



SCOTTISH EXECUTIVE

Finance and Central Services Department
Local Government Constitution & Funding Division

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Finance Circular No 08/2004

The Chief Executive, Convention of
Scottish Local Authorities
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Dear Chief Executive

LOCAL GOVERNMENT FINANCE SETTLEMENT: 2005-06, 2006-07 & 2007-08

1. This Circular provides details of the provisional Scottish Executive Aggregate External Finance (AEF) and supported borrowing allocations for each local authority for the next 3 years.
2. These proposals form the basis for consultation between Scottish Ministers and COSLA ahead of the Local Government Finance Order 2005 which is to be debated by the Scottish Parliament in early February 2005. COSLA are invited to respond to the provisional allocations in writing by 14 January 2005.
3. The Annexes to this Circular are:
 - Annex 1: All Scotland aggregate totals;
 - Annex 2: Outcome of Spending Review 2004;
 - Annex 3: AEF Allocations, and Explanatory Notes to AEF Distribution;
 - Annex 4: Explanation of the minimum grant increase ("floor") calculation;
 - Annex 5: Estimated payments to each local authority from specific grants;
 - Annex 6: Loan Charge Support and Supported Borrowing Allocations
 - Annex 7: Non-Domestic Rates 2005-06 Distributable Amount
 - Annex 8: Reconciliation of AEF 2005-06 between Circulars No 2/2004 and No 8/2004.

Three-Year AEF Settlement 2005-06 to 2007-08

4. Ministers' Spending Review 2004 announcement on 29 September 2004 set out the aggregate (AEF) totals for Scottish Executive support to local government for each of the 3 financial years between 2005-2008 (see **Annex 1**). The policy outcomes that the additional Spending Review allocations are aimed at supporting are summarised at **Annex 2**. In addition to the AEF allocations, the Spending Review resulted in other revenue grants to local authorities increasing from £987 million in 2004-05 to £1,108 million in 2007-08, and capital grants increasing from £344 million to £465 million over the same period. Details of these revenue and capital grants outwith AEF will be provided shortly in a separate circular.

5. Consultation with local authorities has confirmed that the current system of 3 year AEF settlements has enabled them to improve the planning and delivery of their budgets and services. This settlement therefore again provides local authorities with the stability of 3 year funding allocations.

6. Accordingly this circular provides each local authority with revenue (AEF) allocations for the next 3 years. The allocations are not expected to be subject to redistribution during the 3 year settlement period, although there will be scope to make adjustments for transfers out of or into the grant totals, for example to reflect any new policy initiatives for which additional financial provision is being made. The 3 year revenue allocations will once again provide councils with the certainty to plan their budgets and council tax figures. As for the current 3 year settlement, in response to the allocation of firm 3-year grant figures it is expected that councils will again publish 3 year council tax levels – actuals for 2005-06 and indicative for 2006-07 and 2007-08.

7. Ministers confirmed during their meeting with COSLA elected members on 24 November 2004 that the current 3 year settlement for local government is based on councils increasing council tax by no more than 2.5% in 2006-07 and 2007-08 as a contribution to the overall GAE uplift underlying the settlement. For 2005-06, Ministers have confirmed that they expect council tax rises to be kept as low as possible and have urged local authorities to take all steps possible to improve council tax collection rates to help minimise council tax rises.

Revenue Grant Distribution

8. Ministers agreed with COSLA that the distribution for 2005-06 should remain as calculated for No.14 Order 2004 (Circular 2/2004 gives details) except for any additional resources or transfers of responsibility (Teachers Pensions). For 2006-07 and 2007-08, Ministers and COSLA elected members agreed that the existing formula should be retained and updated to take account of the recommendations of the joint COSLA/Scottish Executive 3-Year Settlement Working Group. A notional 2005-06 distribution was calculated using updated data – e.g. 2003 mid year population estimates, September 2004 school pupil rolls, most recent budget/expenditure information, and all census based indicators were updated using information from the 2001 Census. Secondary indicator coefficients were also recalculated using most recent data. As for the current 3 year settlement, the notional 2005-06 distribution was used as the basis for distribution for years 2 and 3, where applicable calculations are updated using pupil and population projections. These arrangements continue to base the 3-year allocations on the existing needs-based formula.

9. The distribution of the notional 2005-06 and actual 2006-07 and 2007-08 allocations will be confirmed after the end of the formal consultation period between Ministers and the Convention on 14 January 2005. Final GAE calculation detail, including indicator data and the GAE service and sub-service split, for notional 2005-06 and actual 2006-07 and 2007-08 will be published in electronic format following Parliamentary approval of the Local Government (Scotland) Order 2005. Local Authority GAE service and sub-service allocations as at this Finance Circular will be available at www.scotland.gov.uk/stats/gaestats from the 9th of December

10. **Annex 3** sets out the distribution of AEF between authorities. The calculations outlined there were broadly as follows: Estimated Service Expenditure (ESE) includes the Special Islands Needs Allowance (SINA) (see paragraph 10). To the assessments of ESE were added resources for Quality of Life initiatives, allowances for loan and leasing charges; and the floor adjustment (see paragraph 11). This produces a figure for Total Estimated Expenditure (TEE) for each authority. AEF totalling £8,079.720 million was then distributed to produce a uniform difference between TEE and AEF per Band D equivalent property across Scotland, adjusted to reflect Ministers' commitment that the costs of the teachers' pay award in 2006-07 and 2007-08 would be met in full by AEF as a result of this settlement. **Annex 3** also shows the allocation of the 3 elements of AEF for each authority.

11. The SINA payments are contained within ESE and were frozen at 2001-02 levels as a minimum for Eilean Siar, and Shetland. Since 2003-04 Orkney's SINA allocation has increased above the frozen amount. Therefore Orkney, Argyll and Bute, Highland and North Ayrshire receive SINA payments as calculated through the formula agreed after the review of SINA in 2001.

12. To ensure that all councils continue to benefit from the increases in grant arising from the Spending Review, a "floor" is incorporated within the settlement calculation, providing a minimum guaranteed grant increase for each council for each year. The level of the minimum increase has been set with reference to the aggregate increase in distributable grant. The "floor" has been set at 3.4% for 2005-06, 2.0% for 2006-07 and 1.75% for 2007-08 and the effect is set out at **Annex 4**.

13. **Annex 5** gives a breakdown of individual councils' shares of specific grants as used in the calculation of RSG for 2005-06 and AEF for 2006-07 and 2007-08.

14. The distribution of the actual 2005-06 and notional 2006-07 and 2007-08 allocations will be confirmed after the end of the formal consultation period between Ministers and the Convention on 14 January 2005. Full details of the distribution methodology, including details of the GAE service and sub-service split, for 2005-06 and notional 2006-07 and 2007-08 will be published in electronic format following Parliamentary approval of the Local Government (Scotland) Order 2005.

Loan Charge Support and Supported Borrowing Allocations

15. From 2004-05 the Prudential framework replaced the previous system of Section 94 capital expenditure consents. Local authorities are now able to determine the level of capital investment they make, with proper regard however to the Prudential Code for Capital Finance in Local Authorities.

