

REPORT TO ABERDEENSHIRE COUNCIL – 18 MARCH 2020

REVENUE BUDGET 2020 – 2025

1. Reason for Report / Summary

- 1.1 This report provides detailed financial information to enable the Council to set its Revenue Budget for the financial years 2020-25.

2. Recommendations

The Council is recommended to:

1. **Agree the funding package from the Scottish Government in Appendix 1;**
2. **Agree the additional funding package announced on 27 February 2020 in Appendix 2 and 2a;**
3. **Agree the proposed changes to the 2020/21 indicative budget, provisionally agreed in February 2019, as set out in Appendix 3 and 3a;**
4. **Agree the proposed balanced revenue budget for 2020/21 detailed in Appendix 4;**
5. **Agree indicative revenue budgets for 2021/22, 2022/23, 2023/24 and 2024/25 on a provisional basis detailed in Appendix 4;**
6. **Note the financial risks set out in Appendix 5;**
7. **Note the Equality Impact Assessment information in Appendix 6;**
8. **Agree that work continues on the future years of the revenue budget as part of the Medium Term Financial Strategy (MTFS) development.**

3. Purpose and Decision-Making Route

- 3.1 The purpose of this report is to provide sufficient information to enable Council to set a balanced revenue budget for the financial year 2020/21 and indicative budgets for the following four years based upon available information.

4. Discussion

- 4.1 The Council has a responsibility to prepare and set a balanced revenue budget for the forthcoming financial year. An indicative revenue budget has already been agreed for 2020/21 as part of the Medium Term Financial Strategy reported to Council in previous years. Therefore, the discussions that have taken place with all Councillors since the setting of the indicative budget together with the currently available information from the Scottish Government enables a balanced budget to be set today.
- 4.2 A key element to producing a balanced revenue budget in any financial year is the setting of Council Tax. Council have already agreed to the Council Tax rates for 2020/21 at the meeting on 13 February 2020 when a unanimous position was reached to raise Council Tax by 4.84%. The resultant budgeted income from this decision has been included within the figures in this report.
- 4.3 Through the Council's policy led budgeting approach, the revenue budget facilitates the delivery of the Council's key objectives and therefore continues to be a statement, in financial terms, of the Council's priorities for an agreed scope and standard of service provision.
- 4.4 This strategic approach is fundamental when prioritising services, considering the impact of these service decisions and managing public resources. The attainment of planned outcomes and the demonstration of best value within an environment of change continues to be challenging.

5. Revenue Budget Setting Process

- 5.1 The revenue budget is the Council's priorities in financial form. It provides direction and control over income and expenditure and recognises the responsibility of Policy Committees and Directors for nearly £600 million of public funds. The revenue budget is an estimate of financial resources for the financial year 2020/21 and is not solely focussed on service cuts but on the delivery of an agreed scope and standard of service within agreed financial limits.
- 5.2 The process for setting a balanced revenue budget includes contact with all Councillors to determine the level of professional advice required by Councillors or Groups. The same core information is provided to those who request it, which then enables specific political choices to be made regarding service delivery. A series of meetings have kept political Groups informed of all financial matters throughout the budget setting process.
- 5.3 The process for 2020/21 has had a focus on the current scope and standard of service being delivered. This led to a re-basing approach to budgets, where services were asked to re-base or reset their budget for next year at a level that continued to deliver the current scope and standard of service. In addition to this the following aspects were also considered:

- a scrutiny of base budgets
- pressures
- efficiencies
- demographics
- inflation
- fees and charges
- potential pay awards
- vacancy management
- strategic and capital financing
- areas for potential savings

5.4 The financial position from last year and the current financial year's position are also factored into discussions. This leads to the most rounded financial assessment of the current level of service being delivered. From this point, service delivery decisions are then considered against the challenging financial background including demographic challenges, the extent of risks facing the Council and where service efficiencies can be made.

5.5 This approach to financial planning considers the financial implications of delivering services rather than solely focussing on reducing costs which in turn enables services to be delivered against the financial background and funding package set out in the Local Government Finance Settlement.

6. Local Government Finance Settlement

6.1 The Scottish Government announced the Local Government Finance Settlement on 6 February 2020. The delay to the planned Scottish Government budget announcement has necessitated a meeting of Council today to set the revenue budget for next year.

6.2 An additional funding package for all Local Authorities was announced in detail on 27 February 2020. This included three elements:

Additional Revenue Resource funding	£95 million
Cycling, Walking & Safer Streets Capital	£15 million
Energy Efficiency Schemes	£25 million

Aberdeenshire Council's specific allocations are shown in Appendix 2a. However, no allocation has been announced yet with regard to Energy Efficiency Schemes.

6.3 Further detail was announced on 28 February 2020 with regard to the flexible use of the £100 million to be transferred from the health portfolio to Local Authorities. Local Authorities have flexibility to offset their contributions to Integration Authorities by up to 2% or approximately £2.3 million.

6.4 The UK Government has confirmed that they will announce the UK budget on 11 March 2020 and at the time of writing this report there is no additional information to suggest a change to the financial content of this report. However, it is recognised that the sequence and timing of Scottish and UK budget announcements may lead to amendments to the Local Government Finance Settlement. If this situation arises, further advice and reports will be

prepared for Council as required and as noted in the Medium Term Financial Strategy report on today's agenda.

6.5 Aberdeenshire Council has adopted the position of a 'flat cash' settlement over recent years which has led to accurate predictions around the settlement. Whilst it is unlikely to receive exactly the same settlement year on year, the assumption does allow a degree of certainty when planning the scope and standard of service required.

6.6 The Local Government Finance Settlement 2020-21 is attached as Appendix 1 to this report and includes a number of joint priorities which are expected to be carried out in return for the funding package. These include:

- Early Learning and Childcare – 1,140 hours
- Health & Social Care and Mental Health Services
- Pupil: teacher ratio and probationer places
- Teachers pay and Pensions
- Barclay implementation costs

6.7 For 2020/21 the planned income from the settlement compared to the actual settlement to date is:

	£ million
Planned	447.149
Actual	<u>452.862</u>
Difference	5.713 or 0.97%

6.8 An additional £5.713 million compared to the planned position is positive but also includes specific commitments to pass on some £4.2 million to the Health & Social Care partnership (H&SCP). When the H&SCP money is considered the actual settlement position is 0.26% above the planned position.

6.9 Whilst the improved position is welcomed, it must be borne in mind that this is compared to officers planned assumptions and is not compared to the need or cost of current levels of service delivery. The report today requests approval of a revenue budget for next year which has £25 million of reductions included, which far outweighs the marginal improvement described above.

6.10 In addition, there are a number of further funding streams out-with the local government finance settlement yet to be announced. Aberdeenshire Council notes this position with examples being: Discretionary Housing Payments and Teachers Induction Scheme.

6.11 Therefore, in summary, the Settlement when compared to the planned budget is:

	2020/21 Planned Budget £'000	2020/21 Settlement £'000	2020/21 Movement £'000
Revenue Support Grant	323,349	333,210	9,861
Business Rates	123,800	119,652	(4,148)
Sub total	447,149	452,862	5,713
Scottish Government funding to be confirmed	0	0	0
Total	423,787	422,419	5,713

- 6.12 A further Local Government Finance Settlement 2020-21 letter is expected which will include the latest additional funds shown in Appendix 2a, these are not currently reflected in the table at 6.11.
- 6.13 As noted above, the Scottish Government have stated they will work in partnership with local government to implement the budget and joint priorities. The allocations are treated as provisional at this stage as dialogue continues at both a Scottish and UK level around the final funding position. The result of the dialogue may lead to a variation in the Settlement figures.
- 6.14 The Scottish Government considers total revenue funding and estimated council tax to compare Settlements across each Local Authority. At present this results in Aberdeenshire Council's Settlement being the third lowest in Scotland when compared to the average funding per head of population.
- 6.15 In terms of Business Rates, figures within the Settlement are based upon the latest forecast of net income from non-domestic rates in 2020-21 and also on council estimates of the amounts they will contribute to the Business Rates Pool from non-domestic rates in 2019-20. The distribution of Non-Domestic Rates Income for 2020-21 has been based on forecasts each Council estimates it will collect in this financial year. The Settlement letter states that, General Revenue Grant provides the guaranteed balance of funding. This balance in funding is evident when the movements in expected and actual funding for Revenue Support Grant and Business Rates are compared.
- 6.16 As part of the MTFs process, Strategic Leadership Team (SLT) has considered the Settlement figures from the Scottish Government and factored the information into the proposed revenue budget.

7. Risk

- 7.1 In order to prepare a balanced budget for agreement several factors are involved. The revenue budget setting process includes the Settlement and the information contained within it, some of which is yet to be announced. This year's process has involved more changes of budget dates, more uncertainty of information and additional funding whilst still requiring significant reductions when compared to recent years. Finally, proposals made at a Service level are factored into the financial plan to arrive at a balanced position.
- 7.2 The awareness and acceptance of risk is an integral part of preparing a budget. A range of unknowns will pertain over the budget period such as

inflation, cost and supply of materials, availability of labour as well as the likelihood of unforeseen events occurring during that budget period. These risks have been considered by SLT and discussed with political Groups. The potential implications and possible mitigations associated with the risks have also been discussed before figures have been included in the proposed revenue budget.

- 7.3 It is important to consider, report and accept specific risks facing the Council in the coming years, and these are listed in Appendix 6. This list is not exhaustive, and the acceptance of certain risks is a part of setting a budget in order to achieve a balanced position that does not include unnecessary changes in essential services. Policy Committees will be advised of the occurrence or otherwise of risks as part of the performance information they receive and scrutinise.

8. Future Years (2021 – 2025)

- 8.1 Settlement figures for future years are not available. The absence of these figures increases the level of assumptions required to produce future balanced budgets. Therefore, any additional savings identified within the MTFS process for future years have not yet been applied leaving them currently out of balance.
- 8.2 Further detailed work is required and will continue on future years' budgets to re-examine assumptions relating to the scope and standard of service supporting the Council Priorities. This will continue to be part of the MTFS discussions between officers and councillors.
- 8.3 The Revenue Support Grant continues to be forecast for future years at the same cash level. This is acknowledged as a risk. However, as mentioned earlier in the report, the adoption of a 'flat cash' position is a proportionate assumption.
- 8.4 As future years' budgets are out of balance, work will continue to consider options to balance these years.

9. Financial Summary

- 9.1 Aberdeenshire Council has a statutory requirement to provide sufficient money to meet the total estimated expenses planned to be incurred, therefore Appendix 4 shows a proposed balanced budget position for 2020/21.
- 9.2 All budgets are continuously reviewed as part of the financial performance reporting process during each financial year. The reporting of financial information to each Policy Committee plus an overall report to Council continues to be beneficial in terms of scrutiny, challenge and understanding and has enhanced the level of financial debate.
- 9.3 The levels of risk assumed in the proposed budget will require to be reviewed, monitored and reported as the year progresses, and more information becomes available.

10. Overall Position

- 10.1 Taking all the above into account, and subject to any change proposed as a result of the updated Settlement, the overall position for each of the five years to 31 March 2025 is set out in Appendix 4. This represents the proposed revenue budget for 2020/21 and the provisional budgets for 2021 – 25.

11. Council Priorities, Implications and Risk

- 11.1 This report helps deliver all Council Priorities but predominantly Council Priority 9 – Deliver responsible, long-term financial planning.
- 11.2 The table below shows whether risks and implications apply if the recommendations are agreed.

Subject	Yes	No	N/A
Financial	X		
Staffing	X		
Equalities	EIA attached as Appendix 6		
Fairer Scotland Duty	EIA attached as Appendix 6		
Town Centre First			X
Sustainability			X
Children and Young People's Rights and Wellbeing			X

Staffing

- 11.3 The impact of the proposed budget savings will in some instances mean it is not possible for the Council to balance the revenue budget without reducing staffing numbers in certain services and activities. The staffing implications of the savings will be assessed over the coming months to determine how these can be minimised.
- 11.4 Initial indications are that there will be a reduction of up to 65.5 full-time equivalent posts over the next financial year from the total workforce currently comprising 10,215 full time equivalent staff.
- 11.5 The implementation of the proposed budget savings that impact on staff will be subject to comprehensive engagement and consultation with employees and the Trade Unions. In accordance with agreed policies and procedures, formal consultations and negotiations with the Trade Unions will take place in relation to proposed changes to staffing structures, HR & OD policies, and terms & conditions of employment.
- 11.6 In anticipation of the consequences of the budget position leading to a reduction in the number of posts, action has already been taken to manage vacancies, reduce levels of overtime and the number of agency staff. Services will also be reviewing all temporary contracts, considering voluntary severance

in areas where functions are being reduced and seeking voluntary reduction in contracted hours as well as focusing on redeployment and reskilling.

- 11.7 A comprehensive support programme has been developed to provide assistance to managers and employees. In addition, there will be a planned and co-ordinated approach to ensure employees are treated fairly and with dignity and compassion during this period.

Equalities

- 11.8 Equality Impact Assessments have been carried out as part of the development of the Revenue Budget proposals. A summary of the outcome of the Equality Impact Assessments has been prepared and is attached as Appendix 6.
- 11.9 The full version of each Equality Impact Assessment, and detailed breakdown of impact to protected characteristics will be available on Ward pages and Aberdeenshire Council's website.
- 11.10 Given that each separate decision made when setting the budget may impact on the lives of people with protected characteristics the importance of the cumulative impact on the decisions being taken is recognised. The overall impact is provided below, for comparison purposes the relevant figures for 2019/2020 are included and appear in brackets.
- 11.11 Notwithstanding the impact on residents of Aberdeenshire, it is also recognised that reduction within budgets may result in a reduction of employee numbers across some council services. A number of proposals will require specific Equality Impact Assessments to be undertaken to identify the impacts which are currently unknown.
- 11.12 Given the make-up of the council's workforce is predominantly female, impact of any staffing reductions will have an overall disproportionate impact on this protected characteristic. However, such reductions will be managed through the relevant council policies and procedures and opportunities to mitigate the impact will be sought through for example vacancy management and redeployment opportunities.
- 11.13 The financial implications are detailed in the report.
- 11.14 An impact assessment of the anticipated or potential impact of each individual proposal has been undertaken by relevant lead officers and signed off by relevant Heads of Service. Most proposals have a neutral impact on people with protected characteristics or socio-economic factors.
- 11.15 There are twenty-eight positive impacts identified within the Impact Assessments. The highest positive impacts include:
- Age (younger)
11.9% of all impacts identified for younger people classified as positive
 - Disability
6.7% of all impacts identified for people with a disability classified as positive
 - Age (older)
5.4% of all impacts identified for older people classified as positive

- Citizens “pockets”
8.1% of the impacts identified in proposals are classified to have a positive impact on, low income, low or no wealth or material deprivation.

