



Item No. 7

Meeting Date Wednesday 21st March 2018

Glasgow City Integration Joint Board

Report By: Sharon Wearing, Chief Officer, Finance and Resources

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INTEGRATION JOINT BOARD FINANCIAL ALLOCATIONS AND BUDGETS FOR 2018-19

Purpose of Report:	To provide the IJB with a full update on the proposed financial allocations to, and implications for, the IJB Budget in 2018-19.
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Background/Engagement:	In preparation for the 2018-19 revenue budget, transformational change programmes have been considered and approved by the IJB for Older People and Children's Services on the 8 November 2017 and Adult Services on 24 January 2018. These programmes will deliver savings in 2018-19 which will support the delivery of a balanced budget for the IJB.
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Recommendations:	<p>The Integration Joint Board is asked to:</p> <ul style="list-style-type: none">a) note the contents of this report;b) note and conditionally accept the interim budget position from Glasgow City Council for 2018-19, pending further discussion and work to be undertaken in relation to the allocation of Corporate savings;c) note and conditionally accept the interim budget position from NHS Greater Glasgow and Clyde for 2018-19, pending formal budget offer awaited in April;d) agree to the funding pressures identified at 4.7;
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	<p>e) agree to the allocation of £2,850,000 from contingency as part of the funding package for 2018-19; and</p> <p>f) agree the revised savings programmes and investments outlined at paragraph 3.4, 3.5 and 4.9, which will generate £16,957,000 in 2018-19.</p>
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This report describes the financial allocation and budgets made available to the Integration Joint Board for 2018/19 by Glasgow City Council and NHS Greater Glasgow and Clyde; outlines the financial pressures on health and social care services; and the measures we will take to address the financial challenges and priorities facing the partnership as described on page 29, and throughout the Strategic Plan.

Implications for Health and Social Care Partnership:

Reference to National Health & Wellbeing Outcome:	The financial framework for the Partnership contributes to the delivery of the 9 national health and wellbeing outcomes that health and social care partners are attempting to achieve through integration.
Personnel:	Staffing implications are highlighted where appropriate in the report.

Carers:	The current shape of service provision across the system must move to one that includes an increased use of technology enabled care and other support networks being deployed in care support not just for the service user but also for their unpaid carer. The transformation programmes approved by the IJB as part of the preparation for the 2018-19 budget involve the development of this changed system of service provision.
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Provider Organisations:	An update on Scottish Living Wage commitment for 2018-19 will be the subject of a separate report to the IJB.
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Equalities:	No EQIA carried out as this report does not represent a new or revised plan, policy, service or strategy. EQIAs have been undertaken in respect of specific proposals for change to service delivery as indicated within transformational change proposals presented to the IJB.
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Financial:	Financial implications are detailed throughout this report.
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Legal:	The Chief Finance Officer's duties in Scotland require a balanced budget to be set. This is established in s108(2) of the Local Government (Scotland) Act 1973 and s93(3) of the Local Government Finance Act 1992. Directions are being issued in line with the legislation.
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Economic Impact:	Not applicable at this time.
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Sustainability:	Not applicable at this time.
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Sustainable Procurement and Article 19:	Not applicable at this time.
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Risk Implications:	Delays in setting the budget may impact on the IJBs ability to achieve financial balance in 2018-19. Also with the withdrawal of the risk sharing agreement on prescribing, the IJB will be responsible for any pressures during the year i.e. as a result of short supply of drugs and cost price increases. This is a significant risk due to the current volatility of the drugs supply market.
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Implications for Glasgow City Council:	The budget is required to be spent in line with the Strategic Plan and the approved directions.
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Implications for NHS Greater Glasgow & Clyde:	The budget is required to be spent in line with the Strategic Plan and the approved directions.
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Direction Required to Council, Health Board or Both	Direction to:	
	1. No Direction Required	
	2. Glasgow City Council	
	3. NHS Greater Glasgow & Clyde	
	4. Glasgow City Council and NHS Greater Glasgow & Clyde	✓

1. Purpose

- 1.1 This report will outline the revenue budget for Glasgow City Integration Joint Board for 2018/19 and the budget available for services commissioned from Glasgow City Council and NHS Greater Glasgow & Clyde.

2. Background

- 2.1 The Health Board and Local Authority will delegate function and make payments to the Integration Joint Board (IJB) in respect of those functions as set out in the Integration Scheme. Additionally, the Health Board will also "set aside" an amount in respect of large hospital functions covered by the integration scheme.

- 2.2 The IJB will make decisions on integrated services based on the strategic plan and the budget delegated to it. The IJB will publish an Annual Financial Statement setting out the total resources included in the Strategic Plan. The IJB will also give directions and make payment where relevant to the Health Board and Local Authority for delivery of the services in line with the Strategic Plan. This should be completed by 1st April each year.

3. Financial Allocation from Glasgow City Council

- 3.1 The financial forecast for Glasgow City Council has been updated and identifies a spending gap of £20 million for 2018-19. The gap has reduced from the original planning assumption of £57 million and reflects an updated local government settlement offer from the Scottish Government including an additional £170 million for local government across Scotland, which was agreed subject to parliamentary approval.
- 3.2 The Local Government Finance (Scotland) order 2018 was approved by Scottish Parliament on 21 February 2018. A copy of the letter issued to local authorities on 14 December 2017 is attached at Appendix A. This confirms the continued maintenance of the £355 million baseline transfer from previous years from NHS Boards to Integration Authorities in support for health and social care. It also details an additional £66 million to support additional investment in social care in recognition of a range of pressures, including support for the implementation of the Carers (Scotland) Act 2016, maintaining the commitment to the Living Wage (including the extension to cover sleepovers) and an increase in the Free Personal and Nursing Care payments. Glasgow City IJB's allocation is £7.690m. Separate reports will be presented to the IJB on commitments to Scottish Living Wage and the conclusion of the National Care Home Contract negotiations.
- 3.3 On 22 February 2018, the Council agreed its budget for 2018-19. The Council has provided the IJB with high level budget figures. However a formal offer letter is awaited from the Council which will confirm the amount and includes provision for inflationary increases linked to pay award and pension auto enrolment, and the 0.5% funding of the pay award deferred from 2017/18.
- 3.4 The budget approved by the Council reflects a net savings reduction of £9.630m on IJB budgets. Additionally within the Council budget, a Corporate allocation of savings of £0.579m has been allocated to the IJB. Work has continued on the IJB's Transformation Programme, and continues to be monitored by the Integration Transformation Board, chaired by the Chief Officer in relation to the review and reform of services. During 2017/18 the IJB approved transformational programmes for Adults Services, Older People and Children Services. The savings identified within Council funded services are detailed below. This identifies £16.957m of savings, including a new saving linked to property rationalisation.

	£ millions
Savings Approved by IJB	
Children Services	
Reduction in High Cost Packages	-5.886
Reduction in Purchased Foster Care	-0.800
Older People	
Shifting the Balance of Care - Purchased Care Home Placements	-4.000
Evolving Partnership with Housing	-1.000
Personlisation	-0.390
Low Risk, Adhoc	-0.150
Adult Services	
Reduction in Mental Health Purchased Social Care Budget	-0.235
Continued Review of Personalisation and High Cost Care Packages	-1.000
Learning Disability Day Services Reduction in Revenue	-0.150
Alcohol and Drugs - New Contract for Residential Rehabilitation Services	-0.596
Homeless Service Review	-2.000
Total Savings Approved	-16.207
Property Rationalisation	-0.750
Sub Total	-16.957
Corporate Savings	-0.579
Lean (SWS and Cordia)	
All services are now live with 'Employee Voice'. This captures staff ideas for changes and improvements, and there are over 400 local staff with lean management capabilities. Industry standards have been used to identify a target number of yellow and green belts for the council family for 2018-21 based on employee numbers, and it is assumed that local lean team members should secure a £2k minimum in financial savings, and local lean champions secure £30k or above in financial benefits each year.	
Individual service/ALEO targets are in the process of being calculated, with allocations based on these industry standards.	
Total Savings	-17.536

- 3.5 This provides the IJB with an opportunity to defer some savings to future years to support a more phased approach to the Transformation Programme already approved by the IJB. It will also enable some key investments to be undertaken in support of transformation and the delivery of savings in future years. The proposed re-profiling/investment is listed below:-

	£ millions
Transformation Programme	
(a) Adjustments to Phasing	
Re-phase Homeless Service Review	1.000
Re-phase Review of Personalisation and High Cost Care Package (Adult)	0.500
Re-phase Shifting the Balance of Care - Purchase Care Home Placement Saving	1.677
(b) Investment to Support Transformation	
Investment - Peripatetic Team	1.200
Net Investment - Edge of Care Team	0.950
Investment in Social Workers (Adults & Older People Services)	1.000
Investment in Homeless Service	
Investment - Housing Benefit Shortfall	0.750
Investment - Temporary Furnished Accommodation	0.250
Total	7.327

3.6 Glasgow City Council are changing operational arrangements in relation to property management and IT from 2018/19. A 'Corporate Landlord' function will be created with a remit to create a more effective and consistent land and property model which will operate across the Glasgow family on a collective and strategic basis. Under this new model the Corporate Landlord will have responsibility for all properties and their associated costs across the Glasgow family. The IJB will be required to transfer operational budget responsibility to Land and Property Services, effective from 1 April 2018, with actual costs being replaced by a Management Fee moving forward. The only exception to this will be Homelessness and Criminal Justice where the nature of the funding requires actuals to be recharged at the end of the year rather than a Management Fee.