16. The Scottish Executive is continuing to support Local Authority capital programmes through a combination of loan charge support for historic debt and specified levels of assumed new in-year borrowing, and a range of capital grants. Capital expenditure by local authorities, the sources from which it derives, and the future forecasts of expenditure, will continue to be monitored through the Capital Payment Returns in order to feed into national data collection by HM Treasury.

17. **Annex 6** provides detail of the loan charge support and related supported borrowing allocations for 2005-06 to 2007-08. The methodology for calculating loan and leasing charges and support for Public/Private Partnership (PPP) projects, known as Level Playing Field Support is also set out. As requested by the 3 year Settlement Group, the floor mechanism has not been re-applied for 2006-07 and 2007-08. Support for loan and leasing charges and the Level Playing Field Support are now identified in two separate columns in **Annex 3**.

NDR 2004-05

18. Scottish Ministers have decided that the Distributable Amount of NDRI for 2005-06 will be £1,879.073 million. The balance of Distributable AEF comprises (a) an estimated total of £718.120 million for specific grants (including Police Loan Charges specific grant) and (b) RSG for the year of £5,464.527 million.

19. The Distributable Amount of NDRI incorporates a forecast of net income from non-domestic rates in 2005-06. It draws on councils' estimates of the amounts they will contribute to the pool from NDRI in 2004-05. Included in the calculation are: gross income; expected losses from appeals; the expected in-year cost of the transitional relief scheme; estimated expenditure on mandatory and other reliefs as well as write-offs and provisions for bad debts. Adjustments are also made for amounts carried over from previous years. **Annex 7** shows how the Distributable Amount was calculated.

Reconciliation with Circular No. 02/2004

20. Councils have indicated in the past that it is helpful to have a reconciliation from one circular to the next. In recognition of this, a reconciliation of AEF 2005-06 from Circular No 2/2004 to Circular No. 8/2004 is included in **Annex 8**.

Conclusion and Contacts

21. A separate copy of this Circular has been sent by e-mail to your Director of Finance and to Brenda Campbell at COSLA.

22. Enquiries relating to this Circular should be addressed to the following:

GAE, Settlement totals and expenditure policy

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Yours sincerely

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ALL SCOTLAND AGGREGATE TOTALS

	2005-06	2006-07	£ million 2007-08
Total Aggregate External Finance	8,080.508	8,343.302	8,540.672
% increase over previous year	4.4%	3.3%	2.4%
<i>less</i> Undistributed NPAF	5.000	5.000	5.000
<i>less</i> Undistributed loan charges	1.171	1.171	1.171
<i>less</i> Undistributed INSET (SEN) Specific Grant	1.200	1.300	1.400
<i>less</i> Capital to Revenue Transfer	3.378	0.000	0.000
<i>less</i> Glasgow City Development Fund	0.918	0.000	0.000
<i>less</i> Chose Life	3.198	0.000	0.000
<i>less</i> Councillors Severance	0.000	6.000	0.000
<i>less</i> STV Elections	0.000	0.000	10.000
<i>plus</i> Police Loan Charge Specific Grant	14.077	14.077	14.077
Distributable Aggregate External Finance	8,079.720	8,343.908	8,537.178
% increase over previous year	5.4%	3.3%	2.3%
Other Revenue Grants Outturn AEF	1,100	1,077	1,108
Total Revenue Support	9,179.720	9,420.908	9,645.178

Breakdown of Specific Grants

Police ¹	507.664	529.098	556.242
Civil Protection grant for the Police	0.574	0.574	0.574
Supported Employment	4.348	4.348	4.348
Gaelic	3.034	3.184	3.684
Mental Illness	14.000	14.000	14.000
Social Work Training	5.500	5.500	5.500
National Priorities Action Fund	183.000	181.300	185.200
Total Specific Grants	718.120	738.004	769.548

¹Police Specific Grant figure excludes police Loan Charge Support.

OUTCOME OF SPENDING REVIEW 2004 - MINISTERIAL POLICY ANNOUNCEMENTS

1. The Scottish Executive's Spending Review announcement on 29 September 2004 acknowledged the vital role of local government in providing services on which people rely (education, health and community care and police) and also services and facilities that improve the quality of life of their local communities. By far the largest proportion of the funding provided through the main local government settlement, including the additional Spending Review allocations, is not ring-fenced or hypothecated. It is for each local authority to establish its spending and investment priorities from its total allocations.

2. This Annex sets out (see table) the GAE uplifts that have been taken into account in reaching the aggregate local government revenue (AEF) allocation totals. Apart from specific grants, these are not ring-fenced allocations. This annex is aimed only at assisting councils in understanding how the settlement totals have been calculated. Provision for 2005-06 was already set as a result of the previous three year settlement, so there have been few changes to the figures for that year (See Annex 8 for details).

Education and Young People

3. For 2006-07 and 2007-08 the Education and Young People portfolio has been increased by the following amounts: Pre-school education - £4.9m/£9.9m Surestart-£4m/7m and Community and Residential Care for Children-£2m/£4m. £7.1m currently paid through the Special Educational Needs (SEN) Specific Grant will be transferred to the National Priorities Action Fund in full for 2006-07 and this will be supplemented by a further £4m in 2007-08. The remaining £1.3m for SEN in 2006-07 will increase to £2.3m in 2007-08. The Gaelic line will increase by £0.2/£0.9m, this includes the increase in specific grant and the consequential additional GAE provision. The GAE line for school bursaries will be removed completely in 2007-08 (£7.5m). The distribution of the resources through AEF for 2006-07 and 2007-08 includes an adjustment to reflect Ministers' commitment that the costs of the teachers' pay award should be met in full by AEF.

Health and Community Care

4. The increase in Care Home Fees (£37.1m/£57.5m) represents the largest increase within the health and community care portfolio. The other main increases are as follows: Increased Number of Elderly - £16.3m/£42m; Upskilling Workforce - £17.0m/£27.0m; Faster Access to Home Care - £12.7m/£15m; Voluntary Sector Care Providers - £10.3m/£13.6m; Learning Disability Hospital Closures - £4.2m/£5m; and Direct Payments - £1.8m/£2m. Both the GAE lines for Pennington (£3.1m) and Fishery Products/Shellfish Hygiene (£0.2m) will be removed from 2006-07.

Justice

5. The Police and Fire GAEs are increased in total by £1.0m/£3.0m. This is in addition to the increase in the Police specific grant (£21.2m/£48.6m) which is covered in the general uplift for pay.

Transport

6. The Roads Maintenance GAE line is increased by £60m/£60m.

Environment and Rural Development

7. The Waste Disposal GAE increases by £4.2m/£18.6m and Landfill tax increases by £5.7m/£1.2m.

Finance and Central Services

8. GAE provision of £6.0m has been set aside to help fund the Councillor Severance scheme in 2006-07 and £10.0m has been set aside in 2007-08 costs in connection with the 2007 STV local government elections. However, final allocations for these sums and the distribution of them are still being considered.

Quality of Life

9. "Building a Better Scotland" confirmed the allocation of an additional £180m (£50m/60/70m) from 2003-06 under the broad themes of Improving the Environment and Supporting Children and Young People. A further £50m has been allocated for each year of the two years 2006-07 and 2007-08 to build on the local service improvements supported by Quality of Life funding consistent with the Executive's commitment to support safer, strong communities. The allocation of these resources is based on each council's share of Estimated Service Expenditure.

