

PERTH AND KINROSS COUNCIL**12 February 2015****REVENUE BUDGET 2015/16****Report by the Head of Finance****PURPOSE OF REPORT:**

This report recommends that the Final Revenue Budget for 2015/16 be determined by updating the Provisional Revenue Budget for 2015/16, which was previously approved by Council on 13 February 2014 (Report No. 14/44 refers). The report also requests that the Council determines the Final Council Tax for 2015/16.

1. BACKGROUND

1.1 On 8 October 2014 the Council approved the update of the Medium Term Plan (Report No. 14/433 refers) which revised the previous Plan and considered future funding levels over the short to medium term for Perth and Kinross Council. The report set out how the Council intended to update the 2015/16 Provisional Revenue Budget and develop the Revenue Budget beyond 2015/16. The report also provided an update on the Council's Capital Budget, Housing Revenue Account and Reserves position.

2. LOCAL GOVERNMENT FINANCE SETTLEMENT**2.1 Local Government Finance Settlement**

2.1.1 Local Government Finance Circular 9/2014, which was issued by the Scottish Government on the 11 December 2014, included the proposed Local Government Finance Settlement for financial year 2015/16 at individual Council level. The full Finance Circular is set out in Appendix 1 to this report.

2.1.2 The Circular confirmed that for individual Councils to access the full amount of the financial package, the Government will require each local authority to agree to the full list of commitments contained within the package.

2.1.3 The commitments ("the offer") required by the Scottish Government which were set out in the letter from the Cabinet Secretary for Finance, Employment and Sustainable Growth of 9 October 2014 are summarised below.

- A Council Tax freeze for 2015/16;
- Securing places for all probationers who require one under the teacher induction scheme.

- 2.1.4 On 4 February 2015 the Depute First Minister and Cabinet Secretary for Finance, Constitution and Economy provided further information in relation to teacher numbers. He announced a further £10,000,000 of funding across Scotland for those Councils “who commit to maintain teacher numbers”. This is in addition to the £41,000,000 that had been previously allocated to this commitment.
- 2.1.5 The Depute First Minister and Cabinet Secretary for Finance, Constitution and Economy also confirmed that a share of the total funding (£51,000,000) would only be made available to Councils on an individual basis if they are prepared to sign up to a clear commitment to protect teacher numbers. Perth and Kinross Council’s share of the £41,000,000 is estimated at approximately £1,025,000 (which has already been distributed and is included in the 2015/16 Provisional Revenue Budget). At this time the Council awaits further information on how the £10,000,000 of additional funding will be distributed but for the purposes of preparing the 2015/16 Provisional Revenue Budget it has been assumed that this will amount to approximately £205,000.
- 2.1.6 For 2015/16 those Councils who do not intend to take up the offer and agree the full package of measures set out in the letter of 9 October 2014 are required to write to the Depute First Minister and Cabinet Secretary for Finance, Constitution and Economy setting out the reasons why they do not wish to comply by no later than 11 March 2015. Further guidance on how the Council agrees to the announcement on 4 February 2015 in relation to teacher numbers is awaited.
- 2.1.7 **ACTION:** the Council is asked to agree to the terms of the letter from the Cabinet Secretary for Finance, Employment and Sustainable Growth’s dated 9 October 2014 and to the commitment on maintaining teacher numbers set out on 4 February 2015 by the Depute First Minister and Cabinet Secretary for Finance, Constitution and Economy.
- 2.1.8 The Provisional Revenue Budgets for 2015/16 has been constructed to include cost pressures and savings arising from the settlement offer and on the assumption that the Council is not subject to the hold back mechanism. Under the terms of the offer the Council Tax for Perth and Kinross will remain frozen for the eighth consecutive year in 2015/16 at a Band D equivalent level of £1,158.
- 2.1.9 The Council has received notification from Scottish Water that water and waste water charges for 2015/16 will increase by 1.6%.
- 2.1.10 Assuming a Council Tax freeze, the Band D equivalent charge in 2015/16 including Scottish Water charges will be £1,575.33, an increase of £6.48 (£1,568.85 in 2014/15), which represents an increase of 0.4%.
- 2.2 **Total Revenue Funding and Funding Assumptions included within the Provisional Revenue Budget for 2015/16**
- 2.2.1 Based on Finance Circular 9/2014 the total revenue funding being made available by the Scottish Government to Perth and Kinross Council in 2015/16 is £243,497,000 (see table below).

Scottish Government Grant Funding - Perth and Kinross Council

	<i>Finance Circular 9/2014 (Dec-14)</i>
	2015/16
	£'000
General Revenue Funding	182,069
Ring-Fenced / Other Revenue Grants	80
Non Domestic Rate Income	61,348
Total Revenue Funding	<u><u>243,497</u></u>

2.2.2 The funding levels announced for the Council in Finance Circular 9/2014 were in line with expectations included in the 2015/16 Provisional Revenue Budget, both in terms of assumptions made on distributional changes and the Council's share of new funding.

2.3 Non Domestic Rates

2.3.1 Finance Circular 9/2014 confirmed that the increase in the Non Domestic Rate poundage for 2015/16 will be restricted to 2%. Based on a rate of 47.1 pence per £ of rateable value in 2014/15, it is anticipated that the 2015/16 rate will be 48.0p although this is yet to be confirmed. The Circular also confirms that the Large Business Supplement for 2015/16 will increase in line with rate adopted in England.

2.3.2 The Finance Circular also contains details of the revised Business Rates Incentivisation Scheme and includes targets for 2014/15 and provisional targets for 2015/16.

3. PROVISIONAL GENERAL FUND REVENUE BUDGET 2015/16

3.1 Background

3.1.1 In updating the Medium Term Financial Plan on 8 October 2014, the Council approved the setting of a one year revenue budget for 2015/16 (Report No. 14/433 refers). This decision was based on the significant uncertainties facing the Council over the medium term and the fact that the Council only has financial settlement information from the Scottish Government for 2015/16.

3.2 Process for Updating the Provisional Revenue Budget for 2015/16

3.2.1 The process for updating the Provisional Revenue Budget for 2015/16 was summarised in the Update of the Medium Term Financial Plan which was considered by the Council at its meeting on 8 October 2014 (Report No. 14/433 refers).

- 3.2.2 The starting point for updating Service revenue budget submissions for 2015/16 is the Provisional Revenue Budget approved on 13 February 2014 (Report No 14/44 refers) updated for the impact of subsequent Council decisions.
- 3.2.3 Each Service has prepared an Executive Summary detailing anticipated expenditure pressures arising subsequent to the approval of the 2015/16 Provisional Revenue Budget with proposed compensating savings to contain these pressures. This document shows movements from the original approved Provisional Revenue Budget for 2015/16. These Executive Summaries were issued to all Council Members on 15 December 2014. Updated Executive Summaries are attached at Appendix 5 to this report.
- 3.2.4 The Provisional Revenue Budget 2015/16 is predicated on maintaining the same levels of service delivery reflected in the Provisional Revenue Budget approved in February 2014 (Report No 14/44 refers) with the exception of the specific issues identified within this report or in the Revenue Budget Executive Summaries contained at Appendix 5.
- 3.2.5 In updating Executive Summaries, Services were required to assess and document the potential impact of expenditure pressures (where applicable) and compensating savings in relation to the following criteria:
- Workforce – including information on numbers of employees affected, vacancies, staff turnover and fixed term contracts.
 - Customers – including information on the effect on all customers/stakeholders (both external and internal).
 - Outcome & Performance. – identifying any significant impact on the Single Outcome Agreement and/or Service Business Management and Improvement Plans.
 - Equalities/Diversity – ensuring that any statutory equalities issues are considered.

3.3 The Provisional Revenue Budget 2015/16

- 3.3.1 The updated Provisional Revenue Budget for 2015/16 is detailed by Service in Appendix 2 to this report.
- 3.3.2 The Provisional Revenue Budget for 2015/16 that was set on 13 February 2014 allocated all the available headroom (Report No. 14/44 refers). This position was confirmed in the update of the Medium Term Financial Plan to Council on 8 October 2014 (Report No. 14/433 refers).
- 3.3.3 However, this position has been updated since approval of the Medium Term Financial Plan on 8 October 2014 with the movements in the available headroom within the Provisional Revenue Budget summarised in the following table.

Summary of Movements in Available Recurring Headroom	
	2015/16
	£000
Available Recurring Headroom - 13 February 2014	0
Changes in Employer's Superannuation Contributions	
- Tayside Pension Fund	849
- Teacher's Pension Fund	-724
Council Tax Growth	500
Settlement Adjustments	321
Teacher Numbers - anticipated income from Scottish Government	205
Reinstate Saving in relation to Teacher Numbers	-205
Revised Available Recurring Headroom	946

- 3.3.4 The changes in the level of available headroom have come about as follows.
- 3.3.5 On 20 January 2015 the Council received formal notification of a reduction of 1% in the employer's superannuation rate from 1 April 2015 – this generates recurring headroom of £849,000.
- 3.3.6 On 16 December 2014 COSLA confirmed an increase in the rate of teachers' pension scheme employer contributions of 2.3% (14.9% to 17.2%) from 1 September 2015. This results in an additional cost of £724,000 in 2015/16 rising to £1,241,000 in the first full year (2016/17) following implementation.
- 3.3.7 Following a review of the number of Council Tax "Band D Equivalent" properties there is scope to increase the number of properties assumed in setting the budget. For 2015/16 it is proposed that £500,000 of additional income can be achieved (432 properties).
- 3.3.8 A number of miscellaneous adjustments to the Settlement including funding in relation to the former Police functions have identified a further £321,000 of headroom.
- 3.3.9 On 4 February 2015 the Scottish Government announced a further £10,000,000 of funding in relation to teacher numbers - further information on the distribution of this additional funding is still awaited. However for the purposes of setting the 2015/16 Provisional Revenue Budget and in order not to place at risk the Council's share of the total funding towards teacher numbers (£51,000,000) set out at paragraph 2.1.5, the 2015/16 Provisional Revenue Budget has assumed income of £205,000. This assumption allowed the Council to reinstate the saving in the 2015/16 Provisional Revenue Budget in relation to teacher numbers that was originally approved in February 2014.
- 3.3.10 This results in recurring headroom of £946,000 being available to the Council.
- 3.3.11 The Executive Officer Team has developed a number of proposals to utilise the headroom for consideration by Members as follows.

- 3.3.12 The 2015/16 Provisional Revenue Budget approved in February 2014 established the practice of linking growth in the Council Tax base to the pressure on the Loan Charges budget. It is proposed that this is continued with the additional £500,000 growth in Council Tax income identified at 3.3.7 above being added to the Loan Charges budget to support future investment in infrastructure. The Composite Capital Budget 2015-2023, which is on the agenda for this special meeting of Council (Report No. 15/37 refers), provide more information on the additional expenditure of £58,085,000 that has been approved by the Council over the last two years.
- 3.3.13 In terms of Planning and Regeneration it is proposed that £60,000 is applied to mainstream the Events Officer post and £60,000 is applied to build capacity in relation to the work on the “City Deal” project as part of the Cities Alliance.
- 3.3.14 There are a number of pressures within Corporate IST including inflation, capacity and continuing to meet the needs and expectations of the public, elected members and staff. To that end it is proposed that £100,000 is added to the IT budget going forward.
- 3.3.15 These proposals are included in the 2015/16 Provisional Revenue Budget which is set out in Appendix 2.
- 3.3.16 After taking account of the headroom and corporate expenditure pressures identified above there is £426,000 available to the Council for 2015/16.
- 3.3.17 Assuming the funding levels notified by the Scottish Government for 2015/16, and freezing the Council Tax at 2014/15 levels the Provisional Net Revenue Budgets for 2015/16 is estimated at £331,466,000 (assuming the application of all the available recurring headroom in 2015/16).
- 3.3.18 **The Council is reminded that the Provisional Revenue Budgets, as set out in Appendix 2 to the report, and the unallocated resources identified in Appendix 3, are based upon the assumption that all of the expenditure pressures and all of the compensating savings within the Executive Summaries attached as Appendix 5 to the report are approved.**
- 3.3.19 The Provisional Revenue Budgets have been prepared based upon the information currently available, both in terms of financial resources and anticipated Service delivery pressures. The analysis reflects the judgement of the Council Officers concerned and has been reviewed by the Council’s Executive Officer Team. There is, however, a risk that these assumptions may require to be reviewed in due course as part of the ongoing monitoring of the Council’s expenditure.
- 3.3.20 Movements between the 2015/16 Provisional Revenue Budget approved in February 2014 and the Update 2015/16 Provisional Revenue Budget are summarised in Appendix 4.

3.4 Revenue Budget Flexibility

- 3.4.1 The Council has an approved Revenue Budget Flexibility Scheme (Report No. 01/306 refers) which allows certain Service under and over spends from one financial year to be carried forward to future financial years.
- 3.4.2 The proposed use of Revenue Budget Flexibility (£5,273,000) is reflected within the Updated Provisional Revenue Budget for 2015/16 and set out in Appendix 3 to the report.
- 3.4.3 **ACTION: The Council is requested to approve the use of Revenue Budget Flexibility as set out in Appendix 3 to the report.**

3.5 Medium Term Financial Plan

- 3.5.1 The Council's Medium Term Financial Plan places the development of budgetary strategy in the context of delivering the Council's key outcomes and considers the financial and process risks considered in the management of the Council's finances (Report No. 14/433 refers). The Medium Term Financial Plan is subject to regular review and the updated plan will be submitted, in due course, to a future meeting of the Council for further consideration.
- 3.5.2 The key elements of the Medium Term Financial Plan, in addition to the General Fund Revenue Budget, are summarised below.

Composite Capital Budget

- 3.5.3 In setting the 2015/16 Final Revenue Budget the Council is approving the amount available to support current and future borrowing.
- 3.5.4 The Composite Capital Budget 2014/15 – 2020/21 was the subject of a separate report to the Strategic Policy and Resources Committee on 11 February 2015 (Report No. 15/35 refers). In addition the Council will also consider proposals in relation to the Composite Capital Budget for financial year 2021/22 and 2022/23 at this special meeting of the Council (Report No. 15/37 refers). Specifically the report outlines proposals for progressing business cases for 2020/21, 2021/22 and 2022/23 to maintain a seven year programme which will be reported to Council in February 2016.

General Fund Reserves Strategy

- 3.5.5 The strategy under-pinning the use of the Council's General Fund Revenue Reserves is an integral part of the development of both the Revenue and the Composite Capital Budget. The Reserves Strategy is the subject of a separate report to this special meeting of the Council (Report No. 15/38 refers).

Housing Revenue Account

- 3.5.6 The final Housing Revenue Account (HRA) Revenue Budget for 2015/16 and Five Year Capital Investment Programme and Rent Strategy to 2019/20 were approved by the Housing and Health Committee on 28 January 2015 (Report No. 15/50 refers). The Committee approved the recommendation of an average weekly rent increase of £2.00 per week (3.2%) in accordance with the requirements of the Council's approved Housing Business Plan including supporting investment in new council housing.

4. ASSUMPTIONS ON COUNCIL TAX COLLECTION RATES AND COUNCIL TAX BASE

4.1 Council Tax Collection Rate

- 4.1.1 It is recommended that the current budgeted collection rate of 97.5% be maintained in determining the 2015/16 Final Revenue Budget. This target, whilst challenging, is supported by the Council's collection performance over recent years and represents a realistic budgeted collection rate.
- 4.1.2 The level of Council Tax recovered in the year of billing was 97.2% in 2013/14 (the latest audited statistics), but it takes on average a further 6 years to reach or exceed a collection level of 97.5%. The Council remains committed to sustaining and improving performance in respect of all its income recovery activities.
- 4.1.3 It should, however, be noted that there is a risk of reduced collections levels due to the challenging economic environment; changes in legislation in relation to debt recovery; Welfare Reform and changes to the Benefits System.

4.2 Council Tax Base

- 4.2.1 The number of chargeable dwellings at Band D equivalent for Council Tax purposes (after adjusting for assumed non-collection of 2.5 %) – the Council Tax base – is estimated to be 62,393 in 2015/16.
- 4.2.2 The Council's tax base has been reviewed, based upon an analysis of recent trends, and adjusted for anticipated growth in the number of dwellings as well as increases in the number of discounts and exempt dwellings.

5. WORKFORCE PLANNING

- 5.1 The Council has continued its successful track record of reducing the size of its workforce. This has been achieved using workforce planning measures which include vacancy management, fixed term contracts and non-filling of vacancies arising from turnover, including retirements and voluntary severance. These measures are now well-embedded within the Council and will continue.
- 5.2 The Council continues to transform and modernise its services as part of the public service reform agenda and to meet the challenges associated with

reduced funding and growing service demand. Work is underway to update the Council's Transformation Programme later this year. These preparations include an assessment of the workforce implications of any changes in service delivery which, in turn, will shape our workforce planning and management measures in future.

