

Finance Circular No. 6/2009

By e-mail

Chief Executives and Directors of Finance of Scottish Local Authorities

Chief Executive, Convention of Scottish Local Authorities (COSLA)

Our ref: B2753108
25 March 2009

Dear Chief Executive/Director of Finance

1. LOCAL GOVERNMENT FINANCE SETTLEMENT: 2009-10 2. CHANGES TO CAPITAL FUNDING SUPPORT FOR 2009-10

1. The Scottish Parliament today debated and approved the Local Government Finance Act 1992 (Scotland) Amendment Order 2009, which provides the statutory authority to pay the amended General Revenue Funding (GRF or Revenue Support Grant) for 2009-10. The amended GRF includes the previously undistributed, additional £70 million as a result of local authorities freezing 2009-10 council tax rates at 2007-08 levels, as mentioned in paragraph 4 of Finance Circular 2/2009 issued on 11 February 2009. I can confirm that the £70 million has also been added to the 2010-11 baseline allocations. This Circular provides a summary of the figures contained in the Amendment Order, together with details of the Capital Funding Support for 2008-09 and 2009-10.

2. The annexes to this Circular are as follows:

- Annex A:** All Scotland Aggregate Funding Totals for 2008-10;
- Annex B:** Individual shares of the additional £70 million;
- Annex C:** Individual Revenue Allocations for 2009-10;
- Annex D:** Individual Capital Allocations for 2008-09;
- Annex E:** Individual Capital Allocations for 2009-10;
- Annex F:** Changes to Capital Funding Support for 2008-09; and,
- Annex G:** Changes to Capital Funding Support for 2009-10.

CHANGES TO CAPITAL FUNDING SUPPORT

3. This Finance Circular sets out the distribution of capital allocations for 2008-09 and 2009-10 and provides a reconciliation of any changes since the figures were previously confirmed.

4. **Annexes D and E** provide summaries of the total individual capital allocations for 2008-09 and 2009-10 broken down between allocations of General Capital Grant, Supported

Borrowing and Specific Capital Grants by local authority. Any capital allocations that remain undistributed at this time are identified.

5. **Annex F and G** provide reconciliations of the changes to the total Capital Funding Support for 2008-09 and 2009-10 from Finance Circular 2/2009 to this circular.

Enquiries relating to this Circular

6. As agreed with COSLA, any substantive specific enquiries relating to this Circular should be addressed through COSLA, in the first instance. We have given an undertaking to COSLA to respond to these queries as quickly as possible. The contact details for COSLA are:

Brenda Campbell
0131 474 9229
brenda@cosla.gov.uk

7. The Circular is being sent electronically to the Chief Executive of COSLA, Chief Executives and Directors of Finance of each local authority and will be made available through the Local Government section of the Scottish Government website at:

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

8. Any other queries should be addressed to the following:

Local Government Finance Settlement (Revenue)

Bill Stitt 0131 244 7044
bill.stitt@scotland.gsi.gov.uk

Local Government Finance Settlement (Capital)

Simon Stone 0131 244 7950
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Non-Domestic Rates

Marianne Cook 0131 244 5328
marianne.cook@scotland.gsi.gov.uk

Yours faithfully



David Henderson

Deputy Director, Local Government Division

	2008-09 £million	2009-10 £million
Total Revenue Funding <i>Changes since Finance Circular 2/2009</i>	10,209.700 20.000	10,788.868 0.000
Revised Revenue Funding	10,229.700	10,788.868
Total Capital Funding <i>Changes since Finance Circular 2/2009</i> Traveller's Sites (Partially distributed)	942.520 0.000	1,041.122 0.081
Revised Capital Funding	942.520	1,041.203
Revised Total Funding <i>year-on-year increase</i>	11,172.220 4.9%	11,830.071 5.9%
Revised Revenue Funding <i>year-on-year increase</i>	10,229.700 4.5%	10,788.868 5.5%
<i>less top slice for Police numbers</i>		31.000
<i>less top slice for Police pensions</i>		13.355
<i>less top slice for Police commutations</i>		17.700
<i>less Revenue Funding to be distributed later:</i>		
Teachers Induction Scheme		37.547
Criminal Justice Social Work		86.450
Funding for Council Tax Freeze (now distributed)		0.000
Distributable Revenue Funding	10,229.700	10,602.816
General Revenue Funding		7,679.796
Non-Domestic Rate Income		2,165.100
Ring-fenced Revenue Grants		757.920
Revised Capital Funding <i>year-on-year increase</i>	942.520 9.5%	1,041.203 10.5%
<i>less Capital Funding distributed directly to SPT and Fire Boards</i>	49.600	49.600
<i>less Undistributed amounts</i>	0.000	0.064
Distributable Capital Funding	892.920	991.539
General Capital Grant	364.039	462.641
Specific Capital Grants	223.725	223.742
Supported Borrowing	305.156	305.156