Pay and Prices and Efficiency Savings

10. General allowances for pay and prices (excluding teachers, police officers and fire fighters) have been allocated across all service headings (except specific grants).
11. The Executive is looking to local government to play its part in offsetting some of these costs through efficiency savings and as a result an efficiency savings was factored in. However, allocations for education, police and fire have been excluded from the efficiency assumptions leaving an average yearly efficiency saving of 0.7% per year. As a percentage of the overall budget, this represents around 2% over the 3 years 2005-08.

SPENDING REVIEW 2004 LOCAL GOVERNMENT GAE OUTCOME: REVENUE

	Change	
	2006-07	2007-08
	£m	£m
Education and Young People		
Pre-School Education	4.9	9.9
Surestart	4.0	7.0
Community and Residential Care for Children	2.0	4.0
School Bursaries	0.0	-7.5
Special Education Specific Grant	-7.1	-7.0
National Priorities Action Fund Specific Grant	7.1	11.0
Gaelic Specific Grant (including GAE provision)	0.2	0.9
Education and Young People Total	11.1	18.3
Health and Community Care		
Care Home Fees	37.1	57.5
Increased Number of Elderly	16.3	42.0
Upskilling Workforce	17.0	27.0
Faster Access to Home Care	12.7	15.0
Voluntary Sector Care Providers	10.3	13.6
Learning Disability Hospital Closures	4.2	5.0
Direct Payments	1.8	2.0
Pennington	-3.1	-3.1
Fishery Products/Shellfish/Hygiene	-0.2	-0.2
Health and Community Care Total	96.1	158.8
Justice		
Police	0.8	2.4
Fire	0.2	0.6
Justice Total	1.0	3.0
Transport		
Roads Maintenance	60.0	60.0
Transport Total	60.0	60.0
Environment and Rural Development		
Waste Disposal	4.2	18.6
Landfill Tax	5.7	1.2
Environment and Rural Development Total	9.9	19.8

Finance and Public Services

Councillor Severance Scheme *	6.0	0.0
STV Elections *	0.0	10.0

Finance and Public Services Total	6.0	10.0
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Pay and Prices	184.5	398.8
Efficiency Savings	-58.5	-114.2

Total SR2004 GAE Increase	310.1	554.5
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Note: *The distribution of £6.0m in 2006-07 for Councillors Severance Scheme and £10.0m in 2007-08 for STV Elections will be confirmed later and is included as part of this settlement.

AEF ALLOCATIONS AND EXPLANATORY NOTES TO AEF DISTRIBUTION

The calculations are set out in the table below. Column numbers are consistent throughout the separate sections for mainland and islands authorities. Columns 1 to 9 relate to the distributions for 2005-06, 2006-07 and 2007-08. Columns 10 to 12 are relevant to 2005-06 only.

1. Column 1 of the table is the estimated service expenditure of each authority. This column includes Special Islands Needs Allowance.
2. Column 2 of the table is each authority's share of the Quality of Life funds. The distribution is based on each authority's share of ESE.
3. Column 3 contains allocations of loan charge support. Capital from current revenue continues to be excluded. The figures were calculated as described in Annex 6.
4. Column 4 contains Public Private Partnership Level Playing Field Support. Capital from current revenue continues to be excluded. The figures were calculated as described in Annex 6
5. Column 5 is the assessment of the floor adjustments for each authority. The figures were calculated as shown in Annex 4.
6. Column 6 is the total of columns 1 to 5. It is the Total Estimated Expenditure (TEE).
7. Column 7 is the estimated number of Band D equivalent properties as at September 2004 on which council tax will be levied.
8. Column 8 represents the portion of adjusted TEE which is not supported through AEF. This amount is distributed among authorities in proportion to their share of the national council tax base for 2005-06 this is achieved by a formula:

$$(\text{Total adjusted TEE less total AEF}) \times \frac{\text{band D equivalent properties in authority}}{\text{total band D equivalent properties}}$$

For 2006-07 and 2007-08 see para 13.

9. Column 9 is the difference between columns 6 and 8 being the total amount of AEF. The total of column 9 is AEF of £8,079.720m in 2005-06, See Annex 1 AEF for 2006-07 and 2007-08 is £8,343.908 and £8,537.178 respectively.
10. Column 10 shows the amount of specific grants (excluding Police CPS, but including Police specific grant loan charges) for 2005-06. A number of specific grants (e.g. police) are paid directly to joint boards. In these cases, for AEF distribution purposes only, the estimated amount for each force or brigade has been broken down on the same basis as is used for the relevant GAEs. Distribution to constituent council level of common police services and police specific grant loan charges as used in the calculation of Police Specific grant for 2005-06, has been based on advice from treasurers of the Police Boards.

11. Column 11 shows the amount of Distributable NDRI. This has been distributed amongst authorities in proportion to 2003 mid-year population estimates.
12. Column 12 distributes RSG, being the remainder of AEF after deductions for Specific Grants and NDRI.
13. It should be noted that Columns 8 and 9 have all been adjusted to reflect the Ministerial commitment to fully fund the cost of the teachers' pay award in 2006-07 and 2007-08.