3.7 With the end of the Access contract, the council is moving to the new arrangements with CGI from 1 April 2018. Small amounts of costs that were paid by Social Work Services, will now all be managed centrally with the budget transferred accordingly.

3.8 With the council allocating a share of the Corporate savings to the IJB, we will require further time for discussion and work to be undertaken on potential delivery options. As a result the recommendation is to note and conditionally accept the interim budget position from Glasgow City Council for 2018-19.

4. Financial Allocation from NHS Greater Glasgow and Clyde Health Board

4.1 The Scottish Government wrote to Health Boards on 14 December 2017 in relation to the Draft Budget for 2018-19 as set out by the Cabinet Secretary for Finance and the Constitution in Parliament that day. The letter is attached in Appendix B. The letter covers the Scottish Government's expectations of the Health Board in relation to the budget and any financial implications for Integration Authorities.

- 4.2 In relation to Integrated Services, unscheduled hospital care, primary care and community healthcare and social care are delegated to Integrated Authorities. The letter confirms the funding highlighted in section 3.2 above for Social Care and the Scottish Governments expectation that financial flows to Integration Authorities should be provided in time to allow budgets to be developed in March 2018.
- 4.3 Scottish Government, through their new Mental Health Strategy are committing to shifting the balance of care towards mental health services and improving support in the crucial period from birth to young adulthood. To support this, in 2018-19 a further £17 million will be invested, which will go towards the commitment to increase the workforce by an extra 800 workers over the next 5 years; and for transformation in services. In order to maximise the contribution from this direct investment, this funding is provided on the basis that it is in addition to a real terms increase in existing 2017-18 spending levels by NHS Boards and Integration Authorities. As a result therefore, it is expected that NHS Boards and Integration Authorities ensure that total spending on mental health and services in 2018-19 will increase as a minimum by £17 million above inflation. Directions regarding the use of the £17 million will be issued later in the year.
- 4.4 The letter confirms additional investment for transformational change of £101 million to provide support to the regional delivery plans for implementation of new service delivery models, improved elective performance and investment in digital capability. Investment in the Primary Care Fund will also rise by £50 million in 2018-19. This will support the transformation of primary care by enabling the expansion of multidisciplinary teams for improved patient care, and a strengthened and clarified role for GPs as expert medical generalists and clinical leaders in the community.
- 4.5 In 2018 a refreshed alcohol framework will be in place which will continue to take on Scotland's often problematic relationship with alcohol misuse. This renewed focus on alcohol and drugs will be backed by additional investment of £20 million to Alcohol and Drug Partnerships for treatment and support services.
- 4.6 NHS Greater Glasgow and Clyde Health Board have also provided the IJB with high level budget figures for 2018-19 and is subject to Health Board approval.
- 4.7 As in 2017/18 Glasgow City IJB is now responsible for funding its own inflation uplifts and budget pressures. The following areas have been identified that require to be funded in 2018-19:

Pressures to be Funded	£ millions
Pay Uplift	4.615
Prescribing	5.401
Adults With Incapacity Beds	0.951
Care Home Bed Contract Uplift	0.300
Hospice Uplift	0.070
Sexual Health - PREP	0.300
Low Moss - Staffing	0.308
Total Pressures	11.945

- 4.8 The pressure within the beds linked to Adults with Incapacity is higher than the funding identified above. However there are opportunities to mitigate this pressure through the review of continuing care beds which is currently underway.
- 4.9 The Health Board have offered the IJB a funding uplift of 1.5% which equates to £7.095m. In addition to this the Health Board is anticipating further funding from Scottish Government in relation to the pay uplift for agenda for change posts which will be provided to HSCP's to bridge the gap further, and will result in an additional £2.245m for Glasgow City IJB. Taking this into account leaves a funding gap of £2.605m to be met from savings.
- 4.10 Work has continued on the IJB's Transformation Programme. During 2017/18 the IJB approved transformational programmes for Adults Services, Older People and Children Services. This identified £2.605m of savings, including a new saving linked to the Health Improvement Programme.

Savings Approved	£ millions
Older People	
Palliative and End of Life Care	-0.235
Low Risk, Adhoc	-0.305
Clinical Redesign	-0.620
Adult Services	
Reduction in Rehabilitation Beds	-0.500
Mental Health Vacancy Management	-0.062
Learning Disability Services Reduction in Posts	-0.075
Reduction in Mental Health AHP Budgets	-0.060
Alcohol and Drugs Efficiency	-0.430
Sexual Health Skills Mix Development and Vacancy Management	-0.100
Total Savings Approved	-2.387
Health Improvement Programme	-0.218
Total Savings	-2.605

- 4.11 In 2018/19 the risk sharing arrangement which had been in place for Prescribing is removed and each IJB becomes responsible for fully funding Prescribing pressures within Greater Glasgow and Clyde. This will be the subject of a specific report to the May IJB which will outline how this budget operates and the associated risks. The Prescribing budget is currently subject to intensive inflationary pressures as a result of world-wide supply issues which are causing significant price fluctuations across the UK. This is consistent with the pressures which were experienced in 2017-18 and funded by Health under the risk sharing agreement.

- 4.12 The Prescribing budget will be subject to savings and work has commenced on identifying savings across Greater Glasgow and Clyde, with a target of £14m identified. The delivery of this saving is already reflected in the net pressure which has been identified above.
- 4.13 The formal offer from the Health Board will not be received until April 2018. The interim budget position reflects the discussions held with the Chief Executive and the Director of Finance.

5. Contingency

- 5.1 The IJB will start 2018/19 with a contingency budget available of £2.850m. There are a number of pressures which required to be dealt with and it is proposed to fully allocate the contingency budget to address these in 2018/19. This is detailed below:

Contingency	£ millions
Kinship Care Tender (approved in 2017-18)	0.300
NHS Unallocated Savings Prior Years	2.100
TASS - New Contract Rates	0.450
Total	2.850

- 5.2 This will result in the full utilisation of the contingency budget in 2018-19 and represents a risk which will require financial performance to be closely managed in the year ahead.
- 5.3 Funding for the Safer Consumption Facility will require to be funded from additional funds for Alcohol and Drug Partnerships in 2018-19.

6. Criminal Justice Funding

- 6.1 From 2017/18 the funding for Community Justice Authorities has come to IJB's from Central Government. This budget continues to be ring fenced solely for the provision of criminal justice social work services.
- 6.2 A new funding formula is being phased in over a 5 year period with the maximum loss being no more than 5% per annum. This approach will also see any increases in funding phased in as funds are released.
- 6.3 The 2018-19 allocation letter received on 18 December 2017 confirmed an allocation of £17,685,653 for Glasgow City HSCP, a decrease of £38,244 or 0.2% from 2017-18. Work is underway to manage the services within this reduced allocation.

7. Conclusion

- 7.1 Further discussions are required with both partners, prior to approval of the budget, which will be the subject of a separate report to the next IJB. The Integration Joint Board's risk register has been updated to reflect the risks highlighted in this report at this stage is interim and a formal offer is awaited.

8. Recommendations

8.1 The Integration Joint Board is asked to:

- a) note the contents of this report;
- b) note and conditionally accept the delegated budget from Glasgow City Council for 2018-19, pending further discussion and work to be undertaken in relation to the allocation of Corporate savings;
- c) note and conditionally accept the interim budget position from NHS Greater Glasgow and Clyde for 2018-19, pending formal budget offer awaited in April;
- d) agree to the funding pressures identified at 4.7;
- e) agree to the allocation of £2,850,000 from contingency as part of the funding package for 2018-19; and
- f) agree the revised savings programmes and investments outlined at paragraph 3.4, 3.5 and 4.9, which will generate £16,957,000 in 2018-19.