- 5.3 Our approach is based on a business-workforce dialogue framework which uses as its starting point the local outcomes and priorities set out within the Corporate Plan. It then consider choices about the Council's role in service delivery, plans for service redesign and transformation, delivery models, organisational culture, leadership and change management, workforce demand and workforce supply. This process will help identify the skills and attributes we require in future and inform the updating of our workforce plans.

6. RISK ASSESSMENT

- 6.1 Determining the Revenue Budget requires consideration of the strategic, operational and financial risks potentially facing the authority. Both the uncertainty of future events and resource constraints make it impractical to mitigate against all potential risks. In developing a medium term financial plan, the Council must also be aware of the sustainability of its expenditure proposals. Significant risks, which are of relevance in determining the Revenue Budget, are outlined below.

- 6.2 The General Fund Reserves Strategy is integral to supporting the Council's approach to the management of financial risk. The following comments on the most significant risks identified in preparing the Revenue Budget require to be considered in conjunction with the Reserves Strategy which is the subject of a separate report to this special meeting of the Council (Report No 15/38 refers).

6.3 Funding Levels in Future Years

- 6.3.1 As outlined in the Update of the Medium Term Financial Plan, presented to the Council on 8 October 2014 (Report No. 14/433 refers), the potential for cash and real terms reductions in future funding beyond financial year 2015/16 is considered to represent a significant risk in the management of the budget over the medium term. However, it is very difficult to estimate the probability of various levels of reduction with any certainty. The magnitude of the reduction will be influenced by many aspects of the wider economic climate and UK and Scottish Government policies. In view of this, the Council is advised to consider maintaining a prudent approach in applying revenue budget headroom when determining future years' revenue budgets.
- 6.3.2 In addition there is the possibility that the Barnett formula will be revisited in the medium term. A review of this could have an impact on the level of funding available to the Council.
- 6.3.3 Once inflation is included these factors may result in significant real terms reductions in funding to the Council over the medium term at a time of rising demand for Council services.

6.3.4 In view of this, the Council is advised to consider a prudent approach in applying unallocated budgeted resources towards recurring expenditure proposals in the 2015/16 Provisional Revenue Budget.

6.4 Current Economic Climate

6.4.1 There is a risk that both the Council's capacity to generate income, and the expenditure it incurs in meeting demand for its Services, may be less predictable in the current economic climate.

6.4.2 In terms of income generation, there is a continued risk that Council Tax collection levels, commercial rental income and other areas of income generated by the Council may be further affected.

6.4.3 The economic climate may also increase demand for and expenditure on Council services. This risk will require to be managed within the Council's available resources.

6.5 Welfare Reform

6.5.1 At this time it is not possible to fully estimate the timing and potential total financial impact on Council Services and budgets of Welfare Reform with any accuracy.

6.5.2 There is limited information in relation to the implementation of Universal Credit locally. The Department of Work and Pensions have indicated that the roll out of Universal Credit for all local authorities will take place during 2015/16. However it is anticipated that the implementation will take place incrementally and that initially this will involve a small number of less complex cases locally.

6.5.3 The Medium Term Financial Plan assumes a financial pressure of £1,500,000 in 2016/17 relating to the impact of Welfare Reform. Should this assumption require to be revised in advance of that date updates will be provided to the Strategic Policy and Resources Committee.

6.6 Pay Award / Employers Costs

6.6.1 The 2015/16 Provisional Revenue Budget contains a pay award assumption of 2% for all staff groups.

6.6.2 The Trade Unions (both teaching and single status staff groups) have submitted pay claims that are significantly in excess of this assumption. However the negotiation process has only recently commenced. There is, therefore, a risk that the outcome of national pay negotiations differs from these assumptions which could have a significant financial impact upon the Council. Should this assumption be different from the final pay awards, updates will be provided to the Strategic Policy and Resources Committee.

6.6.3 Despite the recent reductions in the levels of Consumer Price Inflation (CPI) it is anticipated that there may continue to be pressure on pay inflation following a number of years of pay restraint on staff groups.

- 6.6.4 There is still significant uncertainty in relation to the proposed changes In Employers National Insurance contributions from April 2016. National Insurance Contributions (NIC) are levied on employees and employers. Employees that have paid NIC are entitled to a flat rate state pension, this is often referred to as the “old age pension”, and a State Earnings Related Pension (SERP), which is a top up to the flat rate state pension and is based on earnings over a proportion of the employees working life.
- 6.6.5 From 6 April 2016, the reduced rate of NICs in respect of “contracted out” employees will be removed and all NICs will revert to the full rate. This will result in a significant increase in costs for the Council from 2016/17 of approximately £3.5 million. It will also impact on employees and, therefore, potentially on pay negotiations. It is not yet clear whether there will be any recognition of the increased costs in future local government finance settlements.
- 6.6.6 In addition it is anticipated that employer’s contributions towards Teacher’s superannuation costs will rise by 2.3% on 1 September 2015. This results in additional costs of c£724,000 in 2015/16 rising to c£1,242,000 in 2016/17 (full year of increased rates).
- 6.6.7 The Scottish Government and COSLA are working with partners to explore how to improve wage levels in the social care sector. Negotiations are at an early stage and at present there is limited information on what this means for the Council.

6.7 Inflation

- 6.7.1 There is a risk that levels of Service specific inflation exceed budgeted provisions and that levels of general inflation cannot be contained within existing resources as is currently assumed within the Provisional Revenue Budgets.

7. CONCLUSION AND RECOMMENDATIONS

- 7.1 The Council is requested to:

- 7.1.1 Approve the Updated 2015/16 Provisional Revenue Budget as set out in **Appendix 3** to the report.
- 7.1.2 Agree to the terms of the letter from the Cabinet Secretary (Finance and Sustainable Growth) dated 9 October 2014 and the announcement on maintaining teacher numbers by the Depute First Minister and Cabinet Secretary for Finance, Constitution and Economy on 4 February 2015 as set out in Section 2 of this report.
- 7.1.3 Determine the Final Revenue Budget and Council Tax for financial year 2015/16.

7.1.4 Approve the carry forward of resources from 2014/15 into 2015/16 and future years under the terms of the Revenue Budget Flexibility scheme as set out in **Appendix 3** to the report.

Author(s)

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Approved

John Symon	Head of Finance	5 February 2015
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Council Text Phone Number 01738 442573

ANNEX

1. IMPLICATIONS, ASSESSMENTS, CONSULTATION AND COMMUNICATION

Strategic Implications	Yes / None
Community Plan / Single Outcome Agreement	None
Corporate Plan	Yes
Resource Implications	
Financial	Yes
Workforce	Yes
Asset Management (land, property, IST)	Yes
Assessments	
Equality Impact Assessment	Yes
Strategic Environmental Assessment	Yes
Sustainability (community, economic, environmental)	Yes
Legal and Governance	None
Risk	None
Consultation	
Internal	Yes
External	None
Communication	
Communications Plan	None

1. Strategic Implications

1.1. Corporate Plan

1.1.1. The Council's Corporate Plan 2013 – 2018 lays out five outcome focussed strategic objectives which provide clear strategic direction, inform decisions at a corporate and service level and shape resources allocation. They are as follows:

- (i) Giving every child the best start in life;
- (ii) Developing educated, responsible and informed citizens;
- (iii) Promoting a prosperous, inclusive and sustainable economy;
- (iv) Supporting people to lead independent, healthy and active lives; and
- (v) Creating a safe and sustainable place for future generations.

1.1.2 This report relates to all of these objectives.

2. Resource Implications

2.1. Financial

2.1.1. There are no direct financial implications arising from this report other than those reported within the body of the main report.

2.2. Workforce

2.2.1. There are no direct workforce implications arising from this report other than those reported within the body of the main report.

2.3. Asset Management (land, property, IT)

2.3.1. There are no direct asset management implications arising from this report other than those reported within the body of the main report.

3. Assessments

3.1. Equality Impact Assessment

3.1.1. Under the Equality Act 2010, the Council is required to eliminate discrimination, advance equality of opportunity, and foster good relations between equality groups. Carrying out Equality Impact Assessments for plans and policies allows the Council to demonstrate that it is meeting these duties.

3.1.2. The Revenue Budget Executive Summaries have been subject to an equalities assessment where appropriate.

3.2 Strategic Environmental Assessment

3.2.1 The Environmental Assessment (Scotland) Act 2005 places a duty on the Council to identify and assess the environmental consequences of its proposals.

3.2.2 The information contained within this report has been considered under the Act. However, no action is required as the Act does not apply to the matters presented in this report.

3.3 Sustainability

3.3.1 Under the provisions of the Local Government in Scotland Act 2003 the Council has to discharge its duties in a way which contributes to the achievement of sustainable development. In terms of the Climate Change Act, the Council has a general duty to demonstrate its commitment to sustainability and the community, environmental and economic impacts of its actions.

3.3.2 The information contained within this report has been considered under the Act. However, no action is required as the Act does not apply to the matters presented in this report.

4. Consultation

4.1 Internal

4.1.1 The Chief Executive, all Executive Directors, the Head of Democratic Services, the Head of Legal Services and the Corporate Human Resources Manager have been consulted in the preparation of the Provisional Revenue Budgets for 2015/16.

2. BACKGROUND PAPERS

- 2.1 No background papers, as defined by Section 50D of the Local Government (Scotland) Act 1973 (other than any containing confidential or exempt information) were relied on to any material extent in preparing the above report.

3. APPENDICES

- Appendix 1 – Local Government Finance Circular 9/2014 issued by the Scottish Government on 11 December 2014.
- Appendix 2 – Provisional Revenue Budget 2015/16
- Appendix 3 – Revenue Budget Flexibility Scheme – Proposed Carry Forwards from 2014/15
- Appendix 4 – Movement between 2015/16 Provisional Revenue Budget and Updated 2015/16 Provisional Revenue Budget
- Appendix 5 – Executive Summaries

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Local Government Finance Circular No. 9/2014

In 2014 Scotland Welcomes the World

Chief Executives and Directors of Finance of Scottish
Local Authorities

Chief Executive, Convention of Scottish Local
Authorities (COSLA)



Our Reference: A9714624
11 December 2014

Dear Chief Executive/Director of Finance

1. **LOCAL GOVERNMENT FINANCE SETTLEMENT 2015-16**
2. **NON DOMESTIC RATES**
3. **BUSINESS RATES INCENTIVISATION SCHEME (BRIS) – 2014-15 TARGETS**

1. This Local Government Finance Circular provides details of the provisional total revenue and capital funding allocations for 2015-16, as well as the latest information on current known redeterminations for 2014-15. This Circular also provides details of the business rates poundage levels and confirmation of the relief thresholds. Additionally, it sets out the details of the agreed revised Business Rates Incentivisation Scheme (BRIS) including individual local authority targets for 2014-15 and provisional targets for 2015-16.

2. The provisional total funding allocations form the basis for the annual consultation between the Scottish Government and COSLA ahead of the Local Government Finance (Scotland) Order 2015 being presented to the Scottish Parliament in February 2015. COSLA is invited to respond to these provisional allocations in writing by **7 January 2015**. In submitting any comments, we expect local authorities to inform COSLA, and for COSLA in turn to inform the Scottish Government of any discrepancies in these distributions. Any redistribution to address any agreed discrepancies will be undertaken within the total settlement allocations set out in this Circular and not through the provision of any additional resources by the Scottish Government. The allocations are therefore only provisional at this stage and local authorities should not set their final budgets on the basis of these until the final allocations are confirmed following the end of the consultation period and the publication of the February 2015 Circular.

3. The then Cabinet Secretary for Finance, Employment and Sustainable Growth wrote to the COSLA President on 9 October 2014 reaffirming the terms of the settlement to be provided to local government in return for the provisional funding allocations set out in this Circular. The 2015-16 provisional allocations set out in this Circular assume that all councils will sign up to the package and therefore that the **full** amount (£9.501 billion) will be issued.

4. The allocations have been arrived at using the standard agreed needs-based distribution methodology and updated indicators. The Circular also includes a separate column in both Annex B and C showing the general revenue changes since the previous relevant Local Government Finance Circular. As in previous years the final column in Annex C provides the amount of the Council Tax element, for illustrative purposes, which the Scottish Government plans to hold back under the terms of the then Cabinet Secretary for Finance, Employment and Sustainable Growth's letter of 9 October 2014 to COSLA on the sign-off arrangements, set out on a council by council basis. The letter of 9 October 2014 also confirmed that if any council does not agree to the full package available then it will have its allocation reduced by its needs based share of the £70 million provided to deliver the Council Tax freeze.

5. As with last year those Council Leaders who do not intend to take up the offer and agree the full package of measures set out in the 9 October 2014 letter are required to write to the Deputy First Minister and Cabinet Secretary for Finance, Constitution and the Economy setting out the reasons why they do not wish to comply by no later than 10 March 2015, but preferably by the end of February (and ideally as soon as possible after they have set their budgets and announced their council tax rates for 2015-16). If any Council Leader replies to say that their Council does not so agree, the full amount of the Council's needs based share of the £70 million sanction will be withdrawn from the overall local government settlement and redeployed by Scottish Ministers in the Budget Bill which will be laid before Parliament in January 2015. The sanctions in relation to teacher numbers are suspended pending the work to reach an in-principle agreement on an Educational outcomes-based approach as set out in the 9 October settlement letter. This position will be reviewed in the New Year.

6. In early February 2015, it is envisaged that the 2015-16 Budget Bill will complete its stages and be approved by Parliament. Very shortly after that, the Government will table the Local Government Finance (Scotland) Order 2015 setting out the formal allocations of the funding settlement for 2015-16, less the amount of holdback for the Council Tax freeze monies.

7. In mid-March 2015 the Government will table an amendment Order (to the Local Government Finance (Scotland) Order 2015), to pay out the full amount of the council tax holdback monies to all those councils whose Leaders have not written to us as detailed in the preceding paragraphs and whose councils have not increased their 2015-16 council tax above their 2014-15 levels.

8. The figures in this Circular are necessarily provisional and any changes required will be discussed and agreed between the Scottish Government and COSLA, and included in the 2015 Order. Accordingly, if a council considers there are any errors or revisions that require to be addressed they should, in the first instance, contact COSLA immediately.

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

Part A: Local Government Finance Settlement – Revenue: 2015-16 and changes in 2014-15;

Part B: Local Government Finance Settlement – Capital: 2015-16 and changes in 2014-15;

Part C: Non-Domestic Rates for 2015-16; and
Part D Revised Business Rates Incentivisation Scheme (BRIS) and targets for 2014-15 and provisional targets for 2015-16.

Annex A: All Scotland Aggregated Funding Totals 2014-16;
Annex A(1): All Scotland Aggregated Funding Totals 2014-16 with detailed reconciliation of 2014-15 funding with Finance Circular 6/2014;
Annex A(2) All Scotland Aggregated Funding Totals 2014-16 with detailed reconciliation of 2015-16 funding with Finance Circular 6/2014;
Annex B: Individual Revenue Allocations for 2014-15;
Annex C: Individual Revenue Allocations for 2015-16;
Annex D: Explanatory Notes on the Revenue Distribution;
Annex E: Individual Share of the Additional £70 million;
Annex F: Estimates of Ring-Fenced Grant Revenue Funding for 2015-16;
Annex G: Floor calculation for 2015-16
Annex H: Reconciliation of individual council Revenue allocations for 2015-16;
Annex I: Redeterminations of individual council Revenue funding for 2014-15;
Annex J: Capital Settlement for 2014-15 per local authority;
Annex K: Total Capital Funding per local authority for 2014-15;
Annex L: Capital Settlement for 2015-16 per local authority;
Annex M: Total Capital Funding for 2015-16 per local authority;
Annex N: Revised Business Rates Incentivisation Scheme (BRIS);
Annex O: BRIS targets for 2014-15; and
Annex P: (BRIS) provisional targets for 2015-16.

Part A: Local Government Finance Settlement - Revenue: 2015-16 and changes in 2014-15

10. This Finance Circular sets out the provisional distribution of revenue funding allocations for 2015-16. **Annexes A, A(1) and A(2)** of this Circular sets out the all-Scotland aggregate totals for 2014-16 with a full reconciliation of the 2014-15 and 2015-16 total revenue funding figures between this Finance Circular and Finance Circulars 2/2014 and 6/2014 respectively.

11. **Annexes B and C** set out the distribution of the total revenue funding allocation between councils and the allocation of the different elements (General Revenue Funding, Non-Domestic Rate Income and Ring-Fenced Revenue Grants) for each council for 2014-15 and 2015-16. The basis behind the grant distribution methodology, as explained in Finance Circular 6/2007, has been retained as agreed with COSLA, and the Scottish Government's new 85 per cent floor is included at the end of this process. The explanatory notes contained in **Annex D** explain the basis behind the calculation of the individual council grant allocations.

12. **Annex E** sets out how the additional £70 million available to councils that choose to freeze their 2015-16 council tax levels at no higher than their 2014-15 levels will be distributed.

13. **Annex F** gives a breakdown of the provisional individual council shares of the Gaelic Ring-Fenced revenue grant allocations for 2015-16.

