

PUBLIC SERVICES AND GOVERNMENT

Statistics Publication Notice

Economy (Local Government Finance)

PROVISIONAL OUTTURN 2014-15 AND BUDGET ESTIMATES 2015-16

27th May 2015

This Statistics Publication Notice provides details of the Provisional Outturn 2014-15 and Budget Estimates 2015-16 for local authorities in Scotland. This data is collected on the Provisional Outturn and Budget Estimates (POBE) return which collects data on net revenue expenditure for services provided by Scottish local authorities.

The key points are:

2014-15 – Provisional Outturn

- Scotland's local authorities' **provisional outturn total net revenue expenditure is £11.899 billion**. Of this figure, £4.677 billion (39.3%) is on Education, and £3.117 billion (26.2%) is on Social Work services. (Table 1). These two services account for just under two thirds of the total expenditure.
- **Provisional outturn** for other main services are: Environmental Services £0.685 billion (5.8%), Culture and Related Services £0.631 billion (5.3%), Roads & Transport £0.458 billion (3.8%), Planning & Development £0.311 billion (2.6%). All other expenditure, including non-HRA housing and Central Services totals £2.019 billion, 17.0% of the total provisional outturn net revenue expenditure. (Table 1).
- Local Authorities received total funding of £11.801 billion from General Revenue Funding (60.5% of funding), Non-Domestic Rates (22.5%) and Council Tax (16.9%). The £0.098 billion difference between expenditure and funding was met from reserves (£0.069 billion) and transfers from other accounts (£0.029 billion). (Table 3).
- At 1st April 2014, local authorities held General Fund reserves of £1.062 billion, which fell by 6.5% to £0.993 billion at the 31st March 2015. (Table 3).

2015-16 – Budget Estimates

- For 2015-16 Scotland's local authorities have set a net revenue expenditure **budget estimate of £11.877 billion** for spending on all services. Of this total, £4.765 billion (40.1%) is for Education, and £3.106 billion (26.2%) is for Social Work services. (Table 2).
- **2015-16 budget estimates** for other main services are: Environmental Services £0.681 billion (5.7%), Culture and Related Services £0.583 billion (4.9%), Roads & Transport £0.458 billion (3.9%), Planning & Development £0.279 billion (2.3%). All other expenditure, including non-HRA housing and Central Services totals £2.006 billion, 16.9% of the total budgeted net revenue expenditure. (Table 2).
- Local Authorities have budgeted to receive total funding of £11.857 billion from General Revenue Funding (59.1% of total funding), Non-Domestic Rates (24%) and Council Tax (16.9%). Authorities plan to meet the £0.020 billion difference between expenditure and funding from reserves (£0.009 billion) and transfers from other accounts (£0.011 billion). (Table 4).
- At 1st April 2015, local authorities held General Fund reserves of £0.993 billion, which they expect to fall by 0.9% to £0.984 billion by the 31st March 2016. (Table 4).

Table 1: Net Revenue Expenditure: Provisional Outturn 2014-15 of Scotland and Local Authorities by Main Services

