



**The Scottish
Government**

Scottish Local Government Financial Statistics 2012-13



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EXECUTIVE SUMMARY

Revenue Expenditure

Net revenue expenditure (revenue expenditure to be financed from General Revenue Funding, local taxation and balances) on services increased slightly from £11.5 billion in 2011-12 to £11.6 billion in 2012-13. The highest spending service in the general fund is education which had net expenditure of £4.59 billion (40% of net expenditure). Social Work is the next largest service with net expenditure of £2.96 billion (26% of net expenditure).

Revenue Income

Total revenue income grew very slightly from £17.87 billion in 2011-12 to £17.95 billion in 2012-13. The main source of revenue income is General Revenue Funding, providing around 43% of total revenue income, with local taxation as the next largest source providing around 23% of income.

Council Tax

- The average Band D council tax in Scotland was £1,149 in 2012-13.
- Council tax income was £1.9 billion in 2012-13 (excluding council tax benefit).

The total number of chargeable dwellings (i.e. the tax base) has increased slightly each year, rising from 2.365 million in September 2009 to 2.410 million in September 2013.

As a result of the council tax freeze, council tax levels have remained fixed since 2007-08 (except in Stirling where there was a slight drop in the council tax level in 2008-09).

Non-domestic Rates

Non-domestic rates bills are calculated using the rateable value of a non-domestic property, multiplied by the poundage rate (45.0 pence in 2012-13) less any relief entitlement.

- As at 1st April 2013, there were 219,441 non-domestic properties on the Valuation Roll, with a total rateable value of £6.716 billion.
- The non-domestic rates 'Distributable Amount' (as described in chapter 2) was £2.263 billion in 2012-13.
- The gross amount of non-domestic rates relief provided in 2012-13 was £0.588 billion.

The total rateable value (RV) of non-domestic rate properties has increased from £6.612 billion at revaluation (1 April 2010) to £6.716 billion at 1st April 2013. This increase in the tax base is due to the net impact of several factors including increased RV from new properties and extensions, and decreases in RV as appeals are resolved or properties demolished.

Non-domestic rate income collected increased from £2.251 billion in 2011-12 to £2.347 billion in 2012-13. An inflationary increase in the poundage rate (from 42.6 pence to 45.0 pence) is the key driver of this increase in income.

Capital Expenditure

Total expenditure funded from capital resources was £2.55 billion in 2012-13 (£0.61 billion in the housing revenue account and £1.94 billion in the General Fund), compared to £2.66 billion in 2011-12 – a fall of £112m. The majority of capital expenditure went on new construction, conversions and enhancements to existing buildings, this category accounted for around 80% of expenditure.

General fund capital expenditure in 2012-13 was £1,942 million. The services with the highest capital expenditure were education with £517 million (27%) and roads and transport which had expenditure of £503 million (26%).

Reserves

On 1 April 2012 Local Authorities had total revenue reserves of £1.68 billion; over the course of the year this rose by £0.15 billion (9%) to stand at £1.83 billion on 31st March 2013. Capital reserves fell by £0.02 billion (4%), from £0.59 billion to £0.57 billion.

Local Government Pensions

- Local Government Pension Funds income in 2012-13 was £4.18 billion.
- Local Government Pension Funds expenditure in 2012-13 was £1.14 billion

Pension fund expenditure on benefits (including increases under the Pensions (Increase) Acts) has increased from £1.02 billion in 2011-12 to £1.03 billion in 2012-13. Net Profits on Realisation of Investments is the most variable component of the total Pension Funds Income and increased from £69 million in 2011-12 to £2.3 billion in 2012-13. Total income excluding net profits on realisation of investments increased from £1.65 billion in 2011-12 to £1.85 billion in 2012-13.

1. Local Government Revenue Expenditure and Income

1.1 Total Revenue Income and Expenditure

Total gross revenue expenditure by local government in Scotland in 2012-13 was £16.8 billion. The majority of expenditure is in the general fund although over £1 billion of expenditure was in the Housing Revenue Account (HRA) and Significant (Internal) Trading Operations. Further details on these different funds are laid out in sections 2.2 and 2.3.

Table 1.1 details revenue income and expenditure for 2012-13. Throughout the table expenditure is positive and income negative. The biggest single element of gross expenditure were employee costs which account for £7.70 billion of all expenditure. The second largest element was operating costs (which includes property costs, supplies and services costs, transport and payments to agencies and other bodies) which account for £7.12 billion.

Transfer payments are those made to individuals for which no goods or services are received in return by the local authority. The majority of transfer payments are housing benefits which make up £1.66 billion of the total of £2.04 billion. An adjustment for Inter Account and Inter Authority Transfers is made to the gross expenditure to take account of transfers between local authorities and between different services within an authority and ensure that expenditure is not counted twice.

Support services are those paid for services that support the provision of services to the public (including IT, Human Resources, Legal Services, Procurement Services and Corporate Services). In 2012-13 as part of a wider review of the Local Financial Returns (LFRs) the definition of support services was changed to be more prescriptive as to what should and should not be included. This was done to improve comparability of support services costs between local authorities and means that data for support services expenditure in 2012-13 may not be directly comparable with past years.

The surplus or deficit on the provision of service provides an important link between income and expenditure data, and data on reserves, debt and interest costs which were previously collected separately. This allows a greater level of analysis to be undertaken on the relationship between authorities' expenditure, income, funding, debt and reserves. The impact of this can be seen in a number of the tables in Sections 1 and 3 of this publication, in particular in Tables 1.1 and 3.1 which now link together what councils spend, raise and receive with the reserves they hold.

Local authorities are required to ensure that their LFRs are directly comparable to their published audited accounts. This should ensure that the data provided is more comparable across authorities and there is less opportunity for error when classifying expenditure across different services within an authority.

Table 1.1 – Total Revenue Income and Expenditure, 2012-13

£ thousands

	Total	General Fund Services ¹	Housing Revenue Account	Significant Trading Operations	Road Bridges	Common Good Fund
Employee Costs	7,696,485	7,211,751	136,700	343,725	4,159	150
Operating Costs	7,117,224	6,190,414	454,878	451,056	6,931	13,945
Support Service Costs	900,480	806,506	64,442	28,972	115	445
Transfer payments	2,036,432	2,034,197	1,985	180	0	70
Revenue Contributions to Capital	285,369	94,151	190,810	368	0	40
Adjustment for Inter Account and Inter Authority Transfers	-1,225,637	-568,298	-28,890	-621,143	-4,979	-2,327
Gross Expenditure	16,810,353	15,768,721	819,925	203,158	6,226	12,323
Government Grants ²	-2,640,323	-2,619,484	-9,530	-5	-11,304	0
Other Grants Reimbursements and Contributions	-824,685	-790,289	-10,567	-17,497	-6,300	-32
Customer and Client Receipts	-2,581,251	-1,296,127	-1,034,306	-239,625	-80	-11,113
Total Income	-6,046,259	-4,705,900	-1,054,403	-257,127	-17,684	-11,145
Net Revenue Expenditure (excl Ring Fenced Grants)	10,764,094	11,062,821	-234,478	-53,969	-11,458	1,178
Interest Paid	805,726	683,665	121,904	47	0	110
Interest Received	-32,475	-29,522	-2,391	-18	-66	-478
Investment Income	-39,094	-35,007	-1,927	-22	0	-2,138
Pension interest and expected gains / losses on IAS 19	265,113	262,851	2,170	0	92	0
Sub-Total	999,270	881,987	119,756	7	26	-2,506
General Revenue Funding	-7,782,446	-7,782,446				
NDRI Distributable Amount	-2,296,949	-2,296,949				
Council Tax	-2,320,521	-2,318,875	-1,646			
Arrears of Local Tax Collection	1,806	1,806				
Other	-144,740	-134,642	-10,098			
Sub-Total	-12,542,850	-12,531,106	-11,744	0	0	
Depreciation and Impairment of non-current assets	1,769,939	1,545,687	217,084		7,168	
Amortisation and Impairment of Intangible Assets	8,561	8,471	90		0	
Movement in the fair value of investment properties	-4,164	-4,395	208		23	
Surplus or deficit on Trading Operations not included above	0	-43,642	0	43,642	0	
Surplus or deficit on Significant Trading Operations not included above	-2,811	-2,811				
Gain or loss on the disposal of Property, Plant and Equipment	54,121	53,930	95		96	
Reversal of Employer's contribution to pension fund/benefits payments made	-460,743	-443,868	-16,458		-417	
Post-retirement benefits - IAS 19	803,138	784,578	18,191		369	
Short term accumulating absences	-24,266	-24,473	224		-17	
Govt Capital grants and contributions credited to the CI&ES	-592,145	-555,933	-34,612		-1,600	
Non- Govt Capital grants and contributions credited to the CI&ES	-54,942	-50,356	-4,586		0	
Reversal of Revenue Contribution to Capital	-284,961	-94,151	-190,810		0	
Difference in Requisitions	8,516	8,516	0		0	
Surplus or deficit on the provision of services	452,405	595,255	-137,040		-5,810	

1. Includes trading services and non-HRA housing. For a breakdown of expenditure in these areas, refer to Table 1.2 and Annexes A & B

2. Excluding General Revenue Funding

Source: Local Financial Returns – LFR 00

1.2 Non-General Fund Revenue Income and Expenditure

1.2.1 HRA

The Housing Revenue Account (HRA) records income and expenditure relating to Local Authority housing stock. Whilst most other Local Authority services are funded through a combination of non-domestic rates and council tax income plus Government grants, the HRA is a ring-fenced account, and expenditure is funded by housing rents and Government subsidies.

1.2.2 Trading Services

Trading service accounts cover the finances of Local Authority operated services that are commercial in nature. They are financed by the charges made by a Local Authority to the recipients of the services they provide.

The main trading services are Local Authority Transport (buses, ferries and other Local Authority transport undertakings), Fishery harbours and markets and other trading services (including airports, other harbours and bridges).

1.2.3 Road Bridges

From 2008-09, the funding arrangements for the Forth and Tay bridge authorities changed. Under the Abolition of Bridge Tolls (Scotland) Act 2008, the bridge authorities stopped receiving income from tolls and, instead, started receiving a revenue grant from Transport Scotland. For capital expenditure, bridge authorities also started receiving a capital grant from Transport Scotland, so are no longer reliant on borrowing through their constituent authorities from the Loans Fund. Despite this change in funding, Local Authorities continue to provide services for the bridge authorities by way of contract.

1.2.4 Common Good

Common good funds and assets are those held by local authorities which were, in effect, gifted to the local community (usually a previous burgh council). When managing common good funds and assets, local authorities are expected to have regard to the interests of inhabitants of the former burgh area to which the assets relate (except for Aberdeen City, Dundee City, City of Edinburgh and Glasgow City, where the local authority should have regard to the interests of all residents in the council area).

Common Good Fund income and expenditure is recorded in a separate set of accounts. Some property held within a Local Authority's Common Good Fund can be sold, while some must be maintained in trust for the community. The fund is used for projects that are for the common good of all residents.

1.3 General Fund Revenue Income and Expenditure

The highest spending service in the general fund is education which had net expenditure of £4.59 billion (this makes up 40% of net expenditure). Of this total £1.76 billion was spent on primary education and £1.87 billion on secondary education with the remainder spent on pre-primary, special and community education. Education's share of total net expenditure has stayed the same at around 40% over the six years to 2012-13.

Social work is the next largest service with net expenditure of £2.96 billion (26% of total net expenditure). Data on social work expenditure is collected on the basis of client groups. Of the client groups identified in the LFRs, older persons has the highest expenditure of £1.29 billion followed by children and families with £0.82 billion and adults with learning difficulties with £0.50 billion.

A full breakdown of expenditure by sub-service is available in Annex A.

The single largest income source shown in Table 1.2 are the grants received by local authorities from the Department of Work and Pensions to fund housing benefits. These grants were worth £1.71 billion in 2012-13 and are shown as part of income in non-HRA housing.

Another significant source of income is customer and client receipts (including all charges to service users) which raised £1.30 billion across all services. Social work services also receive income from the NHS to provide services, the value of these payments in 2012-13 were £0.40 billion, up from £0.38 billion in 2011-12. A full breakdown of income by service can be found in Annex B.

Table 1.2 – General Fund Revenue Income and Expenditure, 2012-13

£ thousands

	Gross Expenditure	Income	Net Expenditure	Net Expenditure as % of Total Services	Ring Fenced Revenue Grants
Education	4,774,454	179,844	4,594,610	39.7%	8,361
Cultural and Related Services	703,107	89,432	613,675	5.3%	0
Social Work	3,785,476	823,859	2,961,617	25.6%	0
Police	1,240,749	219,302	1,021,447	8.8%	507,631
Fire	346,675	50,011	296,664	2.6%	0
Roads and Transport	695,844	208,566	487,278	4.2%	0
Environmental Services	784,331	128,769	655,562	5.7%	0
Planning & Economic Development	483,638	201,088	282,550	2.4%	0
Non-HRA Housing	2,326,819	2,011,115	315,704	2.7%	8,965
Central Services	573,071	210,842	362,229	3.1%	0
Trading Services	54,557	58,115	-3,558	0.0%	0
Net Cost of Service	15,768,721	4,180,943	11,587,778	100.0%	524,957
Interest and Investment Income	683,665	64,529	619,136		0
Statutory Repayment of Debt	595,343	0	595,343		0
Contributions to/from HRA	0	0	0		0
Surplus/deficit from Significant Trading Operations	-2,811	0	-2,811		0
Total	17,044,918	4,245,472	12,799,446		524,957

Source: Local Financial Returns – LFR 00

Revised accounting arrangements for Public Private Partnerships (PPP) and Public Finance Initiatives (PFI) were introduced from 1st April 2009. Therefore, from 2009-10 onwards revenue expenditure, statutory repayment of debt and interest and investment income for services in which there are PPP or PFI schemes is not directly comparable with previous years. See section 5.2 for further details. This affects the level of service expenditure when comparing 2008-09 to 2009-10 (and later years), especially in education where most councils have a PPP or PFI scheme in operation.

Table 1.3 – Net Revenue Expenditure by Service, 2008-09 to 2012-13

	£ millions				
	2008-09	2009-10 ¹	2010-11 ¹	2011-12	2012-13
Education	4,676	4,633	4,677	4,553	4,595
Social Work	2,684	2,825	2,861	2,873	2,962
Police ¹	1,100	1,125	978	1,018	1,021
Fire	320	332	313	286	297
Cultural & Related Services	628	662	638	618	614
Environmental Services	628	657	664	656	656
Roads & Transport	453	486	503	477	487
Central Services	469	632	560	419	362
Planning & Economic Development	289	332	313	292	283
Non-HRA Housing	427	420	394	331	316
Trading Services	-5	-9	-8	-12	-4
Total General Fund Expenditure	11,670	12,096	11,892	11,510	11,588

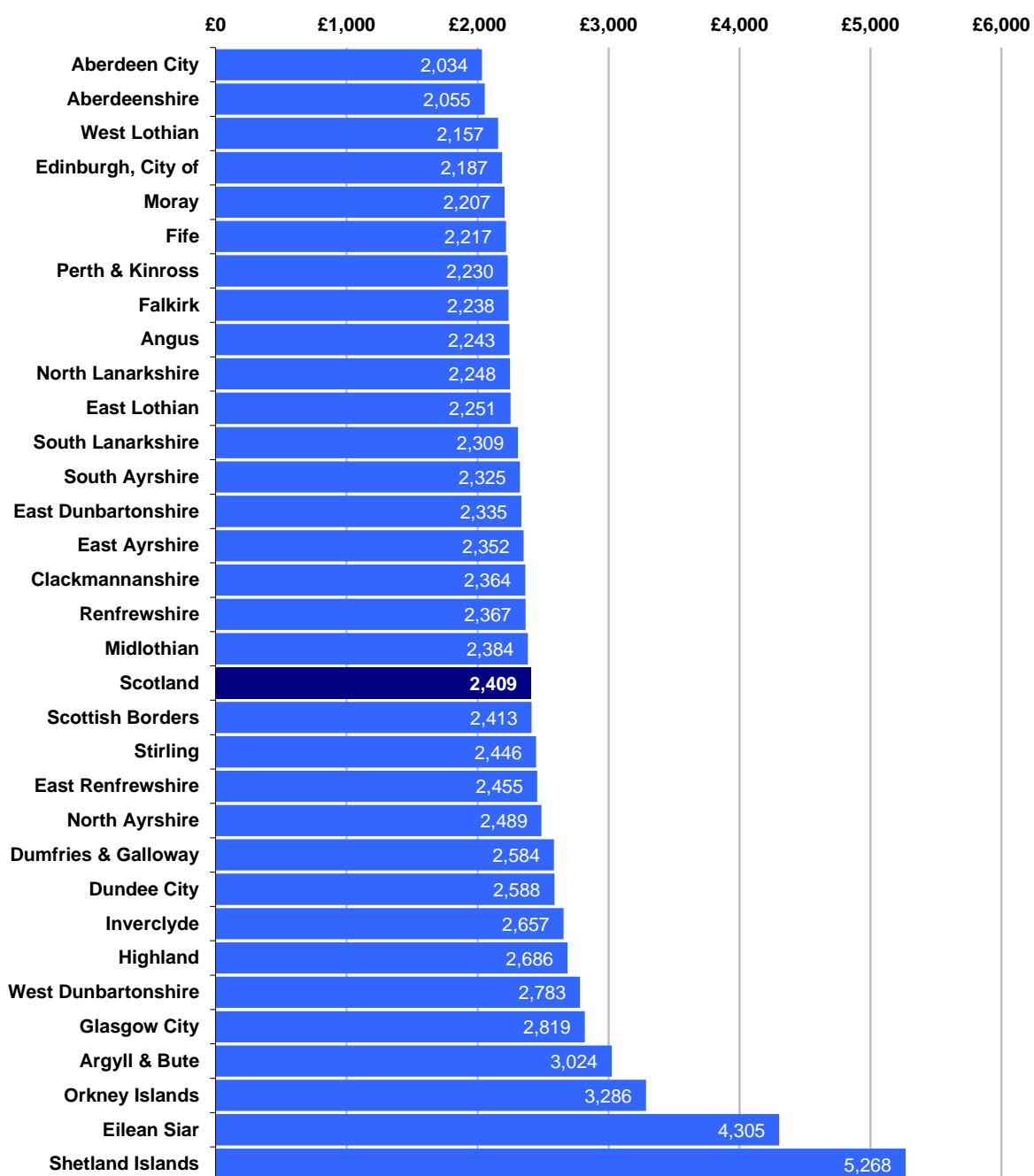
1. From 2010-11 the funding of Police Pensions changed leading to a reduction in net expenditure. Therefore police expenditure figures from 2010-11 onwards are not directly comparable with figures up to 2009-10.

Source: Local Financial Returns – LFR 00

Chart 1.1 shows net revenue expenditure per capita by local authority area. This includes expenditure by all local authority bodies in an area (i.e. including expenditure by councils, police boards, fire boards, valuation boards and regional transport partnerships). The chart shows that on average in Scotland local government spent £2,409 per person in 2012-13, down slightly from 2,416 in 2011-12.

Wide variation is seen in net revenue expenditure per head for different local authority areas. This reflects variations in the cost of providing services due to factors such as deprivation, rurality and population age profile, as well as additional costs for island authorities (which clearly have the highest net revenue expenditure per head). Details of how these factors are taken into account in the needs-based methodology central to local government funding distribution can be found on the Scottish Government [Grant Aided Expenditure Website](#).

Chart 1.1 – Net Revenue Expenditure per Capita by Local Authority, 2012-13 (£)



1.4 Revenue Expenditure Financing

Revenue expenditure by local authorities is funded by three main sources:

- Grants from Central Government
- Local Taxation (Council Tax and Non Domestic Rates)
- Sales, fees and charges for services

The main source of revenue income for local government is General Revenue Funding, (formerly referred to as the Revenue Support Grant). General Revenue Funding (GRF) is paid by the Scottish Government in support of local authorities' general net revenue expenditure.

Local taxation contributed over £4 billion to the funding of local government in 2012-13 and further information on these taxes is set out in the following sections. Other income is mostly composed of grants and subsidies received from central government and other parts of the public sector.

Table 1.4 – Revenue Income by Source, 2008-09 to 2012-13

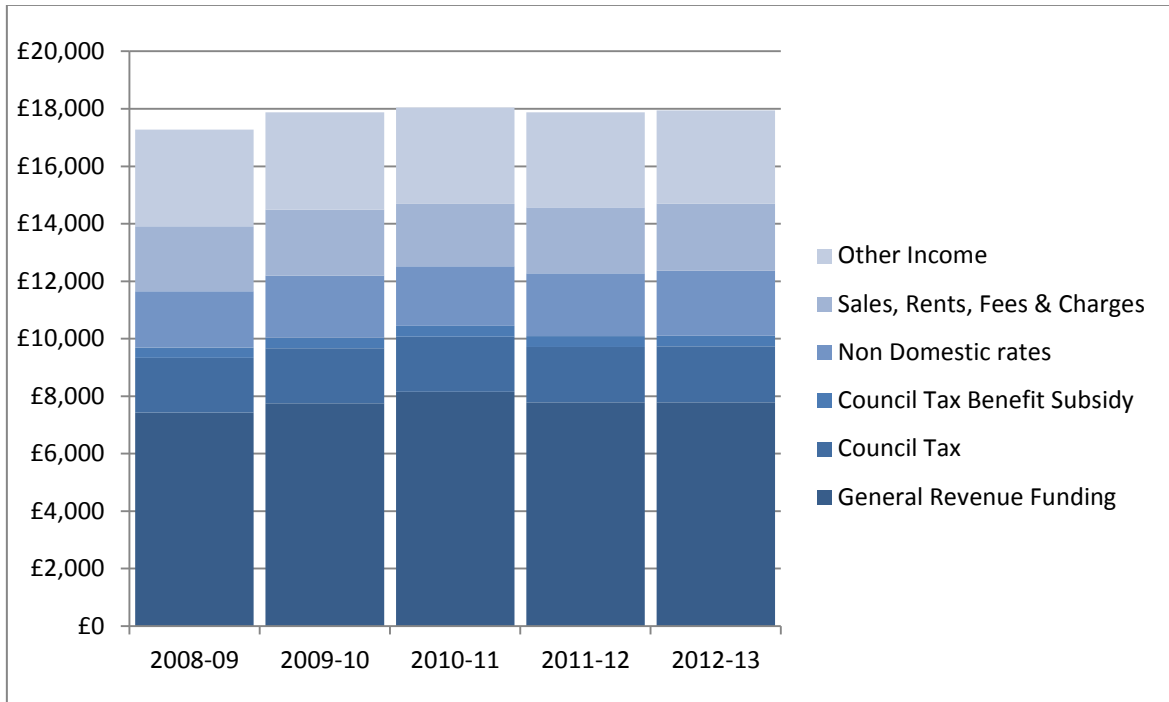
	£ millions				
	2008-09	2009-10	2010-11	2011-12	2012-13
General Revenue Funding ¹	7,426	7,757	8,149	7,790	7,782
Council Tax	1,909	1,910	1,923	1,926	1,947
Council Tax Benefit Subsidy	351	368	375	376	371
Non Domestic Rates ²	1,963	2,165	2,068	2,182	2,263
Sales, Rents, Fees & Charges	2,262	2,287	2,179	2,298	2,342
Other Income	3,363	3,390	3,348	3,300	3,244
Total Revenue Income	17,274	17,877	18,043	17,872	17,949

1. Prior to 2008-09 this was Revenue Support Grant

2. Non-Domestic Rates Distributable Amount

Sources: General Revenue Funding (Up to 2010-11) – Finance Circulars; Non-Domestic Rates – Finance Circulars; All Other Data – Local Financial Returns (LFRs)

Chart 1.2 – Revenue Income by Source, 2012-13 (£ millions)



1.4.1 Council Tax

Council Tax was introduced in Scotland on the 1st April 1993 to replace the Community Charge system. It is a tax system based on dwellings, contributing around £1.9 billion (excluding council tax benefit) of income to local authorities in 2012-13. A dwelling is classified as any kind of flat or house that is used as a place of residence. Each dwelling is placed into one of the 8 council tax bands (A to H) depending on the market value of the dwelling as at the 1st April 1991.