11.16 The cumulative impact analysis provides further detail and would suggest that the greatest impact of these proposals will be felt on peoples:-

Pockets	13.5%
Prospects	14.3%,
Younger people	11.9%
People with a disability	11.1%
people who are pregnant or on maternity leave	10.1%

However, the overall negative impact for the cumulative impact is low at 6.3% for equalities (protected characteristics) and 12.1% for socio economic factors (Place, Prospect, Pockets).

11.17 All Services have considered mitigating actions to reduce negative impacts from proposals and details are provided in individual assessments and summarised where appropriate in Appendix 7.

11.18 The following Risk has been identified as relevant to this matter on a Strategic Level: Balancing the Books [Directorate Risk Registers](#). Actions being taken to mitigate these risks are set out in the report.

12. Scheme of Governance

12.1 The Monitoring Officer within Business Services has been consulted in the preparation of this report and is satisfied that the report complies with the Scheme of Governance and relevant legislation.

12.2 The Committee is able to consider and take a decision on this item in terms of Section A.8.1 of the List of Committee Powers in Part 2A of the Scheme of Governance.

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Prepared by Mary Beattie, Strategic Finance Manager
Date 6th March 2020



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Local Government Finance Circular No 1/2020

Chief Executives and Directors of Finance of
Scottish Local Authorities

Chief Executive, Convention of Scottish Local
Authorities (COSLA)

Our ref: A26645511
6 February 2020

Dear Chief Executive/Director of Finance

1. LOCAL GOVERNMENT FINANCE SETTLEMENT 2020-21 2. NON-DOMESTIC RATES

1. This Local Government Finance Circular provides details of the provisional total revenue and capital funding allocations for 2020-21, as well as the latest information on current known redeterminations for 2019-20. This Circular also provides details on a range of Non-Domestic Rates measures, including the 2020-21 poundage and proposed changes to certain reliefs.
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 2020 being presented to the Scottish Parliament, which is currently scheduled for 19 February 2020.
3. We expect local authorities to inform COSLA, and for COSLA in turn to inform the Scottish Government by no later than 14 February 2020, if they think there are any discrepancies or changes required to these provisional allocations. Any redistribution to address any agreed discrepancies or changes 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 with the final allocations not being confirmed until after the end of the consultation period and the publication of the Local Government Finance Circular which will follow the approval of the Local Government Finance (Scotland) Order 2020.
4. The Minister for Public Finance and Digital Economy wrote to the COSLA President, copied to all Council Leaders on 6 February 2020, confirming the package of measures that make up the settlement to be provided to local government in return for the provisional funding allocations set out in this Circular. This Circular should be read in conjunction with that letter. The terms of this settlement have been negotiated through COSLA on behalf of all 32 of its member councils.

5. The Scottish Government will work in partnership with local government to implement the budget and the joint priorities in return for the full funding package worth £11,336 million.
- £201 million revenue and £121.1 million capital to support the expansion in funded Early Learning and Childcare (ELC) entitlement to 1,140 hours by 2020;
 - In addition to the £160 million available in 2019-20, a further £100 million to be transferred from the health portfolio to the Local Authorities in-year for investment in health and social care and mental health services that are delegated to Integration Authorities under the Public Bodies (Joint Working) (Scotland) Act 2014. This brings the total transferred from the health portfolio to support health and social care integration to £811 million in 2020-21. The additional £100 million for local government includes a contribution to continued delivery of the real Living Wage (£25 million), uprating of free personal and nursing care payments (£2.2 million), implementation of the Carers Act in line with the Financial Memorandum of the Carers Bill (£11.6 million), along with further support for school counselling services whether or not delegated under the Public Bodies (Joint Working) (Scotland) Act 2014 (£4 million);
 - Baseline of the £90 million added at Stage 1 of the Budget Bill for 2019-20;
 - The ongoing £88 million to maintain the pupil:teacher ratio nationally and secure places for all probationers who require one under the teacher induction scheme;
 - Provision for the Teachers Pay (£156 million) and Pensions (£97 million);
 - £5.3 million for Barclay implementation costs; and
 - A new capital £50 million Heat Networks Early Adopters Challenge Fund to support local authorities who are ready to bring forward investment-ready heat networks.
6. In addition to the funding set out in this Circular it should be noted that there are a number of further revenue and capital funding streams out-with the local government finance settlement for particular policy initiatives which benefit local government services. Table 6.15 in the Scottish Government's "Budget Document: 2020-21", which was published on 6 February 2020, provides further details of these funding streams.
7. The allocations have been arrived at using the standard agreed needs-based distribution methodology and updated indicators. We will share a separate note providing a full reconciliation of the changes between the 2019-20 and 2020-21 Budgets and between the 2020-21 Budget and the figures in this Circular. We will also provide full details of all the general revenue allocations.
8. 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: 2020-21 and changes in 2019-20;
 Part B:- Local Government Finance Settlement – Capital: 2020-21 and changes in 2019-20;
 Part C:- Non-Domestic Rates for 2020-21.

The various Annexes included in this Circular are as follows:

- Annex A: All Scotland Aggregated Funding Totals 2019-21;
 Annex B: Individual Revenue Allocations for 2020-21;
 Annex C: Revised Individual Revenue Allocations for 2019-20;
 Annex D: Explanatory Notes on the Revenue Distribution;
 Annex E: Estimates of Ring-Fenced Grant Revenue Funding for 2020-21;
 Annex F: Floor calculation for 2020-21;
 Annex G: Redeterminations of Individual Revenue funding for 2019-20;
 Annex H: 2008-21 Changes Column;
 Annex I: General Capital Grant and Specific Capital Grants 2020-21;
 Annex J: General Capital Grant – Flood Allocations Per Local Authority 2020-21;

Annex K: Final Total Capital Funding for 2019-20; and
Annex L: Total Local Government Funding Settlement 2020-21.

Part A: Local Government Finance Settlement - Revenue: 2020-21 and changes in 2019-20

9. This Finance Circular sets out the provisional distribution of revenue funding allocations for 2020-21. **Annex A** of this Circular sets out the all-Scotland aggregate totals for 2019-21.
10. **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 2020-21 and 2019-20. The basis behind the grant distribution methodology is as recommended in the report from the Settlement and Distribution Group (SDG) and as agreed by COSLA Leaders and Scottish Ministers. The explanatory notes contained in **Annex D** explain the basis behind the calculation of the individual council grant allocations.
11. **Annex E** gives a breakdown of the provisional individual council shares of all the Ring-Fenced revenue grant allocations for 2020-21.
12. The calculation and effects of the main floor adjustment for 2020-21, which provided councils with a maximum decrease in the funding used in the calculation of the main floor of 0.44%, is set out in **Annex F** of this Circular. The setting of the floor is in line with the revised arrangements agreed following the SDG review of the floor methodology.
13. This Circular confirms the continuation of the **85% funding floor** for 2020-21. The methodology compares total revenue funding plus local authorities estimated council tax income and any council whose total support under this method falls below 85% will be topped up to ensure that all councils receive 85% of the Scottish average total revenue support per head.
14. This Local Government Finance Circular provides details of current known 2019-20 redeterminations at **Annex G** for the General Revenue Grant. The final redetermination allocations for 2019-20 will be included in the Local Government Finance (Scotland) Order 2020.
15. **Annex H** summarises the column within the settlement titled 2008-2021 Changes Column.

Part B: Local Government Finance Settlement – Capital Grants 2020-21 and changes to Capital Grant in 2019-20

16. In 2020-21 the Local Government Settlement provides capital grants totalling £763.1 million. This is made up of General Capital Grant totalling £467.9 million and Specific Grants totalling £295.2 million.
17. Specific Grants include a new Capital £50 million Heat Networks Early Adopters Challenge Fund to support local authorities who are ready to bring forward investment-ready heat networks.
18. **Annex I** sets out the provisional distribution of the Settlement for capital per local authority for 2020-21. Capital grants which remain undistributed are identified as such. The methodologies used to calculate these provisional allocations have been agreed with COSLA.
19. The provisional distribution for the General Capital Grant includes allocations for flood schemes. The allocations for these schemes is set out in **Annex J**. Where schemes have slipped and the grant paid in a prior year exceeds the grant due the scheme will show a negative value which will reduce the total General Capital Grant payable to that Council.
20. The total Capital Grant figures for 2019-20 has been revised to include £7.5 million for the Dundee City Deal, and £0.5 million for Edinburgh Event Management. Updated allocations are set out in **Annex K**.
21. **Annex L** summarises the Local Government Finance Settlement for 2020-21.

Part C: Non-Domestic Rates for 2020-21

22. The Distributable Amount of Non-Domestic Rates Income for 2020-21 has been provisionally set at £2,790 million. This figure uses the latest forecast of net income from non-domestic rates in 2020-21 and also draws on council estimates of the amounts they will contribute to the Pool from non-domestic rates in 2019-20. The figure incorporates the Scottish Fiscal Commission's estimate of the contributable amount and includes a calculation of gross income; expected losses from appeals; estimated expenditure on mandatory and other reliefs; write-offs and provision of bad debt together; and estimated changes due to prior year adjustments. The distribution of Non-Domestic Rates Income for 2020-21 has been based on the amount each Council estimates it will collect (based on the 2019-20 mid-year estimates provided by councils). General Revenue Grant provides the guaranteed 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.
23. The 2020-21 Non-Domestic Rate poundage rate is provisionally set at 49.8p, which delivers a below-inflation increase for the second consecutive year.
24. The Scottish Budget 2020-21 also introduces the following policies:
 - Properties with a rateable value (RV) above £95,000 will continue to be charged the Higher Property Rate (formerly the poundage plus the Large Business Supplement) of 2.6p on top of the poundage;
 - Properties with an RV of between £51,000 and £95,000 will now only be charged an additional 1.3p on rates on top of the standard poundage. The introduction of this Intermediate Property Rate will improve the progressivity of the system and reduce rates liabilities for around 9,500 medium-sized properties by 1.3p, or 3 per cent;
 - An extension of 100 per cent relief for Enterprise Areas to 31 March 2022;

- An amendment to the reset period for Empty Property Relief from 6 weeks to 6 months, as recommended by the Barclay Review;
- The restriction of the Small Business Bonus Scheme (SBBS) to occupied properties;
- The introduction of a 70-day requirement of actual letting for a self-catering property in order to be considered non-domestic and liable for NDR rather than council tax, as recommended by the Barclay Review;
- The introduction of a new 100 per cent relief for Reverse Vending Machines from 1 April 2020, which will assist retailers in the context of the Deposit Return Scheme and supporting efforts to tackle climate change; and
- The guarantee of district heating relief until 2032 in order to provide certainty to investors.

25. The Scottish Budget 2020-21 maintains the following relief policies:

- SBBS, with the threshold for 100% relief remaining at £15,000, so that the overall scheme is applicable as per the table below. This relief does not constitute de minimis aid under EU State aid rules.

Combined rateable value (RV) of all properties	2020-21 relief
Up to £15,000	100%
£15,001 to £18,000	25%
£18,001 to £35,000	25% on individual property each with rateable value up to £18,000 *

* A ratepayer with multiple properties with a cumulative RV between £15,001 and £35,000 can be eligible for 25% relief for individual properties each with RV up to £18,000.

- The Business Growth Accelerator which ensures that new build properties are not liable for rates until 12 months after first occupation and any rates bill rises due to improvements to or the expansion of existing properties will not take effect until 12 months after those changes are made to the property;
- Transitional Relief through until 2021-22, which caps annual rates bill increases at 12.5 per cent in real terms (14.4% cash terms) for 2020-21 for Aberdeen City and Aberdeenshire offices and for hospitality properties (with a rateable value up to £1.5 million in 2020-21) across Scotland;
- Day Nursery Relief for all standalone nurseries in the public, private and charitable sectors;
- New Fibre Relief for all new fibre infrastructure for telecommunication;
- relief for mobile masts in selected geographic locations; and
- Fresh Start Relief, which offers 100 per cent relief for all reoccupied properties that have been empty for six months.

26. Some of these measures will be awarded under the EU State Aid de minimis regulations, which are currently assumed to continue irrespective of the terms of any future trading relationship with the European Union. Councils may also offer their own local reliefs under the Community Empowerment (Scotland) Act 2015.

27. On 5 February 2020, the Non-Domestic Rates (Scotland) Bill completed Stage 3 of its Parliamentary process. It delivers a number of the recommendations of the Barclay Review that require primary legislation including:

- Three-yearly valuations from 2022 to ensure that valuations are more closely aligned to current market values;
- A two-stage appeals system (proposal and appeal) to improve the administration and timeliness of the appeals system;

- Greater information-gathering powers for assessors and a new civil penalty for non-provision of information in order to increase 'right first-time' valuations and improve ratepayers' trust in the rating system;
- A new civil penalty for non-provision of information to councils or failure to notify a change in circumstances;
- The power to introduce general anti-avoidance regulations in order to improve fairness for all;
- The power for ministers to introduce statutory guidance on discretionary sports relief; and
- A level playing field between different sectors, such as public and private schools by removing charitable rates relief from mainstream independent schools, whilst retaining the relief for independent special schools and specialist independent music schools - due to commence on 1 September 2020.

28. Details of the Business Rates Incentivisation Scheme (BRIS) outcome for 2018-19, and revised targets for 2019-20 and provisional targets for 2020-21 will be confirmed shortly.

