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## Local Government Finance Circular No. 4/2017

Chief Executives and Directors of Finance of Scottish  
Local Authorities

Chief Executive, Convention of Scottish Local  
Authorities (COSLA)

Our Reference: A17202749  
12 April 2017

Dear Chief Executive/Director of Finance

### **BUSINESS RATES INCENTIVISATION SCHEME 2015-18**

1. This Local Government Finance Circular provides details of the outcome of the Business Rates Incentivisation Scheme for 2015-16, the revised individual local authority targets for 2016-17 and the provisional targets for 2017-18.

2. The full background and terms and conditions of the revised Business Rates Incentivisation Scheme were set out in Annex N of the Local Government Finance Circular No 9/2014 dated 11 December 2014.

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

Annex A: Business Rates Incentivisation Scheme 2015-16 sums to be retained;  
Annex B: Business Rates Incentivisation Scheme revised 2016-17 targets; and  
Annex C: Business Rates Incentivisation Scheme 2017-18 provisional targets.

4. Any enquiries should be addressed to me: Bill Stitt 0131 244 7044 [bill.stitt@gov.scot](mailto:bill.stitt@gov.scot)

5. This Circular is available on the Scottish Government website at:  
[www.gov.scot/Topics/Government/local-government/17999/11203](http://www.gov.scot/Topics/Government/local-government/17999/11203)

Yours faithfully

*Wm Stitt*

**Bill Stitt**  
Local Government & Analytical Services Division

## 2015-16 BUSINESS RATE INCENTIVISATION SCHEME – SUMS TO BE RETAINED

Local Authority	Sum to be retained (£)
Aberdeen City	3,370,582
Aberdeenshire	932,087
Angus	70,615
Eilean Siar	71,571
Glasgow City	1,513,758
Highland	370,902
Moray	16,243
South Ayrshire	30,166
<b>Total</b>	<b>6,375,925</b>

1. The figures included in this table are the sums to be retained by each of the local authorities listed and represent the 50 per cent share of the additional rates income generated in 2015-16. The other 50 per cent has been retained by the Scottish Government as set out in paragraph 10 of Annex N of Local Government Finance Circular 9/2014.

<http://www.gov.scot/Topics/Government/local-government/17999/11203/localgovernment17999>

2. The local authorities listed here or in finance circular 3/2016 should exclude the sums involved in returning any future non domestic rates returns pertaining to 2016-17 only. As previously agreed, sums are only retained until the next revaluation which impacts from 1 April 2017.

## BUSINESS RATE INCENTIVISATION SCHEME – 2016-17 FINAL TARGETS

	Final local buoyancy target for 2016-17*
Aberdeen City	1.1%
Aberdeenshire	1.5%
Angus	0.9%
Argyll & Bute	1.1%
Clackmannanshire	0.8%
Dumfries & Galloway	0.7%
Dundee City	0.7%
East Ayrshire	0.8%
East Dunbartonshire	0.8%
East Lothian	1.0%
East Renfrewshire	0.9%
Edinburgh, City of	0.8%
Eilean Siar	1.4%
Falkirk	0.8%
Fife	1.0%
Glasgow City	0.9%
Highland	1.1%
Inverclyde	0.9%
Midlothian	0.8%
Moray	1.3%
North Ayrshire	1.0%
North Lanarkshire	0.9%
Orkney Islands	1.1%
Perth & Kinross	0.9%
Renfrewshire	0.8%
Scottish Borders	1.0%
Shetland Islands	0.7%
South Ayrshire	0.8%
South Lanarkshire	1.0%
Stirling	0.8%
West Dunbartonshire	0.9%
West Lothian	0.9%
<b>SCOTLAND</b>	<b>1.0%</b>

\*These finalised targets take into account the updated 2016-17 buoyancy data.

## BUSINESS RATE INCENTIVISATION SCHEME – 2017-18 PROVISIONAL TARGETS

	Provisional local buoyancy target for 2017-18
Aberdeen City	1.9%
Aberdeenshire	2.1%
Angus	1.7%
Argyll & Bute	1.8%
Clackmannanshire	1.6%
Dumfries & Galloway	1.5%
Dundee City	1.5%
East Ayrshire	1.4%
East Dunbartonshire	1.5%
East Lothian	1.6%
East Renfrewshire	1.9%
Edinburgh, City of	1.6%
Eilean Siar	2.0%
Falkirk	1.6%
Fife	1.7%
Glasgow City	1.6%
Highland	1.8%
Inverclyde	1.7%
Midlothian	1.7%
Moray	2.1%
North Ayrshire	1.8%
North Lanarkshire	1.6%
Orkney Islands	1.7%
Perth & Kinross	1.6%
Renfrewshire	1.6%
Scottish Borders	1.6%
Shetland Islands	1.3%
South Ayrshire	1.6%
South Lanarkshire	1.7%
Stirling	1.6%
West Dunbartonshire	1.7%
West Lothian	1.6%
<b>SCOTLAND</b>	<b>1.7%</b>