Table 1.5 – Chargeable Dwellings¹ by Council Tax Band & Local Authority (as at 2 September 2013)

	Band A	Band B	Band C	Band D	Band E	Band F	Band G	Band H	Total
Valuation band ranges	Under 27,000	27,001 to 35,000	35,001 to 45,000	45,001 to 58,000	58,001 to 80,000	80,001 to 106,000	106,001 to 212,000	Over 212,000	
Ratio to band D	6/9	7/9	8/9	9/9	11/9	13/9	15/9	18/9	
Scotland	508,296	568,264	388,475	316,245	320,379	180,370	115,947	12,355	2,410,331
Aberdeen City	19,652	26,062	17,144	12,619	13,318	7,951	7,060	823	104,629
Aberdeenshire	19,538	15,425	13,643	16,601	20,187	14,911	9,150	544	109,999
Angus	14,325	12,319	6,740	8,017	7,186	2,867	1,550	144	53,148
Argyll & Bute	7,244	9,455	8,721	5,791	7,052	4,001	2,711	219	45,194
Clackmannanshire	6,030	7,006	1,929	2,416	3,107	1,791	811	43	23,133
Dumfries & Galloway	10,659	22,123	11,475	9,602	10,092	4,916	2,335	156	71,358
Dundee City	25,427	15,305	7,927	8,174	6,206	2,279	1,016	35	66,369
East Ayrshire	25,555	9,162	4,914	6,320	5,975	2,892	899	40	55,757
East Dunbartonshire	1,050	3,549	7,995	7,468	10,542	6,723	6,077	586	43,990
East Lothian	1,130	8,880	14,324	5,656	5,708	4,558	3,595	620	44,471
East Renfrewshire	1,204	5,004	3,889	6,250	7,922	5,867	5,931	682	36,749
Edinburgh, City of	19,773	42,887	40,211	34,128	35,957	22,561	19,918	3,645	219,080
Eilean Siar	4,468	3,613	2,717	1,683	1,140	165	34	4	13,824
Falkirk	21,419	18,849	6,345	8,275	8,213	4,957	2,328	60	70,446
Fife	38,811	46,607	21,104	18,922	21,701	12,307	5,960	379	165,791
Glasgow City	56,659	73,576	62,244	37,308	26,195	11,536	5,822	608	273,948
Highland	18,599	22,129	22,198	17,436	17,305	8,423	4,058	309	110,457
Inverclyde	18,146	5,563	3,344	3,209	3,360	1,830	1,380	206	37,038
Midlothian	932	12,035	10,231	4,563	4,172	2,612	1,771	159	36,475
Moray	11,251	10,062	6,121	5,696	5,311	1,928	581	51	41,001
North Ayrshire	21,009	17,842	6,564	6,454	8,634	3,584	1,137	53	65,277
North Lanarkshire	52,176	36,298	18,549	15,294	15,050	7,422	2,629	122	147,540
Orkney Islands	2,226	2,666	2,207	1,640	1,176	263	18	3	10,199
Perth & Kinross	8,464	14,087	11,171	9,981	11,044	6,927	5,541	639	67,854
Renfrewshire	12,227	24,483	13,884	11,003	10,003	5,563	3,217	198	80,578
Scottish Borders	15,683	12,226	6,582	5,580	6,098	4,417	4,057	440	55,083
Shetland Islands	2,866	1,732	2,606	1,725	1,279	245	54	0	10,507
South Ayrshire	6,923	12,222	8,535	8,061	9,368	4,647	2,866	278	52,900
South Lanarkshire	34,875	28,761	24,451	19,061	18,091	10,611	5,591	443	141,884
Stirling	5,324	8,127	3,982	4,183	5,891	4,907	4,783	648	37,845
West Dunbartonshire	7,640	16,261	7,251	5,613	4,210	1,569	650	55	43,249
West Lothian	17,011	23,948	9,477	7,516	8,886	5,140	2,417	163	74,558
% of all dwellings	21%	24%	16%	13%	13%	7%	5%	1%	100%

1. Excludes dwellings exempt from council tax

Source: Council Tax Base 2013 (CTAXBASE)

Table 1.5 details the band boundaries, the ratio to band D council tax (the multiplier) and the number of chargeable dwellings in each band by local authority. As at 2nd September 2013, there were 2.4 million chargeable dwellings in Scotland. Around three quarters (1.8 million) of all chargeable dwellings were in council tax bands A to D, and only 0.5% (12,355 dwellings) in band H. The total number of chargeable dwellings and the distribution of those dwellings across council tax bands varies across local authority areas. For example, 78% (10,798) of all chargeable dwellings in Eilean Siar are in bands A to C, compared with 64% (23,198) in Midlothian, and 27% (10,097) in East Renfrewshire. This is a consequence of variation by local authority in the market value of dwellings.

Council tax is used as a source of funding to make up the difference between the amount of money a local authority wishes to spend, and the amount of funding it receives from other sources (such as General Revenue Funding and ring-fenced revenue grants). Each local authority determines its own level of council tax as part of their budget setting process, establishing the band D council tax level. As a result, council tax levels differs across local authority areas ranging from £1,024 in Eilean Siar to £1,230 in Aberdeen City (as shown in Chart 1.3). The council tax charged for all other bands is a proportion of the band D level set (see ratios to band D in table 1.5).

The Scotland band D council tax level over the past 5 years can be seen in table 1.6. Council tax levels remain constant (at 2007-08 levels), as a consequence of the council tax freeze agreed between the Scottish Government and local government. As a result, the average council tax per dwelling has also remained flat since 2007-08, with any small changes reflecting movement in the council tax base (such as changes in the total number of dwellings, the distribution of those dwellings across council tax bands, and the number of discounts and exemptions). In real terms, the level of band D council tax has fallen in each year since 2007-08. Prior to 2007-08, both cash and real terms increases were seen as the band D council tax level increased year on year.

Table 1.6 – Scotland Council Tax Levels

	2009-10	2010-11	2011-12	2012-13	2013-14
Scotland Average Band D Council Tax (£) ¹	1,149	1,149	1,149	1,149	1,149
Band D % increase (cash terms)	0.0%	0.0%	0.0%	0.0%	0.0%
Band D % increase (real terms ²)	-2.7%	-2.6%	-2.3%	-1.8%	-2.0%
Average Council Tax Bill per Dwelling (£) ³	987	985	984	985	988

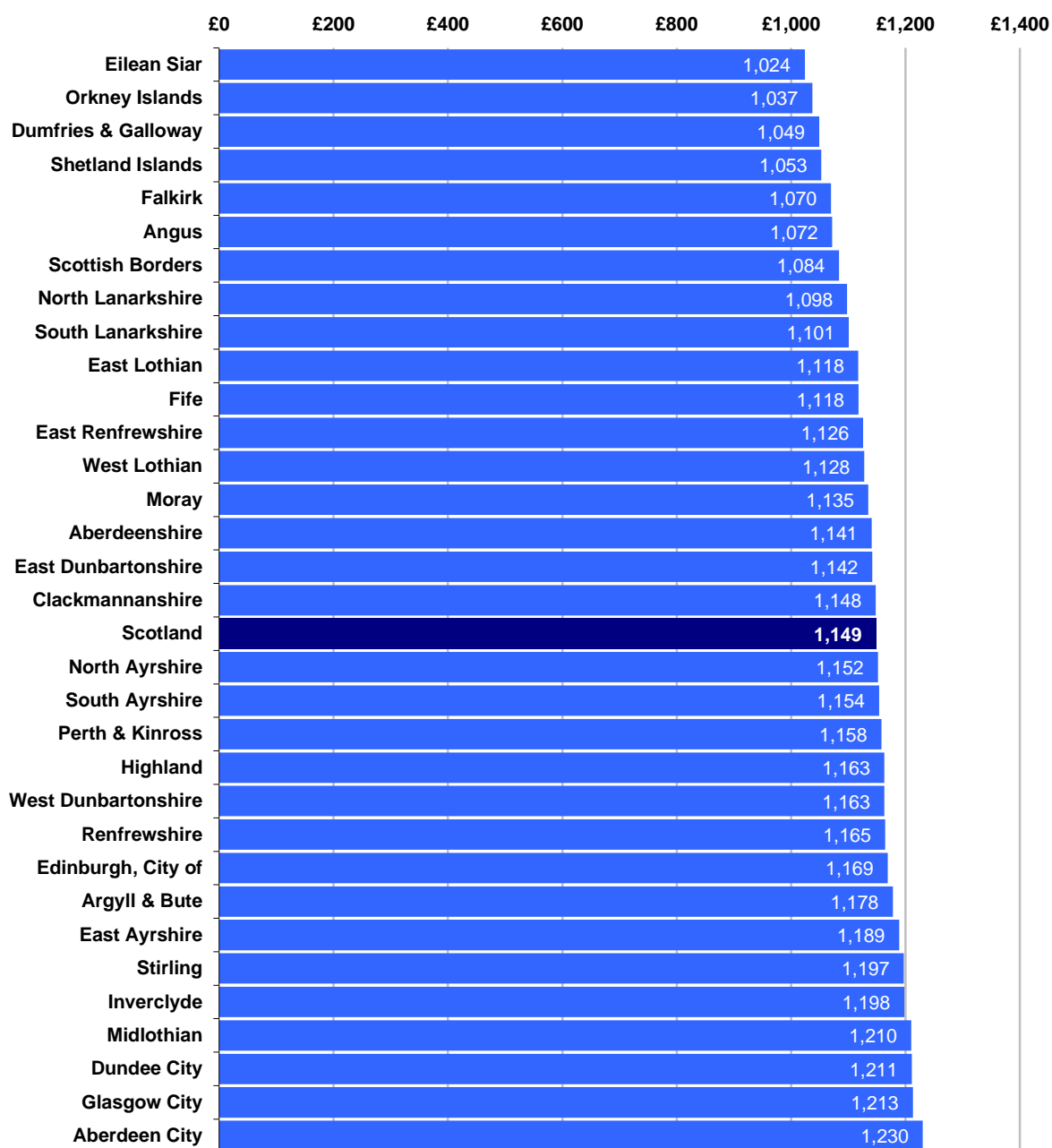
1. Since 2008-09, Council Tax rates have been frozen at 2007-08 levels.

2. Real terms figures are calculated using GDP deflators (HM Treasury, Dec 2013)

3. This average is taken over all chargeable dwellings and is affected to a minor extent by a number of factors such as the distribution of dwellings across council tax bands, discounts and exemptions, new construction and removal of demolished housing from the roll.

Source: Council Tax Assumptions (CTAS), Council Tax Base (CTAXBASE)

Chart 1.3 – Band D Council Tax Bill Amount by Local Authority, 2012-13 (£)



Source: Council Tax Assumptions (CTAS) returns

The Band D council tax levels by local authority are shown in Chart 1.3. As a result of the Council Tax Freeze, band D council tax levels have not changed since 2007-08. The one exception is in Stirling where the council took the decision to reduce the band D council tax from £1,223 in 2007-08 to £1,209 in 2008-09, and subsequently to £1,197 in 2012-13.

Not all dwellings are liable to pay full council tax. A dwelling may be eligible for a discount or exemption dependent on either the status of the dwelling or the personal circumstances of the persons resident in the dwelling. If a dwelling is exempt there is no council tax payable in respect of that dwelling. If a dwelling is eligible for a discount then these may range from 10% to 50% depending on the nature of the discount.

In addition part, or all, of the council tax bill may be paid through council tax benefit (CTB) for those who qualify.

An exempt dwelling can be occupied or unoccupied. Examples of unoccupied exempt dwellings include dwellings that are unoccupied and unfurnished for up to 6 months, dwellings that cannot be occupied because they are in need of structural repair, or are being improved or reconstructed, or an unoccupied dwelling where the liable person was formerly resident and has moved to receive personal care elsewhere. Occupied dwellings eligible for exemption include dwellings that are the sole residence of only persons under the age of 18, dwellings occupied only by students, and dwellings used as trial flats by registered housing associations.

Where only one council tax liable adult resides in a dwelling they are entitled to claim a 25% discount on their council tax bill. Where a dwelling is classed as a second home or long term empty, that dwelling is entitled to claim a discount of between 10% and 50% depending on the Local Authority. Unoccupied dwellings may also be eligible for a 50% discount for the 6 months after the initial 6 month exemption.

A breakdown of council tax dwellings by classification as chargeable, discounted, or exempt from 2009 to 2013 is given below in Table 1.7. The total number of dwellings has increased by around 49,000 (2%) from 2.477 million dwellings in 2009 to 2.527 million in 2013. Similarly, the number of chargeable dwellings has increased by around 45,000 (2%) from 2.365 million chargeable dwellings in 2009, to 2.410 million in 2013. The proportion of dwellings exempt, chargeable or discounted has remained steady over time with around 4.5% of all dwellings exempt from paying council tax, and 42% of all chargeable dwellings discounted. In 2013, there were 116,372 exempt dwellings and 1,016,891 discounted dwellings.

Table 1.7 – Council Tax Chargeable Dwellings, Discounts and Exemptions¹

	2009	2010	2011	2012	2013
Total dwellings	2,477,397	2,488,928	2,500,769	2,515,042	2,526,703
Dwellings exempt	112,168	111,454	111,740	113,173	116,372
Chargeable dwellings	2,365,229	2,377,474	2,389,029	2,401,869	2,410,331
<i>Chargeable dwellings subject to:</i>					
25% discount	936,957	941,915	945,515	948,208	952,251
Second Homes ²	37,060	38,002	39,250	40,599	35,734
Long Term Empty ²	22,169	24,598	25,356	25,454	27,327
Occupied entirely by disregarded adults	2,668	1,887	1,910	1,809	1,579
Dwellings not subject to discount	1,366,375	1,371,072	1,376,998	1,385,799	1,393,440

1. As at the first Monday in September of each year

2. It is not possible for some councils to separately identify second homes and long term empty dwellings. For these councils, the total number of second homes and long term empty dwellings have been recorded under second homes.

Source: Council Tax Base (CTAXBASE) Returns

Local Authorities are responsible for the billing and collection of council tax. Each individual bill is calculated by applying the multiplier for each band to the band D council tax level, and the applying any discounts, exemptions or reductions as detailed above. At the start of each financial year local authorities issue council tax bills to households liable for each bill. They collect council tax income relating to these bills over the year, and also continue to collect late amounts from previous billing years¹. The amount of council tax income collected in 2012-13 are reported in table 1.8 below.

Table 1.8 – Council Tax Income by Local Authority, 2012-13

£ thousands

	Council Tax Income (excl CTB) ¹	Council Tax Benefit Subsidy (CTB)	Council Tax Income (incl CTB) ¹
Scotland	1,947,014	370,805	2,317,819
Aberdeen City	99,200	10,492	109,692
Aberdeenshire	110,077	8,171	118,248
Angus	40,204	5,746	45,950
Argyll & Bute	41,248	5,927	47,175
Clackmannanshire	17,415	3,722	21,137
Dumfries & Galloway	53,869	9,368	63,237
Dundee City	45,894	13,242	59,136
East Ayrshire	39,070	10,289	49,359
East Dunbartonshire	48,023	4,831	52,854
East Lothian	40,758	5,694	46,452
East Renfrewshire	40,353	4,164	44,517
Edinburgh, City of	203,437	28,657	232,094
Eilean Siar	8,786	1,692	10,478
Falkirk	51,427	8,982	60,409
Fife	129,630	22,340	151,970
Glasgow City	179,079	72,927	252,006
Highland	97,453	13,288	110,741
Inverclyde	25,936	7,217	33,153
Midlothian	32,468	5,627	38,095
Moray	34,158	4,121	38,279
North Ayrshire	46,011	12,179	58,190
North Lanarkshire	98,016	26,295	124,311
Orkney Islands	7,204	880	8,084
Perth & Kinross	64,729	7,101	71,830
Renfrewshire	62,758	14,047	76,805
Scottish Borders	44,872	5,945	50,817
Shetland Islands	8,111	754	8,865
South Ayrshire	44,854	9,089	53,943
South Lanarkshire	106,461	22,818	129,279
Stirling	39,520	4,834	44,354
West Dunbartonshire	27,912	9,924	37,836
West Lothian	58,081	10,442	68,523

1. Includes Community Charge

Source: Local Financial Returns – LFR 12

¹ For more information on late collections of Council Tax please see the Council Tax Collection Statistics publications, <http://www.scotland.gov.uk/Topics/Statistics/Browse/Local-Government-Finance/PubScottishCounTaxStats>

1.4.2 Non-Domestic Rates

Non-domestic Rates (NDR) are a property tax paid by the owner/occupier or tenant of a non-domestic property. NDR bills are calculated using the rateable value of non-domestic properties, multiplied by a poundage set nationally by Scottish Ministers, less any relief or exemption entitlement. In 2012-13, the income raised from NDR was £2.35 billion.

The principles of non-domestic rates were established in the Lands Valuation (Scotland) Act of 1854. This act also provided for the appointment of the Scottish Assessors, who are responsible for determining the classification and valuation of non-domestic and domestic properties, and are independent of both the Scottish Government and local authorities. A non-domestic property is an individual property used for non-domestic purposes including businesses, public buildings and advertising hoardings. The value given to a property is called its rateable value (RV).

As a property tax, the RV of a property (a legally defined valuation, broadly based on rental values) is a reflection of its value rather than profitability, turnover or output of the business. It is established at revaluation where the Scottish Assessors assess rateable values for all non-domestic properties, taking account of the type and nature of the property. All non-domestic properties and their corresponding RVs are listed on the Valuation Roll, maintained by the [Scottish Assessors](#). Table 1.9 shows the composition of properties (and associated RV) on the Valuation Roll by property type. As at 1st April 2013, there were 219,441 properties with a total RV of £6.7 billion.

Table 1.9 – Non-Domestic Rates Properties by Classification (as at 1 April 2013)

CATEGORY	Number of properties 1st April 2013	Rateable value (£000s) 1st April 2013
Advertising	2,100	8,226
Care Facilities	3,058	104,011
Communications	339	15,149
Cultural	1,392	47,385
Education and Training	3,832	514,237
Garages and Petrol Stations	4,415	65,910
Health and Medical	3,168	210,377
Hotels	4,874	185,060
Industrial Subjects	46,167	1,127,543
Leisure, Entertainment, Caravans etc.	20,516	236,107
Offices	38,467	1,124,700
Other	13,159	89,732
Petrochemical	143	111,949
Public Houses	3,856	110,019
Public Service Subjects	9,988	321,401
Quarries, Mines, etc.	696	26,657
Religious	6,283	54,361
Shops	53,028	1,603,829
Sporting Subjects	3,364	17,970
Statutory Undertaking	596	741,676
TOTAL ALL NON-DOMESTIC PROPERTIES	219,441	6,716,299

Source: Scottish Assessors Valuation Roll, 1st April 2013

Table 1.10 provides a breakdown of properties on the Valuation Roll by local authority and RV band. Around 78% of all properties (170,575 properties) have a Rateable Value less than or equal to £18,000.

Table 1.10 – Non-Domestic Rates Subjects by Local Authority (as at 1 April 2013)¹

Local Authority	Rateable Value Band			Total Non-Domestic Properties
	<= £18,000	£18,001 to £34,999	>= £35,000	
Scotland	170,575	19,809	29,057	219,441
Aberdeen City	4,927	1,149	2,283	8,359
Aberdeenshire	9,734	779	1,028	11,541
Angus	4,020	356	401	4,777
Argyll & Bute	7,429	347	346	8,122
Clackmannanshire	1,310	132	147	1,589
Dumfries & Galloway	8,118	491	550	9,159
Dundee City	4,185	595	952	5,732
East Ayrshire	3,165	307	419	3,891
East Dunbartonshire	1,712	304	309	2,325
East Lothian	2,719	262	325	3,306
East Renfrewshire	1,248	217	224	1,689
Edinburgh, City of	13,144	2,393	3,934	19,471
Eilean Siar	2,008	101	112	2,221
Falkirk	3,555	466	683	4,704
Fife	10,188	1,209	1,602	12,999
Glasgow City	17,241	2,926	4,806	24,973
Highland	15,031	976	1,378	17,385
Inverclyde	1,737	207	310	2,254
Midlothian	2,181	265	361	2,807
Moray	3,928	247	359	4,534
North Ayrshire	4,074	382	500	4,956
North Lanarkshire	6,887	1,033	1,552	9,472
Orkney Islands	1,850	124	96	2,070
Perth & Kinross	6,937	588	723	8,248
Renfrewshire	4,696	609	956	6,261
Scottish Borders	6,191	411	414	7,016
Shetland Islands	1,713	105	148	1,966
South Ayrshire	3,758	420	556	4,734
South Lanarkshire	6,971	1,125	1,470	9,566
Stirling	3,927	434	566	4,927
West Dunbartonshire	2,075	266	414	2,755
West Lothian	3,916	583	1,133	5,632

1. Includes a small percentage of properties with zero rateable value.

Source: Scottish Assessors Valuation Roll, 1st April 2013

Table 1.11 shows the annual NDR Income, total Rateable Value, and Poundage Rate, as well as their changes over time. As a consequence of the 2010 revaluation, the poundage was reduced from 48.1p in 2009-10 to 40.7p in 2010-11 and the total RV of non-domestic properties (the tax base) increased from £5.3 billion in 2009-10 to £6.6 billion in 2010-11. The next revaluation will take place in 2017.