Enquiries relating to this Circular

29. 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 respond to these queries as quickly as possible. Contact details for COSLA are:

Sarah Watters
0131 474 9232 Sarah@cosla.gov.uk

Any other queries should be addressed to the following:

Local Government Revenue Settlement and BRIS.
Bill Stitt 0131 244 7044 Bill.Stitt@gov.scot

Local Government Finance Settlement (Capital)
Craig Inglis 0131 244 2949 Craig.Inglis@gov.scot

Non-Domestic Rates
Ian Storrie 0131 244 5328 Ian.Storrie@gov.scot

30. This Circular, along with the supporting tables will be made available through the Local Government section of the Scottish Government website at:
<https://www.gov.scot/publications/local-government-finance-circulars-index/>

Yours faithfully



Brenda Campbell
Deputy Director, Local Government & Analytical Services Division

	2019-20 £ million	2020-21 £ million
Revenue Funding		
General Resource Grant	6,948.063	7,073.063
Non Domestic Rate Income	2,853.000	2,790.000
Specific Revenue Grants	507.732	709.750
Total Revenue	10,308.795	10,572.813
<i>less</i> Teachers' Induction Scheme	0.138	37.600
<i>less</i> Discretionary Housing Payments	10.458	11.949
<i>less</i> mental health officer shortfall	0.000	0.500
<i>less</i> Gaelic	0.128	0.014
<i>less</i> Barclay Implementation	0.162	0.378
<i>less</i> Customer First Top-up	0.576	1.410
<i>less</i> Stage 1 Budget Bill - Support for Ferries	0.000	1.000
Distributable Revenue Funding	10,297.333	10,519.962
Capital Funding		
General Capital Grant	711.969	467.937
Specific Capital Grants	357.110	279.877
Distributed to SPT	23.131	15.327
Total Capital	1,092.210	763.141
Total Funding	11,401.005	11,335.954
2019-20 RECONCILIATION FROM FINANCE CIRCULAR 2/2019		
General Resource Grant	6,717.618	
Free Sanitary Products in Schools	2.086	
Appropriate Adults	0.501	
Personal Licence Holder	0.164	
Rapid Rehousing Transition Planning	8.000	
Seatbelts on School Transport	0.230	
EU Exit Preparations	1.600	
National Trauma Training Trials	0.120	
Dundee Airport	1.442	
Social Security Accommodation	0.650	
Ordnance Survey	0.020	
Additional Support for Learning	15.000	
Teachers Pay	141.000	
Teachers Pension	60.803	
ALEO Baseline Reduction	-1.171	
Revised General Resource Grant	6,948.063	
General Capital Grant	703.969	
Dundee City Deal	7.500	
Edinburgh Event Management	0.500	
Revised General Capital Grant	711.969	

£million	Expenditure					Funding						
	1	2	3	4	5	6	7	8	9	10	11	12
	Updated Service Provision £m	2008-20 Changes £m	Loan Charges/ PPP/ LPFS £m	Main Floor £m	Total Estimated Expenditure £m	Assumed Council Tax contribution £m	Total Ring-fenced Grants £m	Non Domestic Rates £m	General Revenue Funding £m	Total £m	85% floor £m	Revised Total £m
Aberdeen City	423.511	7.175	19.356	4.104	454.146	91.492	29.698	245.563	85.962	361.223	0.000	361.223
Aberdeenshire	541.853	9.812	20.110	-4.905	566.870	110.410	31.324	119.652	304.657	455.633	0.000	455.633
Angus	247.859	4.440	11.864	-2.303	261.860	43.468	12.747	26.537	178.849	218.133	0.000	218.133
Argyll & Bute	216.913	3.655	9.589	15.399	245.556	39.261	10.768	34.776	160.588	206.132	0.000	206.132
Clackmannanshire	114.976	1.899	4.899	-0.228	121.546	19.208	6.765	16.067	79.290	102.122	0.000	102.122
Dumfries & Galloway	344.061	6.042	16.180	-3.241	363.042	59.032	15.680	53.259	235.006	303.945	0.000	303.945
Dundee City	347.548	5.671	10.101	1.485	364.805	47.372	22.978	49.119	245.322	317.419	0.000	317.419
East Ayrshire	277.584	4.651	10.492	-2.614	290.113	42.122	17.471	26.362	203.906	247.739	0.000	247.739
East Dunbartonshire	242.488	4.252	4.239	-0.453	250.526	50.133	12.100	22.759	165.316	200.175	0.000	200.175
East Lothian	225.161	3.939	3.942	-0.243	232.799	44.452	13.474	27.293	146.639	187.406	0.000	187.406
East Renfrewshire	219.690	4.029	9.308	-0.764	232.263	42.634	7.791	14.877	166.747	189.415	0.000	189.415
Edinburgh, City of	953.269	15.963	24.345	11.100	1,004.677	218.026	56.996	356.843	369.907	783.746	8.400	792.146
Eilean Siar	82.680	1.566	7.318	17.044	108.608	9.450	4.348	8.307	86.426	99.081	0.000	99.081
Falkirk	341.720	5.906	20.046	-3.102	364.570	58.642	22.986	69.123	213.391	305.500	0.000	305.500
Fife	795.822	13.910	32.471	-7.390	834.813	138.011	47.384	166.844	481.679	695.907	0.000	695.907
Glasgow City	1,417.664	22.844	100.918	-4.806	1,536.620	213.202	88.175	356.130	878.218	1,322.523	0.000	1,322.523
Highland	548.751	9.688	32.451	-5.254	585.636	96.443	30.718	137.851	319.946	488.515	0.000	488.515
Inverclyde	188.114	3.057	10.725	1.784	203.680	27.532	11.524	19.593	145.060	176.177	0.000	176.177
Midlothian	202.232	3.431	9.589	-1.790	213.462	35.457	15.140	29.254	132.923	177.317	0.000	177.317
Moray	195.552	3.482	8.774	-1.587	206.221	33.870	11.934	43.324	116.694	171.952	0.000	171.952
North Ayrshire	327.276	5.405	10.637	0.428	343.746	49.411	19.565	37.364	237.234	294.163	0.000	294.163
North Lanarkshire	766.868	12.988	10.540	-6.944	783.452	115.606	47.369	106.580	513.095	667.044	0.000	667.044
Orkney Islands	78.616	1.429	6.043	-0.503	85.585	8.025	8.005	10.483	59.028	77.516	0.000	77.516
Perth & Kinross	318.370	5.625	12.641	-2.841	333.795	64.690	15.499	56.569	196.303	268.371	0.000	268.371
Renfrewshire	397.367	6.662	8.254	-3.511	408.772	69.028	26.453	110.286	202.044	338.783	0.000	338.783
Scottish Borders	254.318	4.490	13.384	-2.266	269.926	47.457	13.907	34.931	173.123	221.961	0.000	221.961
Shetland Islands	83.442	1.586	7.765	4.634	97.427	8.162	8.194	25.662	55.361	89.217	0.000	89.217
South Ayrshire	251.363	4.300	9.494	-1.638	263.519	47.547	12.372	42.718	160.294	215.384	0.000	215.384
South Lanarkshire	702.445	12.160	10.630	3.349	728.584	122.370	40.141	337.810	226.746	604.697	0.000	604.697
Stirling	207.429	3.583	11.430	-1.890	220.552	38.628	13.029	42.754	125.995	181.778	0.000	181.778
West Dunbartonshire	224.689	3.594	3.851	2.588	234.722	33.297	13.130	83.583	104.609	201.322	0.000	201.322
West Lothian	389.530	6.885	13.047	-3.643	405.819	63.745	21.071	77.727	242.467	341.265	0.000	341.265
Scotland	11,929.161	204.119	484.433	0.000	12,617.713	2,088.183	708.736	2,790.000	7,012.826	10,511.562	8.400	10,519.962

REVISED INDIVIDUAL REVENUE ALLOCATIONS 2019-20

£million	Expenditure					Funding						
	1	2	3	4	5	6	7	8	9	10	11	12
	Updated Service Provision	2008-19 Changes	Loan Charges/ PPP/ LPFS	Main Floor	Total Estimated Expenditure	Assumed Council Tax contribution	Total Ring-fenced Grants	Non Domestic Rates	General Revenue Funding	Total	85% floor	Revised Total
£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
Aberdeen City	412.868	6.220	20.089	3.128	442.305	91.492	20.337	258.560	71.916	350.813	0.000	350.813
Aberdeenshire	528.574	8.563	20.746	-4.797	553.086	110.410	20.697	123.812	298.167	442.676	0.000	442.676
Angus	243.892	3.870	12.137	-2.287	257.612	43.468	8.899	27.468	177.777	214.144	0.000	214.144
Argyll & Bute	213.946	3.199	9.865	15.336	242.346	39.261	7.389	35.634	160.062	203.085	0.000	203.085
Clackmannanshire	113.385	1.641	5.051	-0.392	119.685	19.208	5.161	17.315	78.001	100.477	0.000	100.477
Dumfries & Galloway	338.541	5.270	16.707	-3.211	357.307	59.032	11.305	51.150	235.820	298.275	0.000	298.275
Dundee City	344.178	4.924	14.921	-3.285	360.738	47.372	17.188	64.307	231.871	313.366	0.000	313.366
East Ayrshire	272.205	4.036	10.883	-2.600	284.524	42.122	12.690	27.360	202.352	242.402	0.000	242.402
East Dunbartonshire	239.527	3.688	7.198	-2.080	248.333	50.133	8.113	22.669	167.418	198.200	0.000	198.200
East Lothian	217.654	3.383	4.071	2.385	227.493	44.452	9.006	25.550	148.485	183.041	0.000	183.041
East Renfrewshire	219.962	3.517	9.452	-0.849	232.082	42.634	5.366	15.377	168.705	189.448	0.000	189.448
Edinburgh, City of	929.938	13.849	24.934	13.269	981.990	218.026	40.225	365.250	358.489	763.964	1.700	765.664
Eilean Siar	81.963	1.359	7.565	16.717	107.604	9.450	3.128	8.482	86.544	98.154	0.000	98.154
Falkirk	333.720	5.116	20.470	-3.061	356.245	58.642	15.996	69.739	211.868	297.603	0.000	297.603
Fife	781.819	12.131	33.461	-7.332	820.079	138.011	34.395	165.717	481.956	682.068	0.000	682.068
Glasgow City	1,393.559	19.617	104.578	-1.491	1,516.263	213.202	67.255	356.234	879.572	1,303.061	0.000	1,303.061
Highland	530.394	8.319	33.550	-5.113	567.150	96.443	21.328	143.240	306.139	470.707	0.000	470.707
Inverclyde	186.382	2.667	11.091	0.404	200.544	27.532	8.334	19.834	144.844	173.012	0.000	173.012
Midlothian	195.185	2.937	9.916	-1.760	206.278	35.457	10.372	31.615	128.834	170.821	0.000	170.821
Moray	191.459	3.037	9.064	-1.729	201.831	33.870	8.063	43.563	116.335	167.961	0.000	167.961
North Ayrshire	322.756	4.720	13.881	-3.088	338.269	49.411	14.719	41.124	233.015	288.858	0.000	288.858
North Lanarkshire	746.914	11.219	10.883	-1.894	767.122	115.606	33.501	107.252	510.763	651.516	0.000	651.516
Orkney Islands	78.182	1.254	6.261	-0.823	84.874	8.025	7.156	10.459	59.234	76.849	0.000	76.849
Perth & Kinross	311.414	4.875	13.034	-2.802	326.521	64.690	10.531	56.590	194.710	261.831	0.000	261.831
Renfrewshire	388.706	5.787	8.528	-3.493	399.528	69.028	18.398	104.417	207.685	330.500	0.000	330.500
Scottish Borders	249.066	3.916	13.874	-2.357	264.499	47.457	9.330	36.624	171.088	217.042	0.000	217.042
Shetland Islands	83.813	1.414	8.240	3.139	96.606	8.162	7.107	25.925	55.412	88.444	0.000	88.444
South Ayrshire	246.766	3.719	9.788	-0.903	259.370	47.547	8.868	42.462	160.493	211.823	0.000	211.823
South Lanarkshire	688.726	10.602	10.976	4.423	714.727	122.370	28.144	341.166	223.047	592.357	0.000	592.357
Stirling	203.720	3.119	11.748	-1.879	216.708	38.628	8.990	44.042	125.048	178.080	0.000	178.080
West Dunbartonshire	222.497	3.101	3.976	2.063	231.637	33.297	9.976	84.736	103.628	198.340	0.000	198.340
West Lothian	384.539	6.027	13.532	-3.638	400.460	63.745	15.637	85.327	235.751	336.715	0.000	336.715
Scotland	11,696.250	177.096	510.470	0.000	12,383.816	2,088.183	507.604	2,853.000	6,935.029	10,295.633	1.700	10,297.333

The explanation of each of the columns within the tables at Annex B 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; and the previous loan charge adjustment.

Column 2 – is the new combined total, non-ring-fenced, changes in general provision resulting from Spending Reviews 2007, 2010, 2011, 2013, 2015 and budget revisions for 2016 - 2020 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 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 using the revised methodology agreed following the 2018 review.

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, as well as the estimated additional council tax income to be collected and retained by each local authority as a result of the changes to bands E to H.

Column 7 – is each council's estimated share of the on-going Ring-Fenced Grants for Gaelic, Pupil Equity Fund, Criminal Justice Social Work, Early Learning and Childcare, and Inter-Island Ferries.

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 2019-20 mid-year income.

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 2020-21.

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 per head in terms of revenue support.

Columns 12 - is the revised total funding including all the changes and the 85% funding floor adjustments.