£thousands

	Education	Social Work	Roads and Transport	Environmental Services	Planning and Development Services	Culture and Related Services	Other Services	Total Net Expenditure
Scotland	4,677,317	3,116,856	457,978	685,272	310,921	631,383	2,019,100	11,898,827
Aberdeen City	169,499	131,970	12,149	27,397	6,749	27,678	54,557	429,999
Aberdeenshire	242,683	127,652	28,974	32,238	19,710	20,331	64,224	535,812
Angus	98,680	55,790	12,105	14,107	3,222	10,890	42,531	237,325
Argyll & Bute	93,822	59,359	12,671	18,347	4,338	8,231	55,228	251,996
Clackmannanshire	46,514	31,566	3,387	6,423	1,518	5,243	22,880	117,531
Dumfries & Galloway	139,496	91,300	16,499	18,642	7,408	16,577	60,282	350,204
Dundee City	120,002	100,250	8,478	17,857	11,575	17,089	63,378	338,629
East Ayrshire	112,775	73,920	10,017	13,807	5,360	7,982	43,914	267,775
East Dunbartonshire	107,083	53,229	8,117	14,922	4,568	7,945	37,438	233,302
East Lothian	85,235	59,720	6,069	10,638	2,689	15,732	30,322	210,405
East Renfrewshire	104,546	46,115	9,375	9,011	3,140	9,792	35,826	217,805
Edinburgh, City of	303,734	304,329	13,774	65,469	16,611	41,546	211,790	957,253
Eilean Siar	41,544	22,674	7,431	6,256	3,107	3,737	29,848	114,597
Falkirk	139,645	88,510	12,001	16,050	8,812	16,221	55,738	336,977
Fife	308,740	236,225	33,568	35,252	18,015	44,631	113,402	789,833
Glasgow City	446,982	391,318	26,148	90,548	88,237	135,460	308,058	1,486,751
Highland	234,045	138,261	26,313	38,324	6,335	21,768	98,401	563,447
Inverclyde	77,452	48,379	5,041	10,695	7,205	7,196	33,874	189,842
Midlothian	81,006	50,337	6,798	8,212	3,141	8,664	36,160	194,318
Moray	80,182	54,014	6,253	10,724	2,649	7,521	28,400	189,743
North Ayrshire	124,184	87,009	11,720	15,947	11,319	16,858	49,918	316,955
North Lanarkshire	332,123	169,797	26,439	40,196	17,580	40,197	96,020	722,352
Orkney Islands	28,943	18,160	13,268	3,241	2,948	4,080	9,973	80,613
Perth & Kinross	133,685	72,106	12,961	21,044	7,989	17,076	46,700	311,561
Renfrewshire	143,271	100,728	12,459	22,086	5,459	16,899	68,581	369,483
Scottish Borders	105,298	67,272	16,745	14,338	2,591	13,915	34,912	255,071
Shetland Islands	38,467	26,223	20,503	3,221	3,520	4,567	7,631	104,132
South Ayrshire	98,409	74,405	11,270	14,177	3,044	11,942	38,197	251,444
South Lanarkshire	281,686	149,700	36,665	39,911	16,295	32,426	127,454	684,137
Stirling	90,131	43,382	7,763	13,933	2,402	10,080	36,411	204,102
West Dunbartonshire	100,909	60,737	7,028	11,854	4,178	12,651	22,425	219,782
West Lothian	166,546	82,419	15,989	20,405	9,207	16,458	54,627	365,651

1) Other Services consists of a number of other council activities, including non-HRA housing and Central Services. Some items can finish with Net Surplus. e.g. Interest and Investment Income.

Table 2: Net Revenue Expenditure: Budget Estimates 2015-16 of Scotland and Local Authorities by Main Services

£thousands

	Education	Social Work	Roads and Transport	Environmental Services	Planning and Development Services	Culture and Related Services	Other Services	Total Net Expenditure
Scotland	4,764,668	3,106,254	457,684	680,721	278,840	583,204	2,005,679	11,877,050
Aberdeen City	176,935	134,658	12,057	25,096	7,222	28,494	57,904	442,366
Aberdeenshire	247,651	128,829	28,219	33,644	5,808	20,789	61,008	525,948
Angus	102,198	56,784	11,294	14,425	2,787	11,000	44,061	242,549
Argyll & Bute	94,428	60,751	13,466	18,383	3,770	8,283	47,561	246,642
Clackmannanshire	48,608	31,294	3,561	6,616	1,437	4,834	22,613	118,963
Dumfries & Galloway	139,854	92,022	15,285	16,692	7,419	15,096	60,212	346,580
Dundee City	124,795	105,952	8,697	16,691	9,150	17,402	56,988	339,675
East Ayrshire	110,707	76,758	10,708	13,537	4,737	7,524	45,319	269,290
East Dunbartonshire	107,280	55,096	8,259	14,853	4,181	7,864	38,213	235,746
East Lothian	89,301	58,421	6,780	9,558	2,780	16,120	33,905	216,865
East Renfrewshire	104,677	45,191	9,146	9,125	3,356	9,553	39,996	221,044
Edinburgh, City of	307,290	295,420	14,344	63,011	15,648	38,757	213,613	948,083
Eilean Siar	41,931	22,297	7,668	6,258	2,964	3,305	28,299	112,722
Falkirk	142,344	86,461	11,727	15,736	7,452	15,466	56,058	335,244
Fife	314,207	218,007	35,170	35,174	12,153	42,279	111,241	768,231
Glasgow City	449,089	386,203	28,468	92,795	82,434	101,800	298,119	1,438,908
Highland	234,502	139,521	23,180	37,418	6,062	21,347	96,581	558,611
Inverclyde	77,711	48,432	5,132	10,606	6,704	6,947	37,925	193,457
Midlothian	82,228	50,019	6,170	8,609	3,213	8,270	28,597	187,106
Moray	83,376	55,240	6,196	11,297	2,724	8,045	29,816	196,694
North Ayrshire	132,163	87,507	11,547	16,563	11,981	15,927	48,128	323,816
North Lanarkshire	334,707	175,004	25,636	40,218	13,003	41,056	97,981	727,605
Orkney Islands	29,367	17,803	13,331	3,249	2,882	3,984	10,933	81,549
Perth & Kinross	141,089	75,306	14,471	22,252	5,665	19,382	46,766	324,931
Renfrewshire	145,728	99,839	12,523	20,588	13,289	13,710	70,669	376,346
Scottish Borders	107,545	67,232	15,586	14,967	1,716	13,155	34,370	254,571
Shetland Islands	40,802	29,233	21,385	3,478	4,431	4,464	8,749	112,542
South Ayrshire	103,221	73,181	11,155	14,534	4,543	10,624	39,097	256,355
South Lanarkshire	284,382	146,980	36,058	38,752	15,718	30,610	125,335	677,835
Stirling	93,505	42,716	7,570	13,762	1,802	9,403	39,757	208,515
West Dunbartonshire	103,130	60,034	7,093	11,806	2,977	12,227	20,274	217,541
West Lothian	169,917	84,063	15,802	21,028	8,832	15,487	55,591	370,720