Table 1.11 – Non-Domestic Rates Income, Total Rateable Values and Poundage Rate

	2009-10	2010-11	2011-12	2012-13	2013-14
Non Domestic Rates Income (£m) ¹	2,010	2,138	2,251	2,347	2,446
Total Rateable Value (£m)	5,299	6,612	6,678	6,718	6,716
Poundage Rate (pence)	48.1	40.7	42.6	45.0	46.2

1. Councils' notified (pre-audit) estimate of income for 2012-13 and mid-year estimate of income for 2013-14

Source: NDR Income – Non-domestic Rate Income Returns, Rateable Value – Scottish Assessors Valuation Roll as at 1st April

Table 1.11 also shows that the total RV has increased slightly since the 2010 revaluation from £6.61 billion to £6.72 billion in 2013-14. This is due to the net impact of several factors including increases in the tax base from new properties or extension of existing properties, and decreases as demolished properties are deleted from the valuation roll or as the RV is reduced as a result of appeals². As Non-Domestic Rates bills in Scotland are directly related to the rateable values of individual non-domestic properties, changes in the total RV impact on the amount of NDR available for collection.

Inflation is a key driver of growth in NDR income as the poundage rate, set nationally by Scottish Ministers³, is typically tied to the Retail Price Index (other than in the first year of a revaluation). NDR bills are calculated by multiplying the RV of a property by the poundage rate, and then applying discounts and exemptions. Large business properties also pay a supplement to the poundage rate, known as the Large Business Supplement (LBS), which is used to fund a portion of the Small Business Bonus Scheme (SBBS). The LBS was 0.8p in 2012-13 for properties with a Rateable Value greater than £35,000. For the period 2012-13 to 2014-15, large retailers that sell both alcohol and tobacco will also pay the Public Health Supplement (PHS) - an additional 9.3p on the poundage rate in 2012-13. These supplements increase the amount paid in NDR bills. Conversely, exempt properties (which do not pay rates), and relief schemes can significantly reduce the amount paid in NDR bills, and therefore the NDR income.

Table 1.12 summarises the total number of properties and rateable value as at 1st April 2013, and the NDR income collected in 2012-13 and estimated income for 2013-14 by local authority (net of reliefs). Income for 2013-14 is estimated at £2.45 billion compared to £2.35 billion in 2012-13. The higher poundage rate (due to the normal annual inflation) will have contributed to this estimated increase in income. The net change in the tax base will also be a factor, including the impact of revaluation appeals (which can in some cases result in significant annual fluctuations at a local authority level).

² Statistics on revaluation appeals are published quarterly in the [Non-Domestic Rates Revaluation Appeal Statistics](#) publication.

³ Since 2007-08, Scottish Ministers have committed to equalisation of the Scottish poundage rate with that in England.

Table 1.12 – Non-Domestic Rates Properties, Rateable Values and Income By Local Authority¹

Authority	Non-Domestic Properties ² Apr-13	Non-Domestic Rateable Values Apr-13 (£000s)	Non-Domestic Rate income	
			2012-13 ³ (£000s)	2013-14 ⁴ (£000s)
Scotland	219,441	6,716,299	2,346,727	2,445,642
Aberdeen City	8,359	445,785	170,592	184,282
Aberdeenshire	11,541	211,875	75,630	80,772
Angus	4,777	77,580	25,324	27,006
Argyll & Bute	8,122	85,674	27,419	24,417
Clackmannanshire	1,589	38,757	14,038	13,904
Dumfries & Galloway	9,159	119,551	42,021	44,577
Dundee City	5,732	189,571	59,634	53,001
East Ayrshire	3,891	82,899	28,644	28,811
East Dunbartonshire	2,325	68,536	22,561	22,092
East Lothian	3,306	69,219	23,259	22,873
East Renfrewshire	1,689	39,084	13,224	14,518
Edinburgh, City of	19,471	912,555	319,909	342,803
Eilean Siar	2,221	21,835	6,547	6,946
Falkirk	4,704	176,769	65,786	54,672
Fife	12,999	435,069	156,484	146,152
Glasgow City	24,973	984,337	316,100	335,413
Highland	17,385	308,110	107,753	111,739
Inverclyde	2,254	59,626	19,140	20,735
Midlothian	2,807	77,420	25,780	27,909
Moray	4,534	85,781	31,760	32,265
North Ayrshire	4,956	108,553	36,571	37,653
North Lanarkshire	9,472	296,677	93,673	107,373
Orkney Islands	2,070	25,151	8,189	8,323
Perth & Kinross	8,248	150,182	50,276	52,041
Renfrewshire	6,261	238,785	87,133	90,261
Scottish Borders	7,016	90,997	27,596	29,562
Shetland Islands	1,966	44,790	15,790	14,807
South Ayrshire	4,734	109,316	37,588	37,435
South Lanarkshire	9,566	657,758	253,711	277,132
Stirling	4,927	115,205	38,960	39,818
West Dunbartonshire	2,755	172,140	70,056	73,719
West Lothian	5,632	216,714	75,581	82,632

1. Rates bills for specific utilities are collected by specified councils on behalf of all 32 councils, and appear on the valuation roll for those councils: South Lanarkshire (Electricity), West Dunbartonshire (Gas), Fife (Water), Falkirk (Docks and Harbours), Highland (Railways), Renfrewshire (Telecommunications). This increases the take for those authorities.

2. Includes properties with a zero rateable value

3. Notified (pre-audit) estimate of income.

4. Mid-year estimate of income.

Source: Number of Properties and Rateable Value - Scottish Assessors Valuation Roll 1st April 2013
NDR Income - Non-domestic Rate Income Returns provided by Councils

Table 1.12 shows geographical variations in the number of properties, rateable value and NDR income. It should be noted however that some councils have responsibility for collection of NDR for specific utilities as detailed in the footnote to the table. For these

councils, the entries on the valuation roll and NDR income include Scotland-wide data for the specified utilities sectors. The 2013-14 income data in table 1.12 are mid-year estimates which provide an indication of income but may change significantly, particularly at local authority level, when final data are available.

Table 1.13 – Amount of Non-Domestic Rates Relief Provided by Relief Type¹

£thousands

	2008-09	2009-10	2010-11	2011-12	2012-13 ²
Unoccupied Property/Partly Unoccupied Property	127,385	153,361	145,936	157,862	169,134
Charities	113,417	122,132	136,731	151,276	164,980
Sports Clubs	9,651	11,604	11,476	12,059	12,431
Disabled persons relief	42,914	45,484	51,901	54,372	57,580
SBBS ³	72,553	108,420	123,259	134,719	150,196
Religious Properties	18,986	20,218	24,016	22,960	24,573
Rural Rate Relief	3,887	3,918	4,129	4,218	4,313
Renewable Energy Relief Scheme ⁴			3,560	4,126	4,811
Other	27	19	4	43	8
Gross Amount	388,821	465,157	501,013	541,635	588,026

1. Estimates include mandatory and discretionary elements of relief where applicable, but exclude backdated payments of relief

2. Notified (pre-audit) estimate of relief expenditure for 2012-13

3. From 1 April 2008, the Small Business Rates Relief Scheme was replaced with the Small Business Bonus Scheme.

4. The Renewable Energy Relief Scheme was introduced at 1 April 2010

Source: Non-domestic Rate Income Returns

There are a number of types of NDR relief that reduce the NDR bill for qualifying properties. Table 1.13 shows the main types of relief available⁴ and the amount of relief provided each year from 2008-09 to 2012-13.

The gross amount of relief provided increased substantially from £389 million in 2008-09 to £588 million in 2012-13. Key reasons for this are increases in the poundage rate (due to normal annual inflation) and an increase in relief provided through the Small Business Bonus Scheme, with expansion of the scheme thresholds and greater awareness of the scheme likely to be contributory reasons. Further secondary factors are likely to include growth in the tax base over this period (i.e. an increase in the overall Rateable Value) and changes to amounts awarded for other reliefs (for example an increase in Charity Relief and the introduction of the Renewable Energy Relief Scheme).

The total NDR income collected by Local Authorities is pooled at the Scotland level⁵. Each council reports the NDR collected to the Scottish Government to be included in the central

⁴ More information on NDR relief can be found on the Scottish Government Website at:

<http://www.scotland.gov.uk/Topics/Government/local-government/17999/11199>

⁵ A Business Rates Incentivisation Scheme (BRIS) was introduced from April 2012 to incentivise Councils to maximise existing business rates income and attract new economic growth by allowing all authorities that exceed their annual business rates target to retain 50% of any additional income for the revaluation period.

pool. The amount to be re-distributed from the pool is known as the Distributable Amount (DA) and is set by the Scottish Government before the start of the financial year in question.

From 1st April 2011, the distribution methodology provides that Councils retain what it is estimated they can collect in business rates (rather than the previous policy where it was redistributed on the basis of population shares). As the combined total of NDR income and General Revenue Funding (GRF) provided to councils is guaranteed by the Scottish Government, any reduction in the amount of NDR collected is compensated for by a corresponding increase in GRF and vice versa. Any surpluses or deficits are paid out or recovered from Councils in the calculation of future years distributable business rates totals. The DA is based upon a forecast of the NDR income and prior year adjustments, and is therefore not guaranteed to match the total contributions to the pool for that year.

The calculation of the distributable amount for 2012-13 is given in Annex F and the 2012-13 distributable amount per Local Authority is shown in Table 1.14.

Table 1.14 – Non-Domestic Rates Distributable Amount by Local Authority, 2012-13

	Non-Domestic Rate Income (£000s)
Scotland	2,263,000
Aberdeen City	164,576
Aberdeenshire	73,370
Angus	23,944
Argyll & Bute	26,479
Clackmannanshire	11,033
Dumfries & Galloway	41,403
Dundee City	50,140
East Ayrshire	26,529
East Dunbartonshire	21,268
East Lothian	21,500
East Renfrewshire	12,941
Edinburgh, City of	310,993
Eilean Siar	6,018
Falkirk	63,467
Fife	135,516
Glasgow City	310,099
Highland	106,091
Inverclyde	19,395
Midlothian	24,781
Moray	28,502
North Ayrshire	34,333
North Lanarkshire	101,467
Orkney Islands	8,203
Perth & Kinross	47,331
Renfrewshire	90,807
Scottish Borders	26,489
Shetland Islands	15,035
South Ayrshire	36,842
South Lanarkshire	253,924
Stirling	27,833
West Dunbartonshire	67,090
West Lothian	75,601

Source: Finance Circular [3/2012](#)

1.4.3 Sales, Rents, Fees and Charges

Local Authorities receive income from sales, rents, fees and charges as a result of providing services. These services are wide ranging in nature, as is the amount of income associated with each service, as detailed in Table 1.15 below.

Table 1.15 – Sales, Rents, Fees and Charges

	£thousands				
	2008-09	2009-10	2010-11	2011-12	2012-13
Education	85,691	87,115	95,006	115,017	113,355
Cultural & Related Services	78,621	85,516	81,521	77,479	71,357
Social Work	259,061	246,014	251,167	268,101	276,450
Police, Fire & Emergency Planning	88,557	93,043	55,098	66,575	111,992
Roads & Transport	146,605	165,941	146,068	171,674	154,117
Environmental Services	117,873	123,164	120,400	117,767	117,969
Planning & Economic Development	112,644	120,146	97,897	118,518	116,541
Non-HRA Housing	232,028	189,150	164,339	179,116	165,412
Central Services	141,455	144,819	113,862	143,521	110,889
Trading Services	70,810	66,992	66,852	63,526	58,045
Total GF Sales, Rents, Fees and Charges	1,333,345	1,321,900	1,192,210	1,321,294	1,296,127
HRA ¹	920,146	955,710	979,571	965,920	1,034,306
Common Good Fund	8,324	9,073	7,168	10,809	11,113
Road Bridges	162	133	89	82	80
Total Sales, Rents, Fees and Charges	2,261,977	2,286,816	2,179,038	2,298,105	2,341,626

1. The Housing Revenue Account (HRA) records income and expenditure relating to Local Authority housing stock
Source: Local Financial Returns (LFRs)

2. Local Government Capital Expenditure and Financing

2.1 Total Capital Expenditure and Financing

Capital expenditure undertaken by Local Authorities is mainly for purchasing, constructing or enhancing physical assets, such as buildings (e.g. police or fire stations and schools), land (e.g. playing fields), infrastructure (e.g. roads), and vehicles, plant and machinery. Capital expenditure also includes expenditure that the Scottish Ministers have permitted the Local Authorities to treat as capital expenditure and is met from capital resources.

Capital expenditure is financed by one or more of the following types of income:

- Capital grants and contributions
- Borrowing/Finance leases
- Contributions from revenue funds
- Capital receipts from asset sales

Prior to 1 April 2004, Local Authorities were only permitted to incur liability to fund capital expenditure with the consent of Scottish Ministers. These capital consents were issued by Ministers under section 94 of the Local Government (Scotland) Act 1973. Following the introduction of the Local Government in Scotland Act 2003, Local Authorities are permitted to finance capital expenditure by borrowing without securing Government approval. Local Authorities have a statutory duty to set their own maximum capital expenditure limits. These limits must be set with regard to the CIPFA Prudential Code, which requires that capital expenditure undertaken by Local Authorities must be affordable, prudent and sustainable. Detailed breakdowns of Capital Expenditure can be found in Annexes G and H.

Table 2.1 – Total Capital Expenditure and Financing, 2012-13

£ thousands

	General Fund Services	Housing Revenue Account	Total
Acquisition of land, leases, existing buildings or works	131,004	15,926	146,930
New construction, conversions & enhancement to existing buildings	1,468,935	568,450	2,037,385
Vehicles, machinery & equipment	174,493	22,529	197,022
Intangible assets	6,360	278	6,638
Total Gross Capital Expenditure	1,780,792	607,183	2,387,975
Revenue Expenditure funded from Capital Resources	161,253	96	161,349
Total Expenditure to be met from Capital Resources	1,942,045	607,279	2,549,324
Scottish Government General Capital Grant	450,088	0	450,088
Scottish Government Specific Capital Grants	173,369	43,912	217,281
Grants from Scottish Government Agencies and NDPBs	135,072	6,239	141,311
Other Grants and Contributions	109,026	15,285	124,311
Borrowing from Loans fund	852,238	313,149	1,165,387
Capital receipts used from asset sales/disposals	65,592	40,345	105,937
Capital Fund applied	36,517	350	36,867
Capital funded from current revenue	106,088	187,999	294,087
Assets acquired under credit arrangements (e.g. finance leases, PPP/PFI)	14,055	0	14,055
Total Financing	1,942,045	607,279	2,549,324

In 2012-13 total gross capital expenditure was £2.39 billion. In addition to this, local authorities had £0.16 billion of revenue expenditure from their capital resources – this was mostly funding third party capital projects in non-HRA housing. This means that total expenditure funded from capital resources was £2.55 billion in 2012-13 (£0.61 billion in the housing revenue account and £1.94 billion in the General Fund), compared to £2.66 billion in 2011-12 – a fall of £0.11 billion. The majority (around 80%) of capital expenditure went on new construction, conversions and enhancements to existing buildings.

The largest source of financing for capital expenditure in 2012-13 was borrowing. Local authorities borrowed £1.17 billion to fund capital expenditure (£0.85 billion for the general fund and £0.31 billion for the HRA). The second most significant source of financing were grants from the Scottish Government and its Agencies. These funded a further £0.81 billion of capital expenditure.

The capital data for 2009-10 (and subsequent years) include the changes arising from the introduction of International Financial Reporting Standards (IFRS). Under the new accounting arrangements the criteria for asset recognition moved from risk and reward to the control of service provision and control of the residual value of the asset. Based on the new tests most local authorities identified that they do have control of service provision and the residual interest in the PFI assets, such as schools. These assets are now recognised as assets of the local authority (on-balance sheet) which they were not under the previous arrangements and now form part of the capital regime. Any expenditure on their construction or enhancement will be capital expenditure. The associated financing of the arrangement is a type of debt which is known as a finance lease or credit arrangement.

Table 2.2 – Total Capital Expenditure and Financing, 2008-09 to 2012-13

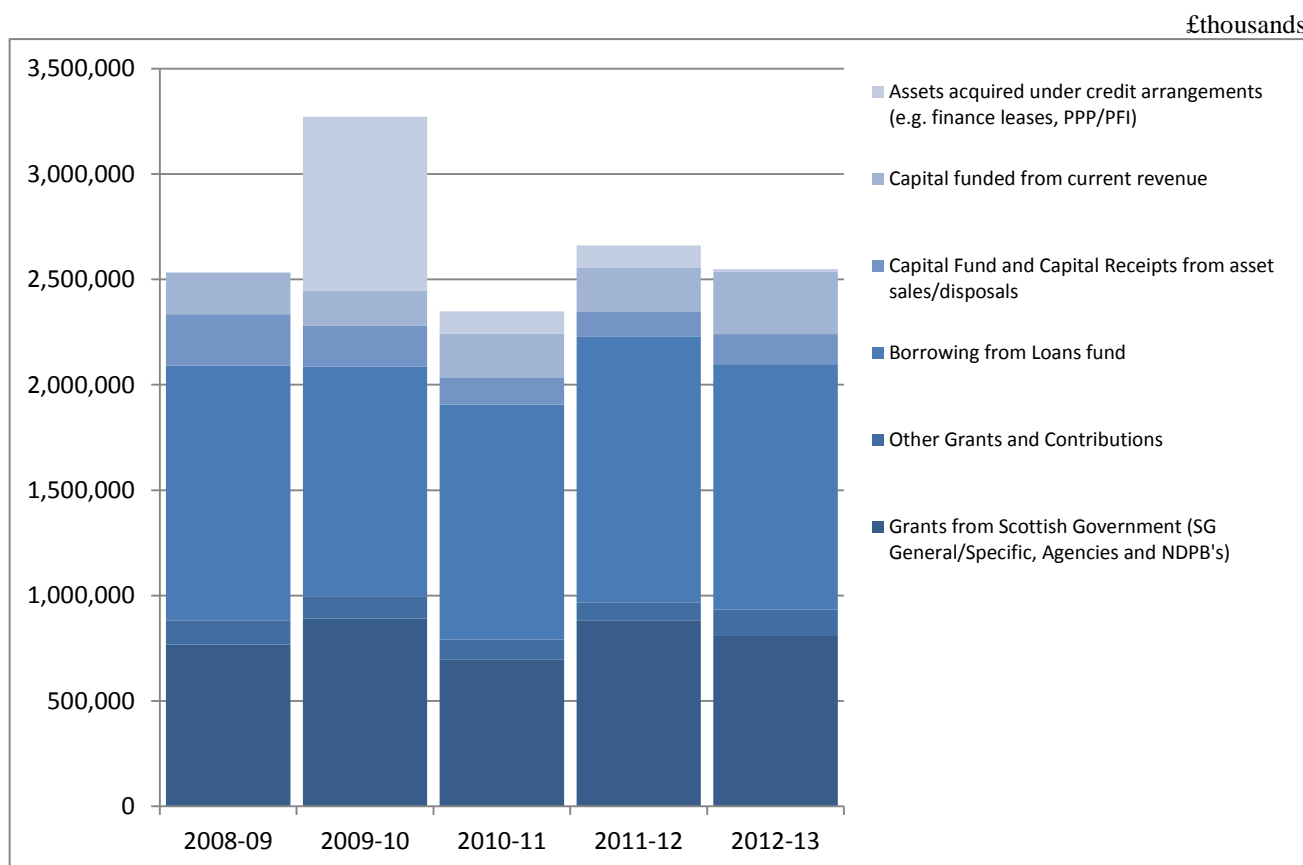
	£ thousands				
	2008-09	2009-10 ¹	2010-11	2011-12	2012-13
Acquisition of land, leases, existing buildings or works	284,120	477,203	98,730	137,332	146,930
New construction, conversions & enhancement to existing buildings	1,808,204	2,385,906	1,876,692	2,142,293	2,037,385
Vehicles, machinery & equipment	189,280	183,013	156,289	194,836	197,022
Intangible assets	50,373	11,197	5,042	6,052	6,638
Total Gross Capital Expenditure	2,331,977	3,057,319	2,136,753	2,480,513	2,387,975
Revenue Expenditure funded from Capital Resources	200,164	214,040	211,409	181,021	161,349
Total Expenditure to be met from Capital Resources	2,532,141	3,271,359	2,348,162	2,661,534	2,549,324
Scottish Government General Capital Grant	364,039	462,640	352,652	565,541	450,088
Scottish Government Specific Capital Grants	262,093	268,370	228,865	234,365	217,281
Grants from Scottish Government Agencies and NDPBs	141,590	160,281	115,726	82,764	141,311
Other Grants and Contributions	115,871	104,575	94,486	85,714	124,311
Borrowing from Loans fund	1,206,318	1,091,548	1,113,929	1,261,468	1,165,387
Capital receipts used from asset sales/disposals	204,048	164,746	114,722	94,020	105,937
Capital Fund applied	40,609	28,616	14,916	21,653	36,867
Capital funded from current revenue	196,836	166,141	208,894	209,122	294,087
Assets acquired under credit arrangements (e.g. finance leases, PPP/PFI)	737	824,442	103,972	106,888	14,055
Total Financing	2,532,141	3,271,359	2,348,162	2,661,534	2,549,324

1. From 2009-10 onwards assets acquired through PPP/PFI are included. In addition, figures for 2009-10 include assets acquired through PPP/PFI for past years. (more information on the changes can be found here - <http://www.scotland.gov.uk/Topics/Government/local-government/17999/LACapital/CapExReport200910>)

Source: Capital Returns (CR Final)

Because of the changes in accounting practice noted above it is difficult to draw conclusions about changes in capital expenditure and financing over the time period presented in Table 2.2 and Chart 2.1. In particular the figures for 2009-10 include all of the expenditure financed by PPP/PFI in the years up to then that would be counted as expenditure under the new regime – this is illustrated by the spike in capital expenditure financing for 2009-10 shown in chart 2.1. However, despite this, it is possible to conclude that there have been some changes in the way capital expenditure has been financed over recent years. As revenue from capital receipts has fallen they play an increasingly small part in financing expenditure, with other forms of financing (for example capital funded from current revenue) increasing their proportion of total capital financing.

Chart 2.1 – Capital Expenditure Financing



From 2009-10 onwards assets acquired through PPP/PFI are included. In addition, figures for 2009-10 include assets acquired through PPP/PFI for past years. (more information on the changes can be found here - <http://www.scotland.gov.uk/Topics/Government/local-government/17999/LACapital/CapExReport200910>)

Source: Capital Returns (CR Final)

2.2 General Fund Capital Expenditure

General fund capital expenditure in 2012-13 was £1,942 million. The service with the highest capital expenditure was education with 27% (£517 million) of local government capital expenditure going on education. It is difficult to make comparisons with past data for education expenditure because of the changes made to accounting for PPP/PFI from 2009-10 onwards. It should be noted that expenditure for 2009-10 includes a large amount of expenditure funded by PPP/PFI for past years and this disproportionately affects education expenditure.