DIRECTION FROM THE GLASGOW CITY INTEGRATION JOINT BOARD

1	Reference number	210318-7-a
2	Date direction issued by Integration Joint Board	21 March 2018
3	Date from which direction takes effect	21 March 2018
4	Direction to:	Glasgow City Council and NHS Greater Glasgow and Clyde jointly
5	Does this direction supersede, amend or cancel a previous direction – if yes, include the reference number(s)	No
6	Functions covered by direction	All functions
7	Full text of direction	<p>Note and conditionally accept the interim budget position from Glasgow City Council for 2018-19, pending further discussion and work to be undertaken in relation to the allocation of Corporate savings.</p> <p>Note and conditionally accept the interim budget position from NHS Greater Glasgow and Clyde for 2018-19, pending formal budget offer awaited in April.</p> <p>Amend budgets for 18/19 to reflect the funding pressures identified at 4.7 and the savings outlined in 3.4, 3.5 and 4.9.</p>
8	Budget allocated by Integration Joint Board to carry out direction	The formal offer letters are awaited from the Council and the Health Board.
9	Performance monitoring arrangements	In line with the agreed Performance Management Framework of the Glasgow City Integration Joint Board and the Glasgow City Health and Social Care Partnership.
10	Date direction will be reviewed	9 May 2018



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Local Government Finance Circular No. 5/2017

Chief Executives and Directors of Finance of Scottish
Local Authorities

Chief Executive, Convention of Scottish Local
Authorities (COSLA)

Our Reference: A19575798
14 December 2017

Dear Chief Executive/Director of Finance

1. LOCAL GOVERNMENT FINANCE SETTLEMENT 2018-19 2. NON DOMESTIC RATES

1. This Local Government Finance Circular provides details of the provisional total revenue and capital funding allocations for 2018-19, as well as the latest information on current known redeterminations for 2017-18. This Circular also provides details on a range of business rates measures, including the 2018-19 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 2018 being presented to the Scottish Parliament in late February 2018. Any individual authority not intending to agree the offer and accept the full package of measures and benefits has been requested to write to the Cabinet Secretary for Finance and the Constitution by no later than **Friday 19 January 2018**. For those authorities not agreeing the offer a revised offer will be made.

3. We expect local authorities to inform COSLA, and for COSLA in turn to inform the Scottish Government by no later than 12 January 2018, 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 and local authorities should not set their final budgets on the basis of these until the final allocations are confirmed following the end of the consultation period and the publication of the late February 2018 Circular.

4. The Cabinet Secretary for Finance and the Constitution wrote today to the COSLA President, copied to all Council Leaders, 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. For 2018-19 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 which includes:

- Baseline from 2018-19 of the £130 million additional revenue investment announced earlier this year at Stage 1 of the Budget Bill for 2017-18;
- £52.2 million revenue and £150 million capital to deliver on our joint agreed ambitious programme for the expansion of Early Years Education and Childcare provision. This is in addition to the £11 million of revenue which has been added to support the initial expansion of Early Years set out in the 2014 Act provisions;
- an additional £24 million to cover the additional full year cost of the teachers' pay offer for 2017-18;
- a continued funding package of £88 million, made up of £51 million to maintain teacher numbers and £37 million to support the Teacher Induction Scheme. Local authorities will continue to be required to maintain an overall pupil:teacher ratio of 13.7, and secure places for all probationers who require one under the Teacher Induction Scheme;
- an additional £66 million to support additional investment in social care in recognition of a range of pressures local authorities are facing, including support for the implementation of the Carers (Scotland) Act 2016, maintaining our joint commitment to the Living Wage (including our agreement to now extend it to cover sleepovers following the further work we have undertaken) and an increase in the Free Personal and Nursing Care payments;
- maintenance of the £355 million baseline transfer from NHS Boards to Integration Authorities in support for health and social care; and
- the continued flexibility to increase Council Tax by up to 3% which could generate an additional £77 million.

6. The 2018-19 provisional allocations set out in this Circular assume that all councils will sign up to the package and therefore that the **full current distributable revenue amount of £9,400.501 million** will be issued.

7. In addition to the funding set out in this Circular it should be noted that there are a number of further funding streams outwith the local government finance settlement for particular policy initiatives which benefit local government services. Table 10.20 in the Scottish Government's Draft Spending and Tax plans for 2018-19, which is published today, provides further details of these funding streams.

8. The allocations have been arrived at using the standard agreed needs-based distribution methodology and updated indicators. This includes the distribution of the additional funding to support investment in social care and the teachers' pay offer for 2017-18. We will send a separate note shortly providing a full reconciliation of the changes between the 2017-18 and 2018-19 Draft Budgets and between the 2017-18 Draft Budget and the figures in this Circular. We will also provide full details of all the general revenue allocations.

9. 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: 2018-19 and changes in 2017-18;
- Part B: Local Government Finance Settlement – Capital: 2018-19 and changes in 2017-18;
- Part C: Non-Domestic Rates for 2018-19.

The various Annexes included in this Circular are as follows:

- Annex A: All Scotland Aggregated Funding Totals 2017-19;
- Annex B: Individual Revenue Allocations for 2018-19;
- Annex C: Revised Individual Revenue Allocations for 2017-18;
- Annex D: Explanatory Notes on the Revenue Distribution;
- Annex E: Estimates of Ring-Fenced Grant Revenue Funding for 2018-19;
- Annex F: Floor calculation for 2018-19;
- Annex G: Redeterminations of Individual Revenue funding for 2017-18;
- Annex H: 2008-19 Changes Column;
- Annex I: General Capital Grant and Specific Capital Grants 2018-19;
- Annex J: General Capital Grant – Flood Allocations Per Local Authority 2018-19; and
- Annex K: Total Local Government Funding Settlement 2018-19.

Part A: Local Government Finance Settlement - Revenue: 2018-19 and changes in 2017-18

10. This Finance Circular sets out the provisional distribution of revenue funding allocations for 2018-19. **Annex A** of this Circular sets out the all-Scotland aggregate totals for 2017-19.

11. **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 2018-19 and 2017-18. The basis behind the grant distribution methodology is as recommended in the report from the Settlement and Distribution Group 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.

12. **Annex E** gives a breakdown of the provisional individual council shares of all the Ring-Fenced revenue grant allocations for 2018-19.

13. The calculation and effects of the main floor adjustment for 2018-19, which provided councils with a maximum decrease in funding of 0.6%, is set out in **Annex F** of this Circular. The setting of the floor at this level reflects requests from local government to restrict the range of annual changes in individual local authority allocations.

14. This Circular confirms that the calculation behind the **85% funding floor** applied in 2017-18 has been retained for 2018-19. 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.

15. This Local Government Finance Circular provides details of current known 2017-18 redeterminations at **Annex G** for the General Revenue Grant. The final redetermination allocations for 2017-18 will be included in the Local Government Finance (Scotland) Order 2018.

16. **Annex H** summarises the column within the settlement titled 2008-2019 Changes Column.

Part B: Local Government Finance Settlement – Capital Grants 2018-19 and changes to Capital Grant in 2017-18

17. There are no changes to capital grants for 2017-18. These remain at the values set out in Annex J of Finance Circular 1/2017.

18. In 2018-19 the Local Government Settlement provides capital grants totalling £876.4 million. This is made up of General Capital Grant totalling £598.282 million and Specific Grants totalling £278.082 million.

19. The commitment to repay £150 million of re-profiled capital from 2016-17 will be repaid in full in 2019-20.

20. In addition to the capital settlement local government will also receive capital grant funding of £211.2 million as set out in Table 10.20 of the Draft Budget. For 2018-19 the capital share allocation takes into account, at least in part, the additional funding streams out-with the settlement, except in the case of Early Years which is additional to the share allocation. The value of the capital funding made available to local government exceeds the percentage share commitment made.

21. **Annex I** sets out the provisional distribution of the Settlement for capital per local authority for 2018-19. Capital grants which remain undistributed are identified as such. The methodologies used to calculate these provisional allocations have been agreed with COSLA.

22. 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.

23. **Annex K** summarises the Local Government Finance Settlement for 2018-19.

Part C: Non-Domestic Rates for 2018-19

24. The Distributable Amount of Non-Domestic Rates Income for 2018-19 has been provisionally set at £2,636 million. This figure uses the latest forecast of net income from non-domestic rates in 2018-19 and will also draw on council estimates of the amounts they will contribute to the Pool from non-domestic rates in 2017-18. Included in the figure is an estimate of the contributable amount, which from financial year 2018-19 the Scottish Fiscal Commission is responsible for providing, and includes a calculation of gross income, expected losses from appeals and estimated expenditure on mandatory and other reliefs as well as write-offs and provision of bad debt together with estimating changes due to prior year adjustments. The distribution of Non-Domestic Rates Income for 2018-19 has been based on the amount each Council estimates it will collect (based on the 2017-18 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.

25. The 2018-19 Non-Domestic Rate poundage rate is provisionally set at 48.0p. This has been calculated using CPI as the inflationary uplift (rather than the normal September RPI)

26. The Large Business Supplement for 2018-19 is provisionally set at 2.6p for properties with rateable value over £51,000.

27. Transitional arrangements (including ‘transitional relief’) are proposed to continue into 2018-19 for hospitality properties (with a rateable value up to £1.5 million) and offices in Aberdeen City and Shire. The level of the cap on bill increases from 2017-18 to 2018-19 will be 12.5 % real terms (equivalent to 15.88% in cash terms). This has been calculated using CPI as the inflationary uplift. No other transitional arrangements will apply for 2018-19 bills. Eligibility is subject to compatibility with EU State aid rules.