14. The calculation and effects of the main floor adjustment for 2014-15, which provided councils with a maximum *decrease* in funding of -1.4%, was set out in Annex H

of Circular 11/2011 and **Annex G** of this Circular sets out the impact of the 2015-16 main floor adjustment which ensures a maximum *decrease* in funding of -1.9%.

15. The changes to the 2015-16 General Revenue Grant figures since Local Government Finance Circulars 6/2014 are set out in **Annex H**.

16. This Local Government Finance Circular provides details of current known 2014-15 redeterminations at **Annex I** for the General Revenue Grant. The final redetermination allocations for 2014-15 will be included in the Local Government Finance (Scotland) Order 2015.

17. The methodology for calculating Loan Charge Support (LCS) and support for Public Private Partnership (PPP) projects (level playing field projects only (LPFS)) is set out in Annex H of Finance Circular 2/2011. The total amounts included for loan charge support and PPP support are included in the revenue figures in **Annex A** and column 3 of **Annexes B and C**.

Part B: Local Government Finance Settlement – Capital Grants 2015-16, and changes to Capital Grant in 2014-15

18. The Local Government Settlement provides capital grants totalling £839.041 million in 2014-15 and £856.300 million in 2015-16. **Annexes A(1) and A(2)** of this Circular sets out the all-Scotland aggregate totals for 2014-16 with a full reconciliation of the 2014-15 and 2015-16 total capital funding figures between this Finance Circular and Finance Circulars 2/2014 and 6/2014 respectively.

19. The Scottish Government's £1.8 billion Schools for the Future Programme will see the construction of at least 91 new or refurbished schools. Further projects to benefit from the programme will be announced in the coming weeks, and is expected to take this figure to in excess of 100 schools built for over 60,000 pupils by March 2020. These schools will be built in every part of Scotland in partnership with local authorities. £1.13 billion provided by Government and £665 million by local authorities. The programme is being delivered through a funding mix of capital grant and also through the Non-Profit Distributing model. This latter programme is being co-ordinated and managed by the Scottish Futures Trust (SFT).

20. This Finance Circular sets out the changes in the Settlement for capital in 2014-15 and the provisional distribution of capital to local authorities for 2015-16.

21. **Annex J** sets out the changes to the Settlement for Capital Grants per local authority for 2014-15.

22. **Annex K** sets out the changes to the total capital funding per local authority for 2014-15. This includes capital grant paid to a local authority in addition to the capital Settlement agreed, but excludes any capital support for schools.

23. **Annex L** set out the provisional distribution of the Settlement for capital per local authority for 2015-16. Capital grants which remain undistributed are identified as such. The methodologies used to calculate these provisional allocations have been agreed with COSLA.

24. **Annex M** sets out the provisional total capital funding per local authority for 2015-16. This includes capital grant paid to a local authority in addition to the capital Settlement agreed, but excludes any capital support for schools.

Part C: Non-Domestic Rates for 2015-16

25. The Distributable Amount of Non-Domestic Rates Income for 2015-16 has been provisionally set at £2,799.5 million. This figure uses the latest forecast of net income from non-domestic rates in 2015-16 and will also draw on council estimates of the amounts they will contribute to the Pool from non-domestic rate in 2014-15. Included in the estimated figure is a calculation of gross income, expected losses from appeals and estimated expenditure on mandatory and other reliefs as well as write-offs and provision of bad debt. The distribution of Non-Domestic Rates Income for 2015-16 will match the amount each Council estimates it will collect (based on the 2013-14 mid-year estimates provided by councils). General Revenue Grant provides the balance of funding. This method of allocation provides a clear presentation of the Non-Domestic rates income per council and transparency in the make-up of council funding.

26. The Scottish Government confirmed the increase for the 2015-16 Non-Domestic Rate poundage rate will be restricted to 2%. The Large Business Supplement for 2015-16 will increase in line with the increase to the equivalent rate in England.

27. The Scottish Government has today published a consultation paper on the rating valuation appeals system, as part of our action plan to review the rates system ahead of the 2017 revaluation. The consultation is open until 6 March 2015, and can be accessed at www.scotland.gov.uk/consultations

Part D: Revised Business Rates Incentivisation Scheme (BRIS) and targets for 2014-15 and provisional targets for 2015-16.

28. Following a review of the original BRIS by a Joint Scottish Government/COSLA Review Group it has been agreed that original scheme should be suspended and a revised scheme introduced in 2014-15. Details of the revised agreed scheme are set out in **Annex N** with the 2014-15 individual targets being set out in **Annex O** and the provisional targets for 2015-16 are set out in **Annex P**.

Enquiries relating to this Circular

29. Following representations from a number of councils about the clarity of tracking funding changes from Circular to Circular the Scottish Government and COSLA held a joint workshop to consider how the presentation of both the revenue and capital funding allocations could be improved. While the presentational improvements have been taken on board in the circular it had been hoped that a revised “mock” circular could have been circulated in advance of this circular to consider the current changes and provide practitioners with the opportunity to propose further improvements. Unfortunately, this was not possible but the Scottish Government would still welcome any comments on the current changes and any other proposals on how the figures could be better presented.

30. It should be noted that a few of the figures in this Circular may be marginally different because of the roundings. Local authorities should note that if they have any substantive specific enquiries relating to this Circular these should in the first instance be

addressed through COSLA. We have given an undertaking to COSLA to respond to these queries as quickly as possible. Contact details for COSLA are:

Vicki Bibby
0131 474 9232 vicki@cosla.gov.uk

Any other queries should be addressed to the following:

Local Government Revenue Settlement, BRIS and Improvements to Circulars
Bill Stitt 0131 244 7044 bill.stitt@scotland.gsi.gov.uk

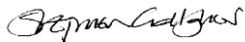
Local Government Finance Settlement (Capital)
Louise Hester 0131 244 7950 louise.hester@scotland.gsi.gov.uk

Non-Domestic Rates
Douglas McLaren 0131 244 7588 douglas.mclaren@scotland.gsi.gov.uk

31. This Circular will be made available through the Local Government section of the Scottish Government website at:

<http://www.scotland.gov.uk/Topics/Government/local-government/179>

Yours faithfully



STEPHEN GALLAGHER
Deputy Director, Local Government Division

ALL SCOTLAND AGGREGATE FUNDING TOTALS 2014-16

	2014-15 £ million	2015-16 £ million
Revenue Funding		
General Resource Grant	7,187.373	7,102.759
Non Domestic Rate Income	2,649.500	2,799.500
Specific Revenue Grants	90.932	90.932
Total Revenue	9,927.805	9,993.191
<i>less Teachers' Induction Scheme</i>	0.000	27.600
<i>less Criminal Justice Social Work</i>	86.450	86.450
<i>less Council Tax Reduction Scheme</i>	0.000	343.000
<i>less Discretionary Housing Payments</i>	3.000	35.000
Distributable Revenue Funding	9,838.355	9,501.141
Capital Funding		
General Capital Grant	688.795	711.200
Specific Capital Grants	127.722	123.200
Distributed to SPT	22.524	21.900
Total Capital	839.041	856.300
Total Funding	10,766.846	10,849.491

2014-15 RECONCILIATION FROM FINANCE CIRCULAR 6/2014

General Resource Grant Circular 6/2014		7,108.309
Early Learning and Childcare		18.500
Free School Meals		16.475
Discretionary Housing Payments		15.000
Enterprise Zones		12.000
Additional Teacher Support		5.091
Additional Family Support		3.000
Police Transfer Adjustment		2.083
Teachers Pay		2.000
Dundee Airport		1.121
1+2 Languages Addition		1.000
Renfrewshire Housing		1.000
Housing Support Grant transfer		1.000
Blanefield		0.555
Single Fraud Investigation Addition		0.200
Business Gateway Website		0.160
Migration and Citizenship		0.150
A83 Road Transfer (Argyll & Bute)		-0.180
Teachers Induction Scheme (Jordanhill)		-0.091
Finance Circular 9/2014		7,187.373
General Capital Grant Circular 6/2014		622.975
Early Learning and Childcare		41.000
Free School Meals		24.820
Finance Circular 9/2014		688.795

2015-16 RECONCILIATION FROM FINANCE CIRCULAR 6/2014

General Resource Grant Circular 6/2014		6,872.819
NDRI Switch		83.500
Free School Meals		53.918
Scottish Welfare Fund		37.873
Discretionary Housing Payments		35.000
Council Tax Reduction Scheme Admin		6.460
Continuing Care*		4.209
Through Care and After Care*		3.872
Kinship Care*		2.600
Age Eligibility*		0.716
GIRFEC*		0.398
CYPA already included*		-6.754
Self Directed Support		3.520
Police Transfer		2.210
Dundee Airport		1.639
Single Fraud Investigation Service		0.200
Housing Support Grant		1.000
Business Gateway		0.160
A83 Road Transfer		-0.281
Children's Legal Representation		-0.300
Finance Circular 9/2014		7,102.759
Non Domestic Rates Circular 6/2014		2,883.000
NDRI Switch		-83.500
Finance Circular 9/2014		2,799.500
General Capital Grant Circular 6/2014		672.200
Early Learning and Childcare		39.000
Finance Circular 9/2014		711.200

Footnote: It should be noted that £112 million was included in the 2014-15 Draft Budget local government allocations for 2015-16 in respect of the Children and Young People Act. This consisted of £82 million revenue and £30 million capital. Of the £82 million revenue £75.151 million was included in the 7 July Circular figures with the balance of £6.849 million included in the 2008-16 Changes column and distributed using shares of GAE plus SINA. We now have agreed distributions for the 5 separate funding streams (see marked above *). The total allocation comes to a revised total of £11.975 million (an increase of £4.946 million which has been added to the overall total revenue funding. To prevent double counting it has been necessary to reduce the 2008-16 Changes figure by the £6.849 million previously included. This figure has been reduced to £6.754 million due to an additional £0.115 million being identified. This figure has been removed as it was originally distributed i.e. on the basis of GAE plus SINA shares.

Revised Individual Revenue Allocations for 2014-15

ANNEX B

2014-15	Expenditure					Funding										Revised Total	
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15		16
£million	Updated Service Provision	2008-15 Changes	Loan Charges/ PPP/ LIFS	Main Floor	Total Estimated Expenditure	Assumed Council Tax contribution	Revised Ring-fenced Grants*	Non Domestic Rates	General Revenue Funding	Total	New 85% floor	Fin Circ 1/2013	Changes to Fin Circ 1/2013	Changes to Fin Circ 6/2013	Changes to Fin Circ 1/2014	Changes to Fin Circ 2/2014	
Aberdeen City	399.228	29.573	24.350	-1.764	451.387	83.563	0.603	193.738	150.711	345.052	2.054	313.452	2.034	1.681	7.881	5.037	330.085
Aberdeenshire	473.486	36.892	24.459	-2.170	532.667	99.105	0.084	86.371	329.847	416.302	0.000	392.209	3.386	1.698	5.657	5.601	408.551
Angus	225.181	17.284	13.869	-1.049	255.285	40.696	0.045	28.187	177.209	205.441	0.000	192.841	1.418	1.231	4.030	2.711	202.231
Argyll & Bute	213.741	15.533	11.637	15.750	256.661	36.329	0.383	31.171	179.548	211.102	0.000	197.767	1.095	1.067	4.330	2.129	206.388
Clackmannanshire	105.570	7.712	5.984	-0.474	118.792	18.362	0.000	12.988	83.621	96.609	0.000	90.109	0.737	0.746	2.816	1.900	96.308
Dumfries & Galloway	325.809	24.733	21.375	-1.534	370.383	55.704	0.070	48.739	251.758	300.567	0.000	279.370	1.981	1.849	6.799	4.047	294.046
Dundee City	321.055	23.319	20.989	-1.517	363.846	45.515	0.107	59.025	242.178	301.310	0.000	273.423	1.699	2.156	10.343	6.485	294.106
East Ayrshire	246.427	18.309	13.637	-1.148	277.225	39.751	0.459	31.230	196.067	227.756	0.000	212.844	1.294	1.453	8.142	4.404	228.137
East Dunbartonshire	209.355	15.385	10.532	-0.907	234.366	43.366	0.074	25.037	159.232	184.343	0.000	173.331	1.279	0.670	3.713	3.529	182.522
East Lothian	191.527	14.393	13.086	-0.875	218.131	39.833	0.000	25.310	145.723	171.033	0.000	161.534	1.279	0.764	4.248	3.110	170.935
East Renfrewshire	189.493	14.232	15.064	-0.862	217.927	36.626	0.156	15.234	160.852	176.242	0.000	168.235	1.032	0.547	2.986	3.309	176.109
Edinburgh, City of	868.802	63.593	61.889	-3.780	990.504	193.589	0.545	366.101	382.528	749.174	22.946	707.329	5.348	5.040	22.039	11.485	751.241
Eilean Siar	80.569	6.364	15.709	14.842	117.484	9.312	0.991	7.084	97.673	105.748	0.000	101.332	0.383	0.249	1.219	0.829	104.012
Falkirk	306.906	23.044	23.159	-1.420	351.689	54.055	1.131	74.713	209.286	285.130	0.000	264.768	1.343	1.501	7.004	5.110	279.726
Fife	718.465	54.778	39.834	-3.376	809.701	129.240	0.496	159.529	490.355	650.380	0.000	603.237	4.302	3.329	17.121	11.556	639.545
Glasgow City	1359.514	97.771	130.020	-6.497	1580.808	202.435	1.038	365.048	927.129	1293.215	0.000	1172.017	7.029	12.788	56.386	25.569	1273.789
Highland	503.587	38.721	40.541	-2.425	580.424	89.337	0.951	124.890	344.352	470.193	0.000	435.437	3.133	2.627	9.576	6.612	457.385
Inverclyde	178.828	12.699	13.576	0.254	205.357	26.087	0.548	22.832	147.969	171.349	0.000	157.816	0.638	1.175	5.634	3.109	168.372
Midlothian	166.049	12.504	11.254	-0.763	189.044	29.842	0.000	29.172	123.045	152.217	0.000	143.579	1.050	0.784	4.339	2.728	152.480
Moray	175.068	13.459	10.939	-0.833	198.633	31.054	0.450	33.552	125.775	159.777	0.000	148.247	1.111	0.912	3.009	2.278	155.557
North Ayrshire	291.924	21.315	17.510	-1.352	329.397	47.262	0.521	40.417	229.614	270.552	0.000	251.838	1.532	1.850	9.412	5.248	269.880
North Lanarkshire	682.367	50.490	15.030	11.290	759.177	108.072	0.289	119.447	504.078	623.814	0.000	585.037	6.111	4.453	20.533	11.853	627.987
Orkney Islands	66.790	5.280	7.497	-0.371	79.196	7.407	0.000	9.657	60.704	70.361	0.000	67.405	0.291	0.187	0.559	0.608	69.050
Perth & Kinross	289.020	21.855	15.486	-1.286	325.075	59.615	0.415	55.718	198.005	284.138	0.000	237.334	1.883	1.592	4.994	3.655	249.458
Renfrewshire	355.294	25.911	11.152	1.140	393.497	62.528	0.484	106.898	207.656	315.038	0.000	291.784	1.985	2.106	10.936	7.965	314.776
Scottish Borders	234.439	18.047	16.771	-1.112	268.145	44.104	0.004	31.183	182.632	213.819	0.000	197.176	1.489	1.262	4.340	2.730	206.997
Shetland Islands	81.797	6.631	11.498	-0.415	99.511	7.701	1.261	17.699	71.124	90.084	0.000	86.273	0.352	-1.037	0.508	0.639	86.735
South Ayrshire	228.775	17.055	11.954	-1.026	256.758	44.126	0.209	43.370	160.201	203.780	0.000	189.815	1.143	1.307	6.954	3.838	203.057
South Lanarkshire	629.707	47.170	34.792	-2.918	708.751	111.444	1.538	298.920	272.997	573.455	0.000	538.502	3.525	3.508	17.023	10.806	573.364
Stirling	185.865	13.827	13.659	-0.849	212.502	34.489	0.610	32.764	136.778	170.152	0.000	157.941	0.730	1.277	3.356	3.345	166.649
West Dunbartonshire	210.167	14.779	12.075	-0.944	236.077	31.628	0.020	78.978	114.823	193.821	0.000	175.929	1.174	1.594	7.612	4.281	190.580
West Lothian	343.399	26.099	15.901	-1.609	383.790	58.423	0.000	88.998	221.333	310.331	0.000	290.048	2.311	1.829	8.351	5.757	308.296
Scotland	10858.204	808.757	705.228	0.000	12372.189	1920.600	13.482	2664.000	7284.803	9962.285	25.000	9257.961	64.097	62.185	281.850	172.262	9838.355

