capital Funding		725.3	739.7	738.1
General Capital Grant		391.1	405.5	403.8
Ring-fenced Capital Grant	554.8	29.1	29.1	29.1
Supported Borrowing	305.2	305.2	305.2	305.2

1. The extra police officers funding resulting from stage 3 of the Budget Bill has been added to the original top slice for extra Police (£13.5/18/22.5 million).

2. £70 million for 2008-09 distributed by the Local Government Finance (Scotland) Amendment Order 2008.

Local Authority	2008-09 Share of £70 Million
Aberdeen City	3.300
Aberdeenshire	3.533
Angus	1.392
Argyll & Bute	1.414
Clackmannanshire	0.648
Dumfries & Galloway	1.866
Dundee City	1.762
East Ayrshire	1.471
East Dunbartonshire	1.651
East Lothian	1.363
East Renfrewshire	1.388
Edinburgh, City of	6.898
Eilean Siar	0.294
Falkirk	1.831
Fife	4.690
Glasgow City	7.783
Highland	3.235
Inverclyde	1.040
Midlothian	1.107
Moray	1.142
North Ayrshire	1.733
North Lanarkshire	3.672
Orkney Islands	0.231
Perth & Kinross	2.154
Renfrewshire	2.366
Scottish Borders	1.524
Shetland Islands	0.256
South Ayrshire	1.663
South Lanarkshire	3.922
Stirling	1.373
West Dunbartonshire	1.208
West Lothian	2.090
Scotland	70.000

INDIVIDUAL REVENUE ALLOCATIONS FOR 2008-11

ANNEX C

2008-09 Local Authority	EXPENDITURE					FUNDING				
	(1) Updated Service Provision	(2) SR07 Extra Funding	(3) Loan Charges/ PPP/LPFS	(4) Floor	(5) Total Estimated Expenditure	(6) Assumed Council Tax contribution	(7) Ring- fenced Grants	(8) Non- Domestic Rates	(9) General Revenue Funding	(10) Total Revenue Support
Aberdeen City	371.638	18.420	29.928	-0.579	419.407	78.516	28.931	79.357	232.603	340.892
Aberdeenshire	443.445	21.004	29.223	-0.688	492.984	89.733	21.514	90.627	291.109	403.250
Angus	217.019	9.976	15.997	-0.341	242.652	38.221	12.255	41.934	150.241	204.430
Argyll & Bute	212.143	10.148	31.925	-0.349	253.867	34.889	12.496	35.056	171.425	218.977
Clackmannanshire	98.100	4.473	7.154	-0.152	109.575	16.917	6.564	18.758	67.337	92.659
Dumfries & Galloway	311.686	13.941	25.958	-0.499	351.087	52.913	18.938	56.783	222.453	298.173
Dundee City	309.904	13.797	25.773	-0.496	348.978	43.115	30.106	54.535	221.223	305.863
East Ayrshire	240.273	10.834	15.910	1.729	268.746	37.029	17.084	45.759	168.875	231.717