Local Authority	Gaelic	Pupil Equity Fund	Criminal Justice Social Work	Early Learning and Childcare Expansion	18-19 Stage 1 Budget Bill Support for Ferries
	£m	£m	£m	£m	£m
Aberdeen City	0.088	3.042	4.054	22.514	0.000
Aberdeenshire	0.000	2.807	2.771	25.746	0.000
Angus	0.022	2.128	1.609	8.988	0.000
Argyll & Bute	0.365	1.314	0.963	8.126	0.000
Clackmannanshire	0.002	1.392	1.083	4.288	0.000
Dumfries & Galloway	0.000	2.827	2.475	10.378	0.000
Dundee City	0.000	4.992	3.444	14.542	0.000
East Ayrshire	0.144	3.444	2.228	11.655	0.000
East Dunbartonshire	0.066	1.628	0.756	9.650	0.000
East Lothian	0.008	1.561	1.068	10.837	0.000
East Renfrewshire	0.013	1.323	0.606	5.849	0.000
Edinburgh, City of	0.320	6.988	8.199	41.489	0.000
Eilean Siar	1.115	0.273	0.315	2.645	0.000
Falkirk	0.014	3.650	2.773	16.549	0.000
Fife	0.010	9.748	6.114	31.512	0.000
Glasgow City	0.540	21.716	15.301	50.618	0.000
Highland	0.905	3.894	3.130	22.789	0.000
Inverclyde	0.070	2.387	1.302	7.765	0.000
Midlothian	0.008	2.147	1.275	11.710	0.000
Moray	0.000	1.340	1.249	9.345	0.000
North Ayrshire	0.090	4.252	2.771	12.452	0.000
North Lanarkshire	0.260	9.105	5.452	32.552	0.000
Orkney Islands	0.000	0.225	0.241	2.039	5.500
Perth & Kinross	0.105	1.672	1.812	11.910	0.000
Renfrewshire	0.017	4.331	2.550	19.555	0.000
Scottish Borders	0.001	1.762	1.253	10.891	0.000
Shetland Islands	0.000	0.204	0.264	2.726	5.000
South Ayrshire	0.015	2.348	1.715	8.294	0.000
South Lanarkshire	0.170	8.110	4.193	27.668	0.000
Stirling	0.115	1.347	1.275	10.292	0.000
West Dunbartonshire	0.015	3.127	1.684	8.304	0.000
West Lothian	0.008	4.916	2.525	13.622	0.000
Scotland	4.486	120.000	86.450	487.300	10.500

Note: These figures are provisional and represent the current best estimates.

The distribution of funding for Inter-Island Ferries has still to be agreed

The actual allocation of these specific revenue grants will be notified to the relevant local authorities in due course by the relevant Policy Team

Local Authority	Grant Without Floor	Change Without Floor	Floor Change	Grant With Floor	Change With Floor
	£m	%	£m	£m	%
Highland	414.502	3.00%	-5.254	409.248	1.70%
Midlothian	141.186	2.31%	-1.790	139.396	1.01%
Falkirk	244.698	1.51%	-3.102	241.596	0.22%
Aberdeenshire	386.947	1.48%	-4.905	382.042	0.20%
North Lanarkshire	547.776	1.30%	-6.944	540.832	0.02%
Perth & Kinross	224.094	1.24%	-2.841	221.253	-0.04%
Fife	582.960	1.14%	-7.390	575.571	-0.14%
Dumfries & Galloway	255.691	1.13%	-3.241	252.449	-0.15%
East Ayrshire	206.213	1.07%	-2.614	203.599	-0.21%
Renfrewshire	276.962	0.97%	-3.511	273.451	-0.31%
Stirling	149.061	0.92%	-1.890	147.171	-0.36%
West Lothian	287.351	0.85%	-3.643	283.708	-0.43%
Angus	182.035	0.83%	-2.303	179.732	-0.44%
Clackmannanshire	82.092	-0.17%	-0.228	81.864	-0.44%
East Dunbartonshire	163.592	-0.17%	-0.453	163.139	-0.44%
East Lothian	154.858	-0.29%	-0.243	154.615	-0.44%
East Renfrewshire	157.516	0.04%	-0.764	156.751	-0.44%
Glasgow City	1,095.745	-0.01%	-4.806	1,090.939	-0.44%
Moray	144.725	0.66%	-1.587	143.138	-0.44%
Orkney	64.670	0.33%	-0.503	64.167	-0.44%
Scottish Borders	186.903	0.78%	-2.266	184.637	-0.44%
South Ayrshire	179.729	0.47%	-1.638	178.091	-0.44%
North Ayrshire	240.467	-0.62%	0.428	240.895	-0.44%
Dundee City	254.959	-1.02%	1.485	256.444	-0.44%
Inverclyde	141.651	-1.68%	1.784	143.435	-0.44%
West Dunbartonshire	156.910	-2.06%	2.588	159.497	-0.44%
South Lanarkshire	490.665	-1.12%	3.349	494.014	-0.44%
Aberdeen City	290.659	-1.83%	4.104	294.763	-0.44%
Shetland	72.051	-6.46%	4.634	76.685	-0.44%
Edinburgh, City of	618.675	-2.20%	11.100	629.775	-0.44%
Argyll & Bute	154.211	-9.48%	15.399	169.610	-0.44%
Eilean Siar	70.656	-19.79%	17.044	87.700	-0.44%
Scotland	8,620.209	-0.44%	0.000	8,620.209	-0.44%

REDETERMINATIONS OF INDIVIDUAL REVENUE FUNDING 2019-20

	Free Sanitary Products in Schools	Appropriate Adults	Personal Licence Holder	Rapid Rehousing Transition Planning	Seatbelts on School Transport	EU Exit Preparations	National Trauma Training Trials	Dundee Airport	Social Security Accomodation	Teacher Induction Scheme	Customer First	Ordnance Survey	Counselling through Schools	Additional Support for Learning	Teachers Pay	Teachers Pension	Barclay Implementation	ALEO Baseline Reduction	Total
	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
Aberdeen City	0.065	0.021	0.005	0.311	0.006	0.050	0.000	0.000	0.000	0.677	0.000	0.000	0.350	0.507	4.545	1.960	0.020	0.000	8.517
Aberdeenshire	0.107	0.024	0.007	0.261	0.018	0.050	0.000	0.000	0.000	1.083	0.000	0.000	0.574	0.775	7.246	3.125	0.020	0.000	13.290
Angus	0.047	0.011	0.003	0.172	0.004	0.050	0.000	0.000	0.000	0.521	0.000	0.000	0.264	0.326	3.174	1.369	0.020	-0.013	5.948
Argyll & Bute	0.032	0.008	0.006	0.095	0.009	0.050	0.040	0.000	0.000	0.200	0.000	0.000	0.286	0.219	2.366	1.020	0.020	0.000	4.351
Clackmannanshire	0.018	0.005	0.002	0.103	0.002	0.050	0.000	0.000	0.000	0.442	0.000	0.000	0.131	0.144	1.412	0.609	0.020	0.000	2.938
Dumfries & Galloway	0.060	0.014	0.006	0.143	0.010	0.050	0.000	0.000	0.000	0.965	0.000	0.000	0.385	0.400	3.954	1.705	0.020	0.000	7.712
Dundee City	0.053	0.014	0.004	0.300	0.004	0.050	0.000	1.442	0.650	0.870	0.000	0.000	0.299	0.397	3.694	1.593	0.020	-0.438	8.952
East Ayrshire	0.049	0.011	0.004	0.119	0.005	0.050	0.000	0.000	0.000	0.943	0.000	0.000	0.287	0.346	3.259	1.405	0.020	-0.025	6.473
East Dunbartonshire	0.053	0.010	0.003	0.120	0.004	0.050	0.000	0.000	0.000	2.566	0.000	0.000	0.308	0.364	3.476	1.499	0.020	0.000	8.473
East Lothian	0.042	0.010	0.003	0.160	0.004	0.050	0.000	0.000	0.000	0.691	0.000	0.000	0.242	0.313	2.646	1.141	0.020	-0.040	5.282
East Renfrewshire	0.057	0.008	0.002	0.076	0.004	0.050	0.000	0.000	0.000	2.931	0.000	0.000	0.311	0.364	3.557	1.534	0.020	0.000	8.914
Edinburgh, City of	0.138	0.049	0.010	1.005	0.013	0.050	0.000	0.000	0.000	1.286	0.000	0.000	0.705	1.129	9.478	4.087	0.020	0.000	17.970
Eilean Siar	0.011	0.002	0.002	0.034	0.004	0.050	0.000	0.000	0.000	0.131	0.000	0.000	0.140	0.071	0.899	0.387	0.020	0.000	1.751
Falkirk	0.064	0.015	0.005	0.211	0.005	0.050	0.000	0.000	0.000	1.799	0.000	0.000	0.352	0.474	4.513	1.946	0.020	0.000	9.454
Fife	0.148	0.034	0.012	0.524	0.014	0.050	0.000	0.000	0.000	3.686	0.000	0.000	0.738	1.074	9.714	4.189	0.020	0.000	20.203
Glasgow City	0.192	0.058	0.016	1.322	0.016	0.050	0.040	0.000	0.000	4.120	0.000	0.000	0.955	1.521	14.464	6.237	0.020	-0.212	28.799
Highland	0.096	0.022	0.010	0.280	0.023	0.050	0.000	0.000	0.000	1.243	0.000	0.000	0.754	0.667	6.592	2.842	0.020	0.000	12.599
Inverclyde	0.031	0.007	0.002	0.053	0.003	0.050	0.000	0.000	0.000	0.600	0.000	0.000	0.195	0.211	2.048	0.883	0.020	0.000	4.103
Midlothian	0.038	0.008	0.004	0.141	0.003	0.050	0.040	0.000	0.000	0.625	0.000	0.000	0.220	0.288	2.571	1.108	0.020	0.000	5.116
Moray	0.035	0.009	0.005	0.097	0.005	0.050	0.000	0.000	0.000	0.318	0.000	0.000	0.208	0.257	2.377	1.025	0.020	0.000	4.406
North Ayrshire	0.056	0.012	0.006	0.187	0.005	0.050	0.000	0.000	0.000	0.733	0.000	0.000	0.329	0.384	3.819	1.647	0.020	0.000	7.248
North Lanarkshire	0.151	0.031	0.006	0.389	0.012	0.050	0.000	0.000	0.000	2.456	0.964	0.020	0.765	1.044	9.758	4.208	0.020	-0.186	19.688
Orkney	0.009	0.002	0.002	0.022	0.001	0.050	0.000	0.000	0.000	0.069	0.000	0.000	0.146	0.060	0.694	0.299	0.020	-0.024	1.350
Perth & Kinross	0.054	0.014	0.006	0.203	0.008	0.050	0.000	0.000	0.000	0.480	0.000	0.000	0.328	0.391	3.776	1.629	0.020	-0.069	6.890
Renfrewshire	0.074	0.016	0.005	0.186	0.006	0.050	0.000	0.000	0.000	1.132	0.000	0.000	0.389	0.507	4.598	1.983	0.020	-0.001	8.965
Scottish Borders	0.047	0.011	0.004	0.153	0.008	0.050	0.000	0.000	0.000	0.533	0.000	0.000	0.263	0.310	2.955	1.274	0.020	-0.038	5.590
Shetland	0.010	0.002	0.002	0.031	0.003	0.050	0.000	0.000	0.000	0.025	0.000	0.000	0.197	0.071	0.898	0.387	0.020	0.000	1.696
South Ayrshire	0.045	0.011	0.004	0.173	0.005	0.050	0.000	0.000	0.000	0.983	0.000	0.000	0.253	0.305	2.925	1.262	0.020	0.000	6.036
South Lanarkshire	0.141	0.029	0.007	0.461	0.011	0.050	0.000	0.000	0.000	1.743	0.000	0.000	0.709	0.959	9.141	3.942	0.020	-0.054	17.159
Stirling	0.043	0.009	0.003	0.101	0.005	0.050	0.000	0.000	0.000	0.997	0.000	0.000	0.262	0.269	2.564	1.106	0.020	0.000	5.429
West Dunbartonshire	0.038	0.008	0.003	0.265	0.003	0.050	0.000	0.000	0.000	0.815	0.000	0.000	0.226	0.268	2.624	1.132	0.020	0.000	5.452
West Lothian	0.082	0.016	0.005	0.302	0.007	0.050	0.000	0.000	0.000	1.799	0.000	0.000	0.429	0.585	5.263	2.270	0.020	-0.071	10.757
Scotland	2.086	0.501	0.164	8.000	0.230	1.600	0.120	1.442	0.650	37.462	0.964	0.020	12.000	15.000	141.000	60.803	0.640	-1.171	281.511

Local Authority	2020-21 GAE plus SINA	Percentage Shares	2008-21 Changes	2008-20 Changes	Movement in Changes
	£m	£m	£m	£m	£m
Aberdeen City	290.592	3.52	7.175	6.220	0.955
Aberdeenshire	397.411	4.81	9.812	8.563	1.249
Angus	179.814	2.18	4.440	3.870	0.570
Argyll & Bute	148.044	1.79	3.655	3.199	0.456
Clackmannanshire	76.914	0.93	1.899	1.641	0.258
Dumfries & Galloway	244.719	2.96	6.042	5.270	0.772
Dundee City	229.699	2.78	5.671	4.924	0.747
East Ayrshire	188.370	2.28	4.651	4.036	0.615
East Dunbartonshire	172.215	2.08	4.252	3.688	0.564
East Lothian	159.521	1.93	3.939	3.383	0.556
East Renfrewshire	163.170	1.97	4.029	3.517	0.512
Edinburgh, City of	646.527	7.82	15.963	13.849	2.114
Eilean Siar	63.440	0.77	1.566	1.359	0.207
Falkirk	239.203	2.89	5.906	5.116	0.790
Fife	563.386	6.81	13.910	12.131	1.779
Glasgow City	925.202	11.19	22.844	19.617	3.227
Highland	392.387	4.75	9.688	8.319	1.369
Inverclyde	123.807	1.50	3.057	2.667	0.390
Midlothian	138.972	1.68	3.431	2.937	0.494
Moray	141.013	1.71	3.482	3.037	0.445
North Ayrshire	218.902	2.65	5.405	4.720	0.685
North Lanarkshire	526.023	6.36	12.988	11.219	1.769
Orkney	57.871	0.70	1.429	1.254	0.175
Perth & Kinross	227.819	2.76	5.625	4.875	0.750
Renfrewshire	269.829	3.26	6.662	5.787	0.875
Scottish Borders	181.829	2.20	4.490	3.916	0.574
Shetland	64.215	0.78	1.586	1.414	0.172
South Ayrshire	174.142	2.11	4.300	3.719	0.581
South Lanarkshire	492.472	5.96	12.160	10.602	1.558
Stirling	145.096	1.76	3.583	3.119	0.464
West Dunbartonshire	145.545	1.76	3.594	3.101	0.493
West Lothian	278.854	3.37	6.885	6.027	0.858
Scotland	8267.003	100.000	204.119	177.096	27.023