1) Other Services consists of a number of other council activities, including non-HRA housing and Central Services. Some items can finish with Net Surplus. e.g. Interest and Investment Income.

Table 3: Provisional Outturn 2014-15 – Summary of Income, Expenditure and Balances

£thousands

	General Fund Opening Balance at 1 April 2014	Total Expenditure	General Revenue Funding incl. Revenue Grants	Non-domestic Rate Income	Council Tax Income	Total Income	Surplus (+) / Deficit (-)	Transfers to or from other accounts	General Fund Closing Balance at 31 March 2015
Scotland	1,062,424	11,898,827	7,145,234	2,660,852	1,994,680	11,800,766	-98,061	28,580	992,943
Aberdeen City	57,147	429,999	137,005	192,684	100,350	430,039	40	40	57,227
Aberdeenshire	57,491	535,812	321,006	86,371	116,079	523,456	-12,356	105	45,240
Angus	18,788	237,325	173,909	28,033	40,889	242,831	5,506	-3,590	20,704
Argyll & Bute	44,041	251,996	175,376	31,002	43,098	249,476	-2,520	0	41,521
Clackmannanshire	12,016	117,531	82,322	12,918	18,510	113,750	-3,781	0	8,235
Dumfries & Galloway	65,196	350,204	244,795	48,739	53,024	346,558	-3,646	0	61,550
Dundee City	7,875	338,629	235,007	58,704	45,141	338,852	223	1,127	9,225
East Ayrshire	28,026	267,775	196,597	31,060	40,223	267,880	105	564	28,695
East Dunbartonshire	11,313	233,302	155,795	24,901	49,684	230,380	-2,922	0	8,391
East Lothian	10,743	210,405	145,543	25,716	42,356	213,615	3,210	-825	13,128
East Renfrewshire	14,918	217,805	160,805	15,324	40,460	216,589	-1,216	2,462	16,164
Edinburgh, City of	123,309	957,253	376,455	366,101	209,776	952,332	-4,921	-74	118,314
Eilean Siar	18,800	114,597	96,849	7,103	9,058	113,010	-1,587	0	17,213
Falkirk	12,309	336,977	204,621	74,307	52,272	331,200	-5,777	1,124	7,656
Fife	85,025	789,833	479,062	162,013	134,103	775,178	-14,655	0	70,370
Glasgow City	32,789	1,486,751	903,315	365,048	181,399	1,449,762	-36,989	30,405	26,205
Highland	40,340	563,447	332,519	124,210	100,140	556,869	-6,578	0	33,762
Inverclyde	50,834	189,842	145,450	22,707	26,695	194,852	5,010	0	55,844
Midlothian	20,511	194,318	122,342	29,379	34,361	186,082	-8,236	0	12,275
Moray	19,730	189,743	121,474	34,637	34,500	190,611	868	0	20,598
North Ayrshire	25,155	316,955	229,086	40,417	47,144	316,647	-308	-1,086	23,761
North Lanarkshire	75,021	722,352	508,731	118,797	99,127	726,655	4,303	-3,246	76,078
Orkney Islands	23,646	80,613	59,357	9,604	7,751	76,712	-3,901	3,871	23,616
Perth & Kinross	48,041	311,561	193,880	55,563	66,879	316,322	4,761	-6,202	46,600
Renfrewshire	52,925	369,483	205,607	106,316	63,612	375,535	6,052	-1,003	57,974
Scottish Borders	17,136	255,071	175,597	31,013	45,664	252,274	-2,797	0	14,339
Shetland Islands	12,813	104,132	68,975	17,602	8,408	94,985	-9,147	1,853	5,519
South Ayrshire	22,927	251,444	159,602	43,134	45,795	248,531	-2,913	0	20,014
South Lanarkshire	35,559	684,137	275,275	296,887	108,920	681,082	-3,055	3,055	35,559
Stirling	5,887	204,102	132,112	32,586	40,530	205,228	1,126	0	7,013
West Dunbartonshire	10,113	219,782	108,457	78,978	29,925	217,360	-2,422	0	7,691
West Lothian	2,000	365,651	218,308	88,998	58,807	366,113	462	0	2,462