28. The Small Business Bonus Scheme threshold for 100% relief remains 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	2018-19 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.*

29. It is proposed that Fresh Start relief will be expanded, so that the relief can apply to all types of non-domestic properties and the qualifying period that the properties must be empty before it is entitled to relief will halve from the current 12 months to 6 months. The level of relief offered will also double – from 50% to 100%. This relief does not constitute de minimis aid under EU State aid rules.

30. A new Business Growth Accelerator is proposed to apply from 1 April 2018. This will delay any increases in rates liability due to the improvement of or expansion of an existing property for 12 months, and also mean that new-build properties pay no rates for an initial year once entered on the valuation roll. More detail on this will be confirmed shortly.

31. Additionally any new build property will not be entered onto the roll by the Assessors until it is occupied. Accordingly, the previous Scottish Government guidance on the use of completion notices, contained in **Local Government Finance Circular No. 9/2009** issued on 15 June 2009, **is now to be considered withdrawn.**

32. A new relief for day nurseries is proposed. This will offer 100% relief for properties wholly or mainly used to provide day nursery care for pre-school children. The relief will apply under de minimis rules, however where Councils take a view that public sector nurseries do not compete with the private sector, State aid de minimis may not apply.

33. It is proposed to create a new relief for hydro generation properties at 60% for properties with a rateable value of up to £5 million. This relief is awarded under de minimis rules and will be applicable cumulatively with the community renewables generation relief.

34. The Scottish Government commitment for a new relief for new broadband fibre infrastructure will be met in 2018-19 by the growth accelerator. Details on how this support for broadband fibre will continue from 2019-20 onwards will be confirmed in due course.

35. Following the external Barclay review which published its report on 22 August, the Scottish Government has published an implementation plan. This sets out further detail on how the Scottish Government will take forward the Barclay recommendations it has accepted, including several which will be introduced in years beyond 2018-19. This is accessible at www.gov.scot/businessrates.

36. No other NDR changes are proposed for 2018-19 at this time.

37. Details of the Business Rates Incentivisation Scheme (BRIS) outcome for 2016-17, and revised targets for 2017-18 and provisional targets for 2018-19 will be confirmed shortly.

Enquiries relating to this Circular

38. 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:

Vicki Bibby
0131 474 9232 vicki@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
Marianne Barker 0131 244 5328 marianne.barker@gov.scot

39. This Circular will be made available through the Local Government section of the Scottish Government website at:
www.gov.scot/Topics/Government/local-government/17999/11203

Yours faithfully



DR DONNA MACKINNON

Deputy Director, Local Government & Analytical Services Division

ALL SCOTLAND AGGREGATED FUNDING TOTALS 2017-19 ANNEX A

	2017-18	2018-19
	£ million	£ million
Revenue Funding		
General Resource Grant	6,771.022	6,731.620
Non Domestic Rate Income	2,665.800	2,636.000
Specific Revenue Grants	211.008	263.150
Total Revenue	9,647.830	9,630.770
<i>less Teachers' Induction Scheme</i>	37.473	37.469
<i>less Discretionary Housing Payments</i>	9.400	52.100
<i>less Gaelic</i>	0.096	0.110
<i>less Criminal Justice Social Work</i>	0.000	86.450
<i>less Early Years Expansion</i>	0.000	52.200
<i>less Customer First top-up</i>	0.000	1.940
Distributable Revenue Funding	9,600.861	9,400.501
Capital Funding		
General Capital Grant	653.101	598.282
Specific Capital Grants	113.286	259.049
Distributed to SPT	20.132	19.033
Total Capital	786.519	876.364
Total Funding	10,434.349	10,507.134

2017-18 Changes from Circular 1/2017	
General Resource Grant	6,762.672
Building Warrant Fees	-1.125
Customer First	1.940
Discretionary Housing Payments Admin	1.215
Sensory Impairment	0.320
Teachers Pay	6.000
Revised General Resource Grant	6,771.022

INDIVIDUAL REVENUE ALLOCATIONS FOR 2018-19

ANNEX B

	Expenditure					Funding						
	1	2	3	4	5	6	7	8	9	10	11	12
£million	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
Aberdeen City	375.389	7.062	21.859	-2.115	402.195	91.893	2.911	227.801	79.590	310.302	8.700	319.002
Aberdeenshire	486.862	9.770	23.126	-6.538	513.220	109.944	2.841	110.710	289.725	403.276	0.000	403.276
Angus	223.369	4.382	13.162	-3.093	237.820	43.132	2.102	25.101	167.485	194.688	0.000	194.688
Argyll & Bute	196.683	3.637	10.994	15.229	226.543	39.092	1.701	33.035	152.715	187.451	0.000	187.451
Clackmannanshire	104.640	1.894	5.536	-0.643	111.427	19.139	1.517	15.326	75.445	92.288	0.000	92.288
Dumfries & Galloway	313.737	6.014	19.743	-4.374	335.120	58.854	2.878	44.229	229.159	276.266	0.000	276.266
Dundee City	313.159	5.602	18.570	-4.405	332.926	47.467	4.935	55.553	224.971	285.459	0.000	285.459
East Ayrshire	246.470	4.546	11.991	-1.770	261.237	41.782	3.567	26.073	189.815	219.455	0.000	219.455
East Dunbartonshire	217.632	4.170	8.892	-2.742	227.952	49.617	1.617	21.791	154.927	178.335	0.000	178.335
East Lothian	197.855	3.813	7.078	-0.052	208.694	43.590	1.512	23.744	139.848	165.104	0.000	165.104
East Renfrewshire	200.789	3.973	11.884	-2.658	213.988	42.288	1.410	14.318	155.972	171.700	0.000	171.700
Edinburgh, City of	847.957	15.638	27.664	21.558	912.817	216.243	7.593	340.474	348.507	696.574	0.000	696.574
Eilean Siar	75.467	1.526	10.712	15.387	103.092	9.483	1.247	7.702	84.660	93.609	0.000	93.609
Falkirk	303.967	5.854	21.727	-3.868	327.680	58.170	3.509	65.958	200.043	269.510	0.000	269.510
Fife	710.601	13.744	36.237	-8.304	752.278	136.675	10.002	154.138	451.463	615.603	0.000	615.603
Glasgow City	1,275.879	22.262	110.869	12.337	1,421.347	211.640	22.100	340.778	846.829	1,209.707	0.000	1,209.707
Highland	487.574	9.480	36.598	-6.879	526.773	95.827	4.908	126.537	299.501	430.946	0.000	430.946
Inverclyde	171.523	3.052	11.927	0.909	187.411	27.541	2.500	18.363	139.007	159.870	0.000	159.870
Midlothian	175.780	3.318	10.672	-2.371	187.399	34.721	2.233	28.115	122.330	152.678	0.000	152.678
Moray	176.155	3.472	10.002	-2.497	187.132	33.511	1.305	40.151	112.165	153.621	0.000	153.621
North Ayrshire	297.199	5.396	15.150	-2.380	315.365	49.372	4.425	39.471	222.097	265.993	0.000	265.993
North Lanarkshire	684.636	12.840	12.811	-1.881	708.406	114.374	8.940	104.339	480.753	594.032	0.000	594.032
Orkney Islands	68.464	1.430	6.804	-1.158	75.540	7.925	0.228	9.376	58.011	67.615	0.000	67.615
Perth & Kinross	285.081	5.491	14.398	-1.737	303.233	64.139	1.722	51.953	185.419	239.094	0.000	239.094
Renfrewshire	355.604	6.600	9.686	-4.626	367.264	68.169	4.231	120.105	174.759	299.095	0.000	299.095
Scottish Borders	229.860	4.475	15.286	-3.188	246.433	47.338	1.750	32.790	164.555	199.095	0.000	199.095
Shetland Islands	73.410	1.601	9.087	3.076	87.174	8.140	0.219	23.852	54.963	79.034	0.000	79.034
South Ayrshire	227.866	4.245	10.772	-1.906	240.977	47.401	2.389	38.299	152.888	193.576	0.000	193.576
South Lanarkshire	627.753	11.974	12.934	8.035	660.696	120.940	7.967	295.500	236.289	539.756	0.000	539.756
Stirling	186.109	3.554	12.680	-1.838	200.505	38.389	1.567	42.273	118.276	162.116	0.000	162.116
West Dunbartonshire	204.728	3.554	6.756	-0.590	214.448	33.139	3.405	78.812	99.092	181.309	0.000	181.309
West Lothian	350.830	6.806	14.809	-4.918	367.527	62.867	5.159	79.333	220.168	304.660	0.000	304.660
Scotland	10,693.012	201.175	570.416	0.000	11,464.603	2,072.802	124.390	2,636.000	6,631.411	9,391.801	8.700	9,400.501