2020-21 £m Authority	Capital Settlement 2020-21			Specific grants to be paid in 2020-21						
	General Capital Grant	Specific Grants	Total Capital Grants	Strathclyde Partnership	Vacant and Derelict Land	TMDF	Cycling Walking & Safer Streets	Heat Networks Early Adopters Challenge Fund	Early Years Expansion	Total
Aberdeen City	18.654	6.374	25.028	0.000	0.000	0.000	0.374	0.000	6.000	6.374
Aberdeenshire	26.439	7.329	33.768	0.000	0.000	0.000	0.429	0.000	6.900	7.329
Angus	11.926	2.391	14.317	0.000	0.000	0.000	0.191	0.000	2.200	2.391
Argyll & Bute	8.877	1.842	10.719	0.000	0.000	0.000	0.142	0.000	1.700	1.842
Clackmannanshire	4.362	1.384	5.746	0.000	0.000	0.000	0.084	0.000	1.300	1.384
Dumfries & Galloway	14.666	2.444	17.110	0.000	0.000	0.000	0.244	0.000	2.200	2.444
Dundee City	14.449	2.944	17.393	0.000	0.000	0.000	0.244	0.000	2.700	2.944
East Ayrshire	9.037	5.900	14.937	0.000	0.000	0.000	0.200	0.000	5.700	5.900
East Dunbartonshire	7.392	2.178	9.570	0.000	0.000	0.000	0.178	0.000	2.000	2.178
East Lothian	8.870	4.074	12.944	0.000	0.000	0.000	0.174	0.000	3.900	4.074
East Renfrewshire	5.646	3.356	9.002	0.000	0.000	0.000	0.156	0.000	3.200	3.356
Edinburgh, City of	38.225	38.801	77.026	0.000	0.000	27.950	0.851	0.000	10.000	38.801
Eilean Siar	6.396	0.844	7.240	0.000	0.000	0.000	0.044	0.000	0.800	0.844
Falkirk	13.017	4.263	17.280	0.000	0.000	0.000	0.263	0.000	4.000	4.263
Fife	25.033	9.024	34.057	0.000	1.313	0.000	0.611	0.000	7.100	9.024
Glasgow City	51.044	78.739	129.783	0.000	2.316	64.295	1.028	0.000	11.100	78.739
Highland	24.999	8.787	33.786	0.000	0.000	0.000	0.387	0.000	8.400	8.787
Inverclyde	6.174	1.628	7.802	0.000	0.000	0.000	0.128	0.000	1.500	1.628
Midlothian	7.080	4.450	11.530	0.000	0.000	0.000	0.150	0.000	4.300	4.450
Moray	8.214	2.057	10.271	0.000	0.000	0.000	0.157	0.000	1.900	2.057
North Ayrshire	27.565	4.445	32.010	0.000	1.323	0.000	0.222	0.000	2.900	4.445
North Lanarkshire	23.197	7.914	31.111	0.000	1.956	0.000	0.558	0.000	5.400	7.914
Orkney Islands	5.061	0.636	5.697	0.000	0.000	0.000	0.036	0.000	0.600	0.636
Perth & Kinross	11.970	4.048	16.018	0.000	0.000	0.000	0.248	0.000	3.800	4.048
Renfrewshire	12.045	3.892	15.937	0.000	0.000	0.000	0.292	0.000	3.600	3.892
Scottish Borders	11.623	1.989	13.612	0.000	0.000	0.000	0.189	0.000	1.800	1.989
Shetland Islands	5.204	0.938	6.142	0.000	0.000	0.000	0.038	0.000	0.900	0.938
South Ayrshire	8.610	4.185	12.795	0.000	0.000	0.000	0.185	0.000	4.000	4.185
South Lanarkshire	21.224	5.921	27.145	0.000	0.697	0.000	0.524	0.000	4.700	5.921
Stirling	7.795	1.955	9.750	0.000	0.000	0.000	0.155	0.000	1.800	1.955
West Dunbartonshire	11.599	1.546	13.145	0.000	0.000	0.000	0.146	0.000	1.400	1.546
West Lothian	11.544	3.599	15.143	0.000	0.000	0.000	0.299	0.000	3.300	3.599
Undistributed	0.000	50.000	50.000	0.000	0.000	0.000	0.000	50.000	0.000	50.000
Councils Total	467.937	279.877	747.814	0.000	7.605	92.245	8.927	50.000	121.100	279.877
Strathclyde Partnership for Transport		15.327	15.327	15.327	0.000	0.000	0.000	0.000	0.000	15.327
Grand Total	467.937	295.204	763.141	15.327	7.605	92.245	8.927	50.000	121.100	295.204

Council	Flood Scheme	Total 2020-21 £m
Aberdeenshire Council	Stonehaven	4.517
Aberdeenshire Council	Huntly	0.000
Angus Council	Arbroath	2.236
Argyll & Bute Council	Campbeltown	-0.940
Comhairle nan Eilean Siar	South Fords	0.000
Dumfries & Galloway Council	Dumfries/ River Nith/ Whitesands FPS	-0.369
Dumfries & Galloway Council	Stranraer work item 4 &6	0.320
Dumfries & Galloway Council	Langholm	0.087
Dumfries & Galloway Council	Newton Stewart/ River Cree	-0.390
Dundee City Council	Broughty Ferry	1.018
Dundee City Council	Dundee	0.000
East Ayrshire Council	New Cumnock	0.240
East Dunbartonshire Council	Park Burn	0.000
East Lothian Council	Musselburgh	0.794
East Lothian Council	Haddington	0.018
Falkirk Council	Grangemouth FPS	2.650
Fife Council	Kinness Burn	0.000
Glasgow City Council	White Cart Water Phase 3	0.080
Glasgow City Council	Camlachie Burn	0.000
Highland Council	Smithton and Culloden	0.105
Highland Council	Caol and Lochyside	0.198
Highland Council	Drumadrochit	0.956
Inverclyde Council	Inverclyde FPS - Glenmosston Burn	0.000
Inverclyde Council	Inverclyde FPS - Coves Burn	0.000
Inverclyde Council	Inverclyde FPS - Bouverie Burn	0.000
Inverclyde Council	Quarrier's Village	0.000
Moray Council	Newmill	-0.035
North Ayrshire Council	Millport Coastal	10.536
North Ayrshire Council	Upper Garnock FPS	6.538
North Ayrshire Council	Mill Burn Millport	0.480
Orkney Islands Council	Kirkwall	0.000
Perth & Kinross Council	Comrie	-0.660
Perth & Kinross Council	Milnathort	0.082
Perth & Kinross Council	South Kinross	0.061
Perth & Kinross Council	Scone	0.000
Scottish Borders Council	Hawick	0.474
Stirling Council	Bridge of Allan	0.108
Stirling Council	Stirling	-0.343
Stirling Council	Callander	0.203
West Dunbartonshire Council	Gruggies Burn	4.636
	Total	33.600

2019-20	Capital Settlement 2019-20			Specific grants to be paid in 2019-20						
	£m	General Capital Grant	Specific Grants	Total Capital Grants	Strathclyde Partnership	Vacant and Derelict Land	TMDF	Cycling Walking & Safer Streets	Early Years Expansion	Town Centre Fund
Aberdeen City	27.949	10.325	38.274	0.000	0.000	0.000	0.374	8.600	1.351	10.325
Aberdeenshire	37.590	13.714	51.304	0.000	0.000	0.000	0.428	10.000	3.286	13.714
Angus	19.872	4.471	24.343	0.000	0.000	0.000	0.191	3.200	1.080	4.471
Argyll & Bute	19.269	3.885	23.154	0.000	0.000	0.000	0.143	2.500	1.242	3.885
Clackmannanshire	6.208	2.567	8.775	0.000	0.000	0.000	0.084	1.800	0.683	2.567
Dumfries & Galloway	24.408	4.973	29.381	0.000	0.000	0.000	0.244	3.200	1.529	4.973
Dundee City	30.747	4.878	35.625	0.000	0.000	0.000	0.243	3.900	0.735	4.878
East Ayrshire	14.630	10.000	24.630	0.000	0.000	0.000	0.199	8.100	1.701	10.000
East Dunbartonshire	11.046	3.821	14.867	0.000	0.000	0.000	0.177	2.700	0.944	3.821
East Lothian	10.066	7.046	17.112	0.000	0.000	0.000	0.171	5.600	1.275	7.046
East Renfrewshire	8.257	5.736	13.993	0.000	0.000	0.000	0.155	4.600	0.981	5.736
Edinburgh, City of	59.246	51.824	111.070	0.000	0.000	33.877	0.834	14.500	2.613	51.824
Eilean Siar	9.151	1.468	10.619	0.000	0.000	0.000	0.045	1.200	0.223	1.468
Falkirk	16.084	8.037	24.121	0.000	0.000	0.000	0.261	5.800	1.976	8.037
Fife	38.329	16.914	55.243	0.000	1.772	0.000	0.607	10.200	4.335	16.914
Glasgow City	80.628	101.477	182.105	0.000	3.528	77.928	1.011	16.000	3.010	101.477
Highland	37.743	15.449	53.192	0.000	0.000	0.000	0.384	12.100	2.965	15.449
Inverclyde	9.403	2.989	12.392	0.000	0.000	0.000	0.129	2.200	0.660	2.989
Midlothian	10.575	7.356	17.931	0.000	0.000	0.000	0.146	6.300	0.910	7.356
Moray	12.412	4.190	16.602	0.000	0.000	0.000	0.157	2.800	1.233	4.190
North Ayrshire	18.179	7.981	26.160	0.000	2.141	0.000	0.222	4.200	1.418	7.981
North Lanarkshire	35.947	14.392	50.339	0.000	2.886	0.000	0.556	7.700	3.250	14.392
Orkney Islands	7.454	1.036	8.490	0.000	0.000	0.000	0.036	0.800	0.200	1.036
Perth & Kinross	28.484	7.830	36.314	0.000	0.000	0.000	0.247	5.600	1.983	7.830
Renfrewshire	18.391	6.848	25.239	0.000	0.000	0.000	0.289	5.100	1.459	6.848
Scottish Borders	25.247	4.409	29.656	0.000	0.000	0.000	0.188	2.800	1.421	4.409
Shetland Islands	7.690	1.542	9.232	0.000	0.000	0.000	0.037	1.300	0.205	1.542
South Ayrshire	12.897	7.048	19.945	0.000	0.000	0.000	0.184	5.800	1.064	7.048
South Lanarkshire	33.029	11.046	44.075	0.000	1.120	0.000	0.520	6.900	2.506	11.046
Stirling	12.205	3.830	16.035	0.000	0.000	0.000	0.153	2.600	1.077	3.830
West Dunbartonshire	11.186	3.106	14.292	0.000	0.000	0.000	0.147	2.100	0.859	3.106
West Lothian	17.647	6.922	24.569	0.000	0.000	0.000	0.296	4.800	1.826	6.922
Undistributed	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Councils Total	711.969	357.110	1,069.079	0.000	11.447	111.805	8.858	175.000	50.000	357.110
Strathclyde Partnership for Transport		23.131	23.131	23.131	0.000	0.000	0.000	0.000	0.000	23.131
Grand Total	711.969	380.241	1,092.210	23.131	11.447	111.805	8.858	175.000	50.000	380.241

Local Authority	Ring-Fenced Grants	Non Domestic Rates	General Revenue Funding	Total 2019-20 Revenue	General Capital Grant	Specific Grant	Total 2020-21 Capital	2020-21 Local Government Finance Settlement
	£m	£m	£m	£m	£m	£m	£m	£m
Aberdeen City	29.698	245.563	85.962	361.223	18.654	6.374	25.028	386.251
Aberdeenshire	31.324	119.652	304.657	455.633	26.439	7.329	33.768	489.401
Angus	12.747	26.537	178.849	218.133	11.926	2.391	14.317	232.450
Argyll & Bute	10.768	34.776	160.588	206.132	8.877	1.842	10.719	216.851
Clackmannanshire	6.765	16.067	79.290	102.122	4.362	1.384	5.746	107.868
Dumfries & Galloway	15.680	53.259	235.006	303.945	14.666	2.444	17.110	321.055
Dundee City	22.978	49.119	245.322	317.419	14.449	2.944	17.393	334.812
East Ayrshire	17.471	26.362	203.906	247.739	9.037	5.900	14.937	262.676
East Dunbartonshire	12.100	22.759	165.316	200.175	7.392	2.178	9.570	209.745
East Lothian	13.474	27.293	146.639	187.406	8.870	4.074	12.944	200.350
East Renfrewshire	7.791	14.877	166.747	189.415	5.646	3.356	9.002	198.417
Edinburgh, City of	56.996	356.843	378.307	792.146	38.225	38.801	77.026	869.172
Eilean Siar	4.348	8.307	86.426	99.081	6.396	0.844	7.240	106.321
Falkirk	22.986	69.123	213.391	305.500	13.017	4.263	17.280	322.780
Fife	47.384	166.844	481.679	695.907	25.033	9.024	34.057	729.964
Glasgow City	88.175	356.130	878.218	1,322.523	51.044	78.739	129.783	1,452.306
Highland	30.718	137.851	319.946	488.515	24.999	8.787	33.786	522.301
Inverclyde	11.524	19.593	145.060	176.177	6.174	1.628	7.802	183.979
Midlothian	15.140	29.254	132.923	177.317	7.080	4.450	11.530	188.847
Moray	11.934	43.324	116.694	171.952	8.214	2.057	10.271	182.223
North Ayrshire	19.565	37.364	237.234	294.163	27.565	4.445	32.010	326.173
North Lanarkshire	47.369	106.580	513.095	667.044	23.197	7.914	31.111	698.155
Orkney	8.005	10.483	59.028	77.516	5.061	0.636	5.697	83.213
Perth & Kinross	15.499	56.569	196.303	268.371	11.970	4.048	16.018	284.389
Renfrewshire	26.453	110.286	202.044	338.783	12.045	3.892	15.937	354.720
Scottish Borders	13.907	34.931	173.123	221.961	11.623	1.989	13.612	235.573
Shetland	8.194	25.662	55.361	89.217	5.204	0.938	6.142	95.359
South Ayrshire	12.372	42.718	160.294	215.384	8.610	4.185	12.795	228.179
South Lanarkshire	40.141	337.810	226.746	604.697	21.224	5.921	27.145	631.842
Stirling	13.029	42.754	125.995	181.778	7.795	1.955	9.750	191.528
West Dunbartonshire	13.130	83.583	104.609	201.322	11.599	1.546	13.145	214.467
West Lothian	21.071	77.727	242.467	341.265	11.544	3.599	15.143	356.408
Undistributed	0.014	0.000	52.837	52.851	0.000	50.000	50.000	102.851
Strathclyde Passenger Transport	0.000	0.000	0.000	0.000	0.000	15.327	15.327	15.327
Scotland	708.750	2,790.000	7,074.063	10,572.813	467.937	295.204	763.141	11,335.954

Rùnaire a' Chaibineit airson Ionmhas
Ceit Fhoirbheis BPA
Cabinet Secretary for Finance
Kate Forbes MSP



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Councillor Alison Evison
COSLA President
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Copy to: The Leaders of all Scottish local authorities

27 February 2020

Dear Alison

You and other Leaders have raised a number of points on the quantum of the local government finance settlement, including in our most recent meeting on 12 February. I have reflected on those points and also the very similar points raised by the Scottish Greens in my discussions with them to secure support for the Budget.