The next biggest service for capital expenditure is roads and transport which had expenditure of £503 million (26% of general fund expenditure). Expenditure on roads and transport by City of Edinburgh Council in 2012-13 was £161 million (32% of total roads and transport expenditure). In the period 2008-09 to 2012-13 City of Edinburgh Council's expenditure on roads and transport was £645 million out of a total of £2,337 million in Scotland. This represents 28% of total roads and transport expenditure. This high share of expenditure includes expenditure related to the construction of the Edinburgh Trams.

Table 2.3 – Capital Expenditure by Service, 2008-09 to 2012-13

	£ thousands				
	2008-09	2009-10 ¹	2010-11	2011-12	2012-13
Education	479,258	1,248,645	508,691	691,878	517,158
Social Work	63,233	66,379	51,256	46,487	73,812
Police	45,673	37,744	25,241	30,188	45,365
Fire	33,449	24,759	30,983	43,856	21,755
Cultural & Related Services	207,088	216,345	196,014	245,371	257,040
Environmental Services	121,267	121,769	102,458	105,036	126,631
Roads & Transport	479,769	471,795	399,084	482,554	503,480
Central Services	274,923	212,250	180,486	143,678	123,740
Planning & Economic Development	124,060	171,613	120,742	113,476	118,282
Non-HRA Housing	180,099	182,808	174,404	149,002	136,363
Trading Services	22,764	21,935	12,687	10,390	18,419
Total General Fund Capital Expenditure	2,031,583	2,776,042	1,802,046	2,061,916	1,942,045
Housing Revenue Account	500,558	495,317	546,116	599,618	607,279
Total Capital Expenditure	2,532,141	3,271,359	2,348,162	2,661,534	2,549,324

1. From 2009-10 onwards assets acquired through PPP/PFI are included. In addition, figures for 2009-10 include assets acquired through PPP/PFI for past years. (more information on the changes can be found here - <http://www.scotland.gov.uk/Topics/Government/local-government/17999/LACapital/CapExReport200910>)

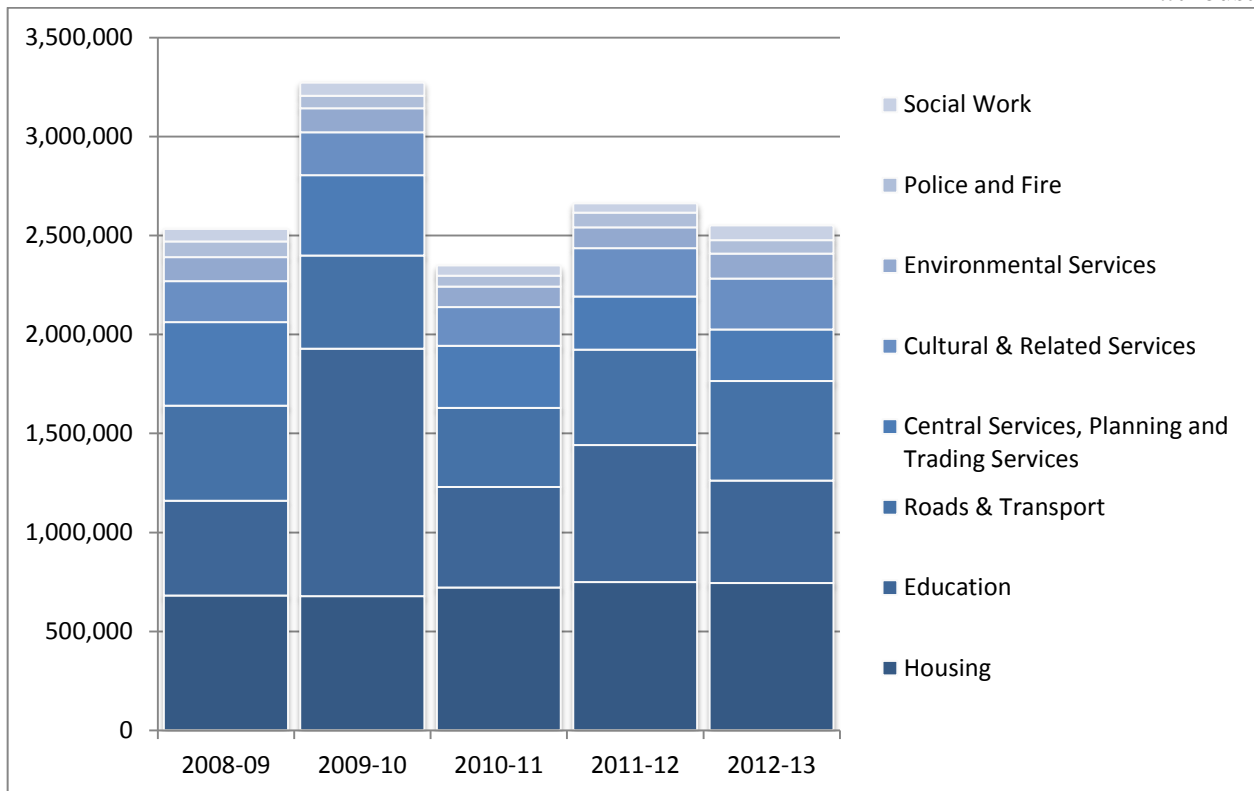
Source: Capital Returns (CR Final)

The next largest spending service is cultural and related services (which includes recreation and sports facilities) with expenditure of £257 million (13% of total general fund expenditure). Annex G presents Capital Expenditure by Local Authority and Service. This shows that Glasgow City Council had capital expenditure on cultural and related services of £83 million (32% of total cultural and related services expenditure).

In the period 2008-09 to 2012-13 Glasgow City Council's expenditure on cultural and related services was £335 million out of a total of £1,036 million in Scotland. This represents 32% of cultural and related services expenditure. This high share of expenditure includes some expenditure related to the Commonwealth Games.

Chart 2.2 – Capital Expenditure

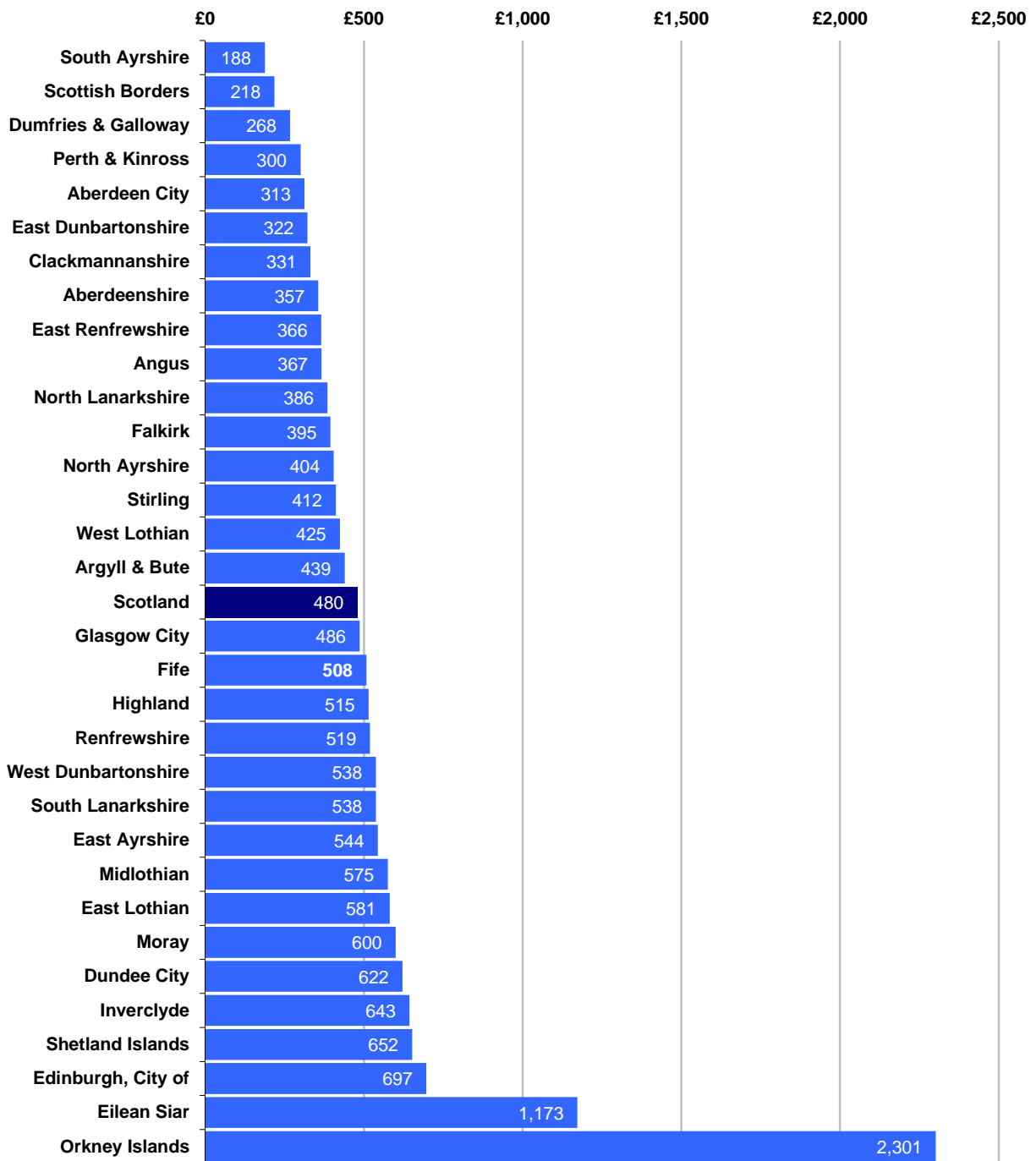
£thousands



From 2009-10 onwards assets acquired through PPP/PFI are included. In addition, figures for 2009-10 include assets acquired through PPP/PFI for past years. (more information on the changes can be found here - <http://www.scotland.gov.uk/Topics/Government/local-government/17999/LACapital/CapExReport200910>)

In any given year capital expenditure per capita varies substantially between local authority areas. This will in part reflect the different priorities of local authorities however it also reflects differences in the timing of capital projects. Expenditure on capital projects is uneven and expenditure per head in local authority areas will move (possibly substantially) from year to year.

Chart 2.3 – Gross Capital Expenditure per Capita by Local Authority Area 2012-13



Source: Capital Returns (CR Final) & National Records of Scotland Mid-Year Population Estimates (2012)

2.3 General Fund Capital Financing

2.3.1 Capital Grants

Capital grants are grants provided to local authorities to fund capital investment. The Scottish Government provides two types of grant funding to local authorities – a General Capital Grant and a number of ring-fenced grants. Scottish Government Agencies, such as Transport Scotland, and Non-Departmental Bodies, such as sportscotland may also award grants for projects. Other grants and contributions include grants from other local authorities, European Structural Funds, contributions from private developers or persons, and grants from the National Lottery. Table 2.4 details capital grants by source, and type of local authority.

Table 2.4 – Capital Grants, 2012-13^{1, 2}

£ thousands

	Scotland	Unitary Authorities	Police Boards	Fire Boards	Regional Transport Partnerships	Bridge Authorities	Valuation Boards
Grants from Scottish Government, Agencies and NDPBs	693,020	638,072	5,128	15,509	17,542	16,769	0
Grants from other Local Authorities/Joint Boards	16,936	8,692	5,617	0	2,601	0	26
European Union Structural Funds	7,365	7,365	0	0	0	0	0
Contributions from private developers or persons	8,816	8,816	0	0	0	0	0
Grants from the National Lottery	13,526	13,526	0	0	0	0	0
Other grants/ contributions	99,750	96,491	3,040	60	0	0	159
Total Grants	839,413	772,962	13,785	15,569	20,143	16,769	185

1. These figures are those reported by local authorities in their 2012-13 Final Capital Return for Income. They will not, therefore, match the figures for financing in Table 2.2

2. Figures include Housing Revenue Account

Source: Capital Returns (CR Final)

2.3.2 Capital Receipts

'Capital receipts' is the term used to recognise income from the sale or disposal of a fixed asset, such as land or council housing. Under statute capital receipts may only be used to fund capital expenditure or for the repayment of the principal of loans.

Table 2.5 details capital receipts categorised by service from 2008-09 to 2012-13. In order to reflect the corporate nature of assets and to promote good asset management practices local authorities commonly move assets to "Central Services" (which forms part of the "Other Services" categorisation in this table) when they become identified as surplus for disposal. This can be seen from the table where in recent years for General Fund services, the greatest value of capital receipts has generally been reported against "Other Services". From 2009-10, Local authorities have been required to report Capital Receipts against the service with which the asset was last in use. A detailed breakdown of Capital Receipts by Service for 2012-13 can be found in Annex J.

Capital receipts can be used to finance capital expenditure and repay debt (principal but not interest). These receipts are generated through the sale or disposal of assets, such as a council house or other local authority land/building. Revenue raised from capital receipts has been falling for a number of years, but because of the changes in recording practice it is difficult to attribute this fall to a particular service.

Table 2.5 – Capital Receipts Raised by Service, 2008-09 to 2012-13

£ thousands

	2008-09	2009-10	2010-11	2011-12	2012-13
Education	30,489	4,089	18,822	20,177	5,664
Culture & Related Services	2,594	2,243	12,013	746	984
Social Work	715	285	2,026	3,477	3,155
Police & Fire	4,908	3,709	3,834	4,926	7,206
Roads & Transport	1,928	742	913	6,087	2,778
Environmental Services	793	1,113	799	611	507
Planning & Economic Development	9,120	8,996	17,901	13,962	15,011
Trading Services	6	133	1,082	1	35
Other Services	43,557	142,394	18,613	15,663	23,925
Non-HRA Housing	211	602	453	344	81
Total General Fund Services	94,321	164,306	76,456	65,994	59,346
Housing Revenue Account	135,657	65,091	65,515	46,326	42,369
Total Services	229,978	229,397	141,971	112,320	101,715

Source: Capital Returns (CR Final)

Table 2.6 – Capital receipts summary, 2012-13

£ thousands

	General Fund	Housing Revenue Account	TOTAL
Capital Receipts brought forward at 1 April 2012	78,667	6,428	85,095
Capital receipts from the sale/ disposal of tangible fixed assets	59,289	42,369	101,658
Capital receipts from the sale/ disposal of intangible fixed assets	57	0	57
Total capital receipts available for use	138,013	48,797	186,810
Capital receipts used from asset sales/disposals	65,592	40,345	105,937
Capital receipts used to repay debt	1,012	5,013	6,025
Capital receipts transferred to Capital Fund	23,896	0	23,896
Capital receipts held 31 March 2013	47,513	3,439	50,952

Source: Capital Returns (CR Final)

Table 2.6 shows the impact capital receipts raised and used have on the capital receipts brought forward at 1 April 2012 (£85.1m), resulting in capital receipts held at 31 March 2013 of £51.0m.

2.3.3 Borrowing

Local Authorities have the statutory power to borrow under Schedule 3 of the Local Government (Scotland) Act 1975. Local Authorities may borrow for the purposes of:

- Acquiring land
- Construction of buildings
- Undertaking permanent work or provision of plant and machinery
- Lending to relevant authorities or Community Councils
- Any other purpose for which the authority is authorised under any enactment to borrow

Borrowing is a major component of the funding of capital expenditure as shown in Table 2.7.

The Scottish Government provides loan charge support as part of local authority revenue funding, which covers the debt charges on a notional amount of capital expenditure each year. This is known as *supported borrowing*. Borrowing over and above the level of supported borrowing is classified as *self-financed* borrowing, and is financed by the local authority itself.

Local authorities are required by legislation to operate a loans fund. All amounts of money borrowed by local authorities must be paid into this loans fund, which then makes advances to service accounts to fund capital expenditure. The Scottish Government monitors the value of debt recorded in the loans fund (rather than the level of external debt) because it is this amount of debt that is charged to services over a period of time. It is not expected, however, that the levels of loan pool debt and external debt will be significantly different in value.

Table 2.7 – Loans Fund Borrowing to Finance Capital Expenditure

	£ thousands				
	2008-09	2009-10	2010-11	2011-12	2012-13
Scotland	1,206,318	1,091,548	1,113,929	1,261,468	1,165,387
Unitary Authorities	1,194,867	1,086,559	1,110,056	1,245,898	1,165,387
Fire	5,674	0	3,873	15,570	0
Police	5,777	4,989	0	0	0
Valuation Boards ¹	nc	nc	0	0	0
Regional Transport Partnerships	0	0	0	0	0
Bridge Authorities	0	0	0	0	0

1. Data from Valuation Boards was collected for the first time in 2010-11

Source: Capital Returns (CR Final)

The costs of servicing debt on Local Authority trading services (e.g piers and harbours) are mainly met through the charges made for these services, while the costs of servicing Housing Revenue Account (HRA) debt are met principally through income from rents and from Housing Support Grant. The costs of servicing debt are detailed in Table 1.1 which shows interest paid and the cost of repayments can be seen in Annex B (Statutory Repayment of Debt).

3. Local Government Reserves, Fixed Assets and Debt

3.1 Reserves

Reserves are generated by accumulating surplus income, which is generally then used to finance future spending on services. The calculation of surplus of deficit on provision of service is laid out in Table 1.1; in order to be consistent with that table income is shown as negative and expenditure as positive in the following tables however Road Bridges are included in the General Fund.

On 1 April 2012 local authorities had total revenue reserves of £1.68 billion; over the course of the year this rose by £0.15 billion (9%) to stand at £1.83 billion on 31st March 2013. Capital reserves fell by £0.02 billion (4%), from £0.59 billion to £0.57 billion.

Table 3.1 – Movements in Reserves by Account, 2012-13

£thousands

	Revenue Reserves					Total Revenue Reserves
	General Fund	Housing Revenue Account	Renewal and Repairs	Insurance Fund	Other Statutory Funds	
Surplus or Deficit on provision of services	589,445	-137,040				452,405
Statutory Adjustments	-759,311	126,985				-632,326
Total after Statutory Adjustments	-169,866	-10,055				-179,921
Movement between Accounts	45,484	7,270	-5,179	-3,610	-22,496	21,469
Capital receipts for the year	0	0	0	0	0	0
Capital Expenditure funded from Reserves	0	0	8,793	0	0	8,793
Other Movements in Reserves	1,308	-2,551	-2,431	1,019	255	-2,400
Movement in Reserves	46,792	4,719	1,183	-2,591	-22,241	27,862
Level of Reserves held 1 April 2012	-1,022,360	-111,523	-192,011	-77,335	-276,631	-1,679,860
Movement in Year	-123,074	-5,336	1,183	-2,591	-22,241	-152,059
Level of Reserves held 31 March 2013	-1,145,434	-116,859	-190,828	-79,926	-298,872	-1,831,919

£thousands

	Capital Reserves			Total Capital Reserves
	Capital Fund	Capital Receipts	Capital Grants Unapplied	
Surplus or Deficit on provision of services				
Statutory Adjustments			-12,541	-12,541
Total after Statutory Adjustments			-12,541	-12,541
Movement between Accounts	-29,637	8,168	0	-21,469
Capital receipts for the year	-4,078	-54,501	0	-58,579
Capital Expenditure funded from Reserves	30,608	64,982	12,130	107,720
Other Movements in Reserves	5,712	749	0	6,461
Movement in Reserves	2,605	19,398	12,130	34,133
Level of Reserves held 1 April 2012	-452,490	-76,560	-62,193	-591,243
Movement in Year	2,605	19,398	-411	21,592
Level of Reserves held 31 March 2013	-449,885	-57,162	-62,604	-569,651

Source: Local Financial Returns (LFR 23) and Capital Return Final

3.2 Fixed Assets

As a result of borrowing to finance capital expenditure, Local Authorities create assets but also a liability to repay the debt. The value of Local Authority fixed assets is shown in Table 3.2 below, and the levels of outstanding debt are shown in Table 3.3.

Table 3.2 – Value of Fixed Assets, 2009–2013

£ thousands

	Value of fixed assets as at 31 March 2009	Value of fixed assets as at 31 March 2010	Value of fixed assets as at 31 March 2011	Value of fixed assets as at 31 March 2012 ¹	Value of fixed assets as at 31 March 2013
Operational Assets					
Council dwellings	8,739,347	9,140,999	9,780,140	9,475,119	9,990,448
Other land and buildings	13,383,489	18,182,691	19,132,148	18,955,480	18,554,162
Vehicles, plant and machinery	719,015	769,104	928,814	937,152	1,016,628
Infrastructure assets	3,640,832	3,941,374	4,335,085	4,432,109	4,699,297
Community assets	170,045	172,117	177,755	165,502	167,808
Heritage assets	nc	nc	nc	417,174	1,802,226
Total operational assets	26,652,728	32,206,285	34,353,942	34,382,536	36,230,569
Non-operational assets					
Assets under construction	1,019,265	983,249	1,275,873	1,456,501	1,255,409
Surplus assets held for disposal	540,592	583,577	492,701	397,053	366,146
Investment properties	1,130,689	702,732	209,196	205,613	205,220
Total non-operational assets	2,690,546	2,269,558	1,977,770	2,059,167	1,826,775
Intangible Assets	43,305	42,756	18,052	77,184	19,747
TOTAL ASSETS	29,386,579	34,518,599	36,349,764	37,168,112	38,077,091

1. Total Assets for 2011-12 includes £649,225 thousand for South Ayrshire Council that couldn't be broken down into the above categories.

Source: Capital Returns (CR Final)

3.3 Debt

Total Loans fund debt at 31st March 2013 was £12.77 billion (of which £9.94 billion was general fund debt and £2.83 billion was HRA debt). Loans fund debt has risen steadily over the past five years from £10.29 billion at 31st March 2009, a rise of £2.49 billion (24%).

At 31st March 2013, general fund loans fund debt was equal to £1,870 per person and HRA loans fund debt was equal to £8,973 per HRA dwelling.