REVISED INDIVIDUAL REVENUE ALLOCATIONS FOR 2017-18

ANNEX C

	Expenditure					Funding							
	1	2	3	4	5	6	6a	7	8	9	10	11	12
£million	Updated Service Provision	2008-18 Changes	Loan Charges/ PPP/ LPFS	Main Floor	Total Estimated Expenditure	Assumed Council Tax contribution	Council Tax Reform Income	Total Ring-fenced Grants	Non Domestic Rates	General Revenue Funding	Total	85% floor	Revised Total
Aberdeen City	384.683	3.618	21.554	-0.317	409.538	87.022	5.911	6.770	205.547	104.288	316.605	10.000	326.605
Aberdeenshire	494.655	9.618	22.019	-6.271	520.021	101.971	8.326	4.940	95.828	308.956	409.724	0.000	409.724
Angus	226.285	4.662	12.684	-2.497	241.134	41.375	1.725	3.593	27.233	167.208	198.034	0.000	198.034
Argyll & Bute	202.676	3.940	10.475	16.183	233.274	36.819	2.376	2.629	29.615	161.835	194.079	0.000	194.079
Clackmannanshire	106.677	1.932	5.356	-0.354	113.611	18.219	0.952	2.738	14.928	76.774	94.440	0.000	94.440
Dumfries & Galloway	318.330	6.408	19.031	-2.997	340.772	56.438	2.479	5.192	45.529	231.134	281.855	0.000	281.855
Dundee City	318.844	4.965	18.428	-3.936	338.301	46.374	1.425	9.028	66.700	214.774	290.502	0.000	290.502
East Ayrshire	251.649	4.762	11.902	-2.016	266.297	40.433	1.568	5.573	29.367	189.356	224.296	0.000	224.296
East Dunbartonshire	220.734	4.301	8.852	-2.357	231.530	45.263	4.576	2.253	23.586	155.852	181.691	0.000	181.691
East Lothian	199.944	3.917	11.347	-2.494	212.714	40.596	2.854	2.705	24.550	142.009	169.264	0.000	169.264
East Renfrewshire	202.880	4.239	13.742	-2.589	218.272	38.361	4.123	1.849	14.427	159.512	175.788	0.000	175.788
Edinburgh, City of	871.431	10.045	26.113	20.622	928.211	199.302	16.129	16.329	355.063	341.388	712.780	0.000	712.780
Eilean Siar	75.882	1.828	13.944	13.168	104.822	9.415	0.142	1.580	7.962	85.723	95.265	0.000	95.265
Falkirk	309.433	5.344	21.358	-3.615	332.520	55.219	2.490	6.375	65.438	202.998	274.811	0.000	274.811
Fife	728.517	12.187	35.338	-9.147	766.895	130.514	6.368	15.611	170.998	443.404	630.013	0.000	630.013
Glasgow City	1,308.161	17.224	113.017	11.374	1,449.776	204.425	7.217	37.587	373.238	827.309	1,238.134	0.000	1,238.134
Highland	498.541	9.009	35.747	-6.533	536.764	91.348	4.816	7.705	122.421	310.474	440.600	0.000	440.600
Inverclyde	175.130	3.144	12.005	0.672	190.951	26.543	1.277	4.001	21.283	137.847	163.131	0.000	163.131
Midlothian	176.625	3.203	10.431	-2.141	188.118	32.395	1.815	3.329	29.273	121.306	153.908	0.000	153.908
Moray	178.236	3.483	9.644	-2.364	188.999	32.198	1.134	2.210	33.406	120.051	155.667	0.000	155.667
North Ayrshire	301.720	5.395	15.164	-1.397	320.882	47.829	1.915	7.660	40.568	222.910	271.138	0.000	271.138
North Lanarkshire	700.109	12.268	12.274	-1.696	722.955	110.306	3.874	15.029	114.474	479.272	608.775	0.000	608.775
Orkney Islands	68.034	1.559	6.698	-1.126	75.165	7.674	0.171	0.473	9.688	57.159	67.320	0.000	67.320
Perth & Kinross	292.948	5.494	13.822	-3.535	308.729	60.033	4.533	3.350	52.035	188.778	244.163	0.000	244.163
Renfrewshire	361.321	5.392	9.452	-3.566	372.599	64.701	3.321	7.088	98.908	198.581	304.577	0.000	304.577
Scottish Borders	232.684	4.781	14.853	-3.020	249.298	44.380	2.809	2.966	32.673	166.470	202.109	0.000	202.109
Shetland Islands	74.141	1.463	9.398	3.922	88.924	7.992	0.188	0.482	23.240	57.022	80.744	0.000	80.744
South Ayrshire	232.673	4.169	10.579	-1.113	246.308	44.784	2.871	3.986	39.756	154.911	198.653	0.000	198.653
South Lanarkshire	644.910	7.499	12.326	8.442	673.177	114.633	5.750	12.333	287.862	252.599	552.794	0.000	552.794
Stirling	190.679	3.288	12.384	-2.363	203.988	35.460	3.529	3.070	42.829	119.100	164.999	0.000	164.999
West Dunbartonshire	209.226	2.417	10.311	-2.427	219.527	32.294	1.018	4.983	77.319	103.913	186.215	0.000	186.215
West Lothian	355.877	5.834	14.287	-4.512	371.486	59.838	2.861	7.495	90.056	211.236	308.787	0.000	308.787
Scotland	10,913.635	177.388	574.535	0.000	11,665.558	1,964.154	110.543	210.912	2,665.800	6,714.149	9,590.861	10.000	9,600.861

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; (v) the shares of the £630 million for the council tax freeze over the period 2008-17 and (vi) new 2018-19 funding.

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 revision for 2016 and 2017 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 as in previous years by excluding PPP level playing field support. The amount of the on-going revenue grants which have been rolled up into the core local government finance settlement and the council tax freeze amount, were also excluded on the grounds of stability.

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 share of the on-going Ring-Fenced Grants for Gaelic and the Pupil Equity Fund.

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 2017-18 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 2018-19. For those authorities not agreeing the offer a revised offer will be made.

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
	£m	£m
Aberdeen City	0.120	2.791
Aberdeenshire	0.012	2.829
Angus	0.035	2.067
Argyll & Bute	0.365	1.336
Clackmannanshire	0.009	1.508
Dumfries & Galloway	0.000	2.878
Dundee City	0.000	4.935
East Ayrshire	0.144	3.423
East Dunbartonshire	0.065	1.552
East Lothian	0.000	1.512
East Renfrewshire	0.016	1.394
Edinburgh, City of	0.330	7.263
Eilean Siar	0.970	0.277
Falkirk	0.014	3.495
Fife	0.000	10.002
Glasgow City	0.520	21.580
Highland	0.940	3.968
Inverclyde	0.082	2.418
Midlothian	0.000	2.233
Moray	0.000	1.305
North Ayrshire	0.067	4.358
North Lanarkshire	0.265	8.675
Orkney Islands	0.000	0.228
Perth & Kinross	0.113	1.609
Renfrewshire	0.022	4.209
Scottish Borders	0.001	1.749
Shetland Islands	0.000	0.219
South Ayrshire	0.012	2.377
South Lanarkshire	0.145	7.822
Stirling	0.125	1.442
West Dunbartonshire	0.018	3.387
West Lothian	0.000	5.159
Scotland	4.390	120.000

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

The actual allocation of this specific revenue grant will be notified to the relevant local authorities in due course by the policy team.

CALCULATION OF THE MAIN FLOOR ADJUSTMENT FOR 2018-19

ANNEX F

Local Authority	Grant Without Floor	Change Without Floor	Floor Change	Grant With Floor	Change With Floor
	£m	%	£m	£m	%
Midlothian	125.927	4.11%	-2.371	123.556	2.15%
Orkney Islands	61.468	3.96%	-1.158	60.310	2.00%
West Lothian	261.181	2.62%	-4.918	256.263	0.69%
Moray	132.594	2.42%	-2.497	130.097	0.49%
East Dunbartonshire	145.630	2.25%	-2.742	142.888	0.32%
Aberdeenshire	347.181	2.24%	-6.538	340.643	0.31%
Scottish Borders	169.305	2.14%	-3.188	166.117	0.22%
Renfrewshire	245.635	1.99%	-4.626	241.009	0.07%
Angus	164.234	1.79%	-3.093	161.141	-0.12%
Highland	365.320	1.59%	-6.879	358.441	-0.32%
Dumfries & Galloway	232.305	1.57%	-4.374	227.931	-0.34%
Dundee City	233.950	1.49%	-4.405	229.545	-0.42%
East Renfrewshire	141.169	1.34%	-2.658	138.511	-0.56%
East Lothian	137.621	-0.56%	-0.052	137.569	-0.60%
West Dunbartonshire	142.078	-0.19%	-0.590	141.488	-0.60%
Clackmannanshire	74.450	0.27%	-0.643	73.807	-0.60%
Perth & Kinross	195.215	0.29%	-1.737	193.478	-0.60%
East Ayrshire	181.006	0.38%	-1.770	179.236	-0.60%
Stirling	132.177	0.80%	-1.838	130.339	-0.60%
North Lanarkshire	493.996	-0.22%	-1.881	492.115	-0.60%
South Ayrshire	159.389	0.60%	-1.906	157.483	-0.60%
Aberdeen City	250.401	0.25%	-2.115	248.286	-0.60%
North Ayrshire	217.933	0.50%	-2.380	215.553	-0.60%
Falkirk	221.732	1.16%	-3.868	217.864	-0.60%
Fife	523.405	1.00%	-8.304	515.101	-0.60%
Inverclyde	126.221	-1.31%	0.909	127.130	-0.60%
Shetland Islands	69.957	-4.79%	3.076	73.033	-0.60%
South Lanarkshire	439.172	-2.39%	8.035	447.207	-0.60%
Glasgow City	951.780	-1.87%	12.337	964.117	-0.60%
Argyll & Bute	135.956	-10.61%	15.229	151.185	-0.60%
Eilean Siar	68.362	-18.86%	15.387	83.749	-0.60%
Edinburgh (City of)	524.981	-4.52%	21.558	546.539	-0.60%
Scotland	7,671.715	-0.34%	0.000	7,671.715	-0.34%