Revised Individual Revenue Allocations for 2015-16

ANNEX C

£million	Expenditure					Funding									
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Updated Service Provision	2008-16 Changes	Loan Charges/ PPP/LPFS	Main Floor	Total Estimated Expenditure	Assumed Council Tax contribution	Revised Ring-fenced Grants	Non Domestic Rates	General Revenue Funding	Total	New 85% floor	Additional Funding Circ 6/2014	Additional Funding Circ 9/2014	Revised Total	Share of 2015-16 Council Tax Holdback	
Aberdeen City	350.443	25.955	22.919	-0.540	398.777	86.635	0.104	217.237	94.801	312.142	11.251	1.365	3.861	328.619	3.287
Aberdeenshire	446.600	34.701	22.958	-2.538	501.722	100.136	0.037	95.217	306.332	401.586	0.000	1.111	4.773	407.470	3.589
Angus	209.498	16.159	13.220	-1.221	237.656	40.757	0.045	31.836	165.018	196.899	0.000	0.796	2.352	200.046	1.398
Argyll & Bute	192.676	13.773	11.082	15.556	233.087	36.579	0.383	28.783	167.342	196.508	0.000	0.501	1.477	198.486	1.432
Clackmannanshire	97.063	7.026	5.648	-0.537	109.200	18.110	0.000	16.390	74.700	91.090	0.000	0.623	1.332	93.045	0.659
Dumfries & Galloway	295.556	22.279	20.173	-1.728	336.280	55.860	0.000	52.549	227.871	280.420	0.000	1.147	3.074	284.641	1.863
Dundee City	279.636	20.295	19.586	0.132	319.649	45.961	0.000	62.479	211.209	273.688	0.000	1.722	5.386	280.797	1.755
East Ayrshire	227.683	16.972	12.910	-1.319	256.246	39.915	0.152	33.963	182.216	216.331	0.000	1.318	3.015	220.664	1.480
East Dunbartonshire	199.376	14.808	9.695	-1.075	222.804	43.980	0.074	26.042	152.708	178.824	0.000	0.470	2.239	181.532	1.607
East Lothian	178.618	13.529	12.479	-1.019	203.607	40.025	0.000	26.963	136.619	163.582	0.000	0.738	2.199	166.520	1.416
East Renfrewshire	183.137	14.015	14.565	-1.052	210.665	37.263	0.020	17.114	156.268	173.402	0.000	0.430	2.126	175.958	1.343
Edinburgh, City of	768.937	56.240	57.273	0.858	883.308	196.168	0.299	404.108	282.733	687.140	13.749	3.362	8.335	712.586	6.994
Eilean Siar	74.148	5.797	14.955	14.251	109.151	9.422	0.991	8.188	90.550	99.729	0.000	0.118	0.570	100.417	0.304
Falkirk	280.922	21.405	22.166	-1.624	322.869	53.927	0.012	64.449	204.481	268.942	0.000	1.464	3.650	274.056	1.833
Fife	651.723	50.150	36.889	-3.380	735.382	129.320	0.000	172.289	433.773	606.062	0.000	3.698	7.845	617.605	4.620
Glasgow City	1,162.691	83.896	122.193	-0.133	1,368.647	201.971	0.518	395.395	770.763	1,166.676	0.000	7.421	16.736	1,190.833	7.614
Highland	457.776	34.911	37.793	-2.732	527.748	89.843	0.951	131.721	305.233	437.905	0.000	1.635	4.541	444.081	3.343
Inverclyde	162.275	11.555	12.909	-0.938	185.800	26.156	0.090	24.443	135.111	159.644	0.000	0.840	2.114	162.598	1.008
Midlothian	155.504	11.777	10.942	-0.888	177.336	30.607	0.000	32.900	113.829	146.729	0.000	0.838	1.864	149.430	1.154
Moray	163.858	12.608	10.131	-0.973	185.624	31.532	0.000	38.036	116.056	154.092	0.000	0.580	1.933	156.605	1.156
North Ayrshire	270.609	19.961	16.601	-1.570	305.601	47.096	0.085	44.386	214.034	258.505	0.000	1.667	3.472	263.645	1.769
North Lanarkshire	630.170	47.274	13.803	5.475	696.723	108.244	0.289	126.575	461.615	588.479	0.000	3.806	9.141	601.426	3.766
Orkney Islands	64.910	5.137	7.121	-0.463	76.705	7.507	0.000	9.812	59.386	69.198	0.000	0.063	0.470	69.731	0.243
Perth & Kinross	266.222	20.067	14.593	-1.460	299.421	59.710	0.080	61.348	178.283	239.711	0.000	0.872	2.914	243.497	2.152
Renfrewshire	324.761	23.838	10.360	-1.764	357.195	63.024	0.033	106.403	187.735	294.171	0.000	1.599	4.309	300.079	2.327
Scottish Borders	213.421	16.262	15.790	-1.254	244.219	44.045	0.004	34.849	165.321	200.174	0.000	0.695	2.291	203.160	1.536
Shetland Islands	75.721	6.325	10.749	0.272	93.067	7.798	0.000	17.454	67.815	85.269	0.000	0.083	0.553	85.905	0.245
South Ayrshire	210.664	15.774	11.360	-1.174	236.624	44.265	0.000	44.129	148.230	192.359	0.000	0.939	2.500	195.799	1.646
South Lanarkshire	578.015	43.978	32.797	-3.343	651.447	112.355	0.158	326.692	212.242	539.092	0.000	2.794	7.514	549.399	3.861
Stirling	170.960	12.755	12.998	-0.971	195.742	34.930	0.137	46.939	113.736	160.812	0.000	0.502	2.061	163.375	1.330
West Dunbartonshire	185.055	12.999	11.290	-1.019	208.325	31.680	0.020	86.902	89.723	176.645	0.000	1.202	2.486	180.333	1.186
West Lothian	313.723	24.134	14.999	-1.830	351.026	58.279	0.000	97.409	195.338	292.747	0.000	1.751	4.305	298.803	2.084
Scotland	9,842.351	736.355	662.947	0.000	11,241.653	1,933.100	4.482	2,883.000	6,421.071	9,308.553	25.000	46.150	121.438	9,501.141	70.000

EXPLANATORY NOTES ON THE REVENUE DISTRIBUTION

The explanation of each of the columns within the tables at Annexes B and C is as follows:

Column 1 – represents the updated on-going service provision and includes the following combined information: (i) the updated Grant Aided Expenditure (GAE) assessments; (ii) the revised Special Islands Needs Allowance (SINA); (iii) each council's individual share of the on-going revenue grants which have been rolled up into the core local government finance settlement; (iv) each council's share of all the baselined redeterminations since Spending Review 2007; (v) the shares of both the £490 million for the council tax freeze over the period 2008-15 and the £70 million for the council tax freeze in 2015-16.

Column 2 – is the new combined total, non-ring-fenced, changes in general provision resulting from Spending Reviews 2007, 2010, 2011 and 2013, and allocated pro-rata to each council's share of GAE plus SINA.

Column 3 – represents the updated share of the loan charges support for outstanding and new debt and the same level of on-going PPP level playing field support. The methodology for calculating Loan Charge Support (LCS) and support for Public Private Partnership (PPP) projects (level playing field projects only (LPFS)) is set out on Annex H of Finance Circular 2/2011.

Column 4 – is the main floor adjustment which has been calculated as in previous years by excluding PPP level playing field support. The amount of the on-going revenue grants which have been rolled up into the core local government finance settlement and the council tax freeze amounts and new childcare monies were also excluded on the grounds of stability.

Column 5 – this is the net revenue expenditure recognised by the Scottish Government and represents the sum of columns 1 to 4.

Column 6 – is the assumption of the amount of Total Estimated Expenditure to be funded from the council tax. Any changes are as a result of buoyancy or projected numbers of properties.

Column 7 – is each council's share of the on-going Ring-Fenced Gaelic revenue grant.

Column 8 – is each council's share of the estimated non-domestic rate income which has been distributed proportionately on the basis of council's 2011-12 mid-year income returns net of prior year adjustments (for 2014-15) and 2013-14 mid-year income returns for 2015-16..

Column 9 – is the balance of funding provided by means of general revenue funding and is calculated by deducting columns 6, 7 and 8 from the Total Estimated Expenditure in column 5.

Column 10 – represents the total revenue funding available to each council in that year assuming that Councils accept the full package agreed with COSLA's Leadership.

Column 11 – is the 85% floor adjustment which has been calculated to meet the Scottish Government's commitment to ensure that no Local Authority receives less than 85% of the Scottish average in terms of revenue support at the time of the outcome of Spending Review 2011.

Columns 12-16 (2014-15) and Columns 12 and 13 (2015-16) – represents the changes to the funding allocations since the most recent Finance Circulars.

Column 17 (2014-15) and Column 14 (2015-16) - is the revised total funding including all the changes and the 855 funding floor adjustments.

Column 15 (2015-16)- The final column of **Annex C** shows the amount, for illustrative purposes, which the Scottish Government plans to holdback under the terms of the offer letter, set out on a council by council basis. This has been distributed using the same underlying methodology as was used in calculating the actual settlement.

INDIVIDUAL SHARE OF THE ADDITIONAL £70 MILLION FOR THE COUNCIL TAX FREEZE

Local Authority £million	2015-16 Annual Share of £70 million
Aberdeen City	3.287
Aberdeenshire	3.589
Angus	1.398
Argyll & Bute	1.432
Clackmannanshire	0.659
Dumfries & Galloway	1.863
Dundee City	1.755
East Ayrshire	1.480
East Dunbartonshire	1.607
East Lothian	1.416
East Renfrewshire	1.343
Edinburgh, City of	6.994
Eilean Siar	0.304
Falkirk	1.833
Fife	4.620
Glasgow City	7.614
Highland	3.343
Inverclyde	1.008
Midlothian	1.154
Moray	1.156
North Ayrshire	1.769
North Lanarkshire	3.766
Orkney	0.243
Perth & Kinross	2.152
Renfrewshire	2.327
Scottish Borders	1.536
Shetland	0.245
South Ayrshire	1.646
South Lanarkshire	3.861
Stirling	1.330
West Dunbartonshire	1.186
West Lothian	2.084
Scotland	70.000

ESTIMATES OF RING-FENCED REVENUE GRANT FUNDING FOR 2015-16

	Gaelic*
	£m
Aberdeen City	0.104
Aberdeenshire	0.037
Angus	0.045
Argyll & Bute	0.383
Clackmannanshire	0.000
Dumfries & Galloway	0.000
Dundee City	0.000
East Ayrshire	0.152
East Dunbartonshire	0.074
East Lothian	0.000
East Renfrewshire	0.020
Edinburgh, City of	0.299
Eilean Siar	0.991
Falkirk	0.012
Fife	0.000
Glasgow City	0.518
Highland	0.951
Inverclyde	0.090
Midlothian	0.000
Moray	0.000
North Ayrshire	0.085
North Lanarkshire	0.289
Orkney Islands	0.000
Perth & Kinross	0.080
Renfrewshire	0.033
Scottish Borders	0.004
Shetland Islands	0.000
South Ayrshire	0.000
South Lanarkshire	0.158
Stirling	0.137
West Dunbartonshire	0.020
West Lothian	0.000
Scotland	4.482

*Note: The figures for this specific revenue grant are provisional and represent the figures previously included. The actual allocation of this specific revenue grant will be notified to the relevant local authorities in due course and included in the February Local Government Finance Circular.

MAIN FLOOR CALCULATION FOR 2015-16

Local Authority	Grant Without Floor	Change Without Floor	Floor Change	Grant With Floor	Change With Floor
	£m	%	£m	£m	%
Moray	131.054	3.08	-0.973	130.081	2.31
Orkney	62.395	2.81	-0.463	61.932	2.05
East Renfrewshire	141.630	2.30	-1.052	140.578	1.54
East Dunbartonshire	144.729	2.27	-1.075	143.655	1.51
North Ayrshire	211.420	1.97	-1.570	209.850	1.21
Stirling	130.740	1.37	-0.971	129.769	0.61
Angus	164.374	1.23	-1.221	163.153	0.48
Midlothian	119.503	0.92	-0.888	118.615	0.17
Falkirk	218.657	0.89	-1.624	217.033	0.13
Inverclyde	126.364	0.60	-0.938	125.425	-0.15
Aberdeenshire	341.683	0.59	-2.538	339.145	-0.16
Scottish Borders	168.906	0.41	-1.254	167.652	-0.34
South Ayrshire	158.032	0.38	-1.174	156.858	-0.37
East Ayrshire	177.628	0.27	-1.319	176.309	-0.48
East Lothian	137.180	0.24	-1.019	136.161	-0.51
West Dunbartonshire	137.137	-0.01	-1.019	136.118	-0.76
West Lothian	246.431	-0.27	-1.830	244.601	-1.02
Renfrewshire	237.480	-0.47	-1.764	235.716	-1.21
Dumfries & Galloway	232.631	-0.57	-1.728	230.903	-1.32
Highland	367.817	-0.59	-2.732	365.085	-1.34
Perth & Kinross	196.633	-0.61	-1.460	195.173	-1.35
Clackmannanshire	72.362	-0.72	-0.537	71.824	-1.46
South Lanarkshire	450.175	-1.11	-3.343	446.832	-1.85
Fife	509.273	-1.25	-3.380	505.893	-1.90
Aberdeen City	249.259	-1.69	-0.540	248.720	-1.90
Glasgow City	917.384	-1.89	-0.133	917.252	-1.90
Dundee City	217.316	-1.96	0.132	217.448	-1.90
Edinburgh, City of	540.123	-2.06	0.858	540.981	-1.90
Shetland	78.853	-2.24	0.272	79.125	-1.90
North Lanarkshire	480.034	-3.01	5.475	485.510	-1.90
Argyll & Bute	141.182	-11.64	15.556	156.738	-1.90
Eilean Siar	75.630	-17.46	14.251	89.881	-1.90
Scotland	7584.016	-1.04	0.000	7584.016	-1.04

RECONCILIATION OF INDIVIDUAL COUNCIL REVENUE ALLOCATIONS FOR 2015-16 (Part 1)

2015-16	NDR/GRG Switch	GRG/NDR Switch	Free School Meals	Scottish Welfare Fund	Teachers' Induction Scheme	CTRS Admin	Continuing Care	Through Care and Aftercare	Kinship Care	Changed Eligibility for Aftercare	GIRFEC	CYP Adjustment	Self Directed Support	Total Carried Forward
	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
Aberdeen City	-6.292	6.292	1.970	1.061	0.331	0.174	0.101	0.131	0.076	0.015	0.014	-0.238	0.128	3.763
Aberdeenshire	-2.758	2.758	3.275	0.540	0.530	0.143	0.118	0.084	0.078	0.019	0.021	-0.318	0.131	4.621
Angus	-0.922	0.922	1.267	0.491	0.227	0.113	0.097	0.064	0.057	0.015	0.009	-0.148	0.096	2.288
Argyll & Bute	-0.834	0.834	0.863	0.428	0.170	0.094	0.073	0.049	0.046	0.009	0.006	-0.126	0.087	1.699
Clackmannanshire	-0.475	0.475	0.535	0.420	0.100	0.068	0.071	0.049	0.047	0.009	0.004	-0.065	0.067	1.305
Dumfries & Galloway	-1.522	1.522	1.568	0.719	0.301	0.173	0.112	0.093	0.070	0.018	0.011	-0.204	0.114	2.975
Dundee City	-1.809	1.809	1.282	1.512	0.282	0.236	0.147	0.155	0.089	0.026	0.010	-0.186	0.108	3.661
East Ayrshire	-0.984	0.984	1.168	1.067	0.227	0.189	0.129	0.122	0.076	0.022	0.009	-0.156	0.095	2.948
East Dunbartonshire	-0.754	0.754	1.354	0.381	0.238	0.073	0.071	0.049	0.048	0.009	0.008	-0.136	0.086	2.181
East Lothian	-0.781	0.781	1.231	0.447	0.187	0.095	0.079	0.064	0.056	0.011	0.008	-0.124	0.086	2.140
East Renfrewshire	-0.496	0.496	1.334	0.294	0.244	0.062	0.073	0.040	0.047	0.010	0.008	-0.129	0.082	2.065
Edinburgh, City of	-11.704	11.704	3.933	2.555	0.657	0.472	0.235	0.326	0.157	0.045	0.031	-0.516	0.220	8.115
Eilean Siar	-0.237	0.237	0.306	0.055	0.068	0.033	0.040	0.012	0.030	0.002	0.002	-0.053	0.061	0.556
Falkirk	-1.867	1.867	1.749	1.065	0.313	0.181	0.124	0.115	0.082	0.021	0.012	-0.196	0.103	3.569
Fife	-4.990	4.990	3.839	2.152	0.706	0.413	0.276	0.298	0.165	0.054	0.028	-0.460	0.181	7.652
Glasgow City	-11.452	11.452	4.340	8.728	0.960	1.184	0.569	0.592	0.299	0.119	0.040	-0.770	0.279	16.340
Highland	-3.815	3.815	2.595	0.918	0.464	0.223	0.136	0.108	0.088	0.023	0.018	-0.320	0.132	4.385
Inverclyde	-0.708	0.708	0.703	0.863	0.146	0.130	0.103	0.068	0.058	0.016	0.006	-0.106	0.084	2.071
Midlothian	-0.953	0.953	0.916	0.448	0.170	0.090	0.083	0.065	0.058	0.012	0.007	-0.108	0.079	1.820
Moray	-1.102	1.102	1.050	0.437	0.174	0.077	0.068	0.048	0.048	0.008	0.008	-0.116	0.083	1.885
North Ayrshire	-1.285	1.285	1.313	1.243	0.270	0.220	0.152	0.138	0.089	0.027	0.011	-0.183	0.103	3.383
North Lanarkshire	-3.666	3.666	3.763	3.379	0.702	0.501	0.292	0.304	0.168	0.058	0.028	-0.434	0.159	8.920
Orkney	-0.284	0.284	0.236	0.061	0.051	0.016	0.037	0.007	0.028	0.002	0.002	-0.047	0.057	0.450
Perth & Kinross	-1.777	1.777	1.591	0.670	0.271	0.121	0.096	0.070	0.060	0.015	0.011	-0.184	0.110	2.831
Renfrewshire	-3.082	3.082	1.809	1.365	0.316	0.246	0.147	0.137	0.088	0.026	0.013	-0.219	0.112	4.040
Scottish Borders	-1.009	1.009	1.233	0.472	0.223	0.117	0.085	0.065	0.055	0.012	0.009	-0.149	0.096	2.218
Shetland	-0.505	0.505	0.296	0.068	0.067	0.014	0.040	0.009	0.030	0.002	0.002	-0.058	0.058	0.528
South Ayrshire	-1.278	1.278	1.042	0.803	0.220	0.150	0.098	0.083	0.061	0.015	0.008	-0.145	0.098	2.433
South Lanarkshire	-9.462	9.462	3.392	2.441	0.639	0.409	0.228	0.244	0.136	0.044	0.024	-0.404	0.161	7.314
Stirling	-1.359	1.359	0.997	0.582	0.185	0.077	0.078	0.059	0.050	0.010	0.008	-0.117	0.081	2.010
West Dunbartonshire	-2.517	2.517	0.872	0.966	0.180	0.167	0.109	0.094	0.069	0.017	0.007	-0.119	0.084	2.446
West Lothian	-2.821	2.821	2.096	1.242	0.381	0.199	0.142	0.130	0.091	0.025	0.015	-0.222	0.099	4.198
Scotland	-83.500	83.500	53.918	37.873	10.000	6.460	4.209	3.872	2.600	0.716	0.398	-6.756	3.520	116.810