Local Authority	2009-10 Share of £70 million (£m)
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	1.041
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	1.664
South Lanarkshire	3.922
Stirling	1.373
West Dunbartonshire	1.208
West Lothian	2.091
Scotland	70.000

INDIVIDUAL REVENUE ALLOCATIONS

ANNEX C

2009-10 £ million	EXPENDITURE					FUNDING				
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Local Authority	Updated Service Provision	SR07 Extra Funding	Loan Charges / PPP / LPFS	Floor	Total Estimated Expenditure	Assumed Council Tax Contribution	Ring-fenced Grants	Non-Domestic Rates	General Revenue Funding	Total Revenue Support
Aberdeen City	373.214	38.160	30.478	-0.994	440.858	79.044	29.038	88.074	244.701	361.814
Aberdeenshire	444.528	44.050	29.669	-1.188	517.059	91.193	21.330	100.659	303.876	425.866
Angus	218.074	20.452	16.403	-0.588	254.341	38.634	11.966	46.242	157.499	215.707
Argyll & Bute	210.437	21.926	32.603	-0.602	264.365	35.324	12.722	38.448	177.871	229.041
Clackmannanshire	100.348	9.105	7.340	-0.263	116.529	17.149	6.685	21.002	71.693	99.380
Dumfries & Galloway	314.068	29.089	26.219	-0.859	368.517	53.593	18.564	62.417	233.944	314.924
Dundee City	308.984	28.257	25.803	-0.848	362.195	43.373	28.929	59.828	230.065	318.822
East Ayrshire	240.408	24.039	16.385	-0.656	280.177	37.430	17.277	50.325	175.145	242.747
East Dunbartonshire	200.643	20.545	14.043	-0.518	234.714	42.341	9.493	44.129	138.751	192.373
East Lothian	178.031	18.518	15.710	-0.477	211.782	36.925	9.365	39.748	125.744	174.857
East Renfrewshire	180.114	19.042	17.055	-0.474	215.737	36.355	7.148	37.568	134.666	179.382
Edinburgh (City of)	824.222	90.157	91.121	-2.181	1,003.319	182.033	66.813	197.002	557.471	821.286
Eilean Siar	80.365	6.691	20.041	13.769	120.867	8.560	4.219	11.069	97.019	112.307
Falkirk	285.774	28.859	26.914	-0.771	340.775	51.305	17.536	63.435	208.499	289.470
Fife	692.405	66.589	49.523	-1.884	806.632	123.275	42.223	151.728	489.407	683.357
Glasgow City	1,380.528	124.164	160.785	-3.823	1,661.654	196.880	159.731	244.927	1,060.116	1,464.774
Highland	475.059	47.318	49.229	-1.349	570.258	82.432	27.400	91.517	368.909	487.826
Inverclyde	178.106	16.446	17.031	-0.495	211.088	25.798	16.816	34.125	134.349	185.290
Midlothian	160.640	15.323	13.345	-0.432	188.876	27.426	9.384	33.464	118.601	161.450
Moray	169.063	15.653	13.305	-0.473	197.549	29.312	9.647	36.562	122.028	168.237
North Ayrshire	284.650	28.451	21.363	-0.766	333.697	45.600	20.238	57.139	210.720	288.097
North Lanarkshire	662.416	60.747	45.482	-1.791	766.854	103.077	48.986	136.652	478.139	663.777
Orkney Islands	63.370	6.212	9.316	-0.205	78.692	6.828	2.200	8.359	61.305	71.864
Perth & Kinross	268.236	26.525	18.945	-0.712	312.994	56.022	14.620	59.824	182.528	256.972
Renfrewshire	348.787	33.098	13.163	12.945	407.994	60.969	26.713	71.382	248.931	347.025
Scottish Borders	226.637	22.942	20.784	-0.633	269.729	41.611	13.655	46.899	167.564	228.118
Shetland Islands	82.465	5.971	15.701	0.381	104.518	7.141	4.132	9.238	84.007	97.377
South Ayrshire	221.242	21.928	14.429	-0.580	257.019	42.939	12.855	47.008	154.217	214.080
South Lanarkshire	606.204	56.504	41.815	-1.625	702.898	106.836	38.881	130.263	426.919	596.062
Stirling	178.572	18.212	16.458	-0.483	212.759	33.069	10.841	37.118	131.731	179.690
West Dunbartonshire	213.634	20.735	14.838	-0.559	248.648	31.160	19.787	38.338	159.363	217.488
West Lothian	318.202	32.294	19.790	-0.863	369.422	56.068	18.725	70.611	224.018	313.354
Scotland	10,489.426	1,018.002	925.088	0.000	12,432.516	1,829.700	757.920	2,165.100	7,679.796	10,602.816