East Dunbartonshire	197.114	9.220	14.266	-0.303	220.297	41.925	9.345	40.454	128.573	178.372
East Lothian	178.111	9.604	15.147	-0.275	202.587	36.353	9.271	35.609	121.354	166.234
East Renfrewshire	180.162	8.087	16.880	-0.273	204.856	35.842	7.130	34.251	127.632	169.014
Edinburgh, City of	817.997	39.661	97.947	-1.275	954.330	178.819	67.633	177.799	530.080	775.511
Eilean Siar	79.672	3.364	20.650	13.044	116.731	8.490	4.333	10.108	93.800	108.241
Falkirk	281.357	12.998	26.512	-0.445	320.421	50.500	17.113	57.416	195.392	269.922
Fife	688.314	31.653	48.926	-1.087	767.807	121.171	40.908	137.683	468.045	646.636
Glasgow City	1,373.690	61.293	160.948	-2.213	1,593.718	194.341	158.505	222.748	1,018.124	1,399.377
Highland	473.933	22.167	49.630	-0.782	544.948	81.183	28.086	82.591	353.087	463.765
Inverclyde	178.182	7.860	16.864	0.188	203.093	25.610	16.998	31.278	129.208	177.484
Midlothian	161.847	7.619	13.328	-0.251	182.544	27.121	9.257	30.415	115.750	155.422
Moray	168.385	7.782	12.991	0.140	189.298	28.991	9.771	33.277	117.259	160.306
North Ayrshire	285.876	12.760	20.981	-0.444	319.173	45.048	20.182	51.973	201.970	274.125
North Lanarkshire	660.733	29.055	44.823	-1.033	733.578	101.606	51.627	124.199	456.146	631.972
Orkney Islands	63.074	2.607	9.275	-0.120	74.836	6.712	2.173	7.584	58.368	68.124
Perth & Kinross	265.691	12.970	18.938	-0.413	297.186	55.136	15.033	53.776	173.241	242.050
Renfrewshire	350.819	15.781	30.807	-0.544	396.863	60.455	27.284	65.053	244.071	336.408
Scottish Borders	223.427	10.542	20.117	-0.365	253.722	40.876	13.646	42.287	156.912	212.846
Shetland Islands	82.271	3.221	16.243	-0.164	101.570	7.038	4.620	8.393	81.520	94.533
South Ayrshire	220.231	10.250	13.968	-0.072	244.376	42.443	12.451	42.836	146.648	201.934
South Lanarkshire	604.423	27.240	41.239	-0.938	671.964	105.108	40.796	118.020	408.041	566.856
Stirling	178.042	8.187	16.268	-0.279	202.218	32.544	10.979	33.683	125.012	169.674
West Dunbartonshire	211.104	9.180	14.625	-0.223	234.687	30.820	20.137	34.999	148.731	203.867
West Lothian	313.442	15.801	19.631	-0.497	348.376	54.836	18.781	63.561	211.198	293.541
Scotland	10,442.106	481.495	942.873	0.000	11,866.474	1,804.300	763.946	1,962.800	7,335.428	10,062.174

