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Local Government Finance Circular No. 7/2020

Chief Executives and Directors of Finance of Scottish
Local Authorities

Chief Executive, Convention of Scottish Local
Authorities (COSLA)

Our Reference: A27776718
7 April 2020

Dear Chief Executive/Director of Finance

BUSINESS RATES INCENTIVISATION SCHEME 2018-20

1. This Local Government Finance Circular provides details of the outcome of the Business Rates Incentivisation Scheme for 2018-19 and the final individual local authority targets for 2019-20.

2. The Scottish Government recognise the significant impact of COVID-19 on the business community, therefore the provisional targets for 2020-21 will be confirmed at a later date.

3. The full background and terms and conditions of the revised Business Rates Incentivisation Scheme were set out in Annex N of the Local Government Finance Circular No. 9/2014 dated 11 December 2014.

4. The various parts and annexes to this Circular, listed below, provide more of the detail behind the calculations.

Annex A: Business Rates Incentivisation Scheme 2018-19 sums to be retained;
and

Annex B: Business Rates Incentivisation Scheme 2019-20 final targets.

5. Any enquiries should be addressed to me: Bill Stitt 0131 244 7044 (mobile number 07894 669268) bill.stitt@gov.scot

6. This Circular is available on the Scottish Government website at:
<https://www.gov.scot/publications/local-government-finance-circulars-index/>

Yours faithfully

Wm Stitt

Bill Stitt

Local Government & Analytical Services Division

2018-19 BUSINESS RATE INCENTIVISATION SCHEME – SUMS TO BE RETAINED

Local Authority	Sum to be retained (£)
Argyll and Bute	101,983
Dumfries and Galloway	1,592,095
Dundee	517,668
East Ayrshire	307,944
East Lothian	723,912
Eilean Siar	17,707
Highland	227,963
Moray	1,858,975
Stirling	291,594
Total	5,639,841

1. The figures included in this table are the sums to be retained by each of the local authorities listed and represent the 50 per cent share of the additional rates income generated in 2018-19. The other 50 per cent has been retained by the Scottish Government as set out in paragraph 10 of Annex N of Local Government Finance Circular 9/2014.

2. The local authorities listed should exclude the sums involved in returning their future non domestic rates returns until the individual local targets have been rebased following the 2022 Non Domestic Rates revaluation.

BUSINESS RATE INCENTIVISATION SCHEME – 2019-20 FINAL TARGETS

Local Authority	Final buoyancy targets for 2019-20
Aberdeen City	1.1%
Aberdeenshire	1.3%
Angus	1.0%
Argyll & Bute	1.1%
Clackmannanshire	0.8%
Dumfries & Galloway	1.1%
Dundee City	1.0%
East Ayrshire	0.9%
East Dunbartonshire	0.7%
East Lothian	1.0%
East Renfrewshire	1.0%
Edinburgh, City of	0.9%
Eilean Siar	1.2%
Falkirk	1.0%
Fife	0.8%
Glasgow City	0.9%
Highland	1.3%
Inverclyde	0.8%
Midlothian	1.1%
Moray	1.4%
North Ayrshire	1.0%
North Lanarkshire	0.9%
Orkney Islands	0.8%
Perth & Kinross	0.9%
Renfrewshire	0.9%
Scottish Borders	0.7%
Shetland Islands	0.7%
South Ayrshire	1.0%
South Lanarkshire	1.0%
Stirling	1.1%
West Dunbartonshire	1.0%
West Lothian	1.0%
Scotland	1.0%

These finalised targets take into account final 2018-19 buoyancy data.