£ Million	2008-09			
	General Capital Grant	Supported Borrowing	Specific Capital Grants	Total Support for Capital
Aberdeen City	13.875	10.321	3.149	27.345
Aberdeenshire	14.197	17.335	1.632	33.164
Angus	6.460	7.476	1.238	15.174
Argyll & Bute	6.154	8.482	3.467	18.103
Clackmannanshire	2.851	3.310	0.666	6.827
Dumfries & Galloway	10.267	12.313	2.462	25.042
Dundee City	12.424	7.313	4.276	24.013
East Ayrshire	4.667	7.130	1.173	12.970
East Dunbartonshire	4.656	5.810	0.978	11.444
East Lothian	5.414	5.778	1.782	12.974
East Renfrewshire	2.848	5.120	0.720	8.688
Edinburgh, City of	44.167	21.274	43.914	109.355
Eilean Siar	3.786	4.302	3.371	11.459
Falkirk	8.829	8.073	1.346	18.248
Fife	24.660	18.268	2.089	45.017
Glasgow City	57.245	26.867	114.185	198.297
Highland	22.068	19.376	6.395	47.839
Inverclyde	4.337	4.669	1.345	10.351
Midlothian	5.151	4.965	0.663	10.779
Moray	14.116	6.438	1.434	21.988
North Ayrshire	7.740	7.652	1.457	16.849
North Lanarkshire	17.187	15.753	5.690	38.630
Orkney	2.206	3.218	1.158	6.582
Perth & Kinross	9.071	9.639	2.065	20.775
Renfrewshire	9.780	8.786	2.008	20.574
Scottish Borders	6.985	9.185	1.458	17.628
Shetland	2.379	3.316	1.021	6.716
South Ayrshire	5.736	6.844	1.365	13.945
South Lanarkshire	14.928	16.027	7.264	38.219
Stirling	5.164	6.107	1.375	12.646
West Dunbartonshire	5.820	5.070	0.982	11.872
West Lothian	8.871	8.939	1.597	19.407
Undistributed ¹	0.000	0.000	49.600	49.600
SCOTLAND	364.039	305.156	273.325	942.520

Note 1 - Grants Distributed Directly

Strathclyde RPT	25.000
Fire Capital Grant	24.600

£ Million	2009-10			
	General Capital Grant	Supported Borrowing	Specific Capital Grants	Total Support for Capital
Aberdeen City	17.250	10.321	3.153	30.724
Aberdeenshire	20.416	17.335	1.743	39.494
Angus	9.002	7.476	1.247	17.725
Argyll & Bute	10.843	8.482	3.347	22.672
Clackmannanshire	3.724	3.310	0.644	7.678
Dumfries & Galloway	14.596	12.313	2.427	29.336
Dundee City	14.637	7.313	4.255	26.205
East Ayrshire	6.901	7.130	1.193	15.224
East Dunbartonshire	6.393	5.810	1.030	13.233
East Lothian	7.169	5.778	1.739	14.686
East Renfrewshire	4.448	5.120	0.759	10.327
Edinburgh, City of	46.565	21.274	44.091	111.930
Eilean Siar	5.622	4.302	3.200	13.124
Falkirk	10.850	8.073	1.357	20.280
Fife	28.774	18.268	2.250	49.292
Glasgow City	65.222	26.867	114.130	206.219
Highland	25.189	19.376	6.290	50.855
Inverclyde	5.787	4.669	1.324	11.780
Midlothian	6.701	4.965	0.671	12.337
Moray	24.374	6.438	1.402	32.214
North Ayrshire	8.328	7.652	1.465	17.445
North Lanarkshire	22.567	15.753	5.749	44.069
Orkney	3.888	3.218	1.106	8.212
Perth & Kinross	11.712	9.639	2.053	23.404
Renfrewshire	12.642	8.786	2.063	23.491
Scottish Borders	10.057	9.185	1.449	20.691
Shetland	4.152	3.316	0.966	8.434
South Ayrshire	7.887	6.844	1.476	16.207
South Lanarkshire	20.733	16.027	7.258	44.018
Stirling	7.210	6.107	1.337	14.654
West Dunbartonshire	7.183	5.070	0.972	13.225
West Lothian	11.818	8.939	1.596	22.353
Undistributed ^{1 2}	0.000	0.000	49.664	49.664
SCOTLAND	462.641	305.156	273.406	1,041.203