Table 3.3 – General Fund and HRA Loans Fund Debt, 2008-09 – 2012-13

	2008-09	2009-10	2010-11	2011-12	2012-13
General Fund					
Total Debt (£ thousands)	8,293,563	8,701,375	9,107,360	9,513,353	9,939,022
Per Head (£)	1,605	1,675	1,744	1,810	1,870
Housing Revenue Account					
Total Debt (£ thousands)	1,993,493	2,209,731	2,383,441	2,621,205	2,833,400
Per HRA dwelling (£)	6,149	6,896	7,502	8,284	8,973

Source: Capital Returns (CR Final), Housing Revenue Account: Local authority housing income and expenditure, NRS Mid-Year Population Estimates

Table 3.4 – Outstanding Loans Fund Debt for each Local Authority, 2012-13

	General Fund Services ¹		Housing Revenue Account		Total All Debt (£000s)
	Total Debt (£000s)	Per Head (£)	Total Debt (£000s)	Per HRA dwelling (£)	
Scotland	9,939,022	1,870	2,833,400	8,973	12,772,422
Aberdeen City	421,936	1,876	196,880	8,668	618,816
Aberdeenshire	342,517	1,340	130,239	10,082	472,756
Angus	130,410	1,122	35,743	4,606	166,153
Argyll & Bute ²	182,324	2,098	0	0	182,324
Clackmannanshire	85,229	1,662	32,127	6,496	117,356
Dumfries & Galloway ²	247,828	1,643	0	0	247,828
Dundee City	284,330	1,924	175,781	13,445	460,111
East Ayrshire	225,308	1,836	77,528	6,067	302,836
East Dunbartonshire	139,343	1,316	23,473	6,559	162,816
East Lothian	222,479	2,206	123,597	14,732	346,076
East Renfrewshire	88,781	975	27,741	9,439	116,522
Edinburgh, City of	1,122,408	2,326	368,768	18,386	1,491,176
Eilean Siar ²	164,201	5,958	0	0	164,201
Falkirk	178,649	1,139	66,254	4,184	244,903
Fife	597,174	1,631	188,527	6,282	785,701
Glasgow City ²	1,574,141	2,645	0	0	1,574,141
Highland	513,744	2,206	161,445	12,010	675,189
Inverclyde ²	222,918	2,763	0	0	222,918
Midlothian	103,255	1,226	134,500	19,733	237,755
Moray	127,299	1,370	54,253	9,317	181,552
North Ayrshire	150,667	1,095	96,352	7,306	247,019
North Lanarkshire	552,133	1,634	179,421	4,916	731,554
Orkney Islands	19,006	883	12,110	15,166	31,116
Perth & Kinross	186,024	1,259	45,156	6,273	231,180
Renfrewshire	258,474	1,483	128,137	10,286	386,611
Scottish Borders ²	193,114	1,698	0	0	193,114
Shetland Islands	11,933	514	36,761	20,828	48,694
South Ayrshire	121,774	1,079	59,179	7,267	180,953
South Lanarkshire	703,120	2,237	195,860	7,737	898,980
Stirling	133,273	1,464	29,072	5,448	162,345
West Dunbartonshire	105,405	1,167	124,605	11,333	230,010
West Lothian	360,179	2,047	129,891	9,985	490,070
Central Scotland Fire	5,541	19	.	.	5,541
Dumfries & Galloway Fire	0	0	.	.	0
Fife Fire and Rescue Service	0	0	.	.	0
Grampian Fire	8,986	16	.	.	8,986
Highlands & Islands Fire	9,266	30	.	.	9,266
Lothian and Borders Fire	5,911	6	.	.	5,911
Strathclyde Fire	40,670	18	.	.	40,670
Tayside Fire	5,429	13	.	.	5,429
Central Scotland Police	8,753	29	.	.	8,753
Dumfries & Galloway Police	0	0	.	.	0
Fife Constabulary	0	0	.	.	0
Grampian Police	4,561	8	.	.	4,561
Lothian & Borders Police	22,420	23	.	.	22,420
Northern Police	16,545	54	.	.	16,545
Strathclyde Police	32,930	15	.	.	32,930
Tayside Police	8,634	21	.	.	8,634
Forth Estuary Transport	0	0	.	.	0
Tay Road Bridge	0	0	.	.	0
HITRANS	0	0	.	.	0
NESTRANS	0	0	.	.	0
SESTRAN	0	0	.	.	0
SWESTRANS	0	0	.	.	0
SPT	0	0	.	.	0
TACTRAN	0	0	.	.	0
ZetTrans	0	0	.	.	0

1. Includes Trading Services

2. These councils have transferred their housing stock to Registered Social Landlords

Source: Capital Returns (CR Final), Housing Revenue Account: Local authority housing income and expenditure, NRS Mid-Year Population Estimates

4. Local Government Pensions

4.1 Local Government Pensions

Local Government Pension Funds are operated as separate funds to other accounts. In accordance with regulation 4 of the Local Government Pension Scheme (Benefits, Membership and Contributions) (Scotland) Regulations 2008, and regulation 35 of the Local Government Pension Scheme (Administration) (Scotland) Regulations 2008, employer and employee contributions are paid into the fund, along with income from investments, and pensions and lump sum benefits are paid out of the fund. The income and expenditure from these funds are therefore separate from the income and expenditure of the Authorities that administer the funds.

Table 4.1 – Local Government Pension Funds Expenditure 2008-09 - 2012-13

£ thousands

	2008-09	2009-10	2010-11	2011-12	2012-13
Total Benefits ¹ incl. Payments under Pensions (Increase) Acts:	737,328	841,026	969,723	1,021,142	1,025,525
Pensions ¹	429,290	544,814	574,929	651,085	601,299
Lump Sums ¹	174,095	230,477	330,251	300,705	187,747
Other Benefits ¹	2,302	2,700	3,006	2,883	2,838
Payments under Pensions (Increase) Act ¹	131,641	63,035	61,537	66,469	233,641
Transfer Values ²	41,942	69,848	46,244	33,839	41,701
Other ³	67,522	61,854	64,609	69,225	72,343
TOTAL EXPENDITURE⁴	846,792	972,728	1,080,576	1,124,206	1,139,569

Source: Local Financial Returns – LFR 24

1. Payments under the Pensions (Increase) Act 1971 relate to costs associated with uprating of pensions. In some cases local authorities were unable to separately identify this cost and included it within pensions, lump sums & other benefits.

2. Transfer Values are due to scheme members transferring to other pension schemes (for example where a scheme member has moved to a different employer).

2. "Other Benefits" includes, Fund Administration and Management Costs (the largest component); Refunds of Contributions; Adjustments; and Premiums.

4. In previous editions of this annual publications, Losses on Realisation of Investments were included under pension funds expenditure, and Profits on Realisation of Investments were included under pension fund income. In this edition, these elements are combined as Net Profits on Realisation of Investment (i.e. profit minus loss), and reported in table 4.2.

Table 4.1 details the total expenditure of the Local Government Pension Funds in Scotland since 2008-09. The trend of pension funds expenditure increases in 2009-10 and 2010-11, followed by a flattening off of expenditure in later years, reflects the underlying pattern of early retirements which increased to a peak in 2010-11 before subsequently reducing.

Table 4.2 – Local Government Pension Funds Income 2008-09 – 2012-13

£ thousands

		2008-09	2009-10	2010-11	2011-12	2012-13
Contributions (including those from other employing authorities)	Employees	247,052	273,280	276,179	262,811	258,219
	Employers	759,185	866,785	958,045	943,698	877,708
Net Profits on Realisation of Investments ¹		-1,586,702	3,423,702	1,076,163	68,910	2,322,699
Other Income ²		555,039	458,342	462,169	447,456	717,396
TOTAL INCOME¹		-25,426	5,022,109	2,772,556	1,722,876	4,176,022
Total Income excluding Net profits on Realisation of Investments		1,561,276	1,598,407	1,696,393	1,653,965	1,853,323

Source: Local Financial Returns – LFR 24

1. In previous editions of this annual publications, Losses on Realisation of Investments were included under pension funds expenditure, and Profits on Realisation of Investments were included under pension fund income. In this edition, these elements are combined as Net Profits on Realisation of Investment (i.e. profit minus loss), which simplifies interpretation of the data and is more consistently reported by data providers.

2. To reduce the burden on data providers, the categories Investment Income (gross) and Transfer Values used in previous years were combined with 'Other Income' for the 2012-13 data collection.

Table 4.2 shows Local Government Pension Funds Income since 2008-09. Contributions from Employees and Employers are both dependent on the number of contributing employees (full time and part-time) and are both relatively stable over time. Contributions from Employees are fixed at a set percentage of pay, depending on level of salary. Contribution rates from employers are variable and are reviewed on a triennial basis, with actuaries determining the contribution rates for the following three years.

More fluctuation is seen in Other Income and, in particular, Net Profits on Realisation of Investments. Net Profits on Realisation of Investments is influenced by investment conditions (e.g. changes in the stock market) and is clearly the most variable component of the total Pension Funds Income. For example, Net Profits on Realisation of Investments increased from £69 million in 2011-12 to £2.3 billion in 2012-13.

5. Background to Scottish Local Government Financial Statistics

Scottish Local Government Financial Statistics is an annual publication that provides a comprehensive overview of Scottish Local Authority financial activity. The publication covers Local Authority income, revenue and capital expenditure, outstanding debt, local taxation and Local Authority pensions. Further information on Scottish Local Government Finance Statistics can be found at

<http://www.scotland.gov.uk/Topics/Statistics/Browse/Local-Government-Finance> .

5.1 Structure and Functions of Local Government

Local Government is responsible for delivering a wide range of services including education, social services, transport, housing, environmental services, cultural services, planning and development and central services. Under the Concordat signed in November 2007, the Scottish Government and Local Government work jointly towards agreed outcomes under a single national purpose.

Local Government in Scotland is comprised of 32 Local Authorities as shown in Map 5.1. In terms of population, the largest of these 32 Authorities is Glasgow City Council and the smallest is Orkney Islands Council. Table 5.1 below shows the population and area for each Local Authority.

In addition to these 32 Local Authorities, there are also Police and Fire Boards, Valuation Joint Boards, Regional Transport Partnerships and the Forth and Tay Bridge Boards. Most of these Boards are the collective responsibility of two or more Councils. See Table 5.2 for listings of Boards and constituent Local Authorities.

Police and Fire Boards⁶ are responsible for providing police and fire services to their constituent council members. Board members are nominated by the constituent councils. Net funding is requisitioned from the constituent councils.

Regional Transport Partnerships (RTPs) were established by the Transport (Scotland) Act 2005. Seven statutory regional transport partnerships were created across Scotland to lead on regional transport strategy and delivery.

Valuation Joint Boards provide valuation services, primarily maintaining the Valuation Roll for non-domestic properties, and the Council Tax Valuation List for domestic dwellings. The Valuation Roll and Council Tax Valuation Lists are used as the basis for local taxation billing liability (council tax and non-domestic rates).

⁶As a result of the move to single Police and Fire and Rescue Services on 1 April 2013, Police and Fire data will not be included in this publication next year.

Table 5.1 – Local Authority Demographics, 2012-13

	Population	Area (sq km)	Population Density (Persons per sq km)	Urban Rural Classification		SIMD - Local share
				Urban (% of population)	Rural (% of population)	Percentage of data zones in the most deprived 15%
Scotland	5,313,600	77,925	68	81.9	18.1	15.0%
Aberdeen City	224,970	186	1,210	98.5	1.5	8.2%
Aberdeenshire	255,540	6,313	40	47.3	52.7	1.7%
Angus	116,210	2,182	53	72.3	27.7	2.1%
Argyll & Bute	86,900	6,909	13	47.7	52.3	8.2%
Clackmannanshire	51,280	159	323	85.7	14.3	21.9%
Dumfries & Galloway	150,830	6,426	23	53.1	46.9	6.7%
Dundee City	147,800	60	2463	99.5	0.5	30.7%
East Ayrshire	122,720	1,262	97	73.0	27.0	20.8%
East Dunbartonshire	105,880	175	605	94.3	5.7	2.4%
East Lothian	100,850	679	149	72.7	27.3	2.5%
East Renfrewshire	91,030	174	523	96.1	3.9	5.8%
Edinburgh, City of	482,640	264	1828	98.9	1.1	9.8%
Eilean Siar	27,560	3,071	9	21.6	78.4	0.0%
Falkirk	156,800	297	528	91.4	8.6	9.1%
Fife	366,220	1,325	276	80.4	19.6	12.8%
Glasgow City	595,080	175	3400	99.9	0.1	41.6%
Highland	232,910	25,659	9	49.1	50.9	5.8%
Inverclyde	80,680	160	504	94.3	5.7	40.0%
Midlothian	84,240	354	238	83.2	16.8	2.7%
Moray	92,910	2,238	42	56.7	43.3	0.0%
North Ayrshire	137,560	885	155	89.3	10.7	25.7%
North Lanarkshire	337,870	470	719	93.0	7.0	23.9%
Orkney Islands	21,530	990	22	32.5	67.5	0.0%
Perth & Kinross	147,740	5,286	28	52.8	47.2	3.4%
Renfrewshire	174,310	261	668	95.8	4.2	22.4%
Scottish Borders	113,710	4,732	24	51.3	48.7	3.8%
Shetland Islands	23,210	1,466	16	29.2	70.8	0.0%
South Ayrshire	112,910	1,222	92	77.8	22.2	11.6%
South Lanarkshire	314,360	1,772	177	88.7	11.3	13.3%
Stirling	91,020	2,187	42	65.7	34.3	6.4%
West Dunbartonshire	90,340	159	568	98.6	1.4	26.3%
West Lothian	175,990	427	412	89.8	10.2	6.2%

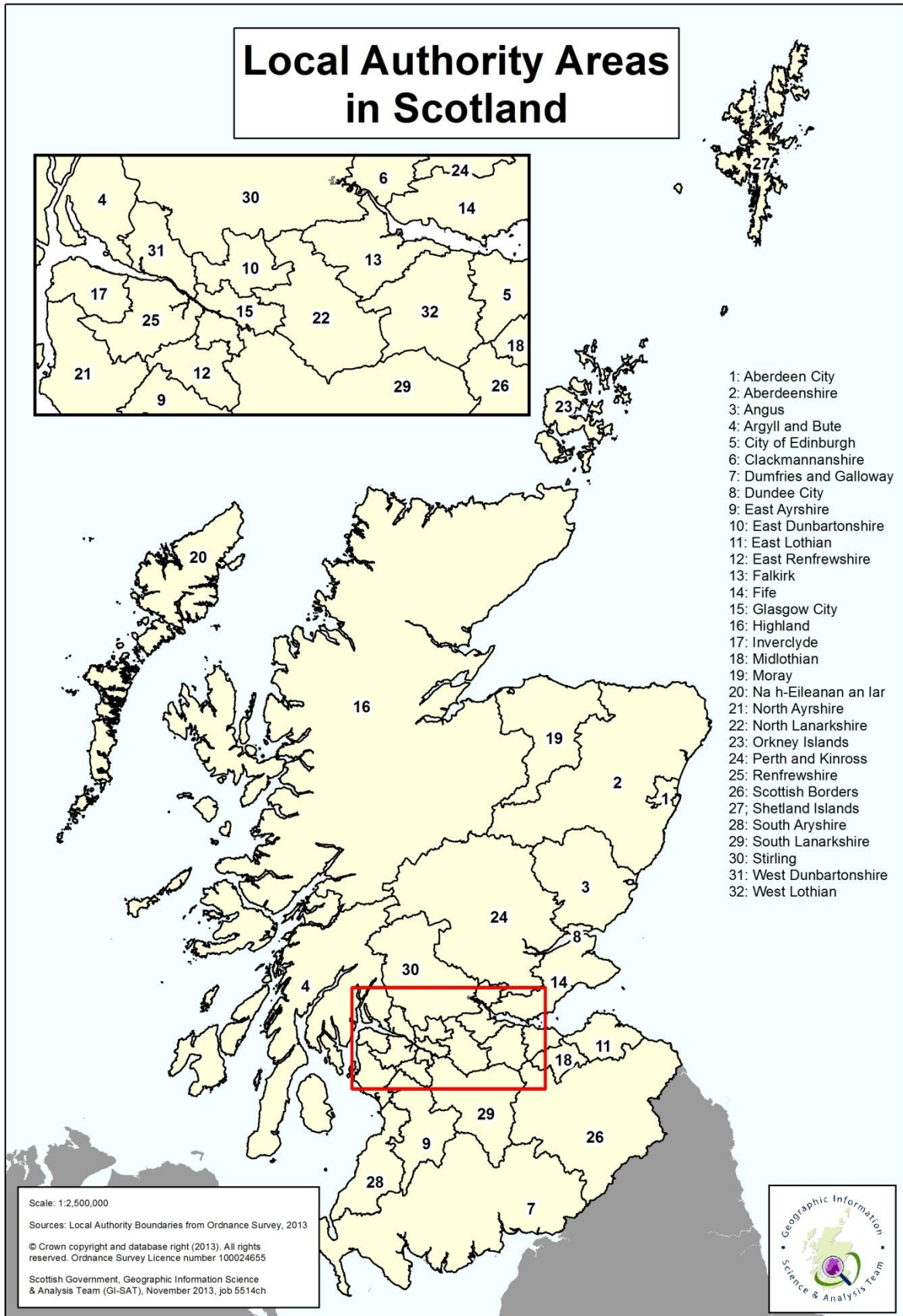
Sources: Population and Area – National Records of Scotland 2012 Mid-Year Population Estimates. Urban Rural Classification – SG Urban Rural Classification 2011-12. SIMD – Scottish Index of Multiple Deprivation 2012.

Table 5.2 – Local Authority Joint Board Membership

Local Authority	Fire Board	Police Board	Regional Transport Partnerships	Valuation Joint Boards
Aberdeen City	Grampian Fire	Grampian Police	NESTRANS	Grampian
Aberdeenshire	Grampian Fire	Grampian Police	NESTRANS	Grampian
Angus	Tayside Fire & Rescue	Tayside Police	TACTRAN	Tayside
Argyll & Bute ¹	Strathclyde Fire	Strathclyde Police	SPT/HITRANS	Dunbartonshire & Argyll& Bute
Clackmannanshire	Central Scotland Joint Fire	Central Scotland Police	SESTRAN	Central
Dumfries & Galloway	Dumfries & Galloway Fire	Dumfries & Galloway Police	SWESTRANS	Dumfries & Galloway
Dundee City	Tayside Fire & Rescue	Tayside Police	TACTRAN	Tayside
East Ayrshire	Strathclyde Fire	Strathclyde Police	SPT	Ayrshire
East Dunbartonshire	Strathclyde Fire	Strathclyde Police	SPT	Dunbartonshire & Argyll& Bute
East Lothian	Lothian & Borders Fire & Rescue	Lothian & Borders Police	SESTRAN	Lothian
East Renfrewshire	Strathclyde Fire	Strathclyde Police	SPT	Renfrewshire
Edinburgh, City of	Lothian & Borders Fire & Rescue	Lothian & Borders Police	SESTRAN	Lothian
Eilean Siar	Highlands & Islands Fire	Northern Police	HITRANS	Highland and Western Isles
Falkirk	Central Scotland Joint Fire	Central Scotland Police	SESTRAN	Central
Fife	Fife Fire and Rescue Service	Fife Constabulary	SESTRAN	Fife
Glasgow City	Strathclyde Fire	Strathclyde Police	SPT	Glasgow
Highland	Highlands & Islands Fire	Northern Police	HITRANS	Highland and Western Isles
Inverclyde	Strathclyde Fire	Strathclyde Police	SPT	Renfrewshire
Midlothian	Lothian & Borders Fire & Rescue	Lothian & Borders Police	SESTRAN	Lothian
Moray	Grampian Fire	Grampian Police	HITRANS	Grampian
North Ayrshire	Strathclyde Fire	Strathclyde Police	SPT	Ayrshire
North Lanarkshire	Strathclyde Fire	Strathclyde Police	SPT	Lanarkshire
Orkney Islands	Highlands & Islands Fire	Northern Police	HITRANS	Orkney & Shetland
Perth & Kinross	Tayside Fire & Rescue	Tayside Police	TACTRAN	Tayside
Renfrewshire	Strathclyde Fire	Strathclyde Police	SPT	Renfrewshire
Scottish Borders	Lothian & Borders Fire & Rescue	Lothian & Borders Police	SESTRAN	Borders
Shetland Islands	Highlands & Islands Fire	Northern Police	ZetTrans	Orkney & Shetland
South Ayrshire	Strathclyde Fire	Strathclyde Police	SPT	Ayrshire
South Lanarkshire	Strathclyde Fire	Strathclyde Police	SPT	Lanarkshire
Stirling	Central Scotland Joint Fire	Central Scotland Police	TACTRAN	Central
West Dunbartonshire	Strathclyde Fire	Strathclyde Police	SPT	Dunbartonshire & Argyll& Bute
West Lothian	Lothian & Borders Fire & Rescue	Lothian & Borders Police	SESTRAN	Lothian

1. Helensburgh and Lomond are part of SPT while the rest of Argyll and Bute is part of HITRANS.

Map 5.1 – Local Authority Areas



5.2 Local Government Finance

5.2.1 Capital and Revenue Expenditure

Local Government expenditure is split between revenue and capital expenditure.

Both the capital and revenue sections of Local Authority accounts are collected on an *accruals* basis. This means that transactions are reflected in the accounts of the period in which the relevant event took place (for example, when income was earned or an expense was incurred). Capital accounts figures prior to 2004-05 were recorded on a *cash* basis, where transactions were recorded in the period in which the payment was made or received.

Revenue expenditure is largely made up of employee and operating costs. *Employee costs* include salaries, wages, national insurance, superannuation contributions, cash allowances to employees, redundancy and severance payments and other employee costs. *Operating costs* include property costs, supplies and services, transport and plant costs, payments to agencies and other bodies, and direct administration costs.

Capital expenditure is mainly incurred by Local Authorities for buying, constructing or enhancing physical assets such as buildings (schools, houses etc), land, vehicles, plant and machinery.

For accounting purposes revenue and capital are kept separate, but there is a relationship between the two, where capital expenditure (on a building for example) can have implications for revenue expenditure (where that building needs to be maintained and staffed). The revenue accounts reported include the General Fund, Housing Revenue accounts and External Trading Services accounts. Adjustments are made for transfers between accounts in order to avoid any double counting of expenditure or income.

Revenue and capital accounts should not be combined to produce total expenditure and income figures. There are elements of expenditure, i.e. Revenue Contributions to Capital, which is also known as Capital Financed from Current Revenue, and Grants to third parties funded by the General Capital Grant, which are reported both as Revenue and as Capital expenditure. As such, analysis and discussion of revenue and capital accounts are done separately to avoid double-counting.

5.2.2 Local Government Expenditure - Funding

Revenue expenditure is largely financed through Scottish Government grants, Non-Domestic Rates income and Council Tax income. Capital is mainly financed through Scottish Government grants, borrowing, capital receipts and revenue contributions.

This publication does not cover how funding is distributed amongst Local Authorities but details of the needs-based methodology central to funding allocation can be found on the Scottish Government [Grant Aided Expenditure Website](#).

5.2.3 Local Authority Funds and Reserves

Local Authorities are required under section 93(1) of the Local Government (Scotland) Act 1973 to have a **General Fund**. All sums received by or on behalf of the authority are required to be paid into that fund, and all sums payable by the authority shall be paid out of the General Fund, except where statute provides otherwise. The General Fund is therefore

the main account for Local Authorities and the one where most transactions occur. References to General Fund Income and Expenditure in this publication encompass the income and expenditure of the 32 Local Authorities, the Police and Fire Boards, the Valuation Joint Boards, and the Regional Transport Partnerships, but do not include income and expenditure of the Forth or Tay Bridge Boards.

