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Local Government Finance Circular No. 7/2019

Chief Executives and Directors of Finance of Scottish
Local Authorities

Chief Executive, Convention of Scottish Local
Authorities (COSLA)

Our Reference: A2583996
1 October 2019

Dear Chief Executive/Director of Finance

BUSINESS RATES INCENTIVISATION SCHEME 2017-20

1. This Local Government Finance Circular provides details of the outcome of the Business Rates Incentivisation Scheme for 2017-18, the final individual local authority targets for 2018-19 and the provisional targets for 2019-20.

2. 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.

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

Annex A: Business Rates Incentivisation Scheme 2017-18 sums to be retained;

Annex B: Business Rates Incentivisation Scheme 2018-19 final targets; and

Annex C: Business Rates Incentivisation Scheme 2019-20 provisional targets.

4. Any enquiries should be addressed to me: Bill Stitt 0131 244 7044
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5. 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

2017-18 BUSINESS RATE INCENTIVISATION SCHEME – SUMS TO BE RETAINED

Local Authority	Sum to be retained (£)
Aberdeenshire	241,742
Dumfries and Galloway	1,481,766
Dundee	233
Edinburgh, City of Council	387,292
Highland Council	1,095,060
Midlothian Council	176,277
South Ayrshire Council	163,086
South Lanarkshire Council	8,568
West Dunbartonshire Council	55,313
West Lothian Council	144,494
Total	3,753,831

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 2017-18. 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 – 2018-19 FINAL TARGETS

Local Authority	Final buoyancy targets for 2018-19
Aberdeen City	1.7%
Aberdeenshire	1.9%
Angus	1.4%
Argyll & Bute	1.4%
Clackmannanshire	1.3%
Dumfries & Galloway	1.4%
Dundee City	1.3%
East Ayrshire	1.1%
East Dunbartonshire	1.4%
East Lothian	1.3%
East Renfrewshire	1.7%
Edinburgh, City of	1.4%
Eilean Siar	1.7%
Falkirk	1.5%
Fife	1.5%
Glasgow City	1.4%
Highland	1.8%
Inverclyde	1.4%
Midlothian	1.6%
Moray	1.8%
North Ayrshire	1.6%
North Lanarkshire	1.3%
Orkney Islands	1.3%
Perth & Kinross	1.4%
Renfrewshire	1.5%
Scottish Borders	1.2%
Shetland Islands	1.1%
South Ayrshire	1.5%
South Lanarkshire	1.5%
Stirling	1.4%
West Dunbartonshire	1.5%
West Lothian	1.4%
Scotland	1.5%

These finalised targets take into account final 2017-18 buoyancy data.

BUSINESS RATE INCENTIVISATION SCHEME – 2019-20 PROVISIONAL TARGETS

Local Authority	Provisional local buoyancy target 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	1.2%
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 targets are very preliminary estimates based on the data currently available, and will be updated once 2018-19 buoyancy data are finalised towards the end of April.