Table 4: Budget Estimates 2015-16 – Summary of Income, Expenditure and Balances

£thousands

	General Fund Opening Balance at 1 April 2015	Total Expenditure	General Revenue Funding incl. Revenue Grants	Non-domestic Rate Income	Council Tax Income	Total Income	Surplus (+) / Deficit (-)	Transfers to or from other accounts	General Fund Closing Balance at 31 March 2016
Scotland	992,943	11,877,050	7,012,243	2,841,568	2,003,515	11,857,326	-19,724	10,918	984,137
Aberdeen City	57,227	442,366	121,306	217,237	103,823	442,366	0	0	57,227
Aberdeenshire	45,240	525,948	319,200	95,217	117,711	532,128	6,180	157	51,577
Angus	20,704	242,549	173,667	31,836	41,427	246,930	4,381	-4,381	20,704
Argyll & Bute	41,521	246,642	176,018	27,840	42,936	246,794	152	0	41,673
Clackmannanshire	8,235	118,963	81,095	15,853	18,278	115,226	-3,737	0	4,498
Dumfries & Galloway	61,550	346,580	242,111	51,027	53,442	346,580	0	0	61,550
Dundee City	9,225	339,675	231,508	62,479	45,688	339,675	0	0	9,225
East Ayrshire	28,695	269,290	197,656	32,850	40,595	271,101	1,811	1,566	32,072
East Dunbartonshire	8,391	235,746	160,203	26,042	49,124	235,369	-377	0	8,014
East Lothian	13,128	216,865	146,067	26,963	42,490	215,520	-1,345	-1,345	10,438
East Renfrewshire	16,164	221,044	163,339	16,553	41,052	220,944	-100	100	16,164
Edinburgh, City of	118,314	948,083	335,100	403,758	208,006	946,864	-1,219	0	117,095
Eilean Siar	17,213	112,722	93,724	8,188	9,322	111,234	-1,488	0	15,725
Falkirk	7,656	335,244	217,690	64,449	52,705	334,844	-400	0	7,256
Fife	70,370	768,231	466,688	172,289	133,594	772,571	4,340	0	74,710
Glasgow City	26,205	1,438,908	875,538	383,943	182,471	1,441,952	3,044	-44	29,205
Highland	33,762	558,611	324,838	131,721	101,447	558,006	-605	0	33,157
Inverclyde	55,844	193,457	144,848	24,443	26,754	196,045	2,588	0	58,432
Midlothian	12,275	187,106	122,096	32,900	34,874	189,870	2,764	0	15,039
Moray	20,598	196,694	122,791	38,036	35,071	195,898	-796	0	19,802
North Ayrshire	23,761	323,816	232,396	43,101	46,098	321,595	-2,221	0	21,540
North Lanarkshire	76,078	727,605	505,475	122,426	99,704	727,605	0	0	76,078
Orkney Islands	23,616	81,549	60,984	9,490	7,738	78,212	-3,337	3,537	23,816
Perth & Kinross	46,600	324,931	190,608	59,571	66,923	317,102	-7,829	-702	38,069
Renfrewshire	57,974	376,346	209,271	102,915	64,160	376,346	0	0	57,974
Scottish Borders	14,339	254,571	174,011	34,849	46,063	254,923	352	0	14,691
Shetland Islands	5,519	112,542	69,101	17,454	8,438	94,993	-17,549	12,030	0
South Ayrshire	20,014	256,355	163,013	42,851	46,249	252,113	-4,242	0	15,772
South Lanarkshire	35,559	677,835	253,464	317,230	106,541	677,235	-600	0	34,959
Stirling	7,013	208,515	120,907	46,939	40,669	208,515	0	0	7,013
West Dunbartonshire	7,691	217,541	100,667	86,902	30,481	218,050	509	0	8,200
West Lothian	2,462	370,720	216,863	94,216	59,641	370,720	0	0	2,462