Note 1 - Grants distributed directly

Strathclyde RPT	25.000
Fire Capital Grant	24.600

Note 2 - Undistributed Grants

Traveller's Funding	0.064
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£ Million Local Authority	Circular 2/2009 Total Support For Capital	Now Distributed		Total 2008-09
		Local Regeneration	Travellers Sites	
Aberdeen City	27.150	0.195		27.345
Aberdeenshire	32.941	0.223		33.164
Angus	15.072	0.102		15.174
Argyll & Bute	17.951	0.030	0.122	18.103
Clackmannanshire	6.737	0.047	0.043	6.827
Dumfries & Galloway	24.904	0.138		25.042
Dundee City	23.794	0.132	0.087	24.013
East Ayrshire	12.858	0.112		12.970
East Dunbartonshire	11.346	0.098		11.444
East Lothian	12.637	0.088	0.249	12.974
East Renfrewshire	8.605	0.083		8.688
Edinburgh (City of)	108.919	0.436		109.355
Eilean Siar	11.459			11.459
Falkirk	18.037	0.140	0.071	18.248
Fife	44.646	0.336	0.035	45.017
Glasgow City	197.755	0.542		198.297
Highland	47.672		0.167	47.839
Inverclyde	10.275	0.076		10.351
Midlothian	10.705	0.074		10.779
Moray	21.988			21.988
North Ayrshire	16.729	0.120		16.849
North Lanarkshire	38.328	0.302		38.630
Orkney Islands	6.582			6.582
Perth & Kinross	20.585	0.132	0.058	20.775
Renfrewshire	20.416	0.158		20.574
Scottish Borders	17.524	0.104		17.628
Shetland Islands	6.716			6.716
South Ayrshire	13.841	0.104		13.945
South Lanarkshire	37.886	0.288	0.045	38.219
Stirling	12.517	0.082	0.047	12.646
West Dunbartonshire	11.787	0.085		11.872
West Lothian	19.175	0.156	0.076	19.407
Total Distributed	887.537	4.383	1.000	892.920
Fire Boards	24.600			24.600
Strathclyde RPT	25.000			25.000
Undistributed	5.383	-4.383	-1.000	0.000
SCOTLAND	942.520	0.000	0.000	942.520

£ Million	Circular 2/2009 Total Support For Capital	Now Distributed			Total 2009-10
		Piers & Harbours	AHIP (TMDF)	Travellers Sites	
Local Authority					
Aberdeen City	30.724				30.724
Aberdeenshire	39.494				39.494
Angus	17.725				17.725
Argyll & Bute	21.760	0.794		0.118	22.672
Clackmannanshire	7.637			0.041	7.678
Dumfries & Galloway	29.336				29.336
Dundee City	26.120			0.085	26.205
East Ayrshire	15.224				15.224
East Dunbartonshire	13.233				13.233
East Lothian	14.445			0.241	14.686
East Renfrewshire	10.327				10.327
Edinburgh (City of)	75.830		36.100		111.930
Eilean Siar	12.579	0.545			13.124
Falkirk	20.212			0.068	20.280
Fife	49.292				49.292
Glasgow City	123.219		83.000		206.219
Highland	50.031	0.661		0.163	50.855
Inverclyde	11.780				11.780
Midlothian	12.337				12.337
Moray	32.214				32.214
North Ayrshire	17.445				17.445
North Lanarkshire	44.069				44.069
Orkney Islands	7.399	0.813			8.212
Perth & Kinross	23.348			0.056	23.404
Renfrewshire	23.491				23.491
Scottish Borders	20.691				20.691
Shetland Islands	7.647	0.787			8.434
South Ayrshire	16.125			0.082	16.207
South Lanarkshire	43.975			0.043	44.018
Stirling	14.608			0.046	14.654
West Dunbartonshire	13.225				13.225
West Lothian	22.279			0.074	22.353
Total Distributed	867.822	3.600	119.100	1.017	991.539
Fire Boards	24.600				24.600
Strathclyde RPT	25.000				25.000
Undistributed	123.700	-3.600	-119.100	-0.936	0.064
SCOTLAND	1,041.122	0.000	0.000	0.081	1,041.203