AEF 2005-06 (revised)	(1) Estimated Service Expenditure	(2) Quality of Life	(3) Loan Charge and other Support 2005-06	(4) PPP LPFS	(5) Floor Adjustment 2005-06	(6) Total Estimated Expenditure	(7) Band D Properties forecast	(8) Deduction for TEE not supported by AEF ((Tot Col 6- Tot Col 9) * Col 7/Tot Col 7)	(9) Total AEF	(10) Specific Grants	(11) NDRI	(12) RSG
	£M	£M	£M	£M	£M	(Cols.1 to 5) £M		£M 0.0008613	(Col 6-8) £M	£M	£M	(Col 9-10-11) £M
Aberdeen City	325.277	2.597	31.970	0.000	0.450	360.294	85,183	73.373	286.921	29.639	77.497	179.785
Aberdeenshire	371.410	2.970	28.715	1.400	-1.184	403.311	91,472	78.790	324.521	25.982	86.024	212.515
Angus	185.669	1.484	11.888	1.700	-0.603	200.138	40,004	34.457	165.681	13.864	40.332	111.485
Argyll & Bute	168.377	1.342	28.921	1.371	-0.609	199.402	37,605	32.391	167.011	13.001	34.247	119.763
Clackmannanshire	78.797	0.628	6.910	0.000	0.254	86.589	17,062	14.696	71.893	5.675	17.885	48.333
Dumfries & Galloway	263.093	2.102	24.463	1.270	-0.884	290.044	56,127	48.345	241.699	20.326	55.220	166.153
Dundee City	261.801	2.098	24.564	2.319	-0.499	290.283	47,353	40.788	249.495	23.550	53.674	172.271
East Ayrshire	204.054	1.634	15.585	0.099	-0.688	220.684	39,720	34.213	186.471	15.939	44.837	125.695
East Dunbartonshire	174.913	1.398	14.174	0.064	-0.546	190.003	46,933	40.425	149.578	11.654	40.125	97.799
East Lothian	146.344	1.167	14.302	0.000	-0.471	161.342	37,785	32.546	128.796	11.055	34.169	83.572
East Renfrewshire	148.639	1.184	10.823	4.721	-0.457	164.910	40,257	34.676	130.234	9.130	33.640	87.464
Edinburgh, City of	690.128	5.577	86.817	6.178	-2.277	786.423	196,245	169.035	617.389	66.073	168.187	383.129
Eilean Siar	72.399	0.580	21.498	0.000	7.528	102.005	9,145	7.877	94.128	4.710	9.790	79.628
Falkirk	235.239	1.880	17.772	8.640	-0.772	262.759	51,655	44.493	218.266	17.917	54.736	145.613
Fife	586.011	4.696	41.136	3.680	-1.916	633.607	127,788	110.070	523.538	43.981	132.053	347.504
Glasgow City	1,109.917	8.985	149.790	15.531	13.219	1297.442	209,315	180.293	1117.149	118.668	216.471	782.010
Highland	394.023	3.142	46.239	2.950	-1.356	444.998	83,518	71.938	373.060	30.908	78.428	263.724
Inverclyde	149.186	1.200	16.119	0.088	-0.527	166.066	28,243	24.327	141.739	13.262	31.153	97.324
Midlothian	135.538	1.076	10.606	3.116	-0.444	149.892	29,595	25.491	124.401	10.467	29.900	84.034
Moray	144.586	1.157	13.046	0.979	-0.487	159.281	30,252	26.057	133.224	10.909	32.807	89.508
North Ayrshire	236.156	1.881	20.078	0.106	-0.792	257.429	48,328	41.628	215.801	17.370	51.026	147.405
North Lanarkshire	542.676	4.343	42.725	0.265	-1.829	588.180	106,935	92.108	496.072	43.417	120.717	331.938
Orkney	51.338	0.412	9.182	0.000	-0.091	60.841	7,037	6.061	54.780	2.585	7.243	44.952
Perth & Kinross	226.271	1.812	17.022	1.405	-0.722	245.788	56,741	48.874	196.914	16.729	51.011	129.174
Renfrewshire	294.461	2.359	28.586	0.153	-0.987	324.572	66,208	57.028	267.544	24.168	64.136	179.240
Scottish Borders	190.196	1.524	19.434	0.000	-0.641	210.513	42,366	36.492	174.021	15.195	40.617	118.209
Shetland	65.697	0.526	16.258	0.000	1.552	84.033	7,534	6.489	77.544	3.276	8.204	66.064
South Ayrshire	189.536	1.500	13.484	0.079	-0.596	204.003	45,974	39.600	164.403	13.252	41.855	109.296
South Lanarkshire	506.989	4.058	40.197	0.223	-1.679	549.788	109,091	93.966	455.822	37.427	113.662	304.733
Stirling	148.899	1.195	14.972	1.590	-0.493	166.163	35,264	30.375	135.788	11.188	32.398	92.202
West Dunbartonshire	174.652	1.402	14.294	0.113	-0.596	189.865	33,418	28.785	161.080	16.655	34.630	109.795
West Lothian	260.907	2.089	18.574	1.916	-0.857	282.629	55,578	47.872	234.757	20.148	60.400	154.209
Scotland	8,733.179	70.000	870.143	59.955	0.000	9733.277	1,919,731	1,653.557	8079.720	718.120	1897.073	5,464.527

AEF 2006-07	(1) Estimated Service Expenditure	(2) Quality of Life	(3) Loan Charges and other Support 2006-07	(4) PPP LPFS	(5) Floor Adjustment 2006-07	(6) Total Estimated Expenditure (Cols.1 to 5)	(7) Band D Properties forecast	(8) Deduction for TEE not supported by AEF adjusted for Teachers Pay increases	(9) Total AEF (Col 6-8)
	£M	£M	£M	£M	£M	£M		£M	£M
Aberdeen City	332.998	1.843	31.916	0.000	0.580	367.338	85,106	74.676	292.661
Aberdeenshire	394.730	2.185	28.643	1.400	-1.133	425.824	94,185	82.663	343.161
Angus	192.836	1.067	12.328	3.400	-0.563	209.068	40,872	35.896	173.172
Argyll & Bute	176.739	0.978	31.060	1.371	-0.580	209.568	37,963	33.356	176.212
Clackmannanshire	82.311	0.456	7.153	0.000	-0.245	89.674	17,885	15.706	73.968
Dumfries & Galloway	274.341	1.518	24.636	1.270	-0.827	300.938	57,129	50.182	250.755
Dundee City	264.806	1.466	25.247	2.319	2.480	296.317	47,629	41.878	254.439
East Ayrshire	211.599	1.171	16.550	0.099	-0.642	228.776	39,838	35.012	193.764
East Dunbartonshire	178.323	0.987	14.946	0.064	-0.508	193.812	46,338	40.654	153.159
East Lothian	153.659	0.850	15.025	0.000	-0.449	169.085	38,219	33.540	135.546
East Renfrewshire	155.837	0.862	11.585	5.032	-0.441	172.875	39,767	34.895	137.980
Edinburgh, City of	704.406	3.899	91.927	6.620	-2.078	804.774	195,317	171.348	633.426
Eilean Siar	75.837	0.420	21.887	0.000	6.023	104.167	9,233	8.158	96.009
Falkirk	245.576	1.359	18.043	8.640	-0.720	272.898	53,640	47.107	225.790
Fife	604.396	3.345	42.449	3.680	-1.771	652.100	130,206	114.340	537.760
Glasgow City	1,134.478	6.279	157.812	15.531	10.293	1324.392	210,625	185.211	1139.181
Highland	416.738	2.306	46.748	2.950	-1.292	467.450	85,257	74.908	392.542
Inverclyde	154.218	0.854	16.857	0.088	-0.485	171.531	28,681	25.214	146.317
Midlothian	139.259	0.771	11.004	3.116	-0.413	153.737	29,584	25.984	127.752
Moray	151.336	0.838	13.693	0.000	-0.458	165.409	30,903	27.147	138.261
North Ayrshire	244.235	1.352	21.295	0.106	-0.740	266.247	48,865	42.932	223.315
North Lanarkshire	563.026	3.116	44.561	0.265	-1.705	609.264	107,971	94.881	514.383
Orkney	55.113	0.305	9.564	0.000	-0.194	64.789	7,153	6.310	58.479
Perth & Kinross	237.680	1.315	17.838	1.405	-0.679	257.560	58,534	51.367	206.193
Renfrewshire	300.129	1.661	30.802	0.153	-0.907	331.838	66,135	58.077	273.761
Scottish Borders	199.091	1.102	20.148	0.000	-0.602	219.738	43,350	38.070	181.668
Shetland	68.361	0.378	16.915	0.000	0.221	85.875	7,668	6.780	79.096
South Ayrshire	195.931	1.084	13.848	0.079	-0.562	210.380	46,461	40.777	169.602
South Lanarkshire	522.644	2.893	41.918	0.223	-1.551	566.127	111,625	98.030	468.097
Stirling	152.615	0.845	14.978	1.590	-0.301	169.727	35,602	31.255	138.472
West Dunbartonshire	176.822	0.979	14.875	0.113	1.056	193.844	33,618	29.545	164.299
West Lothian	274.142	1.517	18.320	1.916	-0.805	295.091	57,391	50.405	244.686
Scotland	9,034.213	50.000	904.571	61.429	0.000	10050.213	1,942,748	1,706.305	8343.908

