



Finance Circular No 9/1998

The Chief Executive
Scottish Local Authorities

20 March 1998

Dear Sir

1. **AGGREGATE EXTERNAL FINANCE 1998-99**
2. **REDETERMINATION OF AEF AND RSG FOR 1997-98**

1. The 1998 Local Government Finance and Revenue Support Grant Orders were debated and approved on 19 February 1998. This Circular provides authorities with a summary of the figures contained in the Orders.

Aggregate External Finance 1998-99

2. Finance Circular 20/1997 covered the Secretary of State's proposals for AEF distribution for 1998-99. Annex A provides the figures for AEF distribution as approved by Parliament on 19 February. This includes a special additional payment of RSG in respect of an overstatement of NDRI for Tayside Regional Council for 1993-1994 and Western Isles Islands Council for 1994-95. Annex B shows a summary of total AEF and GSE for 1998-99.

Redetermination of AEF and RSG for 1997-98

3. At its meeting on 15 January, the Working Party on Local Government Finance considered redetermined 1997-98 AEF and RSG figures taking into account:

- revisions to Roads GAEs;
- revisions to loan and leasing charges;

The Working Party also noted that The Scottish Office intended to take into account in this redetermination the implementation of the Spend to Save Scheme, the Pennington proposals and the additional housing benefit expenditure for 5 authorities.

AEF Distribution 1998-99

ANNEX A

	(1) Grant Aided Expenditure 1998-99	(2) Special needs of the Islands	(3) Council Tax Safety Net	(4) Loan Charges 1998-99	(5) Non-Relevant Expenditure (housing and council tax benefit)	(6) Adjustment for Urban Programme 1998-99	(7) Adjusted GSE 1998-99 (Cols.1 to 6)	(8) Band D Properties 1998	(9) Deduction for GSE not supported by AEF (Tot Col7-Tot Col10) * Col8/Tot Col8)	(10) Total AEF (Col 7-9)	(11) Specific Grants	(12) NDRI	(13) RSG (Col 10-11-12)	Tayside/ Western Isles Adjustment	Revised net Revenue Support Grant 1998-99
	£M	£M	£M	£M	£M	£M	£M	£M	£M	£M	£M	£M	£M	£M	
Aberdeen City	201.379		0.984	29.368	2.376	0.334	234.441	83,017	48.554	185.886	16.893	59.112	109.882	109.882	
Aberdeenshire	228.001		0.000	24.422	1.530	0.116	254.069	83,237	48.683	205.386	12.738	61.879	130.769	130.769	
Angus	115.739		-0.025	9.908	1.195	0.037	126.854	38,189	22.336	104.519	7.553	30.141	66.825	0.330 67.155	
Argyll & Bute	105.352		0.860	21.867	1.090	0.000	129.169	36,660	21.441	107.728	7.210	24.716	75.802	75.802	
Clackmannanshire	49.604		0.431	5.509	0.591	0.078	56.213	16,337	9.555	46.658	3.039	13.280	30.339	30.339	
Dumfries & Galloway	160.523		0.000	21.845	1.881	0.156	184.405	54,609	31.939	152.465	11.551	40.159	100.755	100.755	
Dundee City	166.892		2.984	21.186	3.354	1.213	195.628	48,097	28.130	167.497	14.248	40.880	112.370	0.421 112.790	
East Ayrshire	128.718		0.000	13.984	1.783	0.494	144.978	37,816	22.117	122.861	8.537	33.289	81.035	81.035	
East Dunbartonshire	107.700		-1.376	10.487	0.554	0.017	117.383	45,639	26.693	90.690	5.432	30.133	55.125	55.125	
East Lothian	86.282		0.000	11.918	1.091	0.090	99.381	34,851	20.383	78.998	5.678	23.981	49.339	49.339	
East Renfrewshire	86.897		-1.221	7.014	0.514	0.263	93.467	37,543	21.958	71.509	4.143	23.965	43.401	43.401	
City of Edinburgh	427.138		0.000	78.429	7.604	3.163	516.334	183,711	107.447	408.887	40.853	122.123	245.911	245.911	
Falkirk	141.829		0.000	16.768	1.774	0.183	160.553	46,709	27.319	133.235	9.771	38.918	84.546	84.546	
Fife	358.464		0.000	35.263	4.360	0.840	398.926	119,697	70.007	328.919	24.195	95.038	209.686	209.686	
City of Glasgow	753.103		14.783	115.567	17.309	6.471	907.233	202,795	118.609	788.624	76.047	167.718	544.859	544.859	
Highland	242.560		0.000	38.533	2.493	0.000	283.586	77,452	45.299	238.287	18.352	56.783	163.152	163.152	
Inverclyde	96.514		0.145	13.930	1.523	0.631	112.743	27,763	16.238	96.505	7.447	23.698	65.359	65.359	
Midlothian	80.873		0.840	10.837	0.979	0.031	93.560	27,649	16.171	77.389	5.903	21.777	49.708	49.708	
Moray	90.091		0.000	10.722	0.905	0.000	101.718	28,503	16.670	85.047	5.663	23.538	55.846	55.846	
North Ayrshire	146.640		-1.347	15.876	2.039	0.744	163.952	46,051	26.934	137.018	9.204	37.961	89.853	89.853	
North Lanarkshire	336.021		0.000	34.722	4.862	1.611	377.215	98,065	57.355	319.860	22.730	88.682	208.448	208.448	
Orkney	30.478	4.668	-0.517	8.607	0.188	0.000	43.425	6,698	3.918	39.508	1.358	5.387	32.763	32.763	
Perth & Kinross	135.862		-0.075	14.877	1.446	0.106	152.216	52,775	30.866	121.350	9.222	36.070	76.057	0.451 76.508	
Renfrewshire	182.165		0.000	19.623	2.506	1.303	205.597	63,972	37.416	168.181	12.588	48.580	107.014	107.014	
Scottish Borders	114.581		0.000	16.793	1.326	0.000	132.700	39,404	23.046	109.654	8.343	28.868	72.443	72.443	
Shetland	39.032	7.114	0.297	13.630	0.139	0.000	60.212	7,229	4.228	55.984	1.806	6.263	47.915	47.915	
South Ayrshire	118.605		-1.255	11.416	1.431	1.206	131.403	44,119	25.804	105.599	6.903	31.189	67.507	67.507	
South Lanarkshire	307.467		0.000	33.803	3.883	0.587	345.739	101,812	59.547	286.192	19.126	83.651	183.415	183.415	
Stirling	89.156		0.000	12.235	0.904	0.236	102.532	32,048	18.744	83.787	6.044	22.515	55.228	55.228	
West Dunbartonshire	109.574		0.853	12.099	1.646	0.680	124.852	32,899	19.242	105.610	9.727	26.054	69.829	69.829	
West Lothian	156.061		0.000	19.084	1.997	0.364	177.505	48,227	28.206	149.299	10.328	41.022	97.949	97.949	
Western Isles (Comhairle nan Eilean Siar)	44.191	10.448	0.418	18.536	0.229	0.000	73.822	8,960	5.241	68.581	3.028	7.858	57.695	0.179 57.873	
Scotland	5,437.489	22.231	16.779	728.858	75.501	20.952	6,301.810	1,812,532	1,060.097	5,241.713	405.660	1,395.228	3,440.825	1,380 3,442.205	