RECONCILIATION OF REDETERMINATIONS OF INDIVIDUAL REVENUE FUNDING FOR 2017-18

ANNEX G

£million	Undistributed Sums		NEW (Post circular 1/2017)					
	Temporary Accommodation	Council Tax Reduction Scheme	Council Tax Reduction Scheme (ADMIN)	Building Warrant Fees	Customer First	Discretionary Housing Payments (ADMIN Funding)	Sensory Impairment	Teachers Pay
Aberdeen City	0.917	1.449	0.026	-0.050	0.000	0.024	0.014	0.195
Aberdeenshire	0.877	1.605	0.024	-0.082	0.000	0.022	0.015	0.314
Angus	0.264	0.746	0.012	-0.025	0.000	0.019	0.007	0.133
Argyll & Bute	0.254	0.729	0.010	-0.034	0.000	0.019	0.005	0.097
Clackmannanshire	0.274	0.419	0.006	-0.007	0.000	0.014	0.003	0.061
Dumfries & Galloway	0.564	1.160	0.020	-0.042	0.000	0.033	0.009	0.174
Dundee City	0.607	1.547	0.025	-0.022	0.000	0.052	0.009	0.160
East Ayrshire	0.086	1.074	0.014	-0.023	0.000	0.043	0.007	0.140
East Dunbartonshire	0.334	0.596	0.005	-0.020	0.000	0.012	0.006	0.149
East Lothian	0.785	0.636	0.009	-0.021	0.000	0.016	0.006	0.114
East Renfrewshire	0.105	0.592	0.006	-0.024	0.000	0.009	0.006	0.152
Edinburgh, City of	2.107	3.395	0.047	-0.116	0.000	0.107	0.030	0.399
Eilean Siar	0.155	0.154	0.003	-0.009	0.000	0.003	0.002	0.038
Falkirk	0.579	1.055	0.017	-0.026	0.000	0.035	0.009	0.192
Fife	1.141	2.729	0.041	-0.069	0.000	0.093	0.022	0.415
Glasgow City	3.997	8.703	0.112	-0.072	0.000	0.191	0.036	0.594
Highland	1.164	2.011	0.030	-0.072	0.000	0.036	0.014	0.280
Inverclyde	0.128	0.619	0.013	-0.012	0.000	0.026	0.005	0.087
Midlothian	1.098	0.620	0.007	-0.016	0.000	0.019	0.005	0.107
Moray	0.313	0.508	0.008	-0.028	0.000	0.012	0.006	0.101
North Ayrshire	0.430	1.512	0.023	-0.041	0.000	0.053	0.008	0.165
North Lanarkshire	1.201	2.197	0.044	-0.040	1.940	0.091	0.020	0.414
Orkney	0.062	0.087	0.002	-0.008	0.000	0.002	0.001	0.030
Perth & Kinross	0.650	0.725	0.010	-0.040	0.000	0.020	0.009	0.160
Renfrewshire	0.378	1.328	0.023	-0.032	0.000	0.044	0.010	0.196
Scottish Borders	0.185	0.675	0.010	-0.032	0.000	0.021	0.007	0.125
Shetland	0.289	0.082	0.001	-0.006	0.000	0.002	0.001	0.039
South Ayrshire	0.508	1.200	0.017	-0.025	0.000	0.031	0.007	0.128
South Lanarkshire	1.408	1.988	0.040	-0.057	0.000	0.075	0.019	0.391
Stirling	0.434	0.417	0.007	-0.026	0.000	0.013	0.006	0.109
West Dunbartonshire	0.487	0.693	0.015	-0.013	0.000	0.031	0.005	0.113
West Lothian	0.719	1.049	0.019	-0.035	0.000	0.047	0.011	0.228
Scotland	22.500	42.300	0.646	-1.125	1.940	1.215	0.320	6.000

2008-19 CHANGES COLUMN

ANNEX H

£million	2018-19 GAE plus SINA	Percentage Shares	2008-19 Changes	2008-18 Changes	Movement in Changes
Aberdeen City	278.037	3.51	7.062	2.580	4.482
Aberdeenshire	384.658	4.86	9.770	7.874	1.896
Angus	172.517	2.18	4.382	3.910	0.472
Argyll & Bute	143.210	1.81	3.637	3.087	0.550
Clackmannanshire	74.561	0.94	1.894	1.599	0.295
Dumfries & Galloway	236.756	2.99	6.014	5.169	0.845
Dundee City	220.541	2.78	5.602	4.229	1.373
East Ayrshire	178.980	2.26	4.546	4.045	0.501
East Dunbartonshire	164.191	2.07	4.170	3.717	0.453
East Lothian	150.135	1.90	3.813	3.336	0.477
East Renfrewshire	156.411	1.97	3.973	3.723	0.250
Edinburgh, City of	615.690	7.77	15.638	7.905	7.733
Eilean Siar	60.068	0.76	1.526	1.395	0.131
Falkirk	230.484	2.91	5.854	4.531	1.323
Fife	541.112	6.83	13.744	10.349	3.395
Glasgow City	876.472	11.07	22.262	14.521	7.741
Highland	373.221	4.71	9.480	7.060	2.420
Inverclyde	120.176	1.52	3.052	2.674	0.378
Midlothian	130.621	1.65	3.318	2.704	0.614
Moray	136.677	1.73	3.472	2.835	0.637
North Ayrshire	212.443	2.68	5.396	4.626	0.770
North Lanarkshire	505.530	6.38	12.840	10.683	2.157
Orkney	56.307	0.71	1.430	1.235	0.195
Perth & Kinross	216.179	2.73	5.491	4.524	0.967
Renfrewshire	259.838	3.28	6.600	4.509	2.091
Scottish Borders	176.166	2.22	4.475	3.858	0.617
Shetland	63.049	0.80	1.601	1.129	0.472
South Ayrshire	167.135	2.11	4.245	3.480	0.765
South Lanarkshire	471.406	5.95	11.974	5.887	6.087
Stirling	139.924	1.77	3.554	2.674	0.880
West Dunbartonshire	139.933	1.77	3.554	1.907	1.647
West Lothian	267.956	3.38	6.806	4.935	1.871
Scotland	7920.384	100.000	201.175	146.690	54.485

Note: A number of funding allocations which were distributed in 2017-18 have not yet been distributed in 2018-19. A full reconciliation of the Changes column will be provided once these full details are available.