BACKGROUND NOTES

1. DATA SOURCES

- 1.1 The Scottish Government's Provisional Outturn and Budget Estimates (POBE) has been collected with the help of the 32 unitary local authorities. The continued co-operation of these bodies in completing these returns is gratefully acknowledged.
- 1.2 The POBE form and additional information sheets are sent to all local authorities annually to complete a breakdown by service and sub-service of their provisional outturn expenditure for the current year and their budget estimates for the forthcoming year. All amounts returned are net revenue expenditure.
- 1.3 The provisional outturn 2014-15 expenditure are **provisional figures**, the final outturn 2014-15 net revenue expenditure figures will be published in the Scottish Local Government Financial Statistics (SLGFS) 2014-15, scheduled for publication in February 2016. Previous SLGFS publications can be found here:
<http://www.gov.scot/Topics/Statistics/Browse/Local-Government-Finance/PubScottishLGFStats>.
- 1.4 NDR income figures in this publication are the provisional NDR income figures reported by Councils in the POBE return. Actual distributable amounts received by councils are given in [The Local Government Finance \(Scotland\) Amendment Order 2014](#) and [The Local Government Finance \(Scotland\) Amendment Order 2015](#).
- 1.5 Detailed statistics on budget estimates, using the POBE data, can be found in the 'Rating Review Estimates' series which are published annually by CIPFA around September.

2. DATA DEFINITIONS

- 2.1 All data are net revenue expenditure figures.
- 2.2 Local Government expenditure is split between revenue and capital expenditure. This publication covers revenue expenditure only. Revenue expenditure is largely made up of employee and operating costs. **Gross revenue expenditure** is the total expenditure on local authority services within a financial year and **net revenue expenditure** is the gross revenue expenditure less any specific income for individual services. **Net revenue expenditure** is therefore expenditure to be

financed from General Revenue Funding, Non-Domestic Rates income, Council Tax income and local authority reserves.

- 2.3 Net revenue expenditure is therefore influenced by the value of any income attributable to an individual service. For example, a local authority will provide planning and building control services for which they will charge fees. The net revenue expenditure will be the residual cost of providing those services after deducting any income from fees charged.
- 2.4 As a consequence of the creation of the Scottish Police Services Authority and the Scottish Fire and Rescue Service on 1st April 2013 police and fire services are no longer funded through the local government settlement. Consequently expenditure on police and fire is not included in local government expenditure figures from 2013-14 onwards. This should be taken into account when comparing historic data with figures from 2013-14 onwards.
- 2.5 When comparing the Provisional Outturn and the Budget Estimates with each other, or with any previously published data on outturn or budgets, please be aware of the following:-
- Across years, accounting procedures adopted by councils may improve as new Statements of Recommended Practice (SORP) and Financial Reporting Standards (FRS) are developed by official accounting bodies, which can lead to discontinuity in the data collected between financial years.
 - Budget estimates are only an indication of spend, and when comparing budget estimates, year to year changes for individual councils and/or individual services can be misleading in terms of being an indication of the eventual annual change in spend.
 - Net revenue expenditure can be affected by large one-off payments in any year e.g. Equal Pay back pay settlement expenditure.
- 2.6 Revised accounting arrangements for Private Finance Initiatives (PFI) and Public Private Partnerships (PPP) were introduced from 1st April 2009. From 2010 onwards, the POBE was revised to collect data based on the new arrangements, with the statutory repayment of debt and interest elements of the total unitary payment previously recorded within individual service expenditure, now recorded in other expenditure lines of the POBE return and hence included under 'other services' in tables 1 and 2. For more detailed information on the accounting changes see [Finance Circular 4/2010](#).

ENQUIRIES

For public enquiries (non-media) about the information contained in this Statistics Publication Notice contact Local Government Finance Statistics on 0131 244 7033 or e-mail lgfstats@scotland.gsi.gov.uk .

Media enquiries about the information in this Statistics Publication Notice should be addressed to Iona Macpherson on 0131 244 5070.

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