AEF 2007-08	(1) Estimated Service Expenditure	(2) Quality of Life	(3) Loan Charges Support 2007-08	(4) PPP LPFS	(5) Floor Adjustment 2007-08	(6) Total Estimated Expenditure (Cols.1 to 5)	(7) Band D Properties forecas	(8) Deduction for TEE not supported by AEF adjusted for Teachers Pay increases	(9) Total AEF (Col 6-8)
	£M	£M	£M	£M	£M	£M	£M	£M	£M
Aberdeen City	343.499	1.852	31.935	0.000	-1.055	376.231	85,618	76.931	299.300
Aberdeenshire	407.145	2.195	28.405	1.400	-1.237	437.908	95,104	85.502	352.406
Angus	198.579	1.071	12.451	3.400	-0.615	214.886	41,075	36.993	177.893
Argyll & Bute	180.352	0.972	31.980	1.371	-0.628	214.048	38,201	34.442	179.606
Clackmannanshire	84.859	0.457	7.355	0.000	-0.268	92.403	18,049	16.251	76.153
Dumfries & Galloway	281.186	1.516	25.148	1.270	-0.899	308.221	57,522	51.824	256.397
Dundee City	271.078	1.461	24.396	2.319	2.655	301.909	47,672	43.059	258.851
East Ayrshire	216.595	1.168	16.630	0.099	-0.696	233.796	40,008	36.094	197.702
East Dunbartonshire	181.723	0.980	14.705	0.064	0.234	197.705	46,619	41.867	155.838
East Lothian	158.409	0.854	15.491	0.000	-0.491	174.263	38,755	34.832	139.431
East Renfrewshire	160.220	0.864	11.847	5.032	-0.480	177.482	40,216	36.136	141.346
Edinburgh, City of	722.945	3.897	94.166	6.620	-2.259	825.370	197,886	177.698	647.672
Eilean Siar	77.135	0.416	21.864	0.000	6.761	106.176	9,281	8.487	97.689
Falkirk	253.711	1.368	18.201	8.640	-0.788	281.131	54,289	48.887	232.244
Fife	623.934	3.364	42.712	3.680	-1.936	671.753	131,717	118.584	553.170
Glasgow City	1,156.352	6.234	159.840	15.531	12.459	1350.416	212,075	191.572	1158.845
Highland	428.970	2.313	48.100	2.950	-1.411	480.922	85,991	77.525	403.397
Inverclyde	157.489	0.849	17.347	0.088	-0.526	175.246	28,781	25.983	149.263
Midlothian	143.773	0.775	10.784	3.116	-0.451	157.997	29,924	26.954	131.043
Moray	155.958	0.841	13.697	0.000	-0.501	169.995	30,984	27.925	142.070
North Ayrshire	250.187	1.349	22.015	0.106	-0.805	272.852	49,207	44.356	228.496
North Lanarkshire	577.570	3.114	46.215	0.265	-1.856	625.308	109,046	98.346	526.962
Orkney	56.448	0.304	9.689	0.000	-0.210	66.231	7,211	6.567	59.664
Perth & Kinross	245.375	1.323	17.971	1.405	-0.743	265.331	59,117	53.132	212.199
Renfrewshire	307.567	1.658	31.584	0.153	-0.986	339.976	66,470	59.845	280.131
Scottish Borders	205.423	1.107	20.463	0.000	-0.659	226.335	43,793	39.434	186.901
Shetland	70.074	0.378	17.140	0.000	0.001	87.593	7,767	7.114	80.480
South Ayrshire	200.970	1.083	14.071	0.079	-0.611	215.591	46,717	42.002	173.589
South Lanarkshire	536.542	2.893	41.954	0.223	-1.685	579.927	112,702	101.478	478.449
Stirling	157.613	0.850	15.180	1.590	-0.496	174.737	36,128	32.502	142.235
West Dunbartonshire	180.469	0.973	15.068	0.113	1.055	197.677	33,817	30.505	167.172
West Lothian	282.522	1.523	18.169	1.916	-0.876	303.254	58,490	52.669	250.585
Scotland	9,274.672	50.000	916.571	61.429	0.000	10302.672	1,960,233	1,765.494	8537.178

FLOOR CALCULATION

	2006-07					2007-08					
	Revenue Grant (without floor) £M	Increase without floor %	contribution to floor £M	Revenue Grant with floor 4.0%	Year on year % increase	Revenue Grant (without floor) £M	Increase without floor %	contribution to floor £M	Revenue Grant with floor 3.4%	Year on year % increase	
Orkney	58.673	7.11	-0.194	58.479	6.75	Falkirk	224.392	3.33	-0.788	223.604	2.97
East Renfrewshire	133.389	6.28	-0.441	132.948	5.92	Clackmannanshire	76.421	3.32	-0.268	76.153	2.95
Aberdeenshire	342.895	6.12	-1.133	341.761	5.77	Perth & Kinross	211.537	3.30	-0.743	210.794	2.93
Argyll & Bute	175.421	5.90	-0.580	174.841	5.55	Fife	551.426	3.25	-1.936	549.490	2.89
Highland	390.884	5.61	-1.292	389.592	5.26	Scottish Borders	187.560	3.24	-0.659	186.901	2.88
East Lothian	135.995	5.59	-0.449	135.546	5.24	East Lothian	139.922	3.23	-0.491	139.431	2.87
Perth & Kinross	205.467	5.09	-0.679	204.788	4.75	Highland	401.858	3.15	-1.411	400.447	2.79
Moray	138.720	4.90	-0.458	138.261	4.55	Angus	175.107	3.14	-0.615	174.493	2.78
Scottish Borders	182.271	4.74	-0.602	181.668	4.39	Moray	142.570	3.12	-0.501	142.070	2.75
West Lothian	243.575	4.61	-0.805	242.770	4.26	Stirling	141.141	3.11	-0.496	140.645	2.75
East Ayrshire	194.307	4.26	-0.642	193.665	3.91	Aberdeenshire	352.243	3.07	-1.237	351.006	2.70
Dumfries & Galloway	250.313	4.11	-0.827	249.485	3.77	Midlothian	128.378	3.00	-0.451	127.927	2.64
North Lanarkshire	515.823	4.04	-1.705	514.118	3.69	East Renfrewshire	136.795	2.89	-0.480	136.314	2.53
Falkirk	217.870	3.93	-0.720	217.150	3.59	North Lanarkshire	528.553	2.81	-1.856	526.697	2.45
Angus	170.335	3.87	-0.563	169.772	3.53	West Lothian	249.545	2.79	-0.876	248.669	2.43
North Ayrshire	223.949	3.83	-0.740	223.209	3.48	South Ayrshire	174.122	2.71	-0.611	173.511	2.35
Inverclyde	146.714	3.57	-0.485	146.230	3.23	Renfrewshire	280.964	2.69	-0.986	279.978	2.33
South Ayrshire	170.086	3.51	-0.562	169.524	3.16	North Ayrshire	229.195	2.68	-0.805	228.391	2.32
Clackmannanshire	74.213	3.23	-0.245	73.968	2.89	Edinburgh, City of	643.310	2.63	-2.259	641.052	2.27
Midlothian	125.050	3.10	-0.413	124.636	2.76	Aberdeen City	300.354	2.63	-1.055	299.300	2.27
Fife	535.851	3.08	-1.771	534.080	2.74	Dumfries & Galloway	256.026	2.62	-0.899	255.127	2.26
South Lanarkshire	469.425	3.03	-1.551	467.874	2.69	South Lanarkshire	479.911	2.57	-1.685	478.226	2.21
Edinburgh, City of	628.885	2.89	-2.078	626.806	2.55	East Ayrshire	198.299	2.39	-0.696	197.603	2.03
East Dunbartonshire	153.602	2.74	-0.508	153.095	2.40	Orkney	59.874	2.39	-0.210	59.664	2.03
Renfrewshire	274.515	2.66	-0.907	273.608	2.32	Inverclyde	149.701	2.37	-0.526	149.175	2.01
Stirling	137.183	2.22	-0.301	136.882	2.00	Argyll & Bute	178.863	2.30	-0.628	178.235	1.94
Aberdeen City	292.081	1.80	0.580	292.661	2.00	Shetland	80.478	1.75	0.001	80.480	1.75
Shetland	78.875	1.72	0.221	79.096	2.00	East Dunbartonshire	155.540	1.60	0.234	155.774	1.75
West Dunbartonshire	163.131	1.34	1.056	164.186	2.00	West Dunbartonshire	166.005	1.11	1.055	167.060	1.75
Glasgow City	1113.357	1.07	10.293	1123.650	2.00	Dundee City	253.876	0.70	2.655	256.532	1.75
Dundee City	249.640	1.00	2.480	252.120	2.00	Glasgow City	1130.855	0.64	12.459	1143.314	1.75
Eilean Siar	89.986	-4.40	6.023	96.009	2.00	Eilean Siar	90.928	-5.29	6.761	97.689	1.75
Scotland	8282.479	3.28	0.00	8282.479	3.28	Scotland	8475.749	2.33	0.00	8475.749	2.33