INDIVIDUAL REVENUE ALLOCATIONS FOR 2008-11

ANNEX C

2009-10 Local Authority	EXPENDITURE					FUNDING				(10) Share of £70m	(11) Total
	(1) Updated Service Provision	(2) SR07 Extra Funding	(3) Loan Charges/ PPP/LPFS	(4) Floor	(5) Total Estimated Expenditure	(6) Assumed Council Tax contribution	(7) Ring- fenced Grants	(8) General Revenue Funding	(9) Total Revenue Support		
Aberdeen City	373.214	31.178	30.478	-0.994	433.876	79.044	29.807	325.025	354.832	3.300	358.132
Aberdeenshire	444.528	36.130	29.669	-1.188	509.139	91.193	22.143	395.803	417.946	3.533	421.478
Angus	218.074	17.426	16.403	-0.588	251.316	38.634	12.423	200.258	212.681	1.392	214.072
Argyll & Bute	210.437	17.254	32.603	-0.602	259.692	35.324	13.070	211.299	224.369	1.414	225.782
Clackmannanshire	100.348	7.758	7.340	-0.263	115.183	17.149	6.887	91.147	98.035	0.648	98.683
Dumfries & Galloway	314.068	24.495	26.219	-0.859	363.924	53.593	19.323	291.008	310.331	1.866	312.197
Dundee City	308.984	24.115	25.803	-0.848	358.054	43.373	29.794	284.887	314.680	1.762	316.442
East Ayrshire	240.408	19.171	16.385	-0.656	275.309	37.430	17.527	220.352	237.879	1.471	239.349
East Dunbartonshire	200.643	16.080	14.043	-0.518	230.248	42.341	9.784	178.122	187.906	1.651	189.557
East Lothian	178.031	15.720	15.710	-0.477	208.984	36.925	9.671	162.388	172.059	1.363	173.423
East Renfrewshire	180.114	14.265	17.055	-0.474	210.960	36.355	7.327	167.278	174.605	1.388	175.994
Edinburgh, City of	824.222	68.852	91.121	-2.181	982.013	182.033	69.379	730.601	799.980	6.898	806.878
Eilean Siar	80.365	6.018	20.041	13.769	120.194	8.560	4.316	107.318	111.634	0.294	111.928
Falkirk	285.774	22.826	26.914	-0.771	334.743	51.305	17.709	265.728	283.437	1.831	285.269
Fife	692.405	55.913	49.523	-1.884	795.956	123.275	43.325	629.357	672.682	4.690	677.372
Glasgow City	1,380.528	109.835	160.785	-3.823	1,647.325	196.880	163.191	1,287.254	1,450.445	7.783	1,458.228
Highland	475.059	38.258	50.629	-1.349	562.597	82.432	28.734	451.431	480.165	3.235	483.401
Inverclyde	178.106	13.949	17.031	-0.495	208.591	25.798	17.046	165.747	182.793	1.041	183.834
Midlothian	160.640	13.159	13.345	-0.432	186.712	27.426	9.617	149.669	159.286	1.107	160.393
Moray	169.063	13.533	13.305	-0.473	195.429	29.312	10.023	156.094	166.117	1.142	167.258
North Ayrshire	284.650	22.479	21.363	-0.766	327.726	45.600	20.571	261.554	282.125	1.733	283.859
North Lanarkshire	662.416	51.959	45.482	-1.791	758.066	103.077	51.808	603.181	654.989	3.672	658.660
Orkney Islands	63.370	4.731	9.316	-0.205	77.211	6.828	2.347	68.036	70.383	0.231	70.614
Perth & Kinross	268.236	22.234	18.945	-0.712	308.703	56.022	15.282	237.399	252.681	2.154	254.834
Renfrewshire	348.787	27.860	13.163	12.945	402.756	60.969	27.364	314.423	341.787	2.366	344.152
Scottish Borders	226.637	18.580	20.784	-0.633	265.368	41.611	14.248	209.509	223.757	1.524	225.282
Shetland Islands	82.465	5.913	15.701	0.381	104.460	7.141	4.795	92.524	97.319	0.256	97.575
South Ayrshire	221.242	17.975	14.429	-0.580	253.066	42.939	13.100	197.027	210.127	1.664	211.791
South Lanarkshire	606.204	48.348	41.815	-1.625	694.742	106.836	39.908	547.998	587.906	3.922	591.827
Stirling	178.572	14.263	16.458	-0.483	208.810	33.069	11.347	164.395	175.742	1.373	177.114
West Dunbartonshire	213.634	16.487	14.838	-0.559	244.401	31.160	20.259	192.982	213.241	1.208	214.449
West Lothian	318.202	27.016	19.790	-0.863	364.145	56.068	19.400	288.678	308.078	2.091	310.169
Scotland	10,489.426	843.782	926.488	0.000	12,259.696	1,829.700	781.523	9,648.473	10,429.996	70.000	10,499.996