RECONCILIATION OF INDIVIDUAL COUNCIL REVENUE ALLOCATIONS FOR 2015-16 (Part 2)

2015-16	Total Brought Forward	Police Transfer	Dundee Airport	Single Fraud Investigation Service	Former Housing Support Grant	Business Gateway	A83 Road transfer	Children's Legal Representation Scheme	Still to be confirmed			Non settlement
	£m	£m	£m	£m	£m	£m	£m	£m	1+2 Languages	Council Tax Reduction Scheme	Discretionary Housing Payments	Stepchange Broadband Adjustment
Aberdeen City	3.763	0.078	0.000	0.005	0.035	0.000	0.000	-0.020	0.000	0.000	0.000	0.000
Aberdeenshire	4.621	0.104	0.000	0.004	0.047	0.000	0.000	-0.003	0.000	0.000	0.000	-4.000
Angus	2.288	0.049	0.000	0.003	0.022	0.000	0.000	-0.010	0.000	0.000	0.000	0.000
Argyll & Bute	1.699	0.041	0.000	0.003	0.019	0.000	-0.281	-0.004	0.000	0.000	0.000	0.000
Clackmannanshire	1.305	0.021	0.000	0.002	0.010	0.000	0.000	-0.006	0.000	0.000	0.000	0.000
Dumfries & Galloway	2.975	0.067	0.000	0.005	0.030	0.000	0.000	-0.003	0.000	0.000	0.000	0.000
Dundee City	3.661	0.061	1.639	0.007	0.028	0.000	0.000	-0.010	0.000	0.000	0.000	0.000
East Ayrshire	2.948	0.051	0.000	0.006	0.023	0.000	0.000	-0.013	0.000	0.000	0.000	0.000
East Dunbartonshire	2.181	0.044	0.000	0.002	0.020	0.000	0.000	-0.008	0.000	0.000	0.000	0.000
East Lothian	2.140	0.041	0.000	0.003	0.018	0.000	0.000	-0.003	0.000	0.000	0.000	0.000
East Renfrewshire	2.065	0.042	0.000	0.002	0.019	0.000	0.000	-0.002	0.000	0.000	0.000	0.000
Edinburgh, City of	8.115	0.169	0.000	0.015	0.076	0.000	0.000	-0.040	0.000	0.000	0.000	0.000
Eilean Siar	0.556	0.017	0.000	0.001	0.008	0.000	0.000	-0.012	0.000	0.000	0.000	0.000
Falkirk	3.569	0.064	0.000	0.006	0.029	0.000	0.000	-0.018	0.000	0.000	0.000	0.000
Fife	7.652	0.151	0.000	0.013	0.068	0.000	0.000	-0.039	0.000	0.000	0.000	0.000
Glasgow City	16.340	0.252	0.000	0.037	0.114	0.000	0.000	-0.007	0.000	0.000	0.000	0.000
Highland	4.385	0.105	0.000	0.007	0.047	0.000	0.000	-0.003	0.000	0.000	0.000	0.000
Inverclyde	2.071	0.035	0.000	0.004	0.016	0.000	0.000	-0.012	0.000	0.000	0.000	0.000
Midlothian	1.820	0.035	0.000	0.003	0.016	0.000	0.000	-0.010	0.000	0.000	0.000	0.000
Moray	1.885	0.038	0.000	0.002	0.017	0.000	0.000	-0.009	0.000	0.000	0.000	0.000
North Ayrshire	3.383	0.060	0.000	0.007	0.027	0.000	0.000	-0.005	0.000	0.000	0.000	0.000
North Lanarkshire	8.920	0.142	0.000	0.016	0.064	0.000	0.000	-0.001	0.000	0.000	0.000	0.000
Orkney	0.450	0.015	0.000	0.000	0.007	0.000	0.000	-0.002	0.000	0.000	0.000	0.000
Perth & Kinross	2.831	0.060	0.000	0.004	0.027	0.000	0.000	-0.008	0.000	0.000	0.000	0.000
Renfrewshire	4.040	0.072	0.000	0.008	0.032	0.160	0.000	-0.003	0.000	0.000	0.000	0.000
Scottish Borders	2.218	0.049	0.000	0.004	0.022	0.000	0.000	-0.002	0.000	0.000	0.000	0.000
Shetland	0.528	0.019	0.000	0.000	0.009	0.000	0.000	-0.003	0.000	0.000	0.000	0.000
South Ayrshire	2.433	0.047	0.000	0.005	0.022	0.000	0.000	-0.007	0.000	0.000	0.000	0.000
South Lanarkshire	7.314	0.132	0.000	0.013	0.060	0.000	0.000	-0.005	0.000	0.000	0.000	0.000
Stirling	2.010	0.038	0.000	0.002	0.017	0.000	0.000	-0.006	0.000	0.000	0.000	0.000
West Dunbartonshire	2.446	0.039	0.000	0.005	0.018	0.000	0.000	-0.022	0.000	0.000	0.000	0.000
West Lothian	4.198	0.072	0.000	0.006	0.033	0.000	0.000	-0.004	0.000	0.000	0.000	0.000
Scotland	116.810	2.210	1.639	0.200	1.000	0.160	-0.281	-0.300	343.000	35.000	tbc	-4.000

REDETERMINATIONS OF INDIVIDUAL COUNCIL REVENUE FUNDING FOR 2014-15 (Part 1)

ANNEX I

Local Authority	Council Tax Reduction Holdback	Teachers Induction Holdback	Free School Meals P1-P3	Looked After Children	Workforce Development	Discretionary Housing Payments	Enterprise Zones	Additional Teacher Support	Family Support	Police Transfer	Teachers Pay	Total Carried Forward
	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
2014-15												
Aberdeen City	1.833	0.776	0.602	0.444	0.104	0.379	0.439	0.158	0.086	0.076	0.065	4.961
Aberdeenshire	1.455	1.437	1.001	0.343	0.080	0.000	0.547	0.255	0.179	0.095	0.106	5.498
Angus	1.039	0.389	0.387	0.256	0.060	0.000	0.256	0.120	0.066	0.044	0.047	2.663
Argyll & Bute	1.124	0.215	0.264	0.159	0.037	0.000	0.231	0.094	0.073	0.040	0.035	2.272
Clackmannanshire	0.714	0.365	0.163	0.206	0.048	0.152	0.114	0.048	0.030	0.020	0.019	1.879
Dumfries & Galloway	1.691	0.587	0.479	0.370	0.086	0.000	0.367	0.162	0.115	0.064	0.062	3.983
Dundee City	2.424	0.501	0.392	0.567	0.132	0.602	0.346	0.145	0.074	0.060	0.058	5.302
East Ayrshire	1.891	0.386	0.357	0.433	0.101	0.626	0.272	0.118	0.074	0.047	0.047	4.352
East Dunbartonshire	0.911	1.373	0.414	0.144	0.034	0.120	0.228	0.129	0.043	0.040	0.048	3.484
East Lothian	1.086	0.749	0.376	0.239	0.056	0.121	0.214	0.097	0.056	0.037	0.037	3.068
East Renfrewshire	0.781	1.350	0.408	0.131	0.031	0.092	0.211	0.138	0.040	0.037	0.047	3.266
Edinburgh, City of	5.334	0.985	1.202	1.102	0.257	0.687	0.944	0.327	0.192	0.164	0.128	11.322
Eilean Siar	0.307	0.182	0.094	0.035	0.008	0.000	0.094	0.039	0.026	0.016	0.014	0.815
Falkirk	1.649	1.000	0.534	0.479	0.112	0.569	0.342	0.160	0.081	0.059	0.060	5.045
Fife	4.086	1.781	1.173	1.213	0.283	1.228	0.813	0.341	0.204	0.141	0.140	11.403
Glasgow City	13.595	2.936	1.326	2.464	0.575	1.725	1.451	0.468	0.331	0.251	0.192	25.314
Highland	2.447	1.418	0.793	0.523	0.122	0.000	0.575	0.263	0.176	0.100	0.095	6.512
Inverclyde	1.348	0.443	0.215	0.276	0.064	0.355	0.188	0.078	0.043	0.033	0.031	3.074
Midlothian	1.019	0.436	0.280	0.274	0.064	0.235	0.186	0.087	0.047	0.032	0.033	2.693
Moray	0.705	0.567	0.321	0.186	0.043	0.000	0.200	0.094	0.055	0.035	0.035	2.241
North Ayrshire	2.287	0.437	0.401	0.550	0.128	0.744	0.316	0.135	0.082	0.055	0.053	5.189
North Lanarkshire	4.866	1.365	1.150	1.198	0.280	1.127	0.749	0.360	0.187	0.130	0.142	11.554
Orkney	0.149	0.203	0.072	0.018	0.004	0.000	0.078	0.030	0.018	0.014	0.010	0.596
Perth & Kinross	1.332	0.773	0.486	0.279	0.065	0.000	0.324	0.134	0.095	0.056	0.053	3.597
Renfrewshire	2.651	1.428	0.553	0.524	0.122	0.690	0.385	0.163	0.086	0.067	0.062	6.731
Scottish Borders	1.130	0.356	0.377	0.222	0.052	0.000	0.268	0.108	0.079	0.046	0.044	2.682
Shetland	0.124	0.190	0.090	0.023	0.005	0.000	0.098	0.039	0.023	0.017	0.016	0.626
South Ayrshire	1.702	0.621	0.318	0.305	0.071	0.262	0.253	0.111	0.059	0.044	0.045	3.791
South Lanarkshire	4.187	2.016	1.036	0.911	0.213	0.877	0.700	0.316	0.171	0.121	0.123	10.671
Stirling	0.882	0.935	0.305	0.158	0.037	0.000	0.205	0.103	0.055	0.035	0.038	2.753
West Dunbartonshire	1.893	0.444	0.266	0.397	0.093	0.710	0.219	0.091	0.051	0.038	0.037	4.240
West Lothian	1.958	0.865	0.640	0.570	0.133	0.699	0.387	0.180	0.102	0.067	0.078	5.680
Scotland	68.600	27.509	16.475	15.000	3.500	12.000	12.000	5.091	3.000	2.081	2.000	167.256

REDETERMINATIONS OF INDIVIDUAL COUNCIL REVENUE FUNDING FOR 2014-15 (Part 2)

ANNEX I (Continued)

Local Authority	Total Brought Forward	Dundee Airport	1+2 Languages	Renfrewshire Housing	Housing Support Grant	Blairfield	Single Fraud Investigation	Business Gateway Website	Migration and Citizenship	A83 Transfer	Total Changes	Stepchange Broadband Adjustment
	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
2014-15												
Aberdeen City	4.961	0.000	0.033	0.000	0.037	0.000	0.006	0.000	0.000	0.000	5.037	0.000
Aberdeenshire	5.498	0.000	0.052	0.000	0.046	0.000	0.005	0.000	0.000	0.000	5.601	-12.000
Angus	2.663	0.000	0.023	0.000	0.021	0.000	0.004	0.000	0.000	0.000	2.711	0.000
Argyll & Bute	2.272	0.000	0.015	0.000	0.019	0.000	0.003	0.000	0.000	-0.180	2.129	0.000
Clackmannanshire	1.879	0.000	0.010	0.000	0.009	0.000	0.002	0.000	0.000	0.000	1.900	0.000
Dumfries & Galloway	3.983	0.000	0.028	0.000	0.031	0.000	0.005	0.000	0.000	0.000	4.047	0.000
Dundee City	5.302	1.121	0.026	0.000	0.029	0.000	0.007	0.000	0.000	0.000	6.485	0.000
East Ayrshire	4.352	0.000	0.024	0.000	0.023	0.000	0.005	0.000	0.000	0.000	4.404	0.000
East Dunbartonshire	3.484	0.000	0.023	0.000	0.019	0.000	0.003	0.000	0.000	0.000	3.529	0.000
East Lothian	3.068	0.000	0.021	0.000	0.018	0.000	0.003	0.000	0.000	0.000	3.110	0.000
East Renfrewshire	3.266	0.000	0.023	0.000	0.018	0.000	0.002	0.000	0.000	0.000	3.309	0.000
Edinburgh, City of	11.322	0.000	0.069	0.000	0.079	0.000	0.015	0.000	0.000	0.000	11.485	0.000
Eilean Siar	0.815	0.000	0.005	0.000	0.008	0.000	0.001	0.000	0.000	0.000	0.829	0.000
Falkirk	5.045	0.000	0.031	0.000	0.028	0.000	0.006	0.000	0.000	0.000	5.110	0.000
Fife	11.403	0.000	0.072	0.000	0.068	0.000	0.013	0.000	0.000	0.000	11.556	0.000
Glasgow City	25.314	0.000	0.098	0.000	0.121	0.000	0.036	0.000	0.000	0.000	25.569	0.000
Highland	6.512	0.000	0.045	0.000	0.048	0.000	0.007	0.000	0.000	0.000	6.612	0.000
Inverclyde	3.074	0.000	0.015	0.000	0.016	0.000	0.004	0.000	0.000	0.000	3.109	0.000
Midlothian	2.693	0.000	0.018	0.000	0.015	0.000	0.002	0.000	0.000	0.000	2.728	0.000
Moray	2.241	0.000	0.018	0.000	0.017	0.000	0.002	0.000	0.000	0.000	2.278	0.000
North Ayrshire	5.189	0.000	0.027	0.000	0.026	0.000	0.006	0.000	0.000	0.000	5.248	0.000
North Lanarkshire	11.554	0.000	0.072	0.000	0.062	0.000	0.015	0.000	0.150	0.000	11.853	0.000
Orkney	0.596	0.000	0.004	0.000	0.007	0.000	0.001	0.000	0.000	0.000	0.608	0.000
Perth & Kinross	3.597	0.000	0.027	0.000	0.027	0.000	0.004	0.000	0.000	0.000	3.655	0.000
Renfrewshire	6.731	0.000	0.034	1.000	0.032	0.000	0.008	0.160	0.000	0.000	7.965	0.000
Scottish Borders	2.682	0.000	0.022	0.000	0.022	0.000	0.004	0.000	0.000	0.000	2.730	0.000
Shetland	0.626	0.000	0.005	0.000	0.008	0.000	0.000	0.000	0.000	0.000	0.639	0.000
South Ayrshire	3.791	0.000	0.021	0.000	0.021	0.000	0.005	0.000	0.000	0.000	3.838	0.000
South Lanarkshire	10.671	0.000	0.064	0.000	0.058	0.000	0.013	0.000	0.000	0.000	10.806	0.000
Stirling	2.753	0.000	0.018	0.000	0.017	0.555	0.002	0.000	0.000	0.000	3.345	0.000
West Dunbartonshire	4.240	0.000	0.018	0.000	0.018	0.000	0.005	0.000	0.000	0.000	4.281	0.000
West Lothian	5.680	0.000	0.039	0.000	0.032	0.000	0.006	0.000	0.000	0.000	5.757	0.000
Scotland	167.256	1.121	1.000	1.000	1.000	0.555	0.200	0.160	0.150	-0.180	172.262	-12.000