Note 1 : Figures for 2006-07 and 2007-08 show increases excluding LPFS. Note 2 : LPFS will reduce % increases as it is excluded from Floor calculation

2005-06 SPECIFIC GRANTS (revised)

	Police	Civil Protection	Supported Employment	Gaelic	Mental Health	Social Work Training	National Priorities Action Fund
	£000	£000	£000	£000	£000	£000	£000
Aberdeen City	21,731	59	380	108	708	225	6,428
Aberdeenshire	16,083	44	145	4	578	168	8,960
Angus	9,431	13	0	30	321	116	3,953
Argyll & Bute	8,993	4	5	255	312	116	3,316
Clackmannanshire	3,674	9	13	14	111	61	1,793
Dumfries & Galloway	14,157	55	140	0	374	116	5,484
Dundee City	17,547	25	500	0	341	168	4,969
East Ayrshire	10,965	6	14	112	321	116	4,405
East Dunbartonshire	7,065	3	0	36	164	61	4,325
East Lothian	7,391	4	84	10	223	116	3,227
East Renfrewshire	5,252	3	13	27	57	61	3,717
Edinburgh, City of	51,493	31	400	133	1,345	500	12,171
Eilean Siar	2,198	4	51	820	164	61	1,412
Falkirk	12,022	28	220	4	367	168	5,108
Fife	29,384	55	840	0	893	332	12,477
Glasgow City	95,032	50	490	210	2,775	940	19,171
Highland	20,212	44	420	690	598	225	8,719
Inverclyde	9,713	5	30	70	193	116	3,135
Midlothian	6,949	4	55	0	266	61	3,132
Moray	7,364	20	80	0	160	61	3,224
North Ayrshire	11,713	6	25	24	197	168	5,237
North Lanarkshire	29,357	15	140	200	563	332	12,810
Orkney	1,354	3	10	0	133	61	1,024
Perth & Kinross	11,673	17	0	40	272	116	4,611
Renfrewshire	16,944	8	12	19	375	168	6,642
Scottish Borders	10,752	6	122	4	311	116	3,884
Shetland	1,789	4	30	0	165	61	1,227
South Ayrshire	8,700	4	35	0	301	116	4,096
South Lanarkshire	24,751	13	0	128	750	281	11,504
Stirling	7,558	18	30	85	207	61	3,229
West Dunbartonshire	12,508	6	20	11	251	116	3,743
West Lothian	13,909	8	44	0	204	116	5,867
Scotland	507,664	574	4,348	3,034	14,000	5,500	183,000

2006-07 SPECIFIC GRANTS

	Police	Civil Protection	Supported Employment	Gaelic	Mental Health	Social Work Training	National Priorities Action Fund
	£000	£000	£000	£000	£000	£000	£000
Aberdeen City	22,789	59	380	113	708	225	6,368
Aberdeenshire	16,866	44	145	4	578	168	8,877
Angus	9,787	13	0	31	321	116	3,916
Argyll & Bute	9,375	4	5	268	312	116	3,285
Clackmannanshire	3,854	9	13	15	111	61	1,776
Dumfries & Galloway	14,755	55	140	0	374	116	5,433
Dundee City	18,210	25	500	0	341	168	4,923
East Ayrshire	11,432	6	14	118	321	116	4,364
East Dunbartonshire	7,366	3	0	38	164	61	4,285
East Lothian	7,666	4	84	11	223	116	3,197
East Renfrewshire	5,475	3	13	28	57	61	3,682
Edinburgh, City of	53,414	31	400	140	1,345	500	12,058
Eilean Siar	2,335	4	51	861	164	61	1,399
Falkirk	12,609	28	220	4	367	168	5,061
Fife	30,206	55	840	0	893	332	12,362
Glasgow City	99,075	50	490	220	2,775	940	18,993
Highland	21,473	44	420	724	598	225	8,638
Inverclyde	10,126	5	30	73	193	116	3,106
Midlothian	7,208	4	55	0	266	61	3,103
Moray	7,723	20	80	0	160	61	3,194
North Ayrshire	12,211	6	25	25	197	168	5,188
North Lanarkshire	30,606	15	140	210	563	332	12,691
Orkney	1,439	3	10	0	133	61	1,015
Perth & Kinross	12,113	17	0	42	272	116	4,568
Renfrewshire	17,665	8	12	20	375	168	6,580
Scottish Borders	11,152	6	122	4	311	116	3,848
Shetland	1,900	4	30	0	165	61	1,216
South Ayrshire	9,070	4	35	0	301	116	4,058
South Lanarkshire	25,804	13	0	134	750	281	11,397
Stirling	7,926	18	30	89	207	61	3,199
West Dunbartonshire	13,040	6	20	12	251	116	3,708
West Lothian	14,428	8	44	0	204	116	5,812
Scotland	529,098	574	4,348	3,184	14,000	5,500	181,300