While we have invested £494 million of resource funding in local government and stand by our position this additional funding for early learning and childcare, education and social care are core functions of local government, I have heard calls from COSLA and other political parties for additional investment to ensure, in particular, that local authorities can contribute fully to our efforts to reduce child poverty and tackle the climate emergency. This has been my priority throughout these discussions and I have identified an additional £95 million of resource to meet this request. This funding is not ring-fenced and will be added to the core grant as part of the local government finance settlement. This will deliver a total increase in resource funding for local government in 2020-21 of £589 million.

In relation to capital spending, we are able to make a further funding available for projects that support our net-zero ambitions.

For local government I will allocate £15m to further support investment in cycling, walking and safer streets, and support further investment in energy efficiency through a mix of area based schemes and other existing programmes we will allocate £25 million to be discussed further with local government and other delivery partners.

I know local authorities along with the rest of the public sector are still facing some difficult financial challenges as a result of continuing UK Government austerity, but I hope you can recognise and welcome the significant package of additional measures I have confirmed.

Set out in the Appendix to this letter are details of the additional allocations to individual local authorities, through the normal formula distribution for the additional resource allocation of £95 million, to be spent at the discretion of local authorities, and allocations of the additional specific capital grant funding for Cycling, Walking and Safer Streets. These allocations are subject to Parliamentary approval of the final stages of the Budget Bill and associated Local Government Finance (Scotland) Order 2020.



KATE FORBES

Appendix

Local Authority	Shares of £95m Additional Resource funding (distributed on shares of GAE + SINA)	Shares of £15m Additional Cycling, Walking and Safer Streets Specific Capital Grant
	£m	£m
Aberdeen City	3.339	0.628
Aberdeenshire	4.567	0.721
Angus	2.066	0.321
Argyll & Bute	1.701	0.239
Clackmannanshire	0.884	0.141
Dumfries & Galloway	2.812	0.410
Dundee City	2.640	0.410
East Ayrshire	2.165	0.336
East Dunbartonshire	1.979	0.299
East Lothian	1.833	0.292
East Renfrewshire	1.875	0.262
Edinburgh, City of	7.430	1.430
Eilean Siar	0.729	0.074
Falkirk	2.749	0.442
Fife	6.474	1.027
Glasgow City	10.632	1.727
Highland	4.509	0.650
Inverclyde	1.423	0.215
Midlothian	1.597	0.252
Moray	1.620	0.264
North Ayrshire	2.516	0.373
North Lanarkshire	6.045	0.938
Orkney	0.665	0.060
Perth & Kinross	2.618	0.417
Renfrewshire	3.101	0.491
Scottish Borders	2.089	0.318
Shetland	0.738	0.064
South Ayrshire	2.001	0.311
South Lanarkshire	5.659	0.880
Stirling	1.667	0.260
West Dunbartonshire	1.673	0.245
West Lothian	3.204	0.502
Scotland	95.000	15.000

Budget Overview

Appendix 3

	2020/21 £'000	2020/21 £'000
2020/21 Budget deficit as per Full Council February 2019	25,343	
Additional cost of current service standard in 2020/21	14,224	
Budgetary Pressures 2020/21		<u>39,567</u>
Savings		
Education and Children's Services	1,572	
Infrastructure Services	951	
Business Services	1,961	
Contribution to Health & Social Care Partnership	<u>0</u>	4,484
Treasury Management	2,500	
Strategic Finance - Capitalisation	9,000	
Charging Policy - Additional Income	500	
Procurement Efficiencies	<u>1,800</u>	13,800
Grant Funding: Teachers Pay & Superannuation	13,662	
Council Tax 3%	4,254	
General Revenue Grant 27 February 2020	<u>4,567</u>	<u>22,483</u>
		<u>40,767</u>
Transfer to Reserves to support Council Priorities		<u>1,200</u>
Passporting of General Revenue Grant		
Health and Social Care	3,381	
Free Personal Care	133	
Carers Act	497	
Counselling	<u>194</u>	4,205
Transferred to Health & Social Care Partnership		4,205
Council Tax above 3%		
Council Tax 1.84%		2,609
New Funding Initiatives: Infrastructure		2,609

Medium Term Financial Strategy 2020/25
Savings Proposals

Budget Page	Saving Detail	Agreed Saving 2020/21 £000's
Early Years	Alternative delivery models Early Learning & Childcare, management staff will have responsibilities for two early years settings	400
Admin & Management	Letting Income increasing charges and actively encouraging utilisation of the available facilities	25
Community Learning & Development	Reduction in Grant Awards to third party providers	17
Children - Community Care	% reduction in staffing	20
Children - Community Care	Self Directed Support management of SDS funding allocation through new forum to add extra rigour and bring more continuity to service provision/funding of packages	10
Primary & Secondary	Music Tuition increased use of technology for teaching and increased charging	100
Admin and Management	Vacancy Management in Admin & Management, CLD, Area Offices, Quality Improvement - most vacancies will not be filled	500
Education & Children's Services - across service	Fast track efficiency reviews and cost control measures, including FM Review	500
Total Education and Children's Services		1,572
Consumer Protection	This will see the combining of 2 fte Service Manager posts into 1 fte for Environmental Health & Trading Standards Manager	73
Environmental Health	Reduction in Environmental Health contaminated land site investigation budget.	7
Infrastructure Services - across service	Recommence charging for Environmental Information Requests across Infrastructure Services.	10
Economic Development	Reduction to the budget to provide for Grant fund Supporting Aberdeenshire Business that currently stands at total of £180,000.	60
Public Analyst	Reduction in budget provided to allow sampling for Environmental Health, Trading Standards and Waste Management by Public Analyst.	42
Consumer Protection	Reduce from 1 fte to 0.5fte Trading Standards Technical officer post.	17
Flood Management	Drone Inspections Flooding - Traditional survey and inspection of watercourses require individuals to access sites that are difficult or potentially dangerous, especially at times of high water flow. Use of the drone allows inspections to be carried out more quickly, and also closer to the time of the actual event. In addition regular inspections can be carried out more quickly than by traditional means.	16
Quarries	Drone Inspections - Quarries -Measurement of stockpiles are currently are required to be undertaken monthly. In addition 6 monthly record photographs are required for record purposes. These operations can be carried out more efficiently by drone survey. The information provided will also be more robust than by the current manual assessment of stockpiles.	5
Flood Management	Flood Management - Minor Works - Approximately £150k is allocated annually to deliver specific minor flood schemes/measures. Reducing this funding by £50k would reduce the number of projects that could be taken forward. This would also see the remaining funding more focused towards Property Level Protection interventions, rather than in projects to address the root cause of the flooding, particularly in rural locations where small numbers of properties are impacted.	50
Vehicle Maintenance Services	Updates software on Allison Gearboxes - Install software in 28 vehicles that will respond to vehicle behaviour, improve fuel consumption and reduce CO2 emissions. Savings of 5 - 6% is expected on fuel and reduction of 6 - 6.75 tonnes of CO2 emissions annual.	19
Infrastructure Services - across service	Reduction in Idling across all IS vehicles - Introduce measures/working practices to reduce vehicle idling by 40%. Using Telematics weekly/monthly reports will be sent to Service Managers and Supervisors showing idling time over 5 minutes for each vehicle.	91
Infrastructure Services - across service	Reduction of IS fleet - A 3% reduction in Fleet across Infrastructure Services would see 19 vehicles removed from the overall Fleet if applied to all Infrastructure Services. Savings would be dependant on the type of vehicle handed back. An alternative to achieve the saving is to consider low mileage under utilised vehicles.	98
Infrastructure Services - across service	Reduction of IS Fuel Budgets by 8% by using telematic vehicle reports to ensure most efficient routes are used and no unnecessary journeys taken.	224

Medium Term Financial Strategy 2020/25
Savings Proposals

Budget Page	Saving Detail	Agreed Saving 2020/21
Transportation	Cost recovery for electric vehicle charging - Introduce a cost recovery mechanism that will see customers pay for charging electric vehicles at Council owned EV charging units. This has been previously reported to ISC on 28 November 2019 (Item 11) and agreed. Charging to start as of 1 April 2020.	16
Roads Maintenance	Drone Inspection Structures - The use of the drone will allow certain types of visual inspections on structures to be carried out "remotely". This will reduce the time spent providing accesses arrangement to get an inspector close enough to the structure to carry out the visual inspection.	16
Environment	Stop Funding Design Awards - The proposal would be to stop funding the Design Awards which are held biannually. In order to realise the savings for the full year the decision by Full Council in taking the saving would then be implemented immediately by officers. The budget reductions would likely impact on the success of the Architecture and Landscape Design Awards 2020. However, through obtaining sponsorship from the development industry it is anticipated that the loss of budget would be overcome in future years leading to the long term success and growth of the awards.	30
Infrastructure Services - across service	Reduction of further 3 Admin D posts from Support Services following on from savings already achieved in recent organisational review process.	75
Car Parks	Extend Charging in Off Street Car Parks (part year) - Extend pay and display into some car parks that have sections that are currently free and/or add location in some towns that do not have pay and display.. This would focus on the major settlements of Inverurie, Banff and Stonehaven and would require consultation	60
Economic Development	Remove 1fte Regeneration Project Officer Post	42
Total Infrastructure Services Directorate		951
Legal & Governance	Licensing - operational efficiencies created by move to a single licensing board and improved digital administration in particular online applications.	40
Finance	Capital Finance Charges represent the cost of the Council's borrowing. It is proposed not to enter into long term fixed rate borrowing in 2020/21 and instead proactively manage the cash flow and if required use short term borrowing.	1,000
Property Construction Services	Energy Management - this proposal is as a result of the Council bringing back in-house the Energy Management Team. Part of the role previously undertaken by the previous provider will now be undertaken on an individual project basis and resourced separately. Therefore, the team to undertake energy management operational activities has reduced in numbers with a corresponding reduction in cost.	108
Finance	The Finance Service continues to review its structure including the management of vacant posts, recruitment and use of technology where beneficial and appropriate. A combination of these actions will be used to reduce the overall costs of the service.	100
Customer, Communication & Improvement	The service has taken the opportunity to remove a vacant team leader post, and has reduced budgets for the access panels as a result of merging three panels into one.	74
HR &OD	Reduction of 1 fte within the transactional teams arising from continued roll out of self-service functionality.	29
Estates	The proposal is for the Estates team to generate additional income above the income previously budgeted for from their commercial portfolio. The aim is to achieve this through management of the void process.	50
Business Services - across service	Senior Management Costs - year one savings following Voluntary Severance exercise carried out for managers with Business Services	100
Corporate Estates	Asbestos Surveys - This proposal relates to the reduction in the cost of asbestos management. There has been a slight modification whereby there will be an obligation on individual projects to resource asbestos management surveys and less reliance on the current asbestos management resource. Thereby having a corresponding reduction in cost.	20
Business Services - across service	Transformation and redesign of Business Services - this is a further saving as a result of Voluntary Severance and the reduction in senior management costs.	250

Medium Term Financial Strategy 2020/25
Savings Proposals

Budget Page	Saving Detail	Agreed Saving 2020/21
Estates	Estates Rationalisation - The Council has made a reduction to operational properties over the last decade. The cost of operational assets is the second highest revenue cost (staffing being the first). As such, there is a need for ensuring that the Council has the optimum number of assets to meet the Service delivery requirements. This saving reflects the continual programme to optimise Council assets along with the reduction of operational/running costs of facilities being released through implementation of ongoing strategies, i.e. WorkSPACE/Office Space Strategy/Depots/Town and Public Halls and the like.	120
ICT	Robotic Process Automation - the automation of routine administrative tasks, beginning with HR Processes, but likely to be expanded significantly across many administrative functions. The saving is likely to be realised through not filling vacant admin posts as they arise. As a result, fewer administrative staff will be required in the future	70
Total Business Services Directorate		1,961
Total savings accepted		4,484