CAPITAL SETTLEMENT PER AUTHORITY FOR 2014-15

Spending Review 2011	Capital Settlement £m									
	General Capital Grant FC 2/2014	Changes			Revised Capital Grant FC 9/2014	Specific Grant FC 2/2014	Changes Vacant & Derelict Land Fund	Revised Specific Grant FC 9/2014	Total Capital Grants 9/2014	
		Flooding	Early Years & Childcare	Free School Meals						
Authority										
Aberdeen City	23.088	0.000	1.069	0.450	24.607	0.341	0.341	24.948		
Aberdeenshire	29.034	0.000	1.767	0.700	31.501	0.385	0.385	31.886		
Angus	12.862	3.901	0.838	0.750	18.351	0.173	0.173	18.524		
Argyll & Bute	14.068	0.000	0.846	0.550	15.464	0.140	0.140	15.604		
Clackmannanshire	5.676	0.000	0.476	0.140	6.292	0.079	0.079	6.371		
Dumfries & Galloway	20.139	0.000	1.567	0.600	22.306	0.232	0.232	22.538		
Dumdee City	18.286	0.000	1.259	1.000	20.545	0.226	1.577	22.348		
East Ayrshire	10.580	0.000	1.095	0.310	11.985	0.189	0.189	12.174		
East Dunbartonshire	9.406	0.000	0.383	0.105	9.894	0.164	0.164	10.058		
East Lothian	10.614	0.000	0.650	0.460	11.724	0.153	0.153	11.877		
East Renfrewshire	7.311	0.000	0.352	1.050	8.713	0.140	0.140	8.853		
Edinburgh, City of	50.658	0.000	2.517	4.500	57.675	33.274	0.000	90.949		
Eilean Siar	8.719	0.000	0.407	0.300	9.426	0.041	0.041	9.467		
Falkirk	13.933	0.000	1.150	0.200	15.283	0.240	0.240	15.523		
Fife	34.556	0.000	2.914	0.280	37.750	0.573	0.000	38.323		
Glasgow City	69.758	0.000	5.446	0.040	75.244	76.959	4.054	156.257		
Highland	46.290	0.000	2.533	5.000	53.823	0.348	1.351	55.521		
Inverclyde	8.251	0.000	0.626	0.060	8.937	0.125	0.000	9.062		
Midlothian	9.258	0.000	0.686	0.100	10.044	0.127	0.000	10.171		
Moray	25.883	0.000	0.657	0.710	27.251	0.138	0.000	27.389		
North Ayrshire	13.864	0.000	1.306	0.290	15.460	0.212	0.000	15.672		
North Lanarkshire	32.083	0.000	2.739	0.500	35.322	0.512	2.297	38.131		
Orkney Islands	6.458	0.000	0.249	0.010	6.717	0.032	0.000	6.749		
Perth & Kinross	16.725	0.000	1.027	0.250	18.002	0.232	0.000	18.234		
Renfrewshire	16.869	0.000	1.222	0.450	18.541	0.267	0.000	18.808		
Scottish Borders	14.922	6.114	1.016	0.050	22.102	0.177	0.000	22.279		
Shetland Islands	6.717	0.000	0.279	0.030	7.026	0.035	0.000	7.061		
South Ayrshire	11.450	0.000	0.834	1.150	13.434	0.175	0.000	13.609		
South Lanarkshire	29.959	0.000	2.285	0.135	32.379	0.489	1.712	34.580		
Stirling	10.144	0.000	0.563	0.100	10.807	0.141	0.000	10.948		
West Dunbartonshire	9.294	0.000	0.880	0.200	10.374	0.142	0.000	10.516		
West Lothian	16.105	0.000	1.363	4.350	21.818	0.270	0.000	22.088		
Undistributed - Councils	10.014	-10.014	0.000	0.000	0.000	10.991	-10.991	0.000		
Councils Total	622.975	0.000	41.000	24.820	688.795	127.722	0.000	816.517		
Strathclyde Partnership for Transport	0.000	0.000	0.000	0.000	0.000	22.524	0.000	22.524		
Grand Total	622.975	0.000	41.000	24.820	688.795	150.246	0.000	839.041		

In 2014-15 local authorities contributed £20.2 million from the Local Government Settlement to delivering next generation broadband across Scotland. The contribution was taken from the Settlement as one sum and not identified as individual local authority contributions

TOTAL CAPITAL FUNDING PER AUTHORITY FOR 2014-15

PAID AS GENERAL CAPITAL GRANT

2014-15 Authority	General Capital Grant - Settlement £m	Other Funding / Adjustments £m			Total General Capital Grant Payable £m
		Shetland Infrastructure	Urban Broadband Contributions	Moray Flood Project	
Aberdeen City	24.607	0.000	0.000	0.000	24.607
Aberdeenshire	31.501	0.000	0.000	0.000	31.501
Angus	18.351	0.000	-1.000	0.000	17.351
Argyll & Bute	15.464	0.000	0.000	0.000	15.464
Clackmannanshire	6.292	0.000	-0.200	0.000	6.092
Dumfries & Galloway	22.306	0.000	-4.200	0.000	18.106
Dumfries City	20.545	0.000	0.000	0.000	20.545
East Ayrshire	11.985	0.000	-1.200	0.000	10.785
East Dunbartonshire	9.894	0.000	0.000	0.000	9.894
East Lothian	11.724	0.000	0.000	0.000	11.724
East Renfrewshire	8.713	0.000	0.000	0.000	8.713
Edinburgh, City of	57.675	0.000	0.000	0.000	57.675
Eilean Siar	9.426	0.000	0.000	0.000	9.426
Falkirk	15.283	0.000	0.000	0.000	15.283
Fife	37.750	0.000	0.000	0.000	37.750
Glasgow City	75.244	0.000	0.000	0.000	75.244
Highland	53.823	0.000	0.000	0.000	53.823
Inverclyde	8.937	0.000	0.000	0.000	8.937
Midlothian	10.044	0.000	-0.250	0.000	9.794
Moray	27.251	0.000	0.000	5.481	32.732
North Ayrshire	15.460	0.000	-0.400	0.000	15.060
North Lanarkshire	35.322	0.000	-0.350	0.000	34.972
Orkney Islands	6.717	0.000	0.000	0.000	6.717
Perth & Kinross	18.002	0.000	-0.800	0.000	17.202
Renfrewshire	18.541	0.000	0.000	0.000	18.541
Scottish Borders	22.102	0.000	-4.200	0.000	17.902
Shetland Islands	7.026	5.000	0.000	0.000	12.026
South Ayrshire	13.434	0.000	-0.500	0.000	12.934
South Lanarkshire	32.379	0.000	0.000	0.000	32.379
Stirling	10.807	0.000	-0.600	0.000	10.207
West Dunbartonshire	10.374	0.000	0.000	0.000	10.374
West Lothian	21.818	0.000	-1.660	0.000	20.158
Undistributed - Councils	0.000	0.000	0.000	0.000	0.000
Councils Total	688.795	5.000	-15.360	5.481	683.916
Strathclyde Partnership for Transport					
Grand Total	688.795	5.000	-15.360	5.481	683.916

SUMMARY OF FUNDING

Total General Capital Grant Payable	Summary £m		Total Capital Funding £m
	Total General Capital Grant Payable	Specific Grants	
24.607	0.341	24.948	
31.501	0.385	31.886	
17.351	0.173	17.524	
15.464	0.140	15.604	
6.092	0.079	6.171	
18.106	0.232	18.338	
20.545	1.803	22.348	
10.785	0.189	10.974	
9.894	0.164	10.058	
11.724	0.153	11.877	
8.713	0.140	8.853	
57.675	33.274	90.949	
9.426	0.041	9.467	
15.283	0.240	15.523	
37.750	0.573	38.323	
75.244	81.013	156.257	
53.823	1.699	55.521	
8.937	0.125	9.062	
9.794	0.127	9.921	
32.732	0.138	32.870	
15.060	0.212	15.272	
34.972	2.809	37.781	
6.717	0.032	6.749	
17.202	0.232	17.434	
18.541	0.267	18.808	
17.902	0.177	18.079	
12.026	0.035	12.061	
12.934	0.175	13.109	
32.379	2.201	34.580	
10.207	0.141	10.348	
10.374	0.142	10.516	
20.158	0.270	20.428	
0.000	0.000	0.000	
683.916	127.722	811.638	
683.916	22.524	22.524	
683.916	150.246	834.162	

CAPITAL SETTLEMENT PER AUTHORITY FOR 2015-16

2015-16 Authority	Capital Settlement £m					Total Capital Grants FC 9/2014
	General Capital Grant FC 6/2014	Changes		Revised General Capital Grant FC 9/2014	Specific Grant FC 9/2014	
		Early Years Child Care				
Aberdeen City	25.501	1.017		26.518	0.338	26.856
Aberdeenshire	32.336	1.681		34.018	0.384	34.402
Angus	23.048	0.797		23.845	0.174	24.019
Argyll & Bute	14.686	0.805		15.491	0.131	15.622
Clackmannanshire	6.058	0.453		6.511	0.078	6.589
Dumfries & Galloway	21.928	1.490		23.418	0.228	23.646
Dundee City	19.661	1.198		20.859	0.223	21.082
East Ayrshire	11.490	1.041		12.531	0.185	12.716
East Dunbartonshire	10.343	0.365		10.708	0.160	10.868
East Lothian	11.494	0.618		12.112	0.151	12.263
East Renfrewshire	7.859	0.335		8.194	0.137	8.331
Edinburgh, City of	55.067	2.394		57.461	32.392	89.853
Eilean Siar	8.861	0.387		9.248	0.041	9.289
Falkirk	14.878	1.093		15.972	0.236	16.208
Fife	37.440	2.772		40.212	1.868	42.080
Glasgow City	74.830	5.180		80.010	77.681	157.691
Highland	35.285	2.409		37.694	1.883	39.577
Inverclyde	10.585	0.595		11.180	0.121	11.301
Midlothian	10.211	0.652		10.863	0.127	10.990
Moray	11.931	0.625		12.556	0.139	12.695
North Ayrshire	14.741	1.242		15.983	0.207	16.190
North Lanarkshire	34.117	2.605		36.722	2.743	39.466
Orkney Islands	7.065	0.237		7.302	0.032	7.334
Perth & Kinross	29.803	0.977		30.780	0.223	31.003
Renfrewshire	18.024	1.163		19.186	0.262	19.448
Scottish Borders	35.262	0.966		36.228	0.171	36.399
Shetland Islands	7.363	0.265		7.629	0.035	7.664
South Ayrshire	12.475	0.793		13.268	0.170	13.438
South Lanarkshire	31.711	2.173		33.884	2.140	36.024
Stirling	10.936	0.536		11.471	0.138	11.609
West Dunbartonshire	9.852	0.837		10.689	0.137	10.826
West Lothian	17.359	1.296		18.655	0.265	18.920
Undistributed - Councils	0.000	0.000		0.000	0.000	0.000
Councils Total	672.200	39.000		711.200	123.200	834.400
Strathclyde Partnership for Transport					21.900	21.900
Grand Total	672.200	39.000		711.200	145.100	856.300

**TOTAL CAPITAL FUNDING PER AUTHORITY
PAID AS GENERAL CAPITAL GRANT**

Budget 2015-16 2015-16 Authority	General Capital Grant - Settlement £m	Other Funding / Adjustments £m			Total General Capital Grant £m
		Urban Broadband Contributions	Sheiland Infrastructure	Moray Flood Project	
Aberdeen City	26,518	0.000	0.000	0.000	26,518
Aberdeenshire	34,018	0.000	0.000	0.000	34,018
Angus	23,845	-1,000	0.000	0.000	22,845
Argyll & Bute	15,491	0.000	0.000	0.000	15,491
Clackmannanshire	6,511	-0.100	0.000	0.000	6,411
Dumfries & Galloway	23,418	-6.000	0.000	0.000	17,418
Dundee City	20,859	0.000	0.000	0.000	20,859
East Ayrshire	12,531	0.000	0.000	0.000	12,531
East Dumbartonshire	10,708	0.000	0.000	0.000	10,708
East Lothian	12,112	0.000	0.000	0.000	12,112
East Renfrewshire	8,194	0.000	0.000	0.000	8,194
Edinburgh, City of	57,461	0.000	0.000	0.000	57,461
Fife	15,972	0.000	0.000	0.000	15,972
Falkirk	40,212	-1,400	0.000	0.000	38,812
Glasgow City	80,010	0.000	0.000	0.000	80,010
Highland	37,694	0.000	0.000	0.000	37,694
Inverclyde	11,180	0.000	0.000	0.000	11,180
Midlothian	10,863	-0.250	0.000	0.000	10,613
Moray	12,556	0.000	0.000	2,119	14,675
North Ayrshire	15,983	-0.350	0.000	0.000	15,633
North Lanarkshire	36,722	-0.350	0.000	0.000	36,372
Orkney Islands	7,302	0.000	0.000	0.000	7,302
Perth & Kinross	30,780	-0.400	0.000	0.000	30,380
Renfrewshire	19,186	0.000	0.000	0.000	19,186
Scottish Borders	36,228	0.000	0.000	0.000	36,228
Shetland Islands	7,629	0.000	5.000	0.000	12,629
South Ayrshire	13,288	-0.250	0.000	0.000	13,038
South Lanarkshire	33,884	0.000	0.000	0.000	33,884
Stirling	11,471	0.000	0.000	0.000	11,471
West Dumbartonshire	10,689	0.000	0.000	0.000	10,689
West Lothian	18,655	-0.840	0.000	0.000	17,815
Undistributed - Councils	0.000	0.000	0.000	0.000	0.000
Councils Total	711,200	-10,940	5,000	2,119	707,379
Strathclyde Partnership for Transport	0.000	0.000	0.000	0.000	0.000
Grand Total	711,200	-10,940	5,000	2,119	707,379

	Summary £m			Total Capital Funding £m
	Total General Capital Grant	Specific Grants	Other Funding	
Glasgow Clyde Valley City Deal	0.000	0.000	0.000	0.000
	26,518	0.338	0.000	26,856
	34,018	0.384	0.000	34,402
	22,845	0.174	0.000	23,019
	15,491	0.131	0.000	15,622
	6,411	0.078	0.000	6,489
	17,418	0.228	0.000	17,646
	20,859	0.223	0.000	21,082
	12,531	0.185	0.000	12,716
	10,708	0.160	0.000	10,868
	12,112	0.151	0.000	12,263
	8,194	0.137	0.000	8,331
	57,461	32.392	0.000	89,853
	9,248	0.041	0.000	9,289
	15,972	0.236	0.000	16,208
	38,812	1.868	0.000	40,680
	80,010	77.681	0.000	157,691
	37,694	1.863	0.000	39,557
	11,180	0.121	0.000	11,301
	10,613	0.127	0.000	10,740
	14,675	0.139	0.000	14,814
	15,633	0.207	0.000	15,840
	36,372	2.743	0.000	39,116
	7,302	0.032	0.000	7,334
	30,380	0.223	0.000	30,603
	19,186	0.262	0.000	19,448
	36,228	0.171	0.000	36,399
	12,629	0.035	0.000	12,664
	13,018	0.170	0.000	13,188
	33,884	2.140	0.000	36,024
	11,471	0.138	0.000	11,609
	10,689	0.137	0.000	10,826
	17,815	0.265	0.000	18,080
	0.000	0.000	30.000	30.000
	707,379	123,200	30,000	860,579
		21,900	0.000	21,900
	707,379	145,100	30,000	882,479

SUMMARY OF FUNDING

REVISED BUSINESS RATES INCENTIVISATION SCHEME (BRIS)

Background

1. Following the discussions of the joint Scottish Government/COSLA Officers Review Group meetings held on 3 July and 7 August the proposed revised BRIS received political sign off at the end of August/early September. Following this sign-off the Scottish Government, COSLA and local government officials have worked together to agree the terms and conditions of a revised BRIS which will now operate from 2014-15 and these are set out below.

Terms and Conditions of the Revised BRIS

2. A joint COSLA Scottish Government Review Group met on 3 July and 7 August to discuss how a revised BRIS might create a more accurate incentivisation for individual local authorities while at the same time providing protection for the Scottish Government from a possible significant loss of income not connected with the incentivisation scheme.