GENERAL CAPITAL GRANT AND SPECIFIC CAPITAL GRANTS 2018-19 PER LOCAL AUTHORITY

ANNEX I

2018-19	Capital Settlement to be paid in 2018-19			Specific grants to be paid in 2018-19					
£m	General Capital Grant	Specific Grants	Total Capital Grants	Strathclyde Partnership	Vacant and Derelict Land	T MDF	Cycling Walking & Safer Streets	Early Years Expansion	Total
Aberdeen City	23.677	0.313	23.990	0.000	0.000	0.000	0.313	0.000	0.313
Aberdeenshire	37.135	0.357	37.492	0.000	0.000	0.000	0.357	0.000	0.357
Angus	12.601	0.159	12.760	0.000	0.000	0.000	0.159	0.000	0.159
Argyll & Bute	12.938	0.119	13.057	0.000	0.000	0.000	0.119	0.000	0.119
Clackmannanshire	5.425	0.070	5.495	0.000	0.000	0.000	0.070	0.000	0.070
Dumfries & Galloway	21.667	0.204	21.871	0.000	0.000	0.000	0.204	0.000	0.204
Dundee City	20.158	0.202	20.360	0.000	0.000	0.000	0.202	0.000	0.202
East Ayrshire	12.689	0.166	12.855	0.000	0.000	0.000	0.166	0.000	0.166
East Dunbartonshire	9.567	0.146	9.713	0.000	0.000	0.000	0.146	0.000	0.146
East Lothian	12.057	0.142	12.199	0.000	0.000	0.000	0.142	0.000	0.142
East Renfrewshire	7.166	0.128	7.294	0.000	0.000	0.000	0.128	0.000	0.128
Edinburgh, City of	49.405	28.641	78.046	0.000	0.000	27.950	0.691	0.000	28.641
Eilean Siar	8.069	0.037	8.106	0.000	0.000	0.000	0.037	0.000	0.037
Falkirk	14.559	0.217	14.776	0.000	0.000	0.000	0.217	0.000	0.217
Fife	32.675	1.990	34.665	0.000	1.486	0.000	0.504	0.000	1.990
Glasgow City	68.017	68.084	136.101	0.000	2.952	64.295	0.837	0.000	68.084
Highland	40.985	0.320	41.305	0.000	0.000	0.000	0.320	0.000	0.320
Inverclyde	8.282	0.108	8.390	0.000	0.000	0.000	0.108	0.000	0.108
Midlothian	9.777	0.121	9.898	0.000	0.000	0.000	0.121	0.000	0.121
Moray	10.833	0.131	10.964	0.000	0.000	0.000	0.131	0.000	0.131
North Ayrshire	0.000	1.894	1.894	0.000	1.709	0.000	0.185	0.000	1.894
North Lanarkshire	29.763	2.858	32.621	0.000	2.396	0.000	0.462	0.000	2.858
Orkney Islands	6.389	0.030	6.419	0.000	0.000	0.000	0.030	0.000	0.030
Perth & Kinross	16.831	0.205	17.036	0.000	0.000	0.000	0.205	0.000	0.205
Renfrewshire	16.094	0.239	16.333	0.000	0.000	0.000	0.239	0.000	0.239
Scottish Borders	26.135	0.156	26.291	0.000	0.000	0.000	0.156	0.000	0.156
Shetland Islands	6.612	0.031	6.643	0.000	0.000	0.000	0.031	0.000	0.031
South Ayrshire	11.064	0.153	11.217	0.000	0.000	0.000	0.153	0.000	0.153
South Lanarkshire	27.607	1.333	28.940	0.000	0.901	0.000	0.432	0.000	1.333
Stirling	10.601	0.128	10.729	0.000	0.000	0.000	0.128	0.000	0.128
West Dunbartonshire	14.478	0.122	14.600	0.000	0.000	0.000	0.122	0.000	0.122
West Lothian	15.026	0.245	15.271	0.000	0.000	0.000	0.245	0.000	0.245
Undistributed	0.000	150.000	150.000	0.000	0.000	0.000	0.000	150.000	150.000
Councils Total	598.282	259.049	857.331	0.000	9.444	92.245	7.360	150.000	259.049
Strathclyde Partnership for Transport		19.033	19.033	19.033	0.000	0.000	0.000	0.000	19.033
Grand Total	598.282	278.082	876.364	19.033	9.444	92.245	7.360	150.000	278.082

GENERAL CAPITAL GRANT – FLOOD ALLOCATIONS 2018-19 PER LOCAL AUTHORITY

ANNEX J

Council	Flood Scheme	Total 2018-19 £m
Aberdeenshire Council	Stonehaven	8.841
Aberdeenshire Council	Huntly	-0.663
Angus Council	Arbroath	-0.338
Argyll & Bute Council	Campbeltown	0.083
Comhairle nan Eilean Siar	South Fords	0.000
Dumfries & Galloway Council	Dumfries/ River Nith/ Whitesands FPS	0.906
Dumfries & Galloway Council	Stranraer work item 4 &6	-0.128
Dumfries & Galloway Council	Langholm	0.100
Dumfries & Galloway Council	Newton Stewart/ River Cree	1.200
Dundee City Council	Broughty Ferry	1.654
Dundee City Council	Dundee	0.574
East Ayrshire Council	New Cumnock	0.600
East Dunbartonshire Council	Park Burn	0.060
East Lothian Council	Musselburgh	1.809
East Lothian Council	Haddington	0.000
Falkirk Council	Grangemouth FPS	1.173
Fife Council	Kinness Burn	0.192
Glasgow City Council	White Cart Water Phase 3	1.664
Glasgow City Council	Camlachie Burn	0.830
Highland Council	Smithton and Culloden	9.093
Highland Council	Caol and Lochyside	0.294
Highland Council	Drumnadrochit	0.196
Inverclyde Council	Inverclyde FPS - Glenmosston Burn	0.000
Inverclyde Council	Inverclyde FPS - Coves Burn	-0.300
Inverclyde Council	Inverclyde FPS - Bouverie Burn	0.000
Inverclyde Council	Quarrier's Village	0.000
Moray Council	Newmill	0.000
North Ayrshire Council	Millport Coastal	-5.256
North Ayrshire Council	Upper Garnock FPS	-7.476
North Ayrshire Council	Mill Burn Millport	0.080
Orkney Islands Council	Kirkwall	0.000
Perth & Kinross Council	Comrie	0.560
Perth & Kinross Council	Milnathort	0.000
Perth & Kinross Council	South Kinross	0.000
Perth & Kinross Council	Scone	0.060
Scottish Borders Council	Hawick	11.703
Stirling Council	Bridge of Allan	-0.274
Stirling Council	Stirling	0.753
Stirling Council	Callander	0.075
West Dunbartonshire Council	Gruggies Burn	5.520
	Total	33.585

TOTAL LOCAL GOVERNMENT FUNDING SETTLEMENT 2018-19

ANNEX K

Local Authority	Revised	Non	General	Total 2018-19	General	Specific	Total 2018-19	2018-19 Local
	Ring-Fenced	Domestic	Revenue					
	Grants	Rates	Funding	Revenue	Grant	Grant	Capital	Settlement
	£m	£m	£m	£m	£m	£m	£m	£m
Aberdeen City	2.911	227.801	88.290	319.002	23.677	0.313	23.990	342.992
Aberdeenshire	2.841	110.710	289.725	403.276	37.135	0.357	37.492	440.768
Angus	2.102	25.101	167.485	194.688	12.601	0.159	12.760	207.448
Argyll & Bute	1.701	33.035	152.715	187.451	12.938	0.119	13.057	200.508
Clackmannanshire	1.517	15.326	75.445	92.288	5.425	0.070	5.495	97.783
Dumfries & Galloway	2.878	44.229	229.159	276.266	21.667	0.204	21.871	298.137
Dundee City	4.935	55.553	224.971	285.459	20.158	0.202	20.360	305.819
East Ayrshire	3.567	26.073	189.815	219.455	12.689	0.166	12.855	232.310
East Dunbartonshire	1.617	21.791	154.927	178.335	9.567	0.146	9.713	188.048
East Lothian	1.512	23.744	139.848	165.104	12.057	0.142	12.199	177.303
East Renfrewshire	1.410	14.318	155.972	171.700	7.166	0.128	7.294	178.994
Edinburgh, City of	7.593	340.474	348.507	696.574	49.405	28.641	78.046	774.620
Eilean Siar	1.247	7.702	84.660	93.609	8.069	0.037	8.106	101.715
Falkirk	3.509	65.958	200.043	269.510	14.559	0.217	14.776	284.286
Fife	10.002	154.138	451.463	615.603	32.675	1.990	34.665	650.268
Glasgow City	22.100	340.778	846.829	1209.707	68.017	68.084	136.101	1345.808
Highland	4.908	126.537	299.501	430.946	40.985	0.320	41.305	472.251
Inverclyde	2.500	18.363	139.007	159.870	8.282	0.108	8.390	168.260
Midlothian	2.233	28.115	122.330	152.678	9.777	0.121	9.898	162.576
Moray	1.305	40.151	112.165	153.621	10.833	0.131	10.964	164.585
North Ayrshire	4.425	39.471	222.097	265.993	0.000	1.894	1.894	267.887
North Lanarkshire	8.940	104.339	480.753	594.032	29.763	2.858	32.621	626.653
Orkney	0.228	9.376	58.011	67.615	6.389	0.030	6.419	74.034
Perth & Kinross	1.722	51.953	185.419	239.094	16.831	0.205	17.036	256.130
Renfrewshire	4.231	120.105	174.759	299.095	16.094	0.239	16.333	315.428
Scottish Borders	1.750	32.790	164.555	199.095	26.135	0.156	26.291	225.386
Shetland	0.219	23.852	54.963	79.034	6.612	0.031	6.643	85.677
South Ayrshire	2.389	38.299	152.888	193.576	11.064	0.153	11.217	204.793
South Lanarkshire	7.967	295.500	236.289	539.756	27.607	1.333	28.940	568.696
Stirling	1.567	42.273	118.276	162.116	10.601	0.128	10.729	172.845
West Dunbartonshire	3.405	78.812	99.092	181.309	14.478	0.122	14.600	195.909
West Lothian	5.159	79.333	220.168	304.660	15.026	0.245	15.271	319.931
Undistributed	138.760	0.000	91.509	230.269	0.000	150.000	150.000	380.269
Strathclyde Passenger Transport	0.000	0.000	0.000	0.000	0.000	19.033	19.033	19.033
Scotland	263.150	2,636.000	6,731.620	9,630.770	598.282	278.082	876.364	10,507.134

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Chief Executives, NHS Scotland

Copy to: NHS Chairs
NHS Directors of Finance
Integration Authority Chief Officers

Issued via email

Our Ref: A19675337

14 December 2017

Dear Chief Executives

Draft Budget 2018-19 – Indicative Allocation

Following the announcement of the Scottish Government’s Draft Budget for 2018-19 by the Cabinet Secretary for Finance and the Constitution in Parliament today, I am writing to provide details of the funding settlement for Health Boards and the indicative 2018-19 baseline budget for Territorial and National Boards. A breakdown of the total is provided in the annex to this letter.