2007-08 SPECIFIC GRANTS

	Police	Civil Protection	Supported Employment	Gaelic	Mental Health	Social Work Training	National Priorities Action Fund
	£000	£000	£000	£000	£000	£000	£000
Aberdeen City	24,784	59	380	131	708	225	6,506
Aberdeenshire	18,342	44	145	5	578	168	9,068
Angus	10,220	13	0	36	321	116	4,000
Argyll & Bute	9,701	4	5	310	312	116	3,356
Clackmannanshire	4,149	9	13	17	111	61	1,815
Dumfries & Galloway	15,438	55	140	0	374	116	5,550
Dundee City	19,016	25	500	0	341	168	5,029
East Ayrshire	11,829	6	14	136	321	116	4,458
East Dunbartonshire	7,622	3	0	44	164	61	4,377
East Lothian	8,071	4	84	12	223	116	3,266
East Renfrewshire	5,666	3	13	33	57	61	3,761
Edinburgh, City of	56,238	31	400	161	1,345	500	12,318
Eilean Siar	2,500	4	51	996	164	61	1,429
Falkirk	13,576	28	220	5	367	168	5,170
Fife	33,249	55	840	0	893	332	12,627
Glasgow City	102,522	50	490	255	2,775	940	19,401
Highland	22,994	44	420	838	598	225	8,823
Inverclyde	10,478	5	30	85	193	116	3,172
Midlothian	7,588	4	55	0	266	61	3,170
Moray	8,399	20	80	0	160	61	3,262
North Ayrshire	12,636	6	25	29	197	168	5,300
North Lanarkshire	31,671	15	140	243	563	332	12,964
Orkney	1,541	3	10	0	133	61	1,037
Perth & Kinross	12,650	17	0	49	272	116	4,666
Renfrewshire	18,280	8	12	23	375	168	6,722
Scottish Borders	11,741	6	122	5	311	116	3,930
Shetland	2,035	4	30	0	165	61	1,242
South Ayrshire	9,385	4	35	0	301	116	4,145
South Lanarkshire	26,701	13	0	155	750	281	11,642
Stirling	8,535	18	30	103	207	61	3,268
West Dunbartonshire	13,494	6	20	13	251	116	3,788
West Lothian	15,191	8	44	0	204	116	5,938
Scotland	556,242	574	4,348	3,684	14,000	5,500	185,200

LOAN CHARGE SUPPORTED AND SUPPORTED BORROWING ALLOCATIONS 2005-06 TO 2007-08

Loan Charge On Local Authority Debt

1. Loan Charges are designed to support the interest payments on Local Authority debt, principal repayments and loans fund expenses. Loan charges amounts are calculated for:

- i) actual relevant service debt incurred by councils prior to 1st April 1999
- ii) estimated relevant service debt incurred by councils from 1st April 1999 to 31st March 2004 under Section 94 of Local Government Scotland Act, 1973
- iii) estimated debt incurred by councils against supported borrowing allocation from 1st April 2004
- iv) actual debt incurred by the police and fire services and the Strathclyde Passenger Transport Authority

2. For each category of debt the main components of loan charges are calculated as follows:

2005-06

Loan Charge Support for 2005-06 is as stated in Finance Circular 1/2003.

2006-07 and 2007-08

Loan charges for 2006-07 and 2007-08 are calculated (using a rebased 2005-06) as follows:

Interest Payments: A Scottish average pool interest rate is applied to the average debt. For 2006-07 and 2007-08, the interest rate is 6.13%. This interest rate is compiled from data supplied by PWLB (Public Works Loan Board), CIPFA (Chartered Institute of Public Finance and Accountancy) and HM Treasury.

Principal Repayments: For category i) redemptions are as reported. For categories ii) and iii) an average redemption rate is applied to average debt during the period. This rate is the average all-councils redemption rate for 2003-04. For iv) the rate used for each board is that board's average redemption rate for 2001-02 to 2003-04.

Loans Fund Expenses: An expenses rate is applied to average debt in the period. For 2006-07 to 2007-08, the expenses rate is 0.069%. This is the same rate as was previously used as updated data was not available.

3. In addition, Orkney Islands Council and Shetland Islands Council receive a notional element of loan charges to support their debt free (or previously debt free) status.

Loan Charges For Public Private Partnership Projects

4. In addition to the loan and leasing charges detailed above, loan charges are given to provide a 'level playing field' for Public private partnership projects (PPPs). The methodology for this is described in detail in Finance Circular 16/1997. The total Level Playing Field Support requirement for 2005-08 is as follows:

- 2005-06 £59.955m
- 2006-07 £61.429m
- 2007-08 £61.429m

Total Loan And Leasing Charges Requirement

5. Basic loan and leasing charges requirement is the sum of loan charges across the Local Authority debt types listed in 1.(i) to 1.(iv) (including notional amounts for Orkney and Shetland). The calculated basic loan charges requirement for 2006-08 (excluding LPFS) is as follows:

- 2006-07 £817.454m
- 2007-08 £831.129m

6. These basic totals are then added to LPFS as given in paragraph 4, to give a total basic loan charge requirement (including LPFS) as follows:

- 2006-07 £878.882m
- 2007-08 £892.558m

7. These totals are then adjusted to ensure consistency with the previous early loan charge estimates built into the settlement calculations. Any excess (or shortfall) of support that exists compared to the earlier loan charge is apportioned across the 32 authorities, relative to each authority's share of the basic loan charge requirement (excluding LPFS) as given in part 8 and is provided as other revenue. For 2006-07 and 2007-08 headroom of £87m in 2006-07 and £85m in 2007-08 is included in the final totals. The final adjusted totals are shown below:

- 2006-07 £966m
- 2007-08 £978m

Supported Borrowing

8. For 2006-07 to 2007-08, as for 2004-05 and 2005-06, the total loan charge support to authorities includes an element which represents support, for the period of this settlement, for an assumed level of new capital debt taken out in each year.

9. The previous consent allocation formula has again been used to establish these allocations. As notified in Finance Circular 10/2002, these assumed 'notional' allocations would not have any control on authorities' actual levels of capital borrowing or investment.

10. The table below shows the supported borrowing allocations used to calculate the distribution of the supported borrowing loan charge support for 2006-07 and 2007-08.

	2006-07	2007-08
	£'000	£'000
Aberdeen City	9,157	9,386
Aberdeenshire	10,109	10,362
Angus	5,973	6,122
Argyll & Bute	11,789	12,084
Clackmannanshire	3,299	3,381
Dumfries & Galloway	9,865	10,112
Dundee City	8,042	8,243
East Ayrshire	6,026	6,176
East Dunbartonshire	5,472	5,609
East Lothian	5,238	5,369
East Renfrewshire	4,920	5,043
Edinburgh, City of	20,883	21,406
Eilean Siar	11,039	11,315
Falkirk	7,345	7,528
Fife	16,149	16,552
Glasgow	33,976	34,826
Highland	19,786	20,281
Inverclyde	7,135	7,313
Midlothian	4,340	4,449
Moray	5,066	5,193
North Ayrshire	8,914	9,137
North Lanarkshire	14,807	15,177
Orkney Islands	4,224	4,329
Perth & Kinross	8,660	8,877
Renfrewshire	9,285	9,517
Scottish Borders	8,010	8,211
Shetland Islands	0	0
South Ayrshire	5,512	5,650
South Lanarkshire	15,130	15,509
Stirling	5,475	5,612
West Dunbartonshire	5,029	5,155
West Lothian	7,057	7,233
Total	297,713	305,156

Note: minor roundings discrepancy from the individual Local Authority split to the total. The amounts specified are correct to each Local Authority are actuals.