ABERDEENSHIRE COUNCIL REVENUE BUDGET 2020-25

Appendix 4

	BASE BUDGET 2020/21 £000	BASE BUDGET 2021/22 £000	BASE BUDGET 2022/23 £000	BASE BUDGET 2023/24 £000	BASE BUDGET 2024/25 £000
EDUCATION & CHILDREN'S SERVICES					
Admin & Management	8,299	8,521	8,748	8,981	9,221
Area Managers - Banff & Buchan and Garioch	831	853	875	897	920
Education					
Early Years	41,125	41,835	42,560	43,302	44,060
Primary	108,837	111,538	114,316	117,170	120,105
Secondary	105,467	108,005	110,611	113,287	116,037
Special	29,219	30,004	30,810	31,638	32,490
Community Learning & Development	4,010	4,110	4,214	4,321	4,431
Active Schools	179	201	224	248	272
School Catering	6,545	6,646	6,749	6,853	6,960
Children - Community Care	14,186	14,532	14,887	15,253	15,628
Children - Family Placement	8,235	8,360	8,487	8,616	8,748
Children - Residential Care	2,291	2,354	2,417	2,482	2,549
Children - Out of Authority Placements	12,593	12,719	12,846	12,974	13,104
	332,687	340,304	348,121	356,144	364,384
Live Life Aberdeenshire					
Arts Development	534	549	563	578	593
Visitor Attractions	189	190	192	194	195
Grant Aid	170	172	174	176	178
Libraries	4,364	4,470	4,581	4,695	4,812
Museums	624	635	647	659	671
Active Communities	256	260	266	271	277
Halls	434	439	444	450	455
Sport & Leisure	4,681	4,750	4,818	4,888	4,959
	11,252	11,465	11,685	11,911	12,140
Expenditure funded from borrowing	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)
EDUCATION & CHILDREN'S SERVICES TOTAL	351,069	359,143	367,429	375,933	384,665
INTEGRATION JOINT BOARD	117,314	120,833	124,458	128,192	132,038
INFRASTRUCTURE SERVICES					
Planning					
Planning Administration	-	-	-	-	-
Building Standards	(75)	(87)	(98)	(110)	(122)
Development Management	1,490	1,520	1,551	1,582	1,614
Policy, Information & Delivery	958	982	1,006	1,031	1,056
Environment	2,059	2,105	2,152	2,200	2,250
	4,432	4,520	4,611	4,703	4,798
Economic Development & Protective Services					
Economic Development	4,186	4,263	4,342	4,423	4,506
Protective Services Administration	-	-	-	-	-
Consumer Protection	862	886	910	935	961
Animal Welfare	289	296	303	311	319
Public Analyst	280	283	286	289	292
Environmental Health	1,924	1,981	2,041	2,102	2,165
	7,541	7,709	7,882	8,060	8,243
Roads, Landscape Services & Waste Management					
Roads Administration & Management	(839)	(885)	(932)	(981)	(1,032)
Flood Management	774	782	790	798	806
Harbours	833	831	829	826	823
Roads Maintenance - Expenditure & Income	11,684	11,770	11,854	11,938	12,021
Winter Maintenance - Expenditure	5,009	5,059	5,110	5,162	5,214
Other Recoverable Works - Roads	-	-	-	-	-
Highways	(1,170)	(1,572)	(1,989)	(2,423)	(2,873)
Quarries	(816)	(944)	(1,077)	(1,216)	(1,360)
Landscape Services - Administration	(19)	(18)	(17)	(16)	(15)
Burial Grounds	216	174	132	88	41
Parks & Open Spaces	5,980	6,039	6,098	6,158	6,218
Grounds Maintenance	(279)	(280)	(281)	(281)	(281)
Waste Management	-	-	-	-	-
Waste Collection	7,878	8,027	8,179	8,335	8,494
Waste Disposal	16,184	16,365	16,547	16,732	16,917
Street Cleansing	2,800	2,864	2,930	2,998	3,067
	48,235	48,214	48,175	48,120	48,042
Transportation					
Transportation	7,884	7,938	7,992	8,046	8,101
Car Parks	(62)	(72)	(74)	(76)	(79)
Internal Transport	-	-	-	-	-
Vehicle Maintenance Services	101	42	(20)	(84)	(151)
Transport and Mobility	119	-	-	-	-

	BASE BUDGET 2020/21 £000	BASE BUDGET 2021/22 £000	BASE BUDGET 2022/23 £000	BASE BUDGET 2023/24 £000	BASE BUDGET 2024/25 £000
	8,042	7,908	7,899	7,887	7,872
General Fund Housing					
Affordable Housing	251	257	264	271	278
Homeless Persons	3,515	3,542	3,568	3,594	3,619
Improvement and Repairs Grants	926	926	925	924	922
Gypsies Travellers	144	146	149	152	155
Housing Support	439	438	437	436	435
Community Safety	346	356	366	377	388
	5,621	5,665	5,709	5,754	5,797
Area Managers - Kincardine, Mearns & Marr	928	952	977	1,002	1,028
Support Services	-	-	-	-	-
Expenditure funded from borrowing	(7,000)	(7,000)	(7,000)	(7,000)	(7,000)
INFRASTRUCTURE SERVICES TOTAL	67,799	67,967	68,252	68,525	68,779
BUSINESS SERVICES					
Chief Executive	335	345	355	365	376
Councillors' Remuneration & Expenses	2,229	2,290	2,353	2,418	2,485
Business Services Directorate	1,130	1,164	1,199	1,235	1,272
Finance	5,602	6,057	6,517	6,983	7,455
Internal Audit	385	403	421	440	459
HR&OD	6,327	6,502	6,681	6,866	7,056
ICT	9,977	10,190	10,408	10,631	10,860
Legal and Governance	2,736	2,816	2,897	2,980	3,066
Miscellaneous Licensing	(13)	(18)	(24)	(30)	(36)
GVJB	2,103	2,124	2,145	2,166	2,188
Customer, Communications & Improvement	3,277	3,368	3,462	3,558	3,657
Commercial and Procurement	1,419	1,424	1,429	1,434	1,438
Woodhill House	1,998	2,007	2,017	2,026	2,035
Office Accommodation	2,036	2,061	2,086	2,111	2,137
Building Cleaning	-	-	-	-	-
Public Conveniences	531	535	540	545	550
Operational Buildings	-	-	-	-	-
Estates	(2,575)	(2,683)	(2,794)	(2,908)	(3,026)
Corporate Estates	152	153	154	155	156
Property Construction Services	(1,470)	(1,523)	(1,579)	(1,636)	(1,694)
Building Repairs & Maintenance Fund	5,855	5,912	5,969	6,027	6,085
Area Managers - Formartine & Buchan	852	875	897	920	943
Tackling Poverty and Inequalities	1,105	1,118	1,131	1,144	1,157
Charges to HRA, Capital and Others	(5,439)	(3,287)	(3,287)	(3,287)	(3,287)
BUSINESS SERVICES TOTAL	38,552	41,833	42,977	44,143	45,332
OTHER EXPENDITURE					
Capital Financing Charges & Interest on Revenue Balances	34,697	38,196	38,196	38,196	38,196
Expenditure Funded from Borrowing	(3,357)	-	-	-	-
Transfer to Reserves	1,200	-	-	-	-
OTHER EXPENDITURE TOTAL	32,540	38,196	38,196	38,196	38,196
TOTAL REVENUE EXPENDITURE ALL SERVICES	607,274	627,972	641,312	654,989	669,010
Procurement Efficiencies	(1,800)				
TOTAL REVENUE EXPENDITURE ALL SERVICES	605,474	627,972	641,312	654,989	669,010
Revenue Support Grant	(337,777)	(337,777)	(337,777)	(337,777)	(337,777)
Business Rates	(119,652)	(119,652)	(119,652)	(119,652)	(119,652)
Council Tax	(148,045)	(148,045)	(148,045)	(148,045)	(148,045)
TOTAL INCOME ALL SERVICES	(605,474)	(605,474)	(605,474)	(605,474)	(605,474)
NET EXPENDITURE/(INCOME)	-	22,498	35,838	49,515	63,536

APPENDIX 5

1. Financial Risks

- 1.1 The identification and acceptance of risk is a normal part of the budget process. Budget assumptions will carry a degree of financial risk which may result in a budget variation if information or circumstances supporting that assumption change.
- 1.2 Several financial risks have been identified during the preparation of the proposed revenue budget. The following list captures key risks and is not exhaustive. Key risks include:-

(1) Grant Settlement

A one year Settlement has again been received for this budget process. The benefits of a multi-year Settlement continue to be expressed to enhance the accuracy of future years' service delivery and budget setting. A flat cash Settlement was assumed for 2020/21 and this proved to be an accurate assumption when compared to the Settlement announced on 6 February 2020. Since this point, a further announcement on the Settlement was made on 27 February outlining additional resources and flexibility. Whilst this is welcomed, the prospect of a multi year Settlement from 2020/21 together with the development of local government funding is seen as more sustainable.

(2) Pay Provision

The pay inflation provisions currently within the budget reflect known positions. However, it is recognised that the actual costs incurred during the year will link to the next risk in terms of employment levels, turnover and vacancy management.

(3) Staff Costs

As part of the Medium Term Financial Strategy, directors have reviewed staff budgets to identify the potential for savings, for non-filling of vacant posts and the scope for structures to be reviewed compared with any impact on service delivery. All services, particularly Education & Children's Services are likely to face additional pressures on their staffing budgets due to budget decisions, recruitment plans and demographics when compared to the base budget position.

The staffing implications are set out in more detail within the body of the report. In anticipation of the consequences of the budget position leading to a reduction in the number of posts, action has already been taken to manage vacancies, reduce levels of overtime and the number of agency staff. A number of steps will be taken to minimise the number of compulsory redundancies including reviewing all temporary contracts, voluntary severance in areas where services are being reduced and seeking voluntary reduction in contracted hours as well as redeployment and reskilling.

- (4) Early Learning & Childcare
Aberdeenshire Council is committed to meeting the expansion of this area of service provision and the entitlement to 1,140 hours. In order to do this a rigorous review of a realistic timeline for delivering this initiative has resulted in a re profiling of the expenditure. Officers continue to deliver this initiative across the period rather than against financial years. This key initiative will continue to be closely monitored.
- (5) Treasury Management
Treasury Management involves identifying and accepting a number of risks and assumptions. These include: interest rates for borrowing and investing, financial market conditions, the timing of borrowing, levels of cash balances and the timing of the delivery of the Capital Plan. Complementing this is the need to assess the level of cash balances held with the requirement to borrow short or long term and when the Council will actually need resources to fund the Capital Plan. Currently no long term borrowing is planned for 2020/21. A significant risk exists around this assumption as the uncertainty in the financial markets, particularly with interest rates, means that adverse movements will impact on the overall Loans Fund budget.
- (6) Demographic Changes
The demographics of Aberdeenshire continue to show a general rise in population with a specific increase in age profile of the population. The associated challenges of providing care for a rising population where people live with multiple and complex conditions, an increase in pupil numbers and early years' childcare as well as changes due to learning disability clients and child placements are well known. These have been expressed once again during this budget process. This demographic pattern can result in rising demand for services without the immediacy of corresponding increases in grant.
- (7) Aberdeenshire Health & Social Care Partnership
Aberdeenshire Council and NHS Grampian share the financial responsibility for funding the Partnership. Aberdeenshire Council's budget assumes that all funds specifically identified for the Partnership are passed on in full. This budget continues to have specific and significant demographic challenges as outlined in Risk 6 above which has resulted in forecasts which are out with budget. Considerable work has been undertaken to minimise this risk by setting an appropriate budget, but a significant risk still remains across the whole Partnership.
- (8) Council Tax
It is recognised that the Settlement information provides flexibility on the increase in Council Tax of 1.84% above a base of 3%. The Council has agreed an increase of 4.84% at its meeting on 13 February 2020 for the financial year 2020/21. Whilst a rise in Council Tax will raise additional income there is also the associated risk of an increase in non-collection.

(9) Inflation

The budget has been prepared on the basis that known contracted inflation will be part of the budget, whereas a general inflation provision has been removed. Should this not be possible and if the anticipated levels of inflation increase then this may cause additional pressure on the revenue budget.

(10) Reserves

For a number of years, the General Fund Reserve has been set at £9 million. A review of reserves is undertaken as part of the Medium Term Financial Strategy process to ensure that total reserves are reflective of current circumstances. Reserves are closely monitored throughout each financial year. A separate report on Reserves is included within the Medium Term Financial Strategy.

1.3 All of these risks and others within the budget will be monitored and managed in order to identify any issues and address these at an early stage.

Outcome Of Equality Impact Assessments in Respect of the Revenue Budget

EDUCATION & CHILDRENS SERVICES

1 Reduction in Self Directed Support

For each of the protected characteristics identified (Age – younger, Disability and Pregnancy and Maternity) there is a risk of reduction in capacity to protect and support these individuals with the identified characteristics above which may lead to children being placed at risk and requiring a higher level of intervention including accommodating children if we cannot sustain early intervention approaches or level of care, support and respite provided through individual budgets via Self-Directed Support.

In terms of impact on individuals facing socio-economic inequalities, there is a risk of reduction in capacity to protect and support these individuals with the identified characteristics above which may lead to risk in terms of support to access education, employment, financial support and access to health services.

Steps will be taken to mitigate impacts including

- Risk Assessment and Risk Management of the demand for Services by Team Managers. The performance of the Service is also monitored by the senior management team and the Child Protection Committee
- Consultation with stakeholders to broaden feedback on impact of Service. The performance of the Service is also monitored by the senior management team and the Child Protection Committee
- The Service also has an improvement plan to reduce inefficiencies in the system which will help mitigate against any reduction of budget/staff brought about through the identified saving
- Approval of appropriate moderate to high individual budgets by the Team Manager Practice Forum

The monitoring arrangements will be through the performance data and bench marking data which is scrutinised by the senior management team and the Child Protection Committee.

The Service will continue to monitor data and performance particularly in relation to any increase in the number of higher-level interventions or the increase in the number of families waiting for a Service. The Service also has an improvement plan to reduce inefficiencies in the system which will help mitigate against any reduction of budget/staff brought about through the identified saving.

2 Pupil Support Assistants

- No impacts identified.

3 Secondary Education

- No impacts identified.

4 Admin & Management Staffing

- No impacts identified.

5 Special Education

- No impacts identified.

6 Children's Services Social Work Budget Savings

For each of the protected characteristics identified (Age – younger, Disability and Pregnancy and Maternity) there is a risk of reduction in capacity to protect and support these individuals with the identified characteristics above which may lead to children being placed at risk and requiring a higher level of intervention including accommodating children if we cannot sustain early intervention approaches. In terms of impact on individuals facing socio-economic inequalities, there is a risk of reduction in capacity to protect and support these individuals with the identified characteristics above which may lead to risk in terms of support to access education, employment, financial support and access to health services.

Steps will be taken to mitigate impacts including

- Risk Assessment and Risk Management of the demand for Services by Team Managers. The performance of the Service is also monitored by the senior management team and the Child Protection Committee.
- Consultation with stakeholders to broaden feedback on impact of Service. The performance of the Service is also monitored by the senior management team and the Child Protection Committee.
- The Service also has an improvement plan to reduce inefficiencies in the system which will help mitigate against any reduction of budget/staff brought about through the identified saving.