It has now been agreed that the revised BRIS should;

- be tightly focussed on incentivising growth in the business tax base by creating targets based on buoyancy alone;
- be based on 32 individual local rather than national targets to enable a closer correlation between local circumstances, actions and results;
- provide targets for more than one year at a time to match the local government finance settlements provided after each Spending Review;
- include a clear process of how targets are recalculated at the end of an agreed review period and the period of retention of any accrued benefits;
- have a clear, agreed, definition of a significant event expressed as a percentage change and incorporating the relevant cause e.g. business closures;
- not focus on collection figures given existing very high collection rates; and
- not change the current risk sharing arrangements e.g. no need to reach an overall national target.

Implications of the revised BRIS

3. It was agreed that the revised BRIS better incentivises the growth of the local tax base within a local authority area and better directly reflects the factors impacting growth that are within the local authority's control and not adversely influenced by factors completely outwith their ability to influence.

4. It is recognised, however, that the amount that the local targets will be based on will only be linked to the buoyancy element of the total estimated NDRI for any

one year. This will ensure that each authority will have the ability to influence their own local tax base without interference from other changes in NDRI outwith their control that are not linked to growth in the tax base. The Scottish Government will continue to carry the risk for variances in these other factors and underwrite any shortfalls in individual local authority's annual NDRI by providing additional General Revenue Grant as recompense this includes the impact of any business displacement.

Details behind the revised BRIS

Calculation of Buoyancy Targets

5. Given the local targets will be based on buoyancy alone, it should be noted that the existing calculation of the Distributable Non-Domestic Rate estimates includes a Scottish Government assumption about the level of buoyancy at a national level. There are no plans to change the basis of this calculation and so an increase in an individual local authority's local buoyancy rate will need to be over and above the already built in estimate. i.e. the target will be set on a baseline which will include a share of the national buoyancy assumption.

Statutory Undertakings (Utilities)

6. It was agreed that in calculating individual local authority buoyancy targets the rateable value of statutory undertakings (utilities) as defined by (The Non-Domestic Rating (Valuation of Utilities) (Scotland) Order 2005) and (The Non Domestic Rating (Telecommunications and Canals) (Scotland) Amendment Order 2008) should be excluded from the calculation on the grounds that; a) they cannot be disaggregated to an individual council level; and b) growth or otherwise in this sector cannot be influenced by the individual parent authority and those authorities should not benefit or be penalised simply because they are responsible for the collection of statutory undertakings. The current designated utilities include; Electricity Generation, Electricity Transmission and Distribution, Telecommunications, Gas, Water, Docks and Harbours, and Railways. Any local wind farms not linked to these statutory undertakings will be included in the relevant local authority's buoyancy figures.

New non-domestic properties which pay reduced or zero rates

7. As the purpose of the BRIS is to grow the business tax base and increase overall business rates income it will be necessary to determine that any increase in buoyancy has been matched by a corresponding increase in NDRI. This is because some properties may be entered on the valuation roll, but will pay no rates as they benefit from a relief or exemption. For example, a new university campus or cultural facility may be built which has a significant rateable value, but benefits from charity relief (which will be between 80- 100%). Small businesses benefitting from 100 per cent rates relief through the Small Business Bonus Scheme would also contribute to an increase in RV but not a corresponding increase in NDRI. This means that where a council has demonstrated an increase in the tax base (rateable value increase), without any evidence of a corresponding increase in tax take (rates collected) this will not trigger rates retention under the buoyancy focussed targets.

Annual Targets

8. The local targets based on local buoyancy targets would be calculated using historical average growth figures at an individual local authority level rather than for a single year. Local targets would be issued as part of each Spending Review for each of the years of that Spending Review with the first year being final and the subsequent years being provisional subject to final confirmation. The final annual targets would be published in the Local Government Finance Circular in late November/early December as part of the annual local government finance settlement consultation process and agreed through discussion between individual local authorities, through COSLA, with the Scottish Government.

9. The 2014-15 targets and provisional 2015-16 targets are include in the Circular at **Annexes O and P**.

Retained Benefits

10. Each local authority that exceeds its individual local buoyancy calculated target would retain a 50 per cent share of the additional rates income generated (where there was a corresponding increase in rateable value), with the Scottish Government would retain the other 50 per cent excess.

11. Those local authorities that did not reach their target will continue to be compensated by the Scottish Government up to the level of their agreed published distributable amount of NDR for the year in question through increased General Revenue Grant. Any benefits gained would continue to be retained until the end of the Review Period assuming the additional rates income also continued during that period.

End of Review Period Recalculation

12. The individual local targets would be rebased following the NDR revaluation cycle (usually every five years). The next revaluation will take place in 2017 which would fit with the plan to issue immediate targets up to and including 2016-17.

13. At each revaluation the overall tax base will shift (depending on underlying changes in rental markets) and may increase or decrease. This will vary at different rates across Council areas. At each revaluation targets will be rebased to take into account the differing changes in the tax base which occur as a result of revaluation and will again be subject to discussion and agreement with COSLA prior to the next revaluation.

Definition of a Significant Event

14. The current Non Domestic Rates (NDR) system allows for a local authority to seek a downward recalculation of their estimated NDR income (NDR) in year to prevent that local authority from suffering a shortfall of income in-year and creating a cash flow problem for that local authority with the Scottish Government providing additional General Revenue Grant in-year rather than the authority having to wait until the following financial year to be recompensed. The current trigger for such a

request is 3 per cent of total estimated NDRI for the year in question. A 3 per cent reduction in annual business rates income is therefore deemed to be “significant” for local government funding purposes and as the local targets will be based on the much smaller buoyancy element of the total NDRI figure it was agreed that the target for triggering a significant event should also be 3 per cent above or below the total estimated NDRI for the year.

15. There are a number of circumstances where a “significant event” could be proposed. From an individual local authority perspective this could occur where a significant business or businesses close after the beginning of the financial year which would severely impact on that local authority’s ability to grow its tax base for the year in question. The Scottish Government may wish to invoke the significant event for a future year’s target where there was a significant change in the rateable values across Scotland as, for example, a result of a revaluation of business rates or a legislative change.

16. The triggering of a significant event should be available to an individual local authority and/or COSLA and the Scottish Government. Any proposed significant event would require to be agreed by both parties.

Timing of NDRI Returns

17. It was agreed that action should be taken by COSLA and the Scottish Government with Audit Scotland to bring forward the return date for the NDRI audited returns. Any retention of BRIS rewards to be retained will be linked to the NDRI Notified returns with any final adjustments being made on receipt of the final audited returns.

BUSINESS RATES INCENTIVISATION TARGETS FOR 2014-15

	Local buoyancy target for 2014-15
Aberdeen City	1.6%
Aberdeenshire	2.0%
Angus	1.6%
Argyll & Bute	1.7%
Clackmannanshire	1.5%
Dumfries & Galloway	1.4%
Dundee City	1.4%
East Ayrshire	1.6%
East Dunbartonshire	1.7%
East Lothian	1.7%
East Renfrewshire	1.5%
Edinburgh, City of	1.5%
Eilean Siar	1.9%
Falkirk	1.5%
Fife	1.7%
Glasgow City	1.5%
Highland	1.6%
Inverclyde	1.6%
Midlothian	1.7%
Moray	2.0%
North Ayrshire	1.7%
North Lanarkshire	1.6%
Orkney Islands	1.8%
Perth & Kinross	1.6%
Renfrewshire	1.3%
Scottish Borders	1.7%
Shetland Islands	1.6%
South Ayrshire	1.4%
South Lanarkshire	1.8%
Stirling	1.5%
West Dunbartonshire	1.5%
West Lothian	1.7%

PROVISIONAL BUSINESS RATES INCENTIVISATION TARGETS FOR 2015-16

	Provisional local buoyancy target for 2015-16
Aberdeen City	1.2%
Aberdeenshire	1.7%
Angus	1.2%
Argyll & Bute	1.3%
Clackmannanshire	1.1%
Dumfries & Galloway	1.0%
Dundee City	1.1%
East Ayrshire	1.3%
East Dunbartonshire	1.3%
East Lothian	1.4%
East Renfrewshire	1.2%
Edinburgh, City of	1.1%
Eilean Siar	1.6%
Falkirk	1.2%
Fife	1.3%
Glasgow City	1.1%
Highland	1.3%
Inverclyde	1.3%
Midlothian	1.4%
Moray	1.6%
North Ayrshire	1.3%
North Lanarkshire	1.2%
Orkney Islands	1.4%
Perth & Kinross	1.3%
Renfrewshire	1.0%
Scottish Borders	1.3%
Shetland Islands	1.3%
South Ayrshire	1.1%
South Lanarkshire	1.5%
Stirling	1.1%
West Dunbartonshire	1.2%
West Lothian	1.4%

**PERTH & KINROSS COUNCIL
SPECIAL COUNCIL MEETING - 12 FEBRUARY 2015
REVENUE BUDGET 2015/16**

APPENDIX 2

PROVISIONAL REVENUE BUDGET

£000

Education & Children's Services	176,401
Housing & Community Care	68,871
The Environment Service	60,543
Chief Executive's Service	9,849

Sub-Total: Service Budgets **315,664**

Corporate Budgets

Contribution to Valuation Joint Board	1,166
Capital Financing Costs	13,980
Interest on Revenue Balances	(70)
Contribution to Capital Fund (Net)	1,542
Contribution to Insurance Fund	200
Contribution from Renewal and Repair Fund	(1,040)
Tayside Contracts Surplus	(190)
Support Service External Income	(1,888)
Unfunded Pension Costs	1,516
Contingency	210
Discretionary Relief	150

Sub-Total: Corporate Budgets 15,576

Net Expenditure (General Fund) **331,240**

Financed By:

Council Tax	(72,251)
Total Revenue Funding	(243,497)
Capital Grants	(7,240)
Budget Flexibility (see Appendix 4)	(5,273)
Balances	(3,205)

Surplus Resources **(226)**

Perth and Kinross Council
Special Council Meeting 12 February 2015
Revenue Budget 2015/16

APPENDIX 3

Budget Flexibility Scheme – Proposed Carry Forwards from 2014/15

	<u>Under Spend to be carried forward from 2014/15 £'000</u>	<u>Utilisation of Resources in 2015/16 £'000</u>
<u>Education and Children's Service</u>		
Carry forward of 2014/15 savings	(1,702)	
Provisional Revenue Budget 2015/16 – Rephasing of Approved Savings There has been a rephasing of a number of approved savings including the Review of Leisure and Cultural Services, Music Tuition and efficiency savings on Tayside Contracts contract costs. This budget flexibility proposal provides the Service with an extension to implement the approved savings proposals.		704
Loan Charges Delays in the disposal of Kinross High School result in loan charges costs being incurred in 2015/16.		95
Workforce Management Non-recurring funding to provide additional capacity across a number of projects and reviews including the Leisure and Cultural Review, Perth Theatre and Evidence to Success.		628

	<u>Under Spend to be carried forward from 2014/15 £'000</u>	<u>Utilisation of Resources in 2015/16 £'000</u>
Community Empowerment Funding to support the work of the Community Empowerment Working Group.		30
Languages 1 + 2 Funding to be carried forward as part of the Council's contribution to the Tayside partnership		93
Early Years Scottish Government additional funding received in 2014/15 will provide the following additional resources at Colonsay Resource Centre; social worker; administrative support; information technology equipment and travel costs.		92
Youth Justice Funding towards the Scottish Association for the Care and Resettlement of Offenders		20
Online Payments Funding towards the set up costs in relation to the roll out of online payments on a pilot basis		40

	<u>Under Spend to be carried forward from 2014/15 £'000</u>	<u>Utilisation of Resources in 2015/16 £'000</u>
<u>Housing and Community Care</u>		
Carry forward of 2014/15 savings	(1,881)	
Provisional Revenue Budget 2015/16 Contribution towards 2015/16 Provisional Revenue Budget		1,085
Delayed Discharges Funding to mitigate against the pressures facing the Service for Older People in relation to delayed discharges from hospital and people living in the community		663
Workforce Planning Non-recurring funding to provide temporary additional capacity across the Service		133

	<u>Under Spend to be carried forward from 2014/15 £'000</u>	<u>Utilisation of Resources in 2015/16 £'000</u>
<u>The Environment Service</u>		
Carry forward of 2014/15 savings	(1,440)	
Provisional Revenue Budget 2015/16 – Rephasing of Approved Savings There has been a rephasing of a number of approved savings including the review of refuse collection services. This budget flexibility proposal provides the Service with an extension to implement the approved savings proposal.		220
Gully Emptying Modernisation Programme Rephasing of expenditure on the gully emptying modernisation programme. Management information to be gathered in 2015/16 from which future resources will be targeted towards areas of greatest need.		150
Community Resilience Funding to be carried forward to roll out the Community Flood Programme which is linked to a wider civil contingency planning agenda.		17
Tendered Services Funding to allow the continuation of Crieff town bus service improvements.		10
Indoor Bowling Project Funding to be carried forward to allow for further development of the feasibility study commissioned in 2014/15.		85

	<u>Under Spend to be carried forward from 2014/15 £'000</u>	<u>Utilisation of Resources in 2015/16 £'000</u>
Regeneration Activities Funding to be carried forward to support commitment to Visit Scotland relocation to 45 High Street and remaining months of fixed term posts for other regeneration activities.		64
Youth Employment Successful award of external grant funding in 2014/15 to support 18-24 year old employment initiatives has provided the opportunity to carry forward PKC funding into 2015/16 to continue this successful initiative.		111
Data Input Posts Funding to be carried forward for fixed term posts for property related data collection/validation exercise.		25
Property Business System Funding to be carried forward to support implementation and development of recently procured replacement property business system (Concerto).		130
Property Maintenance Funding to be carried forward to support property maintenance.		543
City Deal Funding to be carried forward to support the Council's commitment to the City Deal initiative.		25
Digital Connectivity Funding to be carried forward to supply and install digital signage at 6 key locations in Perth City.		60

	<u>Under Spend to be carried forward from 2014/15 £'000</u>	<u>Utilisation of Resources in 2015/16 £'000</u>
<u>Chief Executive's Service</u>		
Carry forward of 2014/15 savings	(250)	
Private Landlord Registration Income (PLR) The PLR income is cyclical where every third year the income peaks and then drops the following year. The income peaked in 2014/15 and it is proposed to carry forward this amount to reduce pressure on the budgeted income target in 2015/16.		21
Workforce Management Non-recurring funding to provide additional capacity across a number of functions within the Service including Communications, Accountancy, Employment Services, Internal Audit, Records Management, Governance and Human Resources.		199
Miscellaneous Third Party Payments A number of systems upgrades will now take place in 2015/16 in line with supplier availability. Funding in 2015/16 to address the cyclical nature of community council funding. A more innovative and creative approach to supporting the reduction in sickness absence through promoting positive messages about employee health and wellbeing.		30

**PERTH & KINROSS COUNCIL
SPECIAL COUNCIL MEETING - 12 FEBRUARY 2015
REVENUE BUDGET 2015/16**

APPENDIX 4

PROVISIONAL REVENUE BUDGET

	<u>£000</u>	<u>£000</u>
<u>Movement Between Updated 2014/15 Provisional Revenue Budget and 2015/16 Provisional Revenue Budget (Reported to Council on 13 February 2014)</u>		
2014/15 Non Recurring Expenditure Reversed	(4,137)	
2014/15 Unwind Change Fund / Investment in Improvement Fund	(2,000)	
2014/15 Reserves Reversed	(2,997)	
2014/15 Revenue Budget Flexibility Reversed	(4,413)	
2015/16 Reserves Adjustments	5,322	
2015/16 Excess Corporate Savings Target	(942)	
2015/16 Expenditure Pressures in Excess of Savings	726	
2015/16 Council Tax Reduction Scheme	450	
2015/16 Capital Grants Adjustment (net)	(2,000)	
2015/16 Contribution to Reserves	(2,899)	
2015/16 Settlement Adjustment	400	
2015/16 Council Tax Growth to fund Loans Charges	250	
	<hr/>	
Movement between Updated 2014/15 Provisional Revenue Budget and 2015/16 Provisional Revenue Budget		<hr/> (12,240)
<u>Movement Between 2015/16 Provisional Revenue Budget (Reported to Council on 13 February 2014) and Updated 2015/16 Provisional Revenue Budget</u>		
2014/15 Non Recurring Expenditure Reversed	(3,637)	
2015/16 Rejected Savings	3,929	
2015/16 New Expenditure Proposals	3,733	
2015/16 Reserves Adjustments	1,517	
2015/16 Settlement Adjustments	(2,249)	
2015/16 Capital Grants Adjustment (net)	4,463	
2015/16 Superannuation Rate Adjustments	(96)	
2015/16 Revenue Budget Flexibility	5,273	
2015/16 Miscellaneous Adjustments	(340)	
	<hr/>	
Movement between 2015/16 Provisional Revenue Budget and Updated 2015/16 Provisional Revenue Budget		<hr/> 12,593
Total Movement		<hr/> <hr/> 353