Annex

Adjustments to RSG payments iro RSG and LGF Order 1998 Redeterminations (excluding loan charges)

(1)	(2)	(3)	(4)	(5)	(6)
Accounting Authority	Demitting Authority	Adjustments as per RSG Order 1998	Total Adjustments (to payments on 25 March)	Adjustments as per LGF Order 1998 (to payments on 25 March)	Total Adjustments for each accounting authority
		£	£	£	£
Aberdeen City	Grampian	(846)			
	City of Aberdeen	(249)	(1,095)	26,000	24,905
Aberdeenshire				2,716,000	2,716,000
Angus	Angus	3,642	3,642	559,000	562,642
Argyll and Bute				371,000	371,000
Clackmannanshire	Clackmannan	(124,996)	(124,996)	920,000	795,004
Dumfries & Galloway	Dumfries & Galloway			1,023,000	1,023,000
Dundee City	Tayside	105,861			
	City of Dundee	15,753	121,614	-82,000	39,614
East Ayrshire				92,000	92,000
East Dunbartonshire				24,000	24,000
East Lothian	East Lothian	(15,589)	(15,589)	73,000	57,411
East Renfrewshire	Eastwood	(2,563)	(2,563)	83,000	80,437
City of Edinburgh	Lothian	281,946			
	City of Edinburgh	(230,058)	51,888	1,294,000	1,345,888
Falkirk	Falkirk	(195,202)	(195,202)	1,670,000	1,474,798
Fife				831,000	831,000
Glasgow City	Strathclyde	(202,817)			
	City of Glasgow	(29,953)	(232,770)	15,912,000	15,679,230
Highland	Highland	(114,516)			
	Badenoch and Strathspey	3,904			
	Caithness	3,303			
	Inverness	6,739			
	Lochaber	53,980			
	Nairn	1,171			
	Ross and Cromarty	4,555			
	Skye and Lochalsh	(36,962)			
	Sutherland	531			
Inverclyde				1,375,000	1,297,705
Midlothian	Midlothian	(7,588)	(7,588)	139,000	139,000
Moray				669,000	661,412
North Ayrshire				155,000	155,000
North Lanarkshire				101,000	101,000
Orkney	Cumbernauld and Kilsyth	(840)	(840)	2,375,000	2,374,160
Perth and Kinross	Perth and Kinross	6,952	6,952	270,000	270,000
Renfrewshire				1,589,000	1,595,952
Scottish Borders				34,000	34,000
Shetland				377,000	377,000
South Ayrshire				7,000	7,000
South Lanarkshire	Clydesdale	20		55,000	55,000
	East Kilbride	(16,245)	(16,225)	1,997,000	1,980,775
Stirling	Central	367,527			
	Stirling	(47,329)	320,198	1,737,000	2,057,198
West Dunbartonshire	Clydebank	27			
	West Dunbartonshire		27	1,823,000	1,823,027
West Lothian		(28,711)	(28,711)	-115,000	-143,711
Western Isles				654,000	654,000
TOTAL		(198,553)	(198,553)	38,754,000	38,555,447