INDIVIDUAL REVENUE ALLOCATIONS FOR 2008-11

ANNEX C

2010-11 Local Authority	EXPENDITURE					FUNDING				(10) Share of £140m	(11) Total
	(1) Updated Service Provision	(2) SR07 Extra Funding	(3) Loan Charges/ PPP/LPFS	(4) Floor	(5) Total Estimated Expenditure	(6) Assumed Council Tax contribution	(7) Ring- fenced Grants	(8) General Revenue Funding	(9) Total Revenue Support		
Aberdeen City	375.220	42.458	30.233	-1.325	446.586	79.542	28.391	338.652	367.043	6.600	373.643
Aberdeenshire	446.642	50.232	30.468	-1.596	525.747	92.695	21.895	411.157	433.052	7.065	440.118
Angus	219.639	24.206	16.581	-0.791	259.635	39.062	11.967	208.606	220.573	2.783	223.355
Argyll & Bute	209.504	23.031	33.301	-0.800	265.036	35.782	12.326	216.928	229.254	2.827	232.081
Clackmannanshire	100.844	10.754	7.512	-0.354	118.755	17.369	5.087	96.300	101.386	1.297	102.683
Dumfries & Galloway	318.670	34.175	26.620	-1.153	378.312	54.315	18.653	305.344	323.997	3.732	327.728
Dundee City	309.641	33.128	25.917	-1.135	367.551	43.650	22.498	301.404	323.902	3.523	327.424
East Ayrshire	240.549	26.148	16.906	-0.877	282.726	37.859	13.147	231.720	244.867	2.941	247.808
East Dunbartonshire	199.557	21.867	13.166	0.056	234.646	42.784	9.434	182.427	191.861	3.302	195.163
East Lothian	179.637	21.147	16.268	-0.644	216.408	37.578	9.546	169.284	178.830	2.726	181.556
East Renfrewshire	180.693	19.769	17.467	-0.637	217.291	36.896	6.876	173.519	180.395	2.777	183.172
Edinburgh, City of	826.783	92.664	76.600	7.082	1,003.129	185.505	63.717	753.908	817.624	13.795	831.419
Eilean Siar	81.537	8.490	19.513	14.326	123.865	8.638	3.880	111.346	115.227	0.588	115.815
Falkirk	288.359	31.753	26.927	-1.036	346.004	52.168	16.548	277.288	293.835	3.662	297.498
Fife	696.251	76.872	50.033	-2.521	820.635	125.481	39.435	655.719	695.155	9.380	704.535
Glasgow City	1,382.669	146.367	157.282	-4.152	1,682.166	199.673	113.836	1,368.657	1,482.493	15.567	1,498.060
Highland	478.313	53.066	51.632	-1.812	581.199	83.735	27.782	469.682	497.464	6.471	503.935
Inverclyde	178.170	18.871	16.892	-0.656	213.278	26.018	11.120	176.140	187.260	2.081	189.342
Midlothian	160.786	17.954	13.238	-0.579	191.399	27.743	9.181	154.475	163.656	2.214	165.870
Moray	171.650	18.812	13.602	-0.634	203.431	29.645	9.963	163.823	173.785	2.283	176.068
North Ayrshire	284.097	30.577	21.683	-1.021	335.335	46.192	15.427	273.717	289.144	3.466	292.610
North Lanarkshire	663.961	71.233	46.280	-2.401	779.074	104.673	38.144	636.257	674.400	7.344	681.744
Orkney Islands	65.100	6.728	9.350	-0.273	80.905	6.953	2.077	71.874	73.951	0.462	74.413
Perth & Kinross	272.613	30.669	19.149	-0.957	321.474	56.915	15.093	249.466	264.559	4.308	268.866
Renfrewshire	347.891	37.729	13.781	9.734	409.135	61.548	21.409	326.178	347.587	4.731	352.318
Scottish Borders	228.722	25.524	21.251	-0.851	274.646	42.357	14.142	218.147	232.289	3.049	235.338
Shetland Islands	82.817	8.454	15.291	0.514	107.075	7.246	4.539	95.291	99.829	0.512	100.342
South Ayrshire	221.642	24.458	14.851	-0.776	260.174	43.435	11.867	204.873	216.739	3.327	220.067
South Lanarkshire	606.335	66.167	43.285	-2.176	713.611	108.648	32.331	572.632	604.963	7.843	612.807
Stirling	179.279	19.738	16.711	-0.649	215.080	33.611	11.094	170.375	181.469	2.745	184.214
West Dunbartonshire	214.405	22.159	15.054	-0.743	250.875	31.520	15.036	204.319	219.355	2.416	221.772
West Lothian	322.057	36.896	19.882	-1.162	377.673	57.365	18.066	302.242	320.308	4.181	324.490
Scotland	10,534.033	1,152.096	916.725	0.000	12,602.854	1,856.600	654.507	10,091.747	10,746.254	140.000	10,886.254