The Housing (Scotland) Act 1987 requires a local authority to keep a **Housing Revenue Account (HRA)** for income and expenditure in relation to a local authority's own direct provision of housing. This separates the costs of social housing from other services provided by the local authority.

Local authorities also own and manage **Common Good** assets. Common good funds and assets are those held by local authorities which were, in effect, gifted to the local community (usually a previous burgh council). Statute requires these assets to be accounted for separately. Some property held within a Local Authority's Common Good Fund can be sold, while some must be maintained in trust for the community. The fund is used for projects that are for the common good of all residents.

Local Authorities are empowered by the Local Government (Scotland) Act 1975 to establish a **Renewal and Repair fund**. This fund may be used for repairing, maintaining, replacing and renewing the authority's buildings, plant and equipment. The Renewal and Repair fund may also be used to finance capital expenditure. In accordance with the Code of Practice on Local Authority Accounting in the UK (the Code), expenditure may not be charged directly to reserves. As such, all transactions are restricted to contributions to and from the General Fund.

The Local Government (Scotland) Act 1975 (as amended by schedule 13 of the Local Government etc. (Scotland) Act 1994) also enables a local authority to establish an **Insurance Fund**. Again, expenditure should not be charged directly to any reserve. As such, all transactions for this reserve are restricted to contributions to and from the General Fund.

In addition to the funds listed above, some local authorities may have specific statutory authority to hold other reserves. Examples include the Orkney County Council Act 1974 and the Zetland County Council Act 1974, which require the respective councils to keep separate accounts for their harbour undertakings and provide the power for the councils to hold a reserve fund for the same undertakings. As with other reserves' transactions, all transactions for these reserves are restricted to contributions to and from the General Fund.

The Local Government (Scotland) Act 1975 Act also permits a local authority to establish a **Capital Fund**. This fund may be used for the purpose of meeting the cost of capital expenditure and for the repayment of principal on loans (but not any interest on loans). Capital receipts may be paid directly into the Capital Fund in accordance with the provisions of the 1975 Act.

In addition to their own funds certain local authorities have the responsibility for managing pension funds. The **Local Government Pension Schemes** do not form part of the local authority accounts or reserves.

5.2.4 Changes to Accounting Arrangements for Public Private Partnerships and Public Finance Initiatives

Revised accounting arrangements for Public Private Partnerships (PPP) and Public Finance Initiatives (PFI) were introduced from 1st April 2009. Local Financial Returns 2009-10 and Final Capital Return 2009-10 were revised to collect data based on the new arrangements and this has continued for subsequent.

The revisions require local authorities to separate the PPP/PFI unitary charge into elements recognising the liability to meet the construction cost of the asset (statutory repayment of debt), interest costs arising from financing arrangements and the service charge for services (revenue expenditure) provided under the arrangement. Previously the total unitary charge was included within the relevant service revenue expenditure. Therefore, **for 2009-10 (and later years) revenue expenditure, statutory repayment of debt and interest and investment income** for services in which there are PPP or PFI schemes are not comparable with previous years. Total revenue expenditure is not affected by the changes. To allow comparisons to be made between the old and new accounting arrangements, revenue expenditure tables prepared on the old basis [LGF Stats 2009-10 (PPP/PFI Adjusted)] were published alongside [Scottish Local Government Financial Statistics 2009-10](#) (which included tables on the new basis).

Capital expenditure is also affected by the revised accounting arrangements. Before 1st April 2009 assets provided by a PFI/PPP or similar arrangement were not recorded as assets of the authority and therefore expenditure on the construction or enhancement of those assets was not recorded as capital expenditure. Under the new accounting arrangements the criteria for asset recognition moved from risk and reward to the control of service provision and control of the residual value of the asset. Based on the new tests most local authorities identified that they do have control of service provision and the residual interest in the PFI assets, such as schools. These assets are now recognised as assets of the local authority (on-balance sheet) which they were not under the previous arrangements and now form part of the capital regime. Any expenditure on their construction or enhancement will be capital expenditure.

This change should therefore be taken into account when comparing **2009-10 capital expenditure** for services in which councils have PPP or PFI with those of previous years. Comparison between data on the old and new bases is provided in [Capital Expenditure Report 2010-11](#).

The services in which councils have reported having PPP or PFI are Education, Social Work, Culture & Related Services, Environmental Services and Roads & Transport. The biggest effect can be seen in Education as most councils have a PPP or PFI scheme for this service.

For more detailed information on the accounting changes see [Finance Circular 4/2010](#).

5.2.5 Data Collection and Quality

The tables and figures in this publication have been compiled using various financial returns made by Local Authorities and Joint Boards throughout the financial year. These financial returns are approved by local authority directors of finance. The continued co-operation of these bodies in completing these returns is gratefully acknowledged.

To aid comparability, data collection aims to follow accountancy standards where they apply – for example revenue expenditure data are collected in line with the Chartered Institute of Public Finance and Accountancy (CIPFA) Service Code of Practice (SeRCOP).

As part of the quality assurance procedure, the Scottish Government carries out validation checks on the incoming data to identify possible errors. Potential problems are identified in a number of ways, including comparing the data received to: other known sources; data from previous years; and data from other local authorities. Where appropriate, views are also sought from policy colleagues – for example where a change in the financial data may be attributable to a policy change. To ensure the data are of a high quality, the Scottish Government then works with the relevant local authorities to resolve any data issues identified.

The Local financial Returns (LFRs) are used to collect revenue income and expenditure data from local authorities. A full review of the LFRs was carried out for the 2011-12 data collection by the LFR Review Group, comprising of representatives from local authorities, the Convention of Scottish Local Authorities (COSLA), the Chartered Institute of Public Finance and Accountancy (CIPFA) and the Scottish Government. This group continued to provide help and advice with regard to the 2012-13 LFRs, for example improving definitions to aid consistency, and this support is gratefully acknowledged.

Further information on [Sources, Uses and Quality of Local Government Finance National Statistics](#) can be found on the Local Government Finance Statistics pages of the Scottish Government website.

5.2.6 Notes

Revenue expenditure data for 2011-12 and 2012-13 were collected after local authority accounts were audited.

All other financial data is shown at outturn level to reflect the amounts after the year's accounts have been closed, but before audit. Where possible actual figures have been used. Where this has not been possible, near-actual figures have been taken. For this reason the figures published in this publication may not always agree with those published in Local Authority Audited Accounts.

Please note that due to rounding, some totals may not agree with the sum of their constituent parts. Calculations have been made where possible using un-rounded figures and may therefore not agree exactly with the rounded figures given in accompanying tables.

The following symbols are used throughout the publication:

.. not available
nc not collected

- not applicable
- nil or less than half the final digit shown

5.2.7 Enquiries

Enquiries relating to any of the text, tables or figures contained in the publication may be directed to:

Scottish Government
Local Government Finance Statistics
Local Governance and Reform Analytical Division
Area 3H-North, Victoria Quay
Edinburgh
EH6 6QQ

Tel: (0131) 244 7033

E-mail: lgfstats@scotland.gsi.gov.uk

Many of the data collections feeding into this report collect data at a more detailed level than the information published here. Much of the additional data can be made available if requested (contact details as above). Empty data collection forms, which illustrate what is collected can be viewed on the Scottish Government website [Local Government Finance – Data Supplier Area](#) pages.

All tables in this publication, and further background data, are available as Excel spreadsheets from the Scottish Government Local Government Finance Statistics website at:

<http://www.scotland.gov.uk/stats/lgfstats>

5.2.8 Local Government Financial Statistics from other parts of the UK

Statistics on local government finance in England and Wales can be found here:

[Local Government Finance Statistics - England](#)

[<https://www.gov.uk/government/organisations/department-for-communities-and-local-government/series/local-government-finance-statistics-england>]

[Local Government Finance 2013 \(Wales\)](#)

[<http://wales.gov.uk/topics/statistics/headlines/localgov2013/?lang=en>]

Although many of the statistics in the publications for Scotland, England and Wales adopt common accounting standards, there will be some variations in definitions for statistics for different countries.

If further advice is required on the definitions used in Scottish Local Government Financial Statistics, please use the contact details in the Enquiries section (above).

6. Sources

Scottish Government

Scottish Government Local Government Finance Statistics Collections From Local Authorities

Empty data collection forms, which illustrate what is collected can be viewed on the Scottish Government website [Local Government Finance – Data Supplier Area](#) pages.

Local Financial Returns (LFR)

Final outturn expenditure statistics relating to each Local Authority, Joint Board and Regional Transport Partnership are collected on an annual basis in this series of detailed returns.

Council Tax Receipts Return (CTRR)

The CTRR return monitors councils collection levels relating to council tax and community charge. Information is collected relating to the amounts billed and received and the year to which the payment refers.

Council Tax Base (CTAXBASE)

The CTAXBASE figures give the number of properties in each council tax band in each local authority area, including those with exemptions and discounts.

Council Tax Assumptions (CTAS)

The CTAS form asks councils to set out the assumptions used in setting their Band D council tax levels, and discounts provided for second homes and long term empty properties.

Non Domestic Rates Income Returns (NDRI)

The Non-Domestic Rates Returns (NDRI returns) collect data on the amount of NDR income each year. For this there is a cycle of 4 returns to collect estimates and then final amounts of NDR income – The Provisional Contributable Amount, Mid-year Estimate, Notified and Audited (Certified) Returns.

Capital Expenditure Returns (CR 1, 2, 3, 4 and Final)

The capital returns collect forecast and outturn income and expenditure statistics relating to capital income and expenditure for each local authority and joint boards.

Data sources and Suitability

A “Data Sources and Suitability” section of the local government finance statistics website is under currently development and will be available soon via the above link. The section will provide key information on Local Government Finance data sources including the use made of the data, decisions they inform and the quality and reliability of data.

Rural Statistics

Urban Rural Classification

The Scottish Government Urban Rural Classification provides a standard definition of rural areas in Scotland. This classification is updated every two years to incorporate the most

recent Small Area Population Estimates produced by National Records of Scotland (NRS) and Royal Mail Postcode Address File.

NRS Small Area Population Estimates together with information from the Royal Mail Postcode Address File were used to classify 2010 postcode units as high or low density. This information was then used to identify areas of contiguous high density postcodes with a population of 500 or more that make up a Settlement.

<http://www.gro-scotland.gov.uk/statistics/theme/population/estimates/special-area/sape/index.html>

<http://www.scotland.gov.uk/Topics/Statistics/About/Methodology/UrbanRuralClassification>

Small Area Statistics

Scottish Index of Multiple Deprivation (SIMD)

The Scottish Index of Multiple Deprivation (SIMD) is the Scottish Government's official tool for identifying those places in Scotland suffering from deprivation. It incorporates several different aspects of deprivation, combining them into a single index. It divides Scotland into 6,505 small areas, called data zones, each containing around 350 households. The Index provides a relative ranking for each data zone, from 1 (most deprived) to 6,505 (least deprived). By identifying small areas where there are concentrations of multiple deprivation, the SIMD can be used to target policies and resources at the places with greatest need.

<http://simd.scotland.gov.uk/publication-2012/>

National Records of Scotland

Mid Year Population Estimates

<http://www.gro-scotland.gov.uk/statistics/theme/population/estimates/mid-year/>

7. Glossary

Revenue expenditure covers the costs of maintaining local services and primarily consists of *employee costs* and *operating costs*. The benefits of revenue expenditure are received within one financial year. All revenue expenditure, except expenditure on Local Authority housing, is accounted for through the General Fund.

Employee costs include salaries and wages, national insurance and superannuation contributions, cash allowances paid to employees, redundancy and severance payments and other employee costs.

Operating costs include property costs, supplies and services costs, transport (including car allowances) and plant costs, payments to agencies and other bodies, and direct administration costs (including training).

Support Service costs are those paid for services that support the provision of services to the public, e.g. IT, Human Resources, Legal Services, Procurement Services and Corporate Services.

Transfer payments are those made to individuals for which no goods or services are received in return by the local authority.

Revenue Contributions to Capital (RCC) are the revenue contributions towards capital expenditure on capital assets which were met directly from the service revenue within the current year. RCC can also be referred to as capital funded from current revenue (CFCR) in discussions of Capital accounts.

Adjustment for inter-account and inter-authority transfers is an adjustment made for the contributions made by one authority to another, i.e. inter-authority transfers, and the recharges, or income from other accounts within an authority, i.e. inter-account transfers. The adjustment is equal to the total of inter-authority transfers and the total of inter-account transfers.

Grants to third parties funded by General Capital Grant (GCG) come under both revenue and capital expenditure. The General Capital Grant was introduced for the first time in 2008-09. It is a Scottish Government grant paid to the 32 Local Authorities. The grant may be used to fund the capital expenditure of the local authority. With certain limitations, the grant may also be used to fund third party capital expenditure (either through direct spend or the provision of grant). Where the GCG is used to finance the capital expenditure of the council, this expenditure is considered strictly as capital expenditure. Where the GCG is used to fund third party capital projects the GCG is treated as revenue income and the corresponding third-party grant or direct payment is treated as revenue expenditure.

Gross revenue expenditure is the total expenditure on Local Authority services within a financial year less inter-authority and inter-account transfers.

Net revenue expenditure is gross revenue expenditure, less other government grants, sales, fees and charges, grants to third parties funded by General Capital Grant, and other grants, reimbursements and contributions. It is therefore the net revenue expenditure that is to be financed from General Revenue Funding, non-domestic rates, council tax and balances.

Common Good Fund income and expenditure is recorded in a separate set of accounts. Some property held within a Local Authority's Common Good Fund can be sold, while some must be maintained in trust for the community. The fund is used for projects that are for the common good of all residents.

The Housing Revenue Account (HRA) records income and expenditure relating to Local Authority housing stock. Whilst most other Local Authority services are funded through a combination of non-domestic rates and council tax income plus Government grants, the HRA is a ring-fenced account, and expenditure is funded by housing rents and Government subsidies.

8. Annexes

Local Government Revenue Expenditure and Income

Annex A – Service Analysis of General Fund Revenue Expenditure and Income, 2012-13

Annex B – Subjective Analysis of General Fund Revenue Expenditure and Income, 2012-13

Annex C – General Fund Net Revenue Expenditure by Local Authority and Service, 2012-13

Annex D (i) – General Fund Net Revenue Expenditure by Local Authority, 2008-09 to 2012-13

Annex D (ii) – General Fund Net Revenue Expenditure of Services by Local Authority, 2008-09 to 2012-13

Annex E – Revenue Income by Local Authority and Service, 2012-13

Annex F – Calculation of the Distributable Amount of Non-Domestic Rates Income, 2012-13

Local Government Capital Expenditure and Financing

Annex G – Capital Expenditure by Local Authority and Service, 2012-13

Annex H – Capital Expenditure by Service and Type of Expenditure, 2012-13

Annex I – Capital Income by Local Authority and Type, 2012-13

Annex J – Capital Receipts by Service, 2012-13

ANNEX A – Service Analysis of General Fund Revenue Expenditure and Income, 2012-13

£ thousands

	Revenue Contributions to Capital	Support Service Costs	All other Expenditure	Adjustment for Inter Account and Inter Authority Transfers	Total Expenditure	Total Income	Net Revenue Expenditure
Education	14,798	184,132	4,601,660	-26,136	4,774,454	188,205	4,586,249
Pre-primary education	761	11,015	303,603	-999	314,380	13,388	300,992
Primary education	8,056	69,989	1,751,069	-7,511	1,821,603	61,534	1,760,069
Secondary education	4,313	72,105	1,878,586	-8,716	1,946,288	74,566	1,871,722
Special education	1,549	16,923	498,627	-6,591	510,508	13,643	496,865
Community Learning	68	7,798	134,451	-1,244	141,073	18,783	122,290
Other non-school funding	51	6,302	35,324	-1,075	40,602	6,291	34,311
Cultural and related services	4,321	42,135	698,459	-41,808	703,107	89,432	613,675
Museums and galleries	33	2,520	43,671	-66	46,158	3,671	42,487
Other cultural and heritage services	418	4,418	59,024	-828	63,032	15,634	47,398
Library service	351	8,511	108,937	-491	117,308	4,640	112,668
Tourism	9	692	29,496	-270	29,927	4,748	25,179
Countryside recreation and management	576	1,821	24,657	-502	26,552	2,756	23,796
Sport facilities	611	7,779	196,376	-1,943	202,823	33,036	169,787
Community parks and open spaces	1,746	11,924	174,712	-36,251	152,131	13,856	138,275
Other recreation and sport	577	4,470	61,586	-1,457	65,176	11,091	54,085
Social work	2,414	198,150	3,619,993	-35,081	3,785,476	823,859	2,961,617
Service Strategy	465	2,794	25,652	-3,318	25,593	3,063	22,530
Children's Panel	0	448	2,068	-20	2,496	260	2,236
Children and families	207	43,532	801,216	-7,849	837,106	20,723	816,383
Older persons	1,093	83,705	1,606,741	-9,895	1,681,644	388,352	1,293,292
Adults with physical or sensory disabilities	359	12,023	201,691	-2,289	211,784	28,179	183,605
Adults with learning disabilities	207	36,130	666,636	-6,474	696,499	193,470	503,029
Adults with mental health needs	33	8,209	149,011	-762	156,491	62,705	93,786
Adults with other needs	8	3,141	62,376	-2,409	63,116	22,342	40,774
Criminal justice social work services	42	8,168	104,602	-2,065	110,747	104,765	5,982
Police¹	7,027	56,114	1,184,101	-6,493	1,240,749	726,933	513,816
Local Policing	3,260	33,849	697,633	-5,353	729,389	414,004	315,385
Dealing with the Public	337	3,729	83,566	-77	87,555	42,844	44,711
Criminal Justice Arrangements	380	3,818	79,375	-89	83,484	43,670	39,814
Road Policing	1,476	2,882	56,330	-634	60,054	35,792	24,262
Specialist Operations	217	1,982	50,128	-42	52,285	36,321	15,964
Intelligence	204	2,415	51,750	-35	54,334	29,734	24,600
Specialist Investigations	400	4,624	91,984	-106	96,902	54,964	41,938
Investigative Support	18	260	4,387	-9	4,656	2,624	2,032
National Policing	735	2,555	68,948	-148	72,090	66,980	5,110
Fire¹	4,422	9,193	337,877	-4,817	346,675	50,011	296,664
Fire fighting and rescue	4,185	6,577	247,627	-503	257,886	10,047	247,839
Community fire safety	237	2,554	20,362	-52	23,101	1,848	21,253
Fire fighters' pensions	0	0	68,554	-4,262	64,292	38,115	26,177
Fire service emergency planning	0	62	1,334	0	1,396	1	1,395
Roads and transport²	18,800	41,047	768,774	-132,777	695,844	208,566	487,278
Road construction	1,728	291	11,150	-1,323	11,846	5,375	6,471
Winter maintenance	62	2,683	88,910	-88	91,567	2,982	88,585
Maintenance & repairs	2,591	17,133	256,787	-54,422	222,089	40,018	182,071
Road lighting	576	3,484	79,932	-3,706	80,286	7,463	72,823
School crossing patrols	0	559	13,273	-113	13,719	48	13,671
Other network and traffic management	345	9,242	62,709	-12,645	59,651	15,416	44,235
Parking	596	2,364	30,353	-723	32,590	61,622	-29,032
Non-LA PT: Concessionary fares	0	286	7,804	-13	8,077	1,071	7,006
Non-LA PT: Support to operators	0	1,874	96,001	-9,756	88,119	7,593	80,526
Non-LA PT: Co-ordination	12,902	2,856	93,539	-47,969	61,328	60,035	1,293
Local authority Transport	0	275	28,316	-2,019	26,572	6,943	19,629

ANNEX A – Service Analysis of General Fund Revenue Expenditure and Income, 2012-13

£
thousands

	Revenue Contributions to Capital	Support Service Costs	All other Expenditure	Adjustment for Inter Account and Inter Authority Transfers	Total Expenditure	Total Income	Net Revenue Expenditure
Environmental services	11,147	59,827	741,663	-28,306	784,331	128,769	655,562
Cemetery, cremation and mortuary services	200	4,001	34,751	-815	38,137	29,593	8,544
Coast protection	2	226	2,266	-3	2,491	652	1,839
Flood defence and land drainage	366	828	8,451	-386	9,259	833	8,426
Environmental Health	235	14,127	90,790	-4,742	100,410	15,831	84,579
Trading Standards	17	4,304	28,198	-1,011	31,508	1,934	29,574
Waste Collection	2,445	15,064	197,793	-6,060	209,242	41,976	167,266
Waste Disposal	7,576	10,902	272,135	-7,270	283,343	34,871	248,472
Other waste management	306	10,375	107,279	-8,019	109,941	3,079	106,862
Planning and economic development	4,011	49,979	452,037	-22,389	483,638	201,088	282,550
Planning: Building control	3	6,579	35,014	-664	40,932	25,180	15,752
Planning: Development control	205	8,661	41,831	-318	50,379	24,785	25,594
Planning: Policy	156	5,381	71,407	-3,272	73,672	36,478	37,194
Planning: Environmental initiatives	147	2,619	24,789	-2,145	25,410	10,193	15,217
Economic development	3,500	26,739	278,996	-15,990	293,245	104,452	188,793
Non-HRA Housing	530	30,672	2,320,242	-24,625	2,326,819	2,020,080	306,739
Private sector housing renewal	178	2,958	69,734	-1,452	71,418	42,732	28,686
Housing benefits: Rent allowances	0	0	1,108,430	0	1,108,430	1,073,853	34,577
Housing benefits: Rent rebate	0	0	611,977	0	611,977	638,290	-26,313
Homelessness	7	8,163	181,235	-3,933	185,472	114,385	71,087
Welfare Services	0	40	5,841	-242	5,639	681	4,958
Administration of housing advances	0	90	71	-82	79	361	-282
Housing Support Services	0	4,755	158,050	-1,022	161,783	8,026	153,757
Other non-HRA housing (excl admin of Housing Benefits)	345	14,666	184,904	-17,894	182,021	141,752	40,269
Central Services³	26,259	133,693	648,892	-235,773	573,071	210,842	362,229
Council tax collection	49	25,032	61,349	-1,808	84,622	52,090	32,532
Council tax benefit administration	25	10,722	25,490	-2,432	33,805	19,405	14,400
Non-domestic rates collection	2	4,084	5,832	-125	9,793	1,577	8,216
Housing benefit administration	111	13,248	26,516	-2,149	37,726	22,407	15,319
Registration of births, deaths and marriages	2	5,117	10,168	-147	15,140	9,662	5,478
Emergency Planning (non Police or Fire)	0	608	4,109	-316	4,401	426	3,975
Licensing	1	5,826	14,767	-218	20,376	20,205	171
Conducting Elections	0	1,318	10,135	-592	10,861	1,861	9,000
Registration of electors	39	795	9,121	-505	9,450	160	9,290
Council tax valuation	57	519	9,743	-27	10,292	61	10,231
Non-domestic lands valuation	63	1,139	16,125	-60	17,267	276	16,991
Local Land Charges	0	1	55	0	56	25	31
Non-road lighting	0	374	11,718	-10	12,082	3,490	8,592
General grants, bequests and donations	10	535	8,131	0	8,676	35	8,641
Corporate and democratic core costs	270	105,788	67,235	-4,588	168,705	1,816	166,889
Non-distributed costs	1,173	-52,242	127,482	-12,129	64,284	2,728	61,556
Other	24,457	10,829	240,916	-210,667	65,535	74,618	-9,083
Trading Services	422	1,564	62,664	-10,093	54,557	58,115	-3,558
Add Ring Fenced Grants Back In	.	.	.	.	0	-524,957	524,957
Interest and investment income	.	.	.	.	683,665	64,529	619,136
Surplus/deficit from Significant Trading Operations	.	.	.	.	-2,811	0	-2,811
Statutory repayment of debt	.	.	.	.	595,343	.	595,343
All services	94,151	806,506	15,436,362	-568,298	17,044,918	4,245,472	12,799,446