7 Instrumental Music Tuition

For families that are just above the Free School Meals threshold, an increase in fees may mean the difference between registering for Instrumental Tuition or not.

For families who have a legacy of unemployment an increase in fees could mean withdrawal or not registering for instrumental tuition.

Larger families potentially unable to afford lessons younger siblings even with sibling discount should tuition fees increase.

Steps will be taken to mitigate impacts including

- Service will increase promotion of service at school level by improved parent literature, wider dissemination of information to teachers and by reviewing allocation of places processes to reduce barriers to service.
- Service will continue to widen instruments available to broaden appeal to various groups.
- Service will explore options to ensure that access to music tuition is widened to include non-service providers. It may also be possible to increase group tuition sizes.
- Solutions to decrease in staffing through technology can only serve to reach more groups, it cannot replace instructors. An increase in fees will affect groups on low income which will mean less participants and therefore reduced income.
- The provision of an Instrumental Music Tuition is not a statutory requirement. Learners who are engaged in studying for certified courses will be unaffected by any change and therefore future positive destinations for school leavers should be largely unaffected. The impact of any change to the service are likely to be felt by the groups identified and therefore options without a similar impact are not available.

8 Letting Charges

- No impacts identified

9 Alternative delivery models Early Learning and Childcare

- No impacts identified

10 Out of School Care

- No impacts identified

LIVE LIFE ABERDEENSHIRE

11 Reduction in Grant Funding

In a number of cases the changes to the grants system will allow new organisations to apply which will have the impact of providing new services to groups in new areas, Subsidy to new groups will enable them to improve access for groups identified through reduced pricing.

A reduction in financial support may limit the ability of some existing recipients to sustain their current level of service. Reduction in support to some existing groups may lead to increased prices to some groups identified.

Steps will be taken to mitigate impacts including

- Engage with existing recipients of grants to evaluate existing services and potential impact of a reduction / cessation in grant.
- Continued liaison with groups to assist them in procuring appropriate finance or in assisting them with the development of their business.
- Creation of new grants scheme which existing recipients can apply to on an annual basis.

INFRASTRUCTURE SERVICES

12 Regeneration Support

- No impacts identified.

13 Supporting Aberdeenshire Businesses (SAB) – Phase 1

- No impacts identified.

14 Reduction to Contaminated Land Budget

- No impacts identified.

15 Reduction to Public Analyst Budget

- No impacts identified.

16 Charge for Environmental Information Requests

- Those on a very low income may not be in a financial position to request information held under Environmental Information Regulations as may be unable to pay the associated costs.

17 Merging Service Managers for Environmental Health and Trading Standards

- No impacts identified.

18 Bridge Maintenance – Drone Inspections

- No impacts identified.

19 Flood Management – Drone Inspections

- No impacts identified.

20 Quarry Management – Drone Inspections

- No impacts identified.

21 Flood Management – Minor Projects

- No impacts identified.

22 Bridge Management Capitalisation

- No impacts identified.

23 Extending Charging in off Street Car Parks – Part Year

- Increased availability of disabled parking bays in off street car parks due to no discount being available for misuse of a disabled bay Greater turnover of spaces in town centre.

24 Withdraw funding from Design Awards

- No impacts identified

BUSINESS SERVICES

25 Corporate Estates – Asbestos

- No impacts identified.

26 Office Accommodation – (including) Woodhill House

- No impacts identified.

27 Business Services Redesign

- No impacts identified.

28 Budget Savings for CCI 20-21

- No impacts identified.

29 Robotic Process Automation

- No impacts identified.

30 Finance Budget

- No impacts identified

31 HR&OD Budget

- No impacts identified

32 Estate Rationalisation

All protected groups, and other users/groups, of facilities will be positively affected through investment within facilities to be retained to the benefit of all users.

All protected groups, and other users/groups, of facilities will be positively affected through, where relevant, access to wider range of services and/or activities when co-located or activity accommodated within larger facilities.

All protected groups, and other users/groups, of facilities will be negatively affected by the closure of facilities which are currently used to support service delivery with current activities/service provided to be redirected to other facilities or serve delivered by alternative means.

To mitigate any impact as part of ongoing review with Services, work will be undertaken to;

- Consider alternative methods of service delivery to enable release of facilities
- Consider suitability of alternative facilities for co-location and or support/maintain service delivery
- Review impact of potential releases on case by case basis

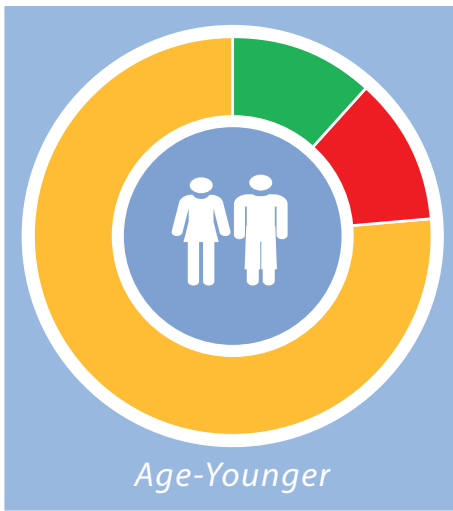
33 Reduction of the Licensing Budget

Refer to the EIA for the increase in civic licensing fees. These have already been agreed despite potentially negative impacts due to increasing the fee.

Unless the savings are achieved in a manageable way following the release of online licensing, there will be a negative impact on staffing levels and service delivery which ultimately may delay applicants for new licences receiving a licence to work and earn money.

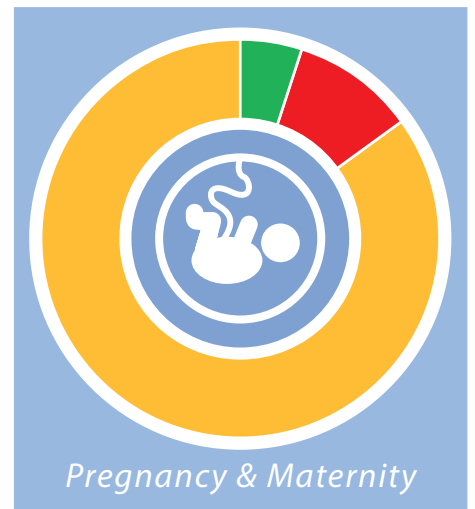
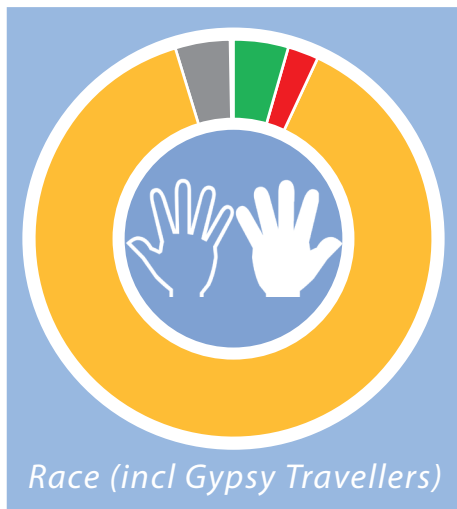
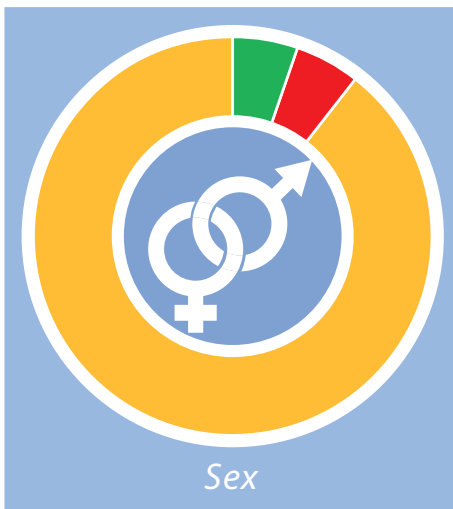
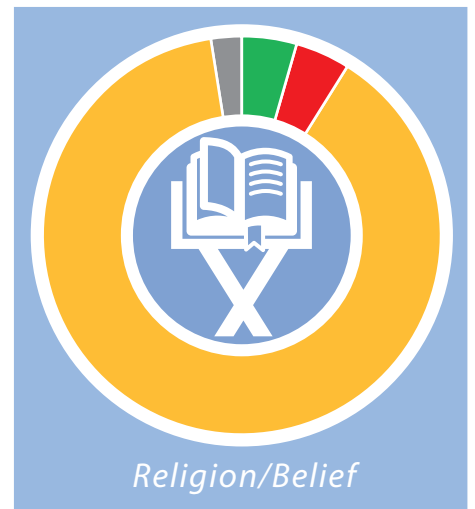
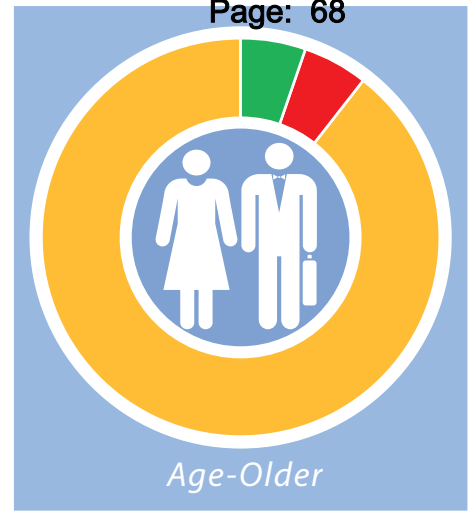
Mitigating Steps will be taken to;

- Develop the online Licensing system to enable online applications still ensuring accessibility for all
- Review the impact of the newly introduced Licensing Fees
- Assess the impact of the budget reduction and monitor how additional income generated can contribute to the budget position
- Implement a singular Licensing Board and consider a venue with accessibility for all.



Revenue Budget: Impacts on Protected Characteristics

- Positive
- Negative
- Neutral
- Unknown



Budget Overall

Positive	5.6%
Negative	6.3%
Neutral	88.1%
Unknown	0.0%
Total	100.00%

Age-(Younger)

Positive	11.9%
Negative	11.9%
Neutral	76.2%
Unknown	0.0%
Total	100.00%

Age-(Older)

Positive	5.4%
Negative	5.4%
Neutral	89.2%
Unknown	0.0%
Total	100.00%

Disability

Positive	6.7%
Negative	11.1%
Neutral	77.8%
Unknown	4.4%
Total	100.00%

Race

Positive	4.7%
Negative	2.3%
Neutral	88.4%
Unknown	4.7%
Total	100.00%

Religion and Belief

Positive	4.5%
Negative	4.5%
Neutral	88.6%
Unknown	2.3%
Total	100.00%

Sex

Positive	5.3%
Negative	5.3%
Neutral	89.5%
Unknown	0.0%
Total	100.00%

Pregnancy and Maternity

Positive	5.0%
Negative	10.0%
Neutral	85.0%
Unknown	0.0%
Total	100.00%

Sexual Orientation

Positive	2.8%
Negative	2.8%
Neutral	94.4%
Unknown	0.0%
Total	100.00%

Gender Reassignment

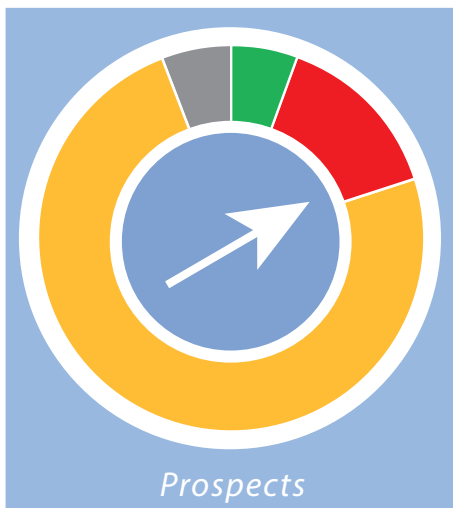
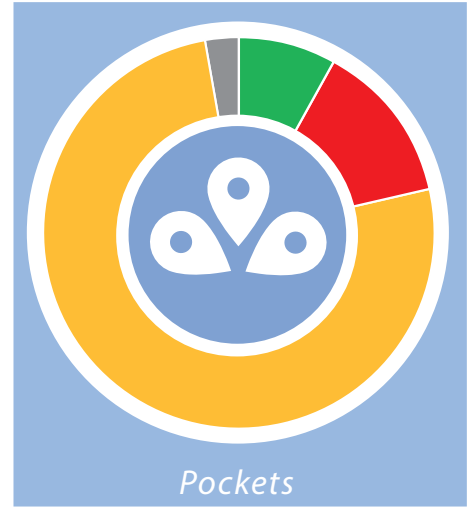
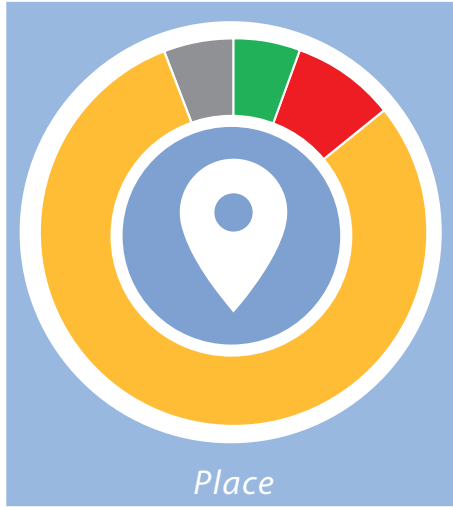
Positive	2.8%
Negative	2.8%
Neutral	94.4%
Unknown	0.0%
Total	100.00%

Marriage and Civil Partnership

Positive	2.8%
Negative	2.8%
Neutral	94.4%
Unknown	0.0%
Total	100.00%

Revenue Budget: Socio-Economic Impacts

- Positive
- Negative
- Neutral
- Unknown



Overall

Positive	6.5%
Negative	12.1%
Neutral	76.6%
Unknown	4.7%
Total	100.00%

Place

Positive	5.7%
Negative	8.6%
Neutral	80.0%
Unknown	5.7%
Total	100.00%

Pockets

Positive	8.1%
Negative	13.5%
Neutral	75.7%
Unknown	2.7%
Total	100.00%

Prospects

Positive	5.7%
Negative	14.3%
Neutral	74.3%
Unknown	5.7%
Total	100.00%