A central component of the settlement for the Portfolio is that it will allow for progress to be made in delivering the commitment that more than half of frontline spending will be in community health services by the end of this parliament. The funding in 2018-19 is designed to support a further shift in the share of the frontline NHS budget dedicated to mental health and to primary, community and social care. The Cabinet Secretary for Health and Sport expects NHS Boards and Integration Authorities to contribute to this Programme for Government commitment and it will be essential that this is clearly evidenced as part of plans for 2018-19.

Investment in Reform

Funding for reform will increase by £175 million, to £303 million in 2018-19.

	2017-18 (£m)	2018-19 (£m)	Increase for 2018-19 (£m)
Transformational Change Fund	25.0	126.0	101.0
Primary Care	60.0	110.0	50.0
Mental Health	30.0	47.0	17.0
Trauma Networks	5.0	10.0	5.0
Cancer	8.0	10.0	2.0
Total Investment in reform	128.0	303.0	175.0

The components of these lines and the approach to allocating reform funding will be set out by individual policy areas in advance of the new financial year.

Baseline Funding

Territorial Boards will receive a cash terms uplift of 1.5%. In addition to this, those Boards furthest from NRAC parity will receive a share of £30 million, which will mean that no Board is further than 0.8% from NRAC parity in 2018-19.

The four patient facing National Boards, (Scottish Ambulance Service, NHS24, Golden Jubilee and The State Hospital) will each receive a cash terms uplift of 1.0%. In addition, the Scottish Ambulance service will receive a further £6 million to support the implementation of their strategy. NHS National Services Scotland, Healthcare Improvement Scotland, NHS Education for Scotland and NHS Health Scotland will receive a flat cash settlement.

The National Board savings requirement of £15 million in 2017-18 will be made recurring in 2018-19. This savings requirement is not yet reflected in the National Board baseline allocation and will be agreed in advance of the new financial year.

When combining the £175 million increase in investment in reform, with an increase of £179 million in baseline funding for NHS Boards, the total additional funding for frontline NHS Boards will amount to £354 million (3.7 per cent) in 2018-19.

Pay Policy

The Scottish Government has set out its 2018-19 pay policy, which recommends a 3% pay increase for public sector workers earning £30,000 or less and a cap of 2% on the increase in the pay bill for staff earning more than £30,000. In addition, there will be a cap on the pay increase for highest paid, with a maximum cash increase of £1,600 for those earning above £80,000.

The pay settlement for NHS staff will of course be subject to the NHS pay reviews process as in previous years.

Core Areas of Investment

Transformational Change

The transformational change fund of £126 million will provide support to the regional delivery plans for implementation of new service delivery models, improved elective performance and investment in our digital capability.

Mental Health

Through our new Mental Health Strategy, we are shifting the balance of care towards mental health, increasing the level of investment in mental health services and improving support in the crucial period from birth to young adulthood. To support this, in 2018-19 a further £17 million will be invested, which will go towards the commitment to increase the workforce by an extra 800 workers over the next 5 years; and for transformation in CAMHS. In order to maximise the contribution from this direct investment, this funding is provided on the basis that it is in addition to a real terms increase in existing 2017-18 spending levels by NHS Boards and Integration Authorities. As a result therefore, it is expected that NHS Boards and Integration Authorities ensure that total spending on mental health and CAMHS services in 2018-19 will increase as a minimum by £17 million above inflation. Directions regarding the use of £17 million will be issued in year.

Primary Care

Investment in the Primary Care Fund will rise to £110 million in 2018-19. This will support the transformation of primary care by enabling the expansion of multidisciplinary teams for improved

patient care, and a strengthened and clarified role for GPs as expert medical generalists and clinical leaders in the community.

Social Care

As in 2017-18, Territorial NHS Boards are required to transfer £350 million from baseline budgets to Integration Authorities to support social care. A further £5 million will be allocated in 2018-19 on a recurring basis to Boards to be transferred to Integration Authorities in relation to war pensions and guaranteed income payments.

As part of the settlement for Local Government, £66 million has been provided to Local Authorities recognising a range of pressures in relation to Social Care. This funding will be allocated directly to Local Authorities from the Scottish Government and will not pass through NHS Board baselines.

NHS Boards should ensure that 2018-19 budget settlements for Integration Authorities are in place in advance of the new financial year.

Alcohol and Drug Partnerships

In 2018 a refreshed alcohol framework will be in place which will continue to take on Scotland's often problematic relationship with alcohol misuse. This renewed focus on alcohol and drugs will be backed by additional investment of £20 million in treatment and support services and further detail will be provided on this before the start of the financial year. This funding is not included in Board baseline budgets and is in addition to the £53.8 million that was allocated to Board baselines in 2017-18. Our expectation is that following the budget we will, as last year, write outlining the allocation by Board area and associated Ministerial expectations.

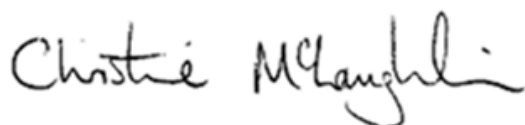
Capital Funding

We will continue to prioritise funding for existing commitments and Boards should assume an unchanged initial capital formula allocation.

Annual Plan

We will shortly set out the requirements for an annual plan, which will replace the previous Local Delivery Planning process and will link into the Regional and National Delivery Plans. This will set out a number of principles to be delivered in relation to finance and wider performance.

Yours sincerely



CHRISTINE MCLAUGHLIN
Director of Health Finance
Scottish Government

Annex

2018-19 Draft Budget Funding Allocations

	2017-18 Budget Bill	Recurring Allocation Adjustments	Total 2017-18 Allocation	Uplifts	Total 2018-19 Allocation	Distance from NRAC parity
	£m	£m	£m	£m	£m	%
Territorial Boards						
Ayrshire and Arran	683.6	-0.3	683.3	11.6	694.9	(0.8%)
Borders	197.7	-0.1	197.6	3.0	200.6	1.1%
Dumfries and Galloway	284.9	-0.1	284.8	4.3	289.1	2.8%
Fife	624.7	-0.2	624.5	12.1	636.6	(0.8%)
Forth Valley	496.7	-0.1	496.6	10.3	506.8	(0.8%)
Grampian	902.4	-0.2	902.1	18.5	920.6	(0.8%)
Greater Glasgow & Clyde	2,123.5	-0.9	2,122.6	31.8	2,154.5	1.8%
Highland	592.6	-0.2	592.4	12.0	604.3	(0.8%)
Lanarkshire	1,135.9	-0.4	1,135.5	20.7	1,156.1	(0.8%)
Lothian	1,356.0	-0.6	1,355.4	29.0	1,384.3	(0.8%)
Orkney	46.7	0.3	47.0	0.7	47.7	(0.4%)
Shetland	47.5	0.4	47.9	0.7	48.7	(0.4%)
Tayside	721.3	-0.2	721.1	13.7	734.8	(0.8%)
Western Isles	71.6	0.3	72.0	1.1	73.0	11.3%
Total	9,285.1	-2.3	9,282.8	169.4	9,452.0	
Special Boards						
National Waiting Times Centre Board	51.9	1.5	53.4	0.5	54.0	
Scottish Ambulance Service	229.3	0.0	229.3	8.6	237.9	
NHS National Services Scotland	324.7	3.5	328.2	0.0	328.2	
Healthcare Improvement Scotland	24.7	0.1	24.7	0.0	24.7	
The State Hospital	34.4	0.0	34.4	0.3	34.8	
NHS 24	65.2	0.4	65.6	0.7	66.3	
NHS Education for Scotland	420.0	0.0	420.0	0.0	420.0	
NHS Health Scotland	18.4	0.0	18.4	0.0	18.4	
Total	1,168.6	5.5	1,174.1	10.1	1,184.3	
TOTAL	10,453.7	3.2	10456.9	179.5	10,636.3	
Investment in Reform				175.0		
Total additional funding for frontline Boards				354.5		