See attached note dated 26 March

1998 LGF AND RSG ORDER ADJUSTMENTS

Council	1997-98 RSG			LGF Order Adjustments made up of					1998 RSG Order redets	Total redet on payment profile
	1998 LGF Order	1997 LGF Order	Net redet	Spend to Save	Loan and Leasing	Pennington	HB/CTB	Roads on Peat		
Aberdeen City	117,317,000	117,291,000	26,000	300,000	-302,153	52,340	4,250	-28,739	-1,095	24,905
Aberdeenshire	134,539,000	131,823,000	2,716,000	1,959,000	622,090	60,556		74,573		2,716,000
Angus	66,309,000	65,750,000	559,000	766,000	-166,365	26,093		-66,168	3,642	562,642
Argyll & Bute	77,746,000	77,375,000	371,000	18,000	398,425	39,909		-85,418		371,000
Clackmannanshire	31,888,000	30,968,000	920,000	950,000	-30,994	11,134		-10,766	-124,996	795,004
Dumfries & Galloway	103,163,000	102,140,000	1,023,000	1,000,000	-5,512	54,090		-25,885		1,023,000
Dundee City	115,666,000	115,748,000	-82,000		-144,257	36,065	45,682	-19,312	121,614	39,614
East Ayrshire	78,628,000	78,536,000	92,000	74,000	2,946	33,497		-18,099		92,000
East Dunbartonshire	54,158,000	54,134,000	24,000	74,000	-52,917	21,358		-18,294		24,000
East Lothian	51,595,000	51,522,000	73,000		82,483	24,203		-33,768	-15,589	57,411
East Renfrewshire	42,647,000	42,564,000	83,000	124,000	-44,161	18,582		-15,242	-2,563	80,437
Edinburgh	251,769,000	250,475,000	1,294,000	1,500,000	-277,974	122,123		-50,350	51,888	1,345,888
Falkirk	85,824,000	84,154,000	1,670,000	1,474,000	-158,602	34,975		319,266	-195,202	1,474,798
Fife	216,624,000	215,793,000	831,000	1,200,000	-364,281	84,660		-89,869		831,000
Glasgow	563,237,000	547,325,000	15,912,000	16,410,000	-621,966	149,049	25,107	-49,578	-232,770	15,679,230
Highland	168,576,000	167,201,000	1,375,000	500,000	484,046	82,812		307,614	-77,295	1,297,705
Inverclyde	66,771,000	66,632,000	139,000	59,000	72,999	19,198		-11,768		139,000
Midlothian	50,269,000	49,600,000	669,000	507,000	167,733	18,054		-23,651	-7,588	661,412
Moray	57,924,000	57,769,000	155,000		192,381	25,070		-62,449		155,000
North Ayrshire	90,018,000	89,917,000	101,000	89,000	14,171	36,711		-39,014		101,000
North Lanarkshire	210,449,000	208,074,000	2,375,000	2,717,000	-322,936	73,056		-91,560	-840	2,374,160
Orkney Islands	32,052,000	31,782,000	270,000	20,000	124,095	6,692		119,099		270,000
Perthshire & Kinross	74,645,000	73,056,000	1,589,000	1,200,000	299,091	41,259		49,270	6,952	1,595,952
Renfrewshire	108,166,000	108,132,000	34,000	118,000	-97,284	42,164		-29,040		34,000
Scottish Borders	74,203,000	73,826,000	377,000		211,654	31,760		133,315		377,000
Shetland Islands	48,231,000	48,224,000	7,000		0,033	8,791		-1,952		7,000
South Ayrshire	68,632,000	68,577,000	55,000	61,000	-50,794	31,296		13,085		55,000
South Lanarkshire	190,271,000	188,274,000	1,997,000	2,316,000	-308,977	71,233	2,020	-83,300	-16,225	1,980,775
Stirling	60,310,000	58,573,000	1,737,000	2,000,000	11,792	26,754		-301,446	320,198	2,057,198
West Dunbartonshire	73,528,000	71,705,000	1,823,000	1,864,000	-76,872	21,975	26,720	-13,066	27	1,823,027
West Lothian	98,300,000	98,415,000	-115,000		-78,107	33,904		-70,608	-28,711	-143,711
Comhairle nan Eilean Siar	57,006,000	56,352,000	654,000		420,214	10,636		223,121		654,000
Scotland	3,520,461,000	3,481,707,000	38,754,000	37,300,000	0	1,350,000	103,779	0	-198,553	38,555,447

Note: constituent parts of LGF Order redet may not sum to net redet from LGF Order, due to rounding