Other Revenue Support

11. The Loan Charge Support column also includes other revenue support stemming from the additional provision in the 2002 settlement. Local authorities are free to use this support for prudential borrowing or for other support of services if they so wish.

ANNEX 7

2005-06 DISTRIBUTABLE AMOUNT
NDRI Balance Sheet to 31.3.05

	£m	£m	£m	£m	£m
1	Balance b.f. 31.3.04 as per DA calc 04/05				87.922
	** Less: Diff between 01-02 Audited post DA calc				1.966
2	Closing Balance				85.956
<hr/>					
	Final Balance b.f. 31.3.04				
3	Opening Balance				85.956
4	Add: PCA Prov Cont Amnt 2004/05			1803.717	
5	Less: Dist Amnt 2004/05			1895.941	
				<u>-92.224</u>	
6	Reconciliation of 2003-04				-6.268
7	Add: Notified Amnt 2003/04		1708.535		
8	Less Prov Cont Amnt 2003/04		1765.614		
9			<u>-57.079</u>		
10	Reconciliation of 2002-03				-63.347
11	Add: Audited Amnt 2002/03		1705.090		
12	Less: Notified Amnt 2002/03		1704.826		
13			<u>0.264</u>		
14	Closing Balance 2004-05				-63.083
<hr/>					
15	Balance b.f. 31.3 05				-63.083
16	Opening Balance				
17	Add: estimated Prov Cont. Amnt 2005-06		1951.000		
18	Add:Mid Yr Estimate 2004/05	1812.873			
19	Less: Prov Cont Amnt 2004/05	1803.717			
20	Add/less Est. reconciliation of 2004/05	<u>9.156</u>			
21	Estimated movement on Pool 2005-06				1960.156
<hr/>					
22	Estimated movement on Pool 2005-06				1960.156
23	Net Balance on 04/05 Pool inc. b/fd @ 31/3/05				1897.073
24	Less: Distributable Amount for 2005/06				-1897.073
25	Estimated balance at 31.3.06				0.000
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AEF 2005-06	Circular 2/2004	NPAF	Police	Fire	Transitional Funding	Waste Disposal	Supporting Young People Leaving Care	DWP Transfer Residential Allowance	Money Advice	Supporting People	Effects of changes in PPP support	Circular 8/2004
Aberdeen City	283.384	0.820	0.140	0.149	0.425	0.094	0.164	1.751	0.052	0.146	-0.202	286.921
Aberdeenshire	321.455	1.142	0.104	0.103	0.293	0.096	0.109	1.231	0.045	0.162	-0.217	324.521
Angus	162.730	0.513	0.251	0.053	0.138	0.046	0.077	0.731	0.040	0.076	1.027	165.681
Argyll & Bute	164.647	0.425	1.236	0.051	0.124	0.044	0.058	0.405	0.040	0.065	-0.084	167.011
Clackmannanshire	70.864	0.247	0.249	0.030	0.073	0.020	0.051	0.326	0.040	0.034	-0.040	71.893
Dumfries & Galloway	239.352	0.697	0.108	0.098	0.365	0.064	0.101	0.899	0.043	0.104	-0.133	241.699
Dundee City	246.596	0.645	0.467	0.144	0.378	0.062	0.206	0.946	0.062	0.101	-0.112	249.495
East Ayrshire	184.477	0.581	0.399	0.059	0.145	0.050	0.132	0.587	0.053	0.084	-0.094	186.471
East Dunbartonshire	147.936	0.571	0.406	0.058	0.141	0.045	0.052	0.357	0.040	0.076	-0.105	149.578
East Lothian	126.842	0.436	0.672	0.033	0.090	0.039	0.068	0.601	0.040	0.064	-0.090	128.796
East Renfrewshire	125.060	0.492	0.626	0.040	0.097	0.037	0.048	0.404	0.040	0.063	3.326	130.234
Edinburgh, City of	614.661	1.685	-2.024	0.273	0.740	0.205	0.408	1.484	0.104	0.317	-0.465	617.389
Eilean Siar	93.252	0.155	0.142	0.026	0.414	0.012	0.013	0.034	0.060	0.042	-0.022	94.128
Falkirk	215.210	0.666	0.814	0.088	0.214	0.061	0.134	1.047	0.051	0.103	-0.122	218.266
Fife	517.825	1.632	0.432	0.248	0.789	0.149	0.325	2.091	0.100	0.249	-0.303	523.538
Glasgow City	1,114.034	2.595	-7.737	0.450	1.102	0.261	1.051	5.214	0.286	0.408	-0.517	1,117.149
Highland	367.533	1.030	-0.323	0.188	3.000	0.099	0.157	1.369	0.058	0.148	-0.198	373.060
Inverclyde	140.940	0.406	-0.757	0.071	0.175	0.035	0.105	0.727	0.043	0.059	-0.065	141.739
Midlothian	122.526	0.409	0.634	0.025	0.068	0.033	0.072	0.607	0.040	0.056	-0.070	124.401
Moray	132.182	0.430	0.047	0.049	0.141	0.037	0.053	0.254	0.040	0.062	-0.072	133.224
North Ayrshire	212.121	0.664	1.598	0.085	0.208	0.058	0.168	0.858	0.058	0.096	-0.114	215.801
North Lanarkshire	490.382	1.585	0.923	0.154	0.376	0.135	0.366	2.049	0.122	0.227	-0.247	496.072
Orkney	54.103	0.120	0.186	0.016	0.251	0.009	0.008	0.014	0.060	0.031	-0.017	54.780
Perth & Kinross	194.761	0.601	0.311	0.080	0.211	0.060	0.083	0.805	0.040	0.096	-0.134	196.914
Renfrewshire	264.666	0.827	0.651	0.096	0.235	0.073	0.191	0.776	0.063	0.121	-0.153	267.544
Scottish Borders	172.218	0.499	0.371	0.076	0.206	0.046	0.062	0.527	0.040	0.077	-0.100	174.021
Shetland	77.015	0.140	-0.114	0.019	0.307	0.009	0.011	0.080	0.060	0.035	-0.018	77.544
South Ayrshire	160.125	0.513	2.901	0.067	0.165	0.050	0.085	0.488	0.040	0.079	-0.109	164.403
South Lanarkshire	450.128	1.432	1.828	0.150	0.366	0.127	0.280	1.457	0.098	0.214	-0.257	455.822
Stirling	134.165	0.419	0.512	0.051	0.122	0.039	0.066	0.397	0.040	0.061	-0.084	135.788
West Dunbartonshire	159.194	0.472	0.415	0.092	0.225	0.039	0.139	0.472	0.045	0.065	-0.078	161.080
West Lothian	232.070	0.811	0.534	0.079	0.213	0.068	0.158	0.786	0.056	0.114	-0.132	234.757
Scotland	7,992.454	23.662	6.000	3.200	11.800	2.200	5.000	29.770	2.000	3.634	0	8,079.720