1. Police and fire expenditure is apportioned to councils using the amount that the Joint Boards requisition from them

2. Regional Transport Partnerships expenditure is apportioned to councils by population (NRS 2012 mid-year population estimates)

3. Expenditure on council tax and non-domestic valuation and registration of electors is apportioned to councils using the amount that the Valuation Joint Boards requisition from them

ANNEX B – Subjective Analysis of General Fund Revenue Expenditure and Income, 2012-13

£thousands

	Education Services	Culture and Related Services	Social Work Services	Police Service	Fire Service	Roads and Transport	Environmental Services	Planning and Development Services	Central Services	Housing Services (Non-HRA)	Trading with the Public	Total General Fund Services	HRA Housing Services	Total General Fund Services (inc HRA)
EXPENDITURE														
<u>Employee Costs</u>														
Teachers	2,385,549											2,385,549		2,385,549
All other Employees	856,963	230,615	1,300,953	1,032,651	288,047	186,989	300,607	149,208	368,489	90,232	21,448	4,826,202	136,700	4,962,902
Total Employee Costs	3,242,512	230,615	1,300,953	1,032,651	288,047	186,989	300,607	149,208	368,489	90,232	21,448	7,211,751	136,700	7,348,451
<u>Operating Costs</u>														
Premises Related Costs	509,877	96,571	70,397	49,062	18,769	64,470	39,486	44,366	47,604	68,803	6,914	1,016,319	359,962	1,376,281
Transport Related Expenditure	163,432	21,448	58,740	22,442	8,306	54,660	97,476	2,635	14,598	2,618	21,905	468,260	4,887	473,147
Supplies and Services	395,211	126,883	140,552	61,552	17,934	166,829	159,749	57,099	127,359	55,232	7,759	1,316,159	66,217	1,382,376
Third Party Payments	253,328	199,900	1,962,753	12,245	2,449	289,543	141,085	153,701	89,753	280,354	4,565	3,389,676	23,812	3,413,488
Other local authorities	11,746	9,712	7,707	3,475	713	33,018	967	631	9,734	137	0	77,840	6	77,846
Health authorities	7,190	0	14,737	505	0	594	0	686	46	255	0	24,013	0	24,013
All Other Third Party Payments	234,392	190,188	1,940,309	8,265	1,736	255,931	140,118	152,384	79,973	279,962	4,565	3,287,823	23,806	3,311,629
Total Operating Costs	1,321,848	444,802	2,232,442	145,301	47,458	575,502	437,796	257,801	279,314	407,007	41,143	6,190,414	454,878	6,645,292
<u>Transfer Payments</u>														
School Children and students	23,384											23,384		23,384
Social Work Clients			67,388									67,388		67,388
Housing benefits										1,720,407		1,720,407		1,720,407
Debits resulting from soft loans to clients etc.	0	6	0	0	0	0	0	7	0	0	0	13	0	13
Other Transfer Payments	13,916	23,036	19,210	6,149	2,372	6,283	3,260	45,021	1,089	102,596	73	223,005	1,985	224,990
Total Transfer Payments	37,300	23,042	86,598	6,149	2,372	6,283	3,260	45,028	1,089	1,823,003	73	2,034,197	1,985	2,036,182
<u>Support Services</u>														
Total Support Services	184,132	42,135	198,150	56,114	9,193	41,047	59,827	49,979	133,693	30,672	1,564	806,506	64,442	870,948
<u>Revenue Contribution to Capital</u>														
Total Revenue Contribution to Capital	14,798	4,321	2,414	7,027	4,422	18,800	11,147	4,011	26,259	530	422	94,151	190,810	284,961
<u>Adjustment for Inter Account and Inter Authority Transfers</u>														
Contributions from other local authorities	-7,156	-462	-11,822	-6,396	-383	-45,317	-1,370	-374	-2,494	-75	-418	-76,267	-4	-76,271
Recharges (income from other accounts within the authority)	-18,980	-41,346	-23,259	-97	-4,434	-87,460	-26,936	-22,015	-233,279	-24,550	-9,675	-492,031	-28,886	-520,917
Total Adjustment for Inter Account and Inter Authority Transfers	-26,136	-41,808	-35,081	-6,493	-4,817	132,777	-28,306	-22,389	-235,773	-24,625	-10,093	-568,298	-28,890	-597,188
Gross Expenditure	4,774,454	703,107	3,785,476	1,240,749	346,675	695,844	784,331	483,638	573,071	2,326,819	54,557	15,768,721	819,925	16,588,646

ANNEX B – Subjective Analysis of General Fund Revenue Expenditure and Income, 2012-13

£thousands

	Education Services	Culture and Related Services	Social Work Services	Police Service	Fire Service	Roads and Transport	Environmental Services	Planning and Development Services	Central Services	Housing Services (Non-HRA)	Trading with the Public	Total General Fund Services	HRA Housing Services	Total General Fund Services (inc HRA)
INCOME														
<u>Government Grants</u>														
Ring-fenced Revenue Grants	8,361	0	0	507,631	0	0	0	0	0	8,965	0	524,957	2,840	527,797
General Capital Grant used to fund grants to third parties	0	1,965	2	3,663	0	16,390	0	3,385	0	105,954	0	131,359	0	131,359
Other Central Government Grants (excl GRG)	31,358	2,977	94,493	100,020	21,003	24,071	5,895	24,378	67,734	1,591,239	0	1,963,168	6,690	1,969,858
Total Government Grants	39,719	4,942	94,495	611,314	21,003	40,461	5,895	27,763	67,734	1,706,158	0	2,619,484	9,530	2,629,014
<u>Other Grants reimbursements and Contributions</u>														
Contributions from Health Authorities			398,370									398,370		398,370
All other grants, reimbursements and contributions	35,131	13,130	54,539	6,569	26,066	13,988	4,905	56,576	32,219	148,510	70	391,703	10,567	402,270
Total Other Grants reimbursements and Contributions	35,131	13,130	452,909	6,569	26,066	13,988	4,905	56,576	32,219	148,510	70	790,073	10,567	800,640
<u>Customer and Client Receipts</u>														
Income from charges to service users	46,625	35,158	247,614	22,473	99	79,886	45,458	20,709	20,700	24,254	19,447	562,423	65,937	628,360
Rent Income	1,370	5,809	7,100	4,160	138	11,958	1,035	47,707	10,280	93,026	1,094	183,677	947,540	1,131,217
Other Sales, Fees and Charges	65,360	30,390	21,736	82,417	2,705	62,273	71,476	48,125	79,909	48,132	37,504	550,027	20,829	570,856
Total Customer and Client Receipts	113,355	71,357	276,450	109,050	2,942	154,117	117,969	116,541	110,889	165,412	58,045	1,296,127	1,034,306	2,330,433
Credits resulting from soft loans	0	3	5	0	0	0	0	208	0	0	0	216	0	216
Total Income	188,205	89,432	823,859	726,933	50,011	208,566	128,769	201,088	210,842	2,020,080	58,115	4,705,900	1,054,403	5,760,303
Net Revenue Expenditure	4,586,249	613,675	2,961,617	513,816	296,664	487,278	655,562	282,550	362,229	306,739	-3,558	11,062,821	-234,478	10,828,343
Net Revenue Expenditure (with Ring Fenced Grants Added Back In)	4,594,610	613,675	2,961,617	1,021,447	296,664	487,278	655,562	282,550	362,229	315,704	-3,558	11,587,778	-231,638	11,356,140
Interest and investment income												619,136	119,756	738,892
Surplus/deficit from Significant Trading Operations												-2,811	0	-2,811
Statutory repayment of debt												595,343	100,109	695,452
Net Revenue Expenditure (After Debt, Interest and Contributions from the HRA)												12,799,446	-11,773	12,787,673

ANNEX C – General Fund Net Revenue Expenditure by Local Authority and Service, 2012-13

£ thousands

	Education	Cultural and related services	Social work	Police ²	Fire ²	Roads and transport ^{3,4}	Environmental services	Planning and economic development	Non-HRA Housing	Central services ⁵	Trading services	Interest and Investment Income	Statutory Repayment of Debt	Surplus/deficit from Significant Trading Operations	Total net revenue expenditure
Scotland	4,594,610	613,675	2,961,617	1,021,447	296,664	487,278	655,562	282,550	315,704	362,229	-3,558	619,136	595,343	-2,811	12,799,446
Aberdeen City	151,827	25,850	128,885	43,492	9,818	9,868	22,282	7,719	2,455	12,834	0	24,904	14,968	2,654	457,556
Aberdeenshire	231,183	22,201	117,688	33,500	6,628	29,948	27,673	6,847	5,855	11,994	478	18,649	13,092	-550	525,186
Angus	96,995	10,233	56,642	16,200	4,343	14,738	13,903	3,047	7,530	14,944	36	13,174	8,863	0	260,648
Argyll & Bute	89,743	8,874	55,523	17,424	5,996	14,730	16,119	4,298	3,122	9,348	19	17,370	20,263	0	262,829
Clackmannanshire	45,264	6,287	27,858	7,517	2,579	3,843	5,131	1,716	3,397	4,313	0	7,064	6,280	0	121,248
Dumfries & Galloway	135,386	16,665	87,923	38,299	8,660	20,592	17,215	7,575	8,916	14,369	-77	18,923	15,253	-16	389,683
Dundee City	125,486	20,879	95,830	29,225	11,884	9,783	18,932	15,126	14,904	9,747	0	16,088	14,569	0	382,453
East Ayrshire	110,163	11,744	71,465	18,271	7,350	10,933	12,244	4,356	8,638	5,218	0	14,010	14,260	0	288,652
East Dunbartonshire	105,432	9,215	50,106	12,557	6,141	7,908	14,232	3,714	1,679	10,286	0	15,143	10,829	0	247,243
East Lothian	85,578	17,281	54,156	19,090	2,799	6,900	10,760	2,194	9,517	-1,762	0	10,754	9,750	0	227,018
East Renfrewshire	103,675	8,962	43,832	13,381	4,361	10,556	8,178	3,702	1,026	5,703	0	9,919	10,195	0	223,489
Edinburgh, City of	294,198	42,958	282,210	119,561	20,652	15,873	66,844	26,143	28,119	19,864	0	70,909	67,393	584	1,055,307
Eilean Siar	42,335	3,371	21,537	6,842	2,191	7,147	5,555	3,272	2,322	4,685	130	8,414	10,838	0	118,638
Falkirk	132,927	16,135	76,592	24,208	7,532	13,387	15,667	7,988	10,903	11,404	142	20,288	14,944	-1,234	350,883
Fife	304,046	46,242	197,437	59,239	17,980	36,957	42,808	15,715	17,969	16,134	257	28,811	29,312	-877	812,030
Glasgow City	459,854	108,526	397,453	160,103	51,218	25,376	82,805	77,074	69,541	66,438	78	92,095	86,947	-144	1,677,364
Highland	244,424	21,978	131,526	48,772	15,140	35,322	38,919	6,981	5,137	12,388	-1,059	35,137	30,990	0	625,655
Inverclyde	71,333	9,070	51,659	16,965	7,701	5,898	10,066	9,229	2,069	7,304	0	12,843	10,195	0	214,332
Midlothian	78,920	8,715	46,323	17,714	2,165	8,543	7,720	3,589	8,986	4,060	0	8,598	5,828	-305	200,857
Moray	78,319	8,625	51,886	15,059	3,407	8,182	10,800	1,623	6,994	6,709	392	6,977	6,829	-776	205,026
North Ayrshire	126,378	15,622	81,989	21,507	9,969	11,824	15,762	9,086	12,519	11,248	99	12,307	14,229	-185	342,354
North Lanarkshire	333,991	31,268	159,078	49,228	16,454	25,285	40,206	7,213	8,801	21,635	0	34,314	33,509	-1,467	759,515
Orkney Islands	27,493	4,202	16,545	4,120	1,624	11,878	3,216	2,557	1,183	10,652	97	-17,662	4,842	0	70,747
Perth & Kinross	129,179	18,803	72,476	19,540	6,628	14,437	17,270	5,025	12,543	7,217	116	12,963	13,287	0	329,484
Renfrewshire	139,244	18,144	91,857	34,449	10,443	12,614	20,240	4,214	3,537	17,257	0	14,781	45,772	0	412,552
Scottish Borders	98,391	12,673	68,509	25,061	7,043	15,962	13,349	2,334	5,242	2,916	0	15,585	7,348	0	274,413
Shetland Islands	43,460	5,296	30,786	4,919	2,124	20,269	4,599	6,818	5,019	6,895	-4,398	-4,421	910	0	122,276
South Ayrshire	98,270	10,966	69,880	16,695	7,306	10,444	14,065	2,861	2,575	9,646	132	11,047	8,577	0	262,464
South Lanarkshire	271,755	33,282	146,294	51,524	16,103	35,478	35,173	15,963	18,713	20,791	0	46,760	34,547	-495	725,888
Stirling	86,774	8,927	44,544	15,712	4,333	9,741	12,064	2,894	7,162	7,556	0	12,981	9,974	0	222,662
West Dunbartonshire	91,824	12,723	58,064	20,696	9,917	6,121	11,247	4,157	8,024	3,887	0	13,066	11,647	0	251,373
West Lothian	160,763	17,958	75,064	40,579	6,173	16,741	20,518	7,520	11,307	-3,449	0	17,345	9,104	0	379,622

1. Police and fire expenditure is apportioned to councils using the amount that the Joint Boards requisition from them

2. Regional Transport Partnerships expenditure is apportioned to councils by population (NRS 2012 Mid-Year Population Estimates)

3. Including general fund contributions to transport (LA and non LA).

4. Expenditure on council tax and non-domestic valuation and registration of electors is apportioned to councils using the amount that the Valuation Joint Boards requisition from them.

ANNEX D (i) – General Fund Net Revenue Expenditure by Local Authority^{1,2,3,4}, 2008-09 to 2012-13

	£thousands				
	2008-09	2009-10	2010-11	2011-12	2012-13
Scotland	12,438,832	13,135,364	13,004,704	12,696,622	12,799,446
Aberdeen City	459,816	476,745	474,970	467,976	457,556
Aberdeenshire	520,170	563,930	559,274	517,664	525,186
Angus	253,499	273,770	268,725	258,067	260,648
Argyll & Bute	269,427	280,508	288,822	271,820	262,829
Clackmannanshire	114,486	125,068	115,770	115,294	121,248
Dumfries & Galloway	355,130	383,793	393,388	383,295	389,683
Dundee City	360,182	376,558	377,742	375,307	382,453
East Ayrshire	288,861	291,184	287,481	285,072	288,652
East Dunbartonshire	233,862	278,628	263,655	247,076	247,243
East Lothian	211,803	223,503	223,133	228,150	227,018
East Renfrewshire	207,691	204,679	209,905	219,104	223,489
Edinburgh, City of	1,018,028	1,072,200	1,049,051	1,020,148	1,055,307
Eilean Siar	119,898	122,858	122,909	117,242	118,638
Falkirk	331,993	347,758	368,566	357,750	350,883
Fife	799,984	828,951	833,306	805,965	812,030
Glasgow City	1,693,735	1,826,870	1,697,626	1,655,888	1,677,364
Highland	570,135	584,545	597,698	609,078	625,655
Inverclyde	206,404	217,303	213,813	208,317	214,332
Midlothian	203,770	197,673	200,513	195,907	200,857
Moray	200,504	209,253	202,541	197,999	205,026
North Ayrshire	329,257	345,723	345,636	341,450	342,354
North Lanarkshire	763,245	799,254	798,396	759,581	759,515
Orkney Islands ⁵	84,111	84,045	85,726	90,288	70,747
Perth & Kinross	320,542	335,180	343,026	329,799	329,484
Renfrewshire	395,792	425,857	413,024	413,817	412,552
Scottish Borders	264,841	280,663	291,322	272,669	274,413
Shetland Islands	94,386	115,890	125,637	116,977	122,276
South Ayrshire	253,985	265,187	266,716	265,745	262,464
South Lanarkshire	701,682	747,893	711,593	718,276	725,888
Stirling	206,628	208,856	222,726	224,505	222,662
West Dunbartonshire	239,552	254,407	250,165	250,583	251,373
West Lothian	365,433	386,631	401,849	375,813	379,622

1. Net expenditure financed from grants, non domestic rates, council taxes and balances.
2. Expenditure by Police, Fire and Valuation Boards is apportioned to councils by the amount that the Boards requisition from them.
3. Expenditure by Regional Transport Partnerships is apportioned to councils on a population basis.
4. Figures include Trading Services and non-HRA Housing.
5. Orkney had higher than normal debt repayments made in 2011-12 and lower than usual debt repayments in 2012-13 combined with high investment income in 2012-13.

ANNEX D (ii) – General Fund Net Revenue Expenditure on Services by Local Authority^{1,2,3,4}, 2008-09 to 2012-13

	£thousands				
	2008-09	2009-10	2010-11	2011-12	2012-13
Scotland	11,669,590	12,096,058	11,892,392	11,510,149	11,587,778
Aberdeen City	428,162	442,006	433,219	434,160	415,030
Aberdeenshire	499,783	535,619	528,292	486,774	493,995
Angus	239,265	250,902	244,171	234,941	238,611
Argyll & Bute	241,032	240,991	248,231	232,086	225,196
Clackmannanshire	107,444	116,626	106,403	100,189	107,904
Dumfries & Galloway	337,879	359,676	361,170	349,851	355,523
Dundee City	339,231	353,030	354,956	345,800	351,796
East Ayrshire	271,300	266,904	262,383	258,927	260,382
East Dunbartonshire	217,639	228,810	237,145	220,282	221,271
East Lothian	198,834	209,549	204,656	208,399	206,514
East Renfrewshire	195,005	191,926	194,082	199,439	203,376
Edinburgh, City of	919,055	962,520	922,969	896,099	916,421
Eilean Siar	98,201	101,254	101,193	97,861	99,387
Falkirk	316,038	316,991	323,305	313,230	316,885
Fife	752,984	770,216	773,267	750,308	754,784
Glasgow City	1,602,462	1,703,359	1,533,232	1,481,957	1,498,465
Highland	531,053	540,621	538,301	561,193	559,527
Inverclyde	192,480	201,282	195,946	186,265	191,294
Midlothian	194,885	181,954	184,538	180,659	186,736
Moray	189,329	196,595	190,180	187,306	191,996
North Ayrshire	308,294	318,168	318,589	315,735	316,002
North Lanarkshire	720,255	740,130	745,124	697,420	693,159
Orkney Islands	81,629	80,590	82,434	78,672	83,567
Perth & Kinross	305,920	314,185	315,939	302,984	303,234
Renfrewshire	367,059	400,775	401,225	344,993	351,999
Scottish Borders	246,963	256,512	267,130	247,697	251,480
Shetland Islands	104,791	124,287	128,780	123,103	125,788
South Ayrshire	241,176	245,247	246,853	246,007	242,839
South Lanarkshire	654,025	655,108	636,297	644,378	645,077
Stirling	193,883	194,639	205,421	202,557	199,707
West Dunbartonshire	225,898	233,612	231,086	229,439	226,660
West Lothian	347,634	361,976	375,875	351,438	353,174

1. Net expenditure financed from grants, non domestic rates, council taxes and balances.
2. Expenditure by Police, Fire and Valuation Boards is apportioned to councils by the amount that the Boards requisition from them.
3. Expenditure by Regional Transport Partnerships is apportioned to councils on a population basis.
4. Figures include Trading Services and non-HRA Housing, but exclude interest and debt.