**PERTH & KINROSS COUNCIL
SPECIAL MEETING OF THE COUNCIL – 12 February 2015
REVENUE BUDGET 2015/16**



**2015 - 2016
REVENUE BUDGET**

Expenditure Pressures & Savings

12 February 2015

PERTH & KINROSS COUNCIL

Revenue Budget 2015/16

Expenditure Pressures & Savings


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PERTH & KINROSS COUNCIL

2015/16 REVENUE BUDGET

SUMMARY OF PRESSURES & SAVINGS

	2015/16 New/Revised Pressures £'000	2015/16 New/Revised Savings £'000
Education & Children's Services	1,275	1,275
Housing & Community Care	2,289	2,289
The Environment Service	1,671	1,671
TOTAL	5,235	5,235


PERTH AND KINROSS COUNCIL
REVENUE BUDGET 2015/16
SERVICE – EDUCATION & CHILDREN'S SERVICES
EXECUTIVE SUMMARY

	<u>Activity Expenditure Pressure & Impact Analysis</u>	Movement in 2015/16 Provisional Revenue Budget £000
1	<p><u>Review of Information Technology</u></p> <p>The IT Service has achieved significant efficiency savings of £979,000 over the period 2010/11 to 2014/15. Further savings of £335k were estimated to be achieved in 2015/16. However, an increase in technology change and the need to support implementation of key major ICT projects has meant that these savings cannot be achieved. An external review was also undertaken to identify any specific saving that could be achieved through the implementation of approaches described in national ICT strategies but it did not identify any specific savings. This has resulted in the 2015/16 saving becoming a budget pressure.</p>	335
2	<p><u>Review of the delivery of Culture and Leisure Services</u></p> <p>The current service delivery model is being reviewed to identify cost effective options to maximise tax efficiency and wider efficiencies. However the implementation of the review has been delayed leading to a requirement to rephrase the saving.</p>	542
3	<p><u>Home to School Transport</u></p> <p>The provision of home to school transport is the statutory responsibility of ECS where pupils live more than the prescribed distance from school. Based on projected figures from the Public Transport Unit has led to a recurring expenditure pressure.</p>	398
	TOTAL	1,275

	<u>Compensating Saving / Budget Flexibility & Impact Analysis</u>	Movement in 2015/16 Provisional Revenue Budget £000	Staffing Implications	Savings Type
1	<p><u>Use of Budget Flexibility Carry Forward 2014/15</u></p> <p>Use of budget Flexibility from under spends in 2014/15 Education & Children's Services Revenue budget to fund the rephasing of savings</p> <p><u>Impact Analysis and Risk Assessment</u> Workforce: None. Customers: None Equalities: No impact. Outcome and Performance: Creating a safe and sustainable place for future generations.</p>	542	0	
2	<p><u>Scottish Government – Free School Meals P1 to P3 & Early Learning & Childcare – Children & Young People (Scotland) Act 2014</u></p> <p>Scottish Government has provided sufficient funding to cover the costs of implementing Free School Meals and for legislative changes associated with the provisions of the Children and Young People Act. These are demand led budgets and are used to respond to need. Our best estimation is that we can meet the projected needs and make a saving with the money allocated. This will be kept under review.</p> <p><u>Impact Analysis and Risk Assessment</u> Workforce: None Customers: Minimal impact Equalities: No impact Outcome and Performance: Giving every child the best start in life.</p>	324	0	2B & 4B

	<u>Compensating Saving / Budget Flexibility & Impact Analysis</u>	Movement in 2015/16 Provisional Revenue Budget £000	Staffing Implications	Savings Type
3	<p><u>Renewable Heat Incentive (RHI)</u></p> <p>The RHI pays participants of the scheme that generate and use renewable energy to heat their buildings. By increasing the generation of heat from renewable energy sources (instead of fossil fuels), the RHI helps the UK reduce greenhouse gas emissions and meet targets for reducing the effects of climate change.</p> <p><u>Impact Analysis and Risk Assessment</u> Workforce: None. Customers: None Equalities: No impact. Outcome and Performance: Creating a safe and sustainable place for future generations.</p>	108	0	2C
4	<p><u>Further Increase in ECS Staff Slippage Target</u></p> <p>Increase in ECS staff slippage to 2.3% of staff costs to reflect slippage currently being generated within ECS.</p> <p><u>Impact Analysis and Risk Assessment</u> Workforce: Managed by efficient and effective workforce planning measures. Customer: Minimal impact. Equalities: No impact. Outcome and Performance: No impact</p>	301	0	2A
	TOTAL	1,275	0	

	<u>Housing & Community Care</u> <u>Activity Expenditure Pressure and Impact Analysis</u>	Movement in 2015/16 Provisional Budget £000
1	<p><u>Older Peoples Services – Activity Pressures from Hospital and the Community</u></p> <p>The increase in demand from Older People has placed additional pressure on Housing and Community Care Services. These pressures are from both Hospitals and Communities across Perth & Kinross and have necessitated decisions to approve additional residential placements and care at home care packages in the current year to ensure that Older People remain safe and cared for in an appropriate setting.</p> <p>Residential Placements £1,102,000</p> <p>External Care at Home £764,000</p> <p>Shifting the Balance of Care -£303,000</p> <p>As part of the Scottish Government's and the Council's shared ongoing commitment to Reshape the Care of Older People and shift the balance of care from institutional settings to community based services, it is anticipated that the above pressures can be partially offset by a reduction in the number of residential placements made during 2015/16.</p>	1,563
2	<p><u>Learning Disability Long Term Placements</u></p> <p>This pressure relates to a small number of clients with assessed high cost care packages that are currently awaiting discharge from hospital and will require funding during financial year 2015/16. All of these individuals were previously supported in the community prior to being admitted to hospital.</p>	450
3	<p><u>Inflationary increases to SLA's, Block Contracts and Housing Support Contracts with the Third Sector</u></p> <p>It is considered equitable and fair to make provision for inflationary increases in commissioned services at a level that is consistent with the anticipated Local Government pay settlement (currently estimated at 2%).</p>	223

	<p><u>Housing & Community Care</u> <u>Activity Expenditure Pressure and Impact Analysis</u></p>	<p>Movement in 2015/16 Provisional Budget £000</p>
<p>4</p>	<p><u>Homeless Prevention Support Officers</u></p> <p>In February 2013 the Council agreed 2 year funding for 3 Homeless Prevention Support Officers to deliver a Housing Education Programme and a Health & Nutrition Programme.</p> <p>These posts have been successful in contributing towards, and delivering, the following outcomes:-</p> <ul style="list-style-type: none"> • A resultant avoidance of significant (c£500,000) expenditure in the delivery of homeless services and temporary accommodation due to the reduction in homeless presentations • A 9% overall reduction in homeless presentations during 2013/14 – however, there has been a slight increase in presentations during April 2014 to September 2014 compared with the same period last year due to domestic abuse and mortgage arrears. This is very similar to what other local authorities across Scotland are experiencing • A 5% reduction in young people presenting as homeless during 2013/14. There is also a 2.4% reduction between April 2014 to September 2014 compared with the same period last year • Delivery of the ‘Think Twice’ programme within secondary schools, Navigate Project, and other youth settings to over 1,122 young people, with positive feedback of over 90% from those attending the programme. Due to the success of this programme other agencies have requested its roll out and staff are working closely with Perth College, PKAVS, and Youth Services to take this forward • Good links with Head Teachers presenting more opportunities for Housing education in schools • Established a “Community Cookit” programme for homeless clients living in Hostels thus improving the health and wellbeing of our homeless customers and providing them with a range of essential skills such as budgeting and cooking, with 6 members of staff from PKC and the voluntary sector trained to deliver future programmes <p>Permanent funding is sought for these three posts in order that the successful prevention outcomes achieved to date in these areas can be sustained.</p> <p>This pressure is net of funding identified internally within Housing and Community Care.</p>	<p>53</p>
	<p>TOTAL</p>	<p>2,289</p>

	<u>Housing & Community Care</u> <u>Compensating Savings/Budget Flexibility & Impact Analysis</u>	Movement in 2015/16 Provisional Budget £000	Staffing Implications	Savings Type
1	<p><u>Use of Budget Flexibility Carry Forward 2014/15</u></p> <p>The financial performance of HCC in 2014/15 is a projected under-spend. It is proposed to use the Council's budget flexibility scheme to carry forward £1,085,000 to fund some of the 2015/16 pressures identified above. This is a non-recurring proposal to allow further time for the ongoing redesign of the Home Care Service consistent with the previously approved Council strategy in order to release recurring savings by 2016/17 (see saving 3 below).</p> <p><u>Impact Analysis and Risk Assessment</u> Workforce: None Customer: None Equalities/Diversity: No identified equalities/diversity issues Outcome and Performance: None</p>	1,085	0	4B
2	<p><u>Delayed Discharge Income</u></p> <p>Assumed contribution from Scottish Government funding towards delayed discharges in 2015/16</p> <p><u>Impact Analysis and Risk Assessment</u> Workforce: None Customer: None Equalities/Diversity: None Outcome and Performance: Subject to this funding being received from NHS Tayside</p>	269	0	4B

	<u>Housing & Community Care</u> <u>Compensating Savings/Budget Flexibility & Impact Analysis</u>	Movement in 2015/16 Provisional Budget £000	Staffing Implications	Savings Type
3	<p><u>Staff Slippage</u></p> <p>Staff slippage targets within the service currently sit at 1.6% across all teams. By increasing this to a target of 3% of the overall staff budget a further saving can be achieved. This revised target is consistent with other Council Services, and based on recent years' experience of staff turnover, is achievable</p> <p><u>Impact Analysis and Risk Assessment</u> Workforce: None Customer: None Equalities/Diversity: There are no identified equality or diversity issues. Outcome & Performance: Current staff vacancy levels have not had a material impact on service delivery and this additional slippage target reflects current and recent vacancy levels.</p>	496	0	2A

	<u>Housing & Community Care</u> <u>Compensating Savings/Budget Flexibility & Impact Analysis</u>	Movement in 2015/16 Provisional Budget £000	Staffing Implications	Savings Type
4	<p><u>Mainstream Care at Home – Continuation of the Council's Previously Approved Commissioning Strategy</u></p> <p>Natural staff turnover in the in-house mainstream care at home service will provide the opportunity to continue the existing strategy to redesign this service.</p> <p><u>Impact Analysis and Risk Assessment</u> Workforce: There will be a reduction of 36 fte posts as a result of natural turnover. (8.4 posts vacant). Customer: Careful management of a smooth transition in the changeover to new care providers will be necessary. Equalities/Diversity: The Home Care workforce is predominately female. Outcome and Performance: This strategy brings some risks around the potential lack of providers in some specific geographic areas, and the capacity of providers generally to continue to pick up this additional workload. In addition, shifting the balance between external provision and in-house provision also has the potential to reduce the influence the Council will have in managing the market rates to be paid to external providers going forward.</p>	439	36	1C
	TOTAL	2,289	36	

	<p style="text-align: center;"><u>The Environment Service</u> <u>Activity Expenditure Pressure & Impact Analysis</u></p>	<p style="text-align: center;">Movement in 2015/16 Provisional Revenue Budget £000</p>
1	<p>Waste Management – Scrap metal and waste and electrical and electronic equipment (WEEE) income. The market value of scrap metal has dropped significantly in recent months with no clear indication that it will rise again in the short to medium term.</p>	52
2	<p>Fleet Management – Increase in insurance recharge arising from recent retendering exercise.</p>	107
3	<p>Roads Division – In the revision of the Tayside Contracts minute of agreement it is proposed that the historic basis of charging is retained resulting in the non recovery of an assumed share of depot charges.</p>	250
4	<p>Refuse Collection - There is a need for the realignment of the commercial waste income budget to reflect the existing customer base (2014/15 projected income £950k). This activity is the subject of on-going review in the context of market competition and legislative requirements.</p>	150
5	<p>Environmental Health – Increase in charges from Tayside Scientific Services for public analyst services.</p>	55
6	<p>Environmental Health – Changes to the administration of private sector housing grants.</p>	155
	TOTAL	769

	<u>Compensating Saving / Budget Flexibility & Impact Analysis</u>	Movement in 2015/16 Provisional Revenue Budget £000	Staffing Implications	Savings Type
1	<p>Waste Management – Saving in landfill tax due to a lower than anticipated increase in rate per tonne (down from provisionally approved £88 per tonne to £82.60 per tonne).</p> <p>Impact Analysis & Risk Assessment Workforce: None. Customer: No significant impact identified. Outcome and Performance: No significant impact identified. Equalities: No significant impact identified.</p>	240	0	3B
2	<p>Operations – Budgeted fuel price increase in 2014/15 and 2015/16 higher than required.</p> <p>Impact Analysis & Risk Assessment Workforce: None. Customer: No significant impact identified. Outcome and Performance: The price of oil is subject to a high degree of volatility within world markets and can increase significantly in a relatively short period of time. Equalities: No significant impact identified.</p>	130	0	3B
3	<p>Street Lighting – Budgeted energy price increase in 2014/15 and 2015/16 higher than required.</p> <p>Impact Analysis & Risk Assessment Workforce: None. Customer: No significant impact identified. Outcome and Performance: No significant impact identified. Equalities: No significant impact identified.</p>	150	0	3B

	<u>Compensating Saving / Budget Flexibility & Impact Analysis</u>	Movement in 2015/16 Provisional Revenue Budget £000	Staffing Implications	Savings Type
4	<p>Winter Maintenance – Reduced costs on pre-treatment and de-icing of network through more efficient and innovative use of materials (2014/15 budget £3.617m).</p> <p><u>Impact Analysis & Risk Assessment</u> Workforce: None. Customer: None. Outcome and Performance: No significant impact identified. Equalities: No significant impact identified.</p>	24	0	3B
5	<p>Public Transport Unit – Review of low volume tendered bus services to maintain investment in high demand routes. Reduction of 6% in funding support for the local bus service network (2014/15 budget £2.193m).</p> <p><u>Impact Analysis & Risk Assessment</u> Workforce: None. Customer: Reduction in service most likely to be in the evenings, on Sundays and off-peak. Outcome and Performance: Changes to the frequency of some bus services including routes addressing work, education, tourism and health related needs. Equalities: People without access to a car will have reduced travel opportunities.</p>	130	0	3B
6	<p>Workforce Management – increase staff slippage target from 2.5% to 3%.</p> <p><u>Impact Analysis & Risk Assessment</u> Workforce: This will be achieved through approved workforce management measures. Customer: No significant impact identified. Outcome and Performance: May result in reduction in levels of service across a range of Service activities. Equalities: No significant impact identified.</p>	95	0	3B
	TOTAL – TES (exc Property)	769	0	

<u>The Environment Service (Property)</u> <u>Activity Expenditure Pressure & Impact Analysis</u>		Movement in 2015/16 Provisional Revenue Budget £000
1	Property – Increase in staffing establishment arising from workload in current revenue and capital programme.	202
2	Property – Increase in use of external design teams arising from workload in current capital programme.	400
3	Property – Increase of 4% for planned maintenance programme on schools and other buildings.	200
4	Property – funding for feasibility studies for emerging projects	100
	TOTAL	902

	<p><u>The Environment Service (Property)</u> <u>Compensating Saving / Budget Flexibility & Impact Analysis</u></p>	<p>Movement in 2015/16 Provisional Revenue Budget £000</p>	<p>Staffing Implications</p>	<p>Savings Type</p>
1	<p>Property - Budgeted energy price increase in 2014/15 and 2015/16 higher than required.</p> <p><u>Impact Analysis & Risk Assessment</u> Workforce: None. Customers: No significant impact identified. Outcome and Performance: No significant impact identified. Equalities: No significant impact identified.</p>	339	0	3B
2	<p>Property – Budgeted unitary charge increase for Pullar House in 2014/15 and 2015/16 higher than required.</p> <p><u>Impact Analysis & Risk Assessment</u> Workforce: None. Customers: No significant impact identified Outcome and Performance: No significant impact identified. Equalities: No significant impact identified.</p>	75	0	3B
3	<p>Property - Recharge of additional staff time and external design team fees to Capital budget (linked to expenditure pressures 1 & 2 above).</p> <p><u>Impact Analysis & Risk Assessment</u> Workforce: None. Customers: No significant impact identified Outcome and Performance: No significant impact identified. Equalities: No significant impact identified.</p>	488	0	2A
	<p>TOTAL – TES (Property)</p>	902	0	

GLOSSARY OF SAVINGS TYPE

The EOT have endorsed three main savings work streams as follows –

1	RE-DESIGN: A programme of major service re-design projects	
	<ul style="list-style-type: none"> - Alternative delivery models - Major corporate re-design projects - Service re-design projects 	1A 1B 1C
2	EFFICIENCY: Existing programme of improvement and efficiency work	
	<ul style="list-style-type: none"> - Workforce Management - Procurement / Commissioning - Asset Management - Shared Services - Process improvement / re-design - HR Review 	2A 2B 2C 2D 2E 2F
3	REDUCTION: A review of key services, their current legislative requirements and whether the Council can maintain current service levels	
	<ul style="list-style-type: none"> - Strategic Best Value Review programme - Service Cuts 	3A 3B
4	OTHER	
	<ul style="list-style-type: none"> - Income Generation - Other 	4A 4B