ANNEX E – Revenue Income by Local Authority and Service, 2012-13

£ thousands

	Education	Cultural and related services	Social work	Police	Fire	Roads and transport	Environmental services	Planning and economic development	Non-HRA Housing	Central services	Trading Services	Interest and Investment Income	Total General Fund Income
Scotland	179,844	89,432	823,859	219,302	50,011	208,566	128,769	201,088	2,011,115	210,842	58,115	64,529	4,245,472
Aberdeen City	7,896	4,242	35,835	13,640	682	12,314	6,810	5,071	63,920	3,614	0	971	154,996
Aberdeenshire	4,603	5,204	24,625	10,506	461	8,025	5,794	10,581	41,411	1,477	436	911	114,034
Angus	4,818	4,122	17,358	4,427	1,288	756	2,528	3,141	29,495	4,150	310	1,380	73,773
Argyll & Bute	3,688	2,110	8,237	2,450	874	2,438	3,959	3,981	26,527	2,467	4,191	407	61,330
Clackmannanshire	1,668	800	9,383	2,761	337	2,323	963	912	23,141	1,065	0	1,366	44,720
Dumfries & Galloway	5,632	5,365	27,799	1,574	2,473	1,508	3,712	2,981	46,636	4,611	4,024	394	106,709
Dundee City	5,413	2,159	25,954	7,239	3,525	4,237	3,790	7,512	76,994	13,446	0	1,175	151,444
East Ayrshire	3,608	2,453	18,270	2,569	1,072	4,774	2,034	3,144	45,080	4,565	0	622	88,192
East Dunbartonshire	2,134	271	23,762	1,802	896	2,446	1,497	2,667	19,716	1,564	0	184	56,939
East Lothian	3,823	1,594	8,582	4,756	441	451	962	1,432	27,424	4,893	0	412	54,770
East Renfrewshire	3,739	3,840	12,034	2,157	880	2,678	1,249	1,363	16,239	1,189	0	983	46,351
Edinburgh, City of	18,372	8,804	58,225	31,748	3,253	40,132	12,003	16,966	256,362	18,323	0	3,971	468,159
Eilean Siar	2,918	1,365	4,683	1,513	268	1,171	2,100	2,633	5,771	691	2,029	1,462	26,605
Falkirk	3,886	6,094	28,037	9,424	986	1,505	3,179	7,511	44,517	2,477	692	429	108,736
Fife	12,595	4,699	53,747	20,124	6,241	12,533	12,045	7,584	126,668	6,733	243	759	263,971
Glasgow City	24,178	5,317	144,813	22,716	7,469	41,661	14,834	46,762	468,106	30,199	0	5,953	812,008
Highland	7,814	1,404	39,425	9,930	1,854	5,327	6,419	6,687	12,690	5,528	17,636	337	115,051
Inverclyde	2,933	1,056	17,926	2,662	1,123	2,904	1,654	2,606	39,212	2,395	0	2,169	76,640
Midlothian	2,826	4,294	12,286	4,746	341	282	1,535	3,340	30,215	1,644	0	1,449	62,958
Moray	1,004	1,782	10,985	4,723	237	1,063	2,529	3,688	18,664	1,278	422	2,088	48,463
North Ayrshire	4,954	705	28,994	3,484	1,454	3,550	3,204	3,406	56,683	3,314	0	1,096	110,844
North Lanarkshire	4,058	4,465	33,813	6,923	2,399	9,164	5,479	17,687	114,889	38,239	0	853	237,969
Orkney Islands	1,119	880	4,644	915	199	3,198	861	2,814	4,560	568	6,484	18,434	44,675
Perth & Kinross	5,683	936	15,745	4,840	1,966	4,619	3,703	4,568	37,888	2,968	94	2,194	85,204
Renfrewshire	2,603	1,375	33,513	4,906	1,523	5,186	2,181	2,257	66,889	15,882	0	1,906	138,221
Scottish Borders	7,376	1,349	15,050	6,244	1,109	4,240	2,467	2,827	31,438	814	2,772	268	75,954
Shetland Islands	4,833	841	7,139	1,001	260	5,630	3,884	3,250	2,637	464	18,672	4,613	53,224
South Ayrshire	3,010	4,570	19,503	2,389	1,065	3,305	2,249	2,639	40,750	2,895	110	675	83,161
South Lanarkshire	6,681	1,085	43,718	7,358	2,348	12,605	4,761	15,010	105,572	22,272	0	1,043	222,452
Stirling	7,208	2,680	12,696	6,103	567	5,860	6,602	1,493	24,158	4,166	0	858	72,391
West Dunbartonshire	3,673	763	14,820	2,910	1,446	2,080	2,137	1,243	48,535	5,210	0	249	83,066
West Lothian	5,098	2,808	12,258	10,760	972	603	1,645	3,332	58,328	1,741	0	4,918	102,463

ANNEX F – Calculation of the Distributable Amount of Non-Domestic Rates Income, 2012-13

£ millions

		£m	£m	£m	£m	£m
2012-13 DISTRIBUTABLE AMOUNT						
NDRI Balance Sheet to 31/3/2012						
1	Balance brought forward 31/3/2011 as per Non Domestic Rating Account 2011-12					12.633
2	Closing Balance					12.633
<hr/>						
Final Balance brought forward 31/3/2011						
3	Opening Balance					12.633
4	Add: Provisional Contributable Amount 2011-12				2,235.226	
5	Less: Distributable Amount 2011-12				2,182.000	
					53.226	
6	Reconciliation of 2010-11					65.859
7	Add: Notified Amount 2010-11			2,136.388		
8	Less: Notified Provisional Contributable Amount 2010-11			2,165.191		
9				-28.803		
10	Reconciliation of 2009-10					37.056
11	Add: Audited Amount 2009-10		2,009.826			
12	Less: Notified Amount 2009-10		2,014.616			
13			-4.790			32.266
14	Closing Balance for 2011-12					32.266
<hr/>						
15	Balance brought forward 31/3/2012					
16	Opening Balance					32.266
17	Add: Estimated Provisional Contributable Amount 2012-13			2,226.798		
18	Add: Mid Year Estimate 2011-12	2,239.162				
19	Less: Provisional Contributable Amount 2011-12	2,235.226				
20	Add/less: Estimated reconciliation of 2010-11		3.936			
21	Estimated movement on Pool 2012-13					2,230.734
<hr/>						
22	Estimated movement on Pool 2012-13					2,230.734
23	Net Balance on 2011-12 Pool including brought forward at 31/3/12					2,263.000
24	Less: Distributable Amount for 2012-13					-2,263.000
25	Estimated balance at 31/3/2013					0.000
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ANNEX G – Capital Expenditure by Local Authority and Service, 2012-13

£ thousands

	Education	Culture and Related Services	Social work	Police & Fire	Roads and transport	Environmental services	Planning and economic development	Trading Services	Non-HRA Housing	Other Services	All General Fund Services	Housing Revenue Account
Scotland	517,158	257,040	73,812	67,120	503,480	126,631	118,282	18,419	136,363	123,740	1,942,045	607,279
Aberdeen City	3,837	4,501	953	0	8,787	3,856	244	0	2,864	3,264	28,306	36,997
Aberdeenshire	19,546	7,121	5,891	0	19,637	2,752	736	230	900	12,536	69,349	17,529
Angus	1,209	5,876	1,135	0	12,005	3,491	566	182	369	3,242	28,075	13,778
Argyll & Bute	6,860	1,936	373	0	12,509	2,814	1,595	6,577	1,074	2,918	36,656	0
Clackmannanshire	1,295	484	104	0	1,467	395	668	0	360	1,863	6,636	9,749
Dumfries & Galloway	8,309	3,736	2,073	0	10,190	2,378	1,024	0	1,425	7,746	36,881	0
Dundee City	15,633	13,957	3,818	0	21,847	5,134	2,923	0	847	3,915	68,074	22,173
East Ayrshire	24,996	5,108	420	0	5,973	824	10,914	0	520	642	49,397	14,399
East Dunbartonshire	2,259	2,661	447	0	9,739	252	107	0	491	5,759	21,715	10,023
East Lothian	8,821	9,230	2,237	0	6,896	676	6	0	5,627	655	34,148	23,691
East Renfrewshire	19,947	1,327	0	0	1,340	3	3,062	0	0	1,219	26,898	4,308
Edinburgh, City of	15,572	10,112	18,354	0	161,299	12,658	31,596	0	33,352	9,007	291,950	39,084
Eilean Siar	15,900	2,679	1,349	0	4,792	3,734	1,736	0	875	553	31,618	0
Falkirk	4,874	16,557	1,306	0	6,046	350	557	0	388	2,331	32,409	27,647
Fife	35,261	28,868	1,130	0	21,957	16,846	2,600	3	1,367	18,824	126,856	55,768
Glasgow City	32,352	83,146	17,187	0	27,656	7,565	30,732	0	68,241	4,124	271,003	0
Highland	32,904	4,373	2,914	0	18,541	12,917	2,206	0	8,323	8	82,186	32,901
Inverclyde	34,809	3,527	734	0	4,978	1,462	891	0	493	2,690	49,584	0
Midlothian	23,132	755	2,097	0	752	0	475	0	241	2,591	30,043	17,723
Moray	6,680	488	14	0	7,809	24,710	673	184	631	2,340	43,529	10,831
North Ayrshire	9,275	1,016	1,037	0	5,134	2,148	5,450	0	515	3,085	27,660	24,521
North Lanarkshire	35,175	5,403	3,041	0	11,978	5,939	6,893	0	0	3,555	71,984	50,406
Orkney Islands	20,131	4,838	354	0	3,700	533	809	9,879	938	3,128	44,310	4,771
Perth & Kinross	7,797	1,009	387	0	10,843	5,294	1,334	0	1,352	3,902	31,918	11,466
Renfrewshire	15,466	21,286	540	0	7,558	595	1,766	0	641	2,587	50,439	35,426
Scottish Borders	5,599	1,283	401	0	8,470	3,571	904	0	410	2,924	23,562	0
Shetland Islands	2,197	0	2,045	0	1,463	165	1,705	1,364	488	510	9,937	4,610
South Ayrshire	3,545	0	819	0	1,385	634	0	0	617	1,192	8,192	10,284
South Lanarkshire	81,308	8,206	801	0	13,971	574	3,497	0	1,341	1,005	110,703	50,829
Stirling	6,942	1,294	272	0	8,274	794	67	0	475	4,947	23,065	13,348
West Dunbartonshire	8,751	2,740	979	0	4,387	1,005	876	0	466	2,097	21,301	23,275
West Lothian	6,776	3,523	600	0	7,482	2,562	1,670	0	732	7,959	31,304	41,742

ANNEX G – Capital Expenditure by Local Authority and Service, 2012-13

£ thousands

	Education	Culture and Related Services	Social work	Police & Fire	Roads and transport	Environmental services	Planning and economic development	Trading Services	Non-HRA Housing	Other Services	All General Fund Services	Housing Revenue Account
Scotland	517,158	257,040	73,812	67,120	503,480	126,631	118,282	18,419	136,363	123,740	1,942,045	607,279
Central Scotland Joint Fire	0	0	0	1,922	0	0	0	0	0	0	1,922	0
Dumfries & Galloway Fire	0	0	0	1,175	0	0	0	0	0	0	1,175	0
Fife Fire and Rescue Service	0	0	0	1,484	0	0	0	0	0	0	1,484	0
Grampian Fire	0	0	0	1,984	0	0	0	0	0	0	1,984	0
Highlands & Islands Fire	0	0	0	2,972	0	0	0	0	0	0	2,972	0
Lothian & Borders Fire & Rescue	0	0	0	2,753	0	0	0	0	0	0	2,753	0
Strathclyde Fire	0	0	0	7,816	0	0	0	0	0	0	7,816	0
Tayside Fire & Rescue	0	0	0	1,649	0	0	0	0	0	0	1,649	0
Central Scotland Police	0	0	0	1,497	0	0	0	0	0	0	1,497	0
Dumfries & Galloway Police	0	0	0	1,996	0	0	0	0	0	0	1,996	0
Fife Constabulary	0	0	0	1,836	0	0	0	0	0	0	1,836	0
Grampian Police	0	0	0	6,498	0	0	0	0	0	0	6,498	0
Lothian & Borders Police	0	0	0	6,267	0	0	0	0	0	0	6,267	0
Northern Police	0	0	0	3,676	0	0	0	0	0	0	3,676	0
Strathclyde Police	0	0	0	21,900	0	0	0	0	0	0	21,900	0
Tayside Police	0	0	0	1,695	0	0	0	0	0	0	1,695	0
Ayrshire VJB	0	0	0	0	0	0	0	0	0	0	0	0
Central VJB	0	0	0	0	0	0	0	0	0	11	11	0
Dunbartonshire & Argyll & Bute VJB	0	0	0	0	0	0	0	0	0	85	85	0
Grampian VJB	0	0	0	0	0	0	0	0	0	0	0	0
Highland & Western Isles VJB	0	0	0	0	0	0	0	0	0	0	0	0
Lanarkshire VJB	0	0	0	0	0	0	0	0	0	0	0	0
Lothian VJB	0	0	0	0	0	0	0	0	0	159	159	0
Orkney & Shetland VJB	0	0	0	0	0	0	0	0	0	0	0	0
Renfrewshire VJB	0	0	0	0	0	0	0	0	0	6	6	0
Tayside VJB	0	0	0	0	0	0	0	0	0	26	26	0
Forth Estuary Transport	0	0	0	0	10,884	0	0	0	0	0	10,884	0
Tay Road Bridge	0	0	0	0	10,490	0	0	0	0	0	10,490	0
HITRANS	0	0	0	0	0	0	0	0	0	0	0	0
NESTRANS	0	0	0	0	2,266	0	0	0	0	0	2,266	0
SESTRAN	0	0	0	0	729	0	0	0	0	0	729	0
SWESTRANS	0	0	0	0	0	0	0	0	0	335	335	0
SPT	0	0	0	0	30,246	0	0	0	0	0	30,246	0
TACTRAN	0	0	0	0	0	0	0	0	0	0	0	0
ZetTrans	0	0	0	0	0	0	0	0	0	0	0	0

ANNEX H – Capital Expenditure by Service and Type of Expenditure, 2012-13

£ thousands

	Acquisition of land, leases, existing buildings or works	New construction, conversions, enhancement to existing buildings	Vehicles, Machinery, Equipment	Intangible Assets	Total Gross Capital Expenditure	Revenue Expenditure funded from Capital Resources	Total Expenditure to be met from Capital Resources
Education	23,414	471,301	22,194	249	517,158	0	517,158
Pre-primary education	612	4,212	102	0	4,926	0	4,926
Primary education	2,578	246,531	11,138	130	260,377	0	260,377
Secondary education	19,830	191,412	10,344	119	221,705	0	221,705
Special education	289	14,546	444	0	15,279	0	15,279
Community learning	105	14,600	166	0	14,871	0	14,871
Cultural and related services	58,937	185,305	11,555	26	255,823	1,217	257,040
Tourism	0	458	11	0	469	112	581
Recreation and Sport	58,275	153,158	10,456	1	221,890	909	222,799
Libraries	0	4,566	456	25	5,047	0	5,047
Museums and art galleries	27	6,104	152	0	6,283	0	6,283
Other culture and heritage	635	21,019	480	0	22,134	196	22,330
Social work	3,523	63,303	5,701	377	72,904	908	73,812
Children	42	12,845	2,534	0	15,421	0	15,421
Older people	3,301	36,430	799	377	40,907	0	40,907
Adults with mental health needs	0	1,418	20	0	1,438	0	1,438
Adults with learning disabilities	45	3,834	289	0	4,168	908	5,076
Other Adults Services	135	8,776	2,059	0	10,970	0	10,970
Police and fire	2,195	32,690	31,502	733	67,120	7,799	67,120
Police	1,744	23,394	19,564	663	45,365	7,799	45,365
Fire	451	9,296	11,938	70	21,755	0	21,755
Roads and transport	13,471	438,587	25,424	21	477,503	25,977	503,480
Roads	8,752	214,187	7,806	0	230,745	6,660	237,405
Network and traffic management	867	27,475	269	0	28,611	1,172	29,783
Bridges	931	33,543	1,182	9	35,665	4,745	40,410
Parking Services	60	10,687	123	0	10,870	0	10,870
Public Transport - Rail	2,861	396	0	0	3,257	2,083	5,340
Other Public Transport	0	152,299	16,044	12	168,355	11,317	179,672
Environmental services	9,554	100,894	15,111	183	125,742	889	126,631
Crematoria and burial grounds	228	7,966	219	63	8,476	0	8,476
Coast protection	866	12,727	0	0	13,593	0	13,593
Flood prevention	202	43,073	29	0	43,304	886	44,190
Environmental Health	79	4,730	230	0	5,039	0	5,039
Waste collection and disposal	8,179	32,398	14,633	120	55,330	3	55,333
Planning and economic development	15,251	94,270	1,801	0	111,322	6,960	118,282
Planning	2,038	4,610	795	0	7,443	0	7,443
Environmental Initiatives	91	11,469	50	0	11,610	3,573	15,183
Economic development	13,122	78,191	956	0	92,269	3,387	95,656
Trading Services	975	16,355	1,089	0	18,419	0	18,419
Fishery Harbours, Markets, Commercial Ports, Piers & Harbours	975	16,355	834	0	18,164	0	18,164
Shipping, Airports, Transport Piers & Ferry Terminals	0	0	255	0	255	0	255
Toll Bridges	0	0	0	0	0	0	0
Other Services	2,560	56,818	59,583	4,771	123,732	8	123,740
Non-HRA Housing	1,124	9,412	533	0	11,069	125,294	136,363
Total General Fund Services	131,004	1,468,935	174,493	6,360	1,780,792	169,052	1,942,045
Housing Revenue Account	15,926	568,450	22,529	278	607,183	96	607,279
All services	146,930	2,037,385	197,022	6,638	2,387,975	161,349	2,549,324

ANNEX I – Capital Income by Local Authority and Type, 2012-13

£thousands

	Capital Receipts		Grants from Scottish Government and NDPBs	Grants from other local authorities ¹	European Union Structural Funds	Contributions from private developers or persons	Grants from the National Lottery	Other Grants/ Contributions	Total Capital Income
	From sale of tangible fixed assets	From the sale of intangible fixed assets							
Scotland	101,658	57	693,020	16,936	7,365	8,816	13,526	99,750	941,128
Aberdeen City	13,514	0	15,326	0	0	37	1,456	1,331	31,664
Aberdeenshire	2,844	0	29,236	0	25	1,165	100	50	33,420
Angus	2,369	0	10,869	207	0	14	0	243	13,702
Argyll & Bute	395	0	10,166	0	947	0	0	350	11,858
Clackmannanshire	1,010	0	5,381	0	0	0	0	1,820	8,211
Dumfries & Galloway	1,239	0	12,652	0	0	0	0	3,018	16,909
Dundee City	5,320	0	19,762	5	0	0	0	0	25,087
East Ayrshire	975	0	8,315	457	5	46	0	409	10,207
East Dunbartonshire	1,267	0	8,495	1,520	0	237	0	2,650	14,169
East Lothian	2,106	0	14,107	0	0	1,206	0	2,600	20,019
East Renfrewshire	904	0	16,160	0	0	0	0	0	17,064
Edinburgh, City of	8,248	0	103,601	64	0	1,601	78	2,087	115,679
Eilean Siar	89	0	11,663	0	491	50	0	33	12,326
Falkirk	2,243	0	11,727	0	0	1,845	10,219	2,543	28,577
Fife	5,087	0	18,444	0	0	0	0	29,221	52,752
Glasgow City	12,390	0	50,887	2,591	0	0	0	13,794	79,662
Highland	2,826	0	40,876	0	120	0	100	11,092	55,014
Inverclyde	59	0	11,510	0	0	0	0	226	11,795
Midlothian	1,066	0	26,556	0	0	679	0	862	29,163
Moray	783	0	31,489	0	1	-79	0	74	32,268
North Ayrshire	18	0	9,964	1,891	0	0	0	2,380	14,253
North Lanarkshire	3,993	0	27,043	1,957	0	36	273	1,320	34,622
Orkney Islands	561	0	26,376	0	4,827	0	0	889	32,653
Perth & Kinross	1,638	0	11,351	0	0	192	10	19	13,210
Renfrewshire	5,528	0	13,798	0	0	0	1,290	607	21,223
Scottish Borders	285	0	13,657	0	0	193	0	1,405	15,540
Shetland Islands	304	0	6,280	0	607	0	0	0	7,191
South Ayrshire	1,089	0	0	0	0	0	0	0	1,089
South Lanarkshire	4,680	0	28,552	0	342	0	0	4,547	38,121
Stirling	7,001	0	10,555	0	0	616	0	9,832	28,004
West Dunbartonshire	1,467	0	16,959	0	0	0	0	2,419	20,845
West Lothian	2,754	0	16,315	0	0	978	0	670	20,717

ANNEX I – Capital Income by Local Authority and Type, 2012-13

£thousands

	Capital Receipts		Grants from Scottish Government and NDPBs	Grants from other local authorities ¹	European Union Structural Funds	Contributions from private developers or persons	Grants from the National Lottery	Other Grants/ Contributions	Total Capital Income
	From sale of tangible fixed assets	From the sale of intangible fixed assets							
Scotland	101,658	57	693,020	16,936	7,365	8,816	13,526	99,750	941,128
Central Scotland Joint Fire	41	0	873	0	0	0	0	0	914
Dumfries & Galloway Fire	0	0	752	0	0	0	0	0	752
Fife Fire and Rescue Service	5	0	0	0	0	0	0	0	5
Grampian Fire	0	57	1,657	0	0	0	0	0	1,714
Highlands & Islands Fire	0	0	2,373	0	0	0	0	7	2,380
Lothian & Borders Fire & Rescue	170	0	2,400	0	0	0	0	53	2,623
Strathclyde Fire	111	0	6,100	0	0	0	0	0	6,211
Tayside Fire & Rescue	41	0	1,354	0	0	0	0	0	1,395
Central Scotland Police	258	0	209	744	0	0	0	0	1,211
Dumfries & Galloway Police	70	0	0	0	0	0	0	0	70
Fife Constabulary	235	0	1,259	0	0	0	0	187	1,681
Grampian Police	1,233	0	212	0	0	0	0	0	1,445
Lothian & Borders Police	682	0	763	3,040	0	0	0	0	4,485
Northern Police	1,883	0	0	0	0	0	0	1,793	3,676
Strathclyde Police	1,975	0	2,594	713	0	0	0	1,060	6,342
Tayside Police	486	0	91	1,120	0	0	0	0	1,697
Ayrshire VJB	0	0	0	0	0	0	0	0	0
Central VJB	0	0	0	0	0	0	0	0	0
Dunbartonshire & Argyll & Bute VJB	0	0	0	0	0	0	0	0	0
Grampian VJB	0	0	0	0	0	0	0	0	0
Highland & Western Isles VJB	0	0	0	0	0	0	0	0	0
Lanarkshire VJB	0	0	0	0	0	0	0	0	0
Lothian VJB	0	0	0	0	0	0	0	159	159
Orkney & Shetland VJB	0	0	0	0	0	0	0	0	0
Renfrewshire VJB	0	0	0	0	0	0	0	0	0
Tayside VJB	0	0	0	26	0	0	0	0	26
Forth Estuary Transport	0	0	6,280	0	0	0	0	0	6,280
Tay Road Bridge	1	0	10,489	0	0	0	0	0	10,490
HITRANS	0	0	0	0	0	0	0	0	0
NESTRANS	0	0	0	2,266	0	0	0	0	2,266
SESTRAN	0	0	0	0	0	0	0	0	0
SWESTRANS	0	0	0	335	0	0	0	0	335
SPT	415	0	17,542	0	0	0	0	0	17,957
TACTRAN	0	0	0	0	0	0	0	0	0
ZetTrans	0	0	0	0	0	0	0	0	0

ANNEX J – Capital Receipts by Service, 2012-13

£ thousands

	Sale & Disposal of fixed assets
Education	5,664
Pre-primary education	535
Primary education	4,227
Secondary education	496
Special education	24
Community Learning	382
Cultural and related services	984
Tourism	7
Recreation and Sport	701
Libraries	82
Museums and art galleries	167
Other culture and heritage	27
Social work	3,155
Children	1,050
Older people	813
Adults with learning disabilities	22
Adults with mental health needs	24
Other Adults Services	1,246
Police and fire	7,206
Police	6,822
Fire	384
Roads and transport	2,778
Roads	2,095
Network and traffic management	96
Bridges	37
Parking Services	19
Rail	0
Other Public Transport	531
Environmental services	507
Crematoria and burial grounds	12
Coast protection	0
Flood prevention	80
Environmental Health	39
Waste collection and disposal	376
Planning and economic development	15,011
Planning	2,389
Environmental Initiatives	35
Economic development	12,587
Non-HRA Housing	81
Trading Services	35
Fishery Harbours, Markets, Commercial Ports, Piers & Harbours	5
Shipping, Airports, Transport Piers & Ferry Terminals	30
Toll Bridges	0
Other Services	23,925
Total General Fund Services	59,346
Housing Revenue Account	42,369
All services	101,715

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