

REPORT TO: East Lothian Council

MEETING DATE: 12 February 2013

BY: Executive Director (Support Services)

SUBJECT: Council Financial Strategy 2013/14 to 2015/16

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1 PURPOSE

- 1.1 To outline the Financial Strategy of the Council, which provides the financial context for Councillors in preparing their budgets for the period 2013-16.

2 RECOMMENDATIONS

- 2.1 The Council is recommended to approve the attached Financial Strategy.
- 2.2 As part of presenting their budget proposals, each Group of Councillors is recommended to:
- Use no more than £2.284 million of General Services reserves within the budgets for 2013/14 or 2014/15.
 - Develop a sustainable General Services budget avoiding the use of reserves in 2015/16.
 - Develop General Services Capital Plans, which when adjusted, are within the maximum Capital Expenditure Limits outlined at Section 3.6.
 - Adopt the recommended levels for reserves as detailed in the Financial Strategy.
 - Transfer any unexpected reserves and the balance on the Property Renewals Reserve at the end of 2012/13 to the Cost Reduction Fund.
 - Prepare balanced budget proposals for General Services taking into account a freeze in the level of Council Tax and the related levels of government grant.
 - Retain within the HRA at least £1.0 million of reserves as protection against unexpected costs or loss of income.

- Keep the ratio of income to debt charges within the HRA to below 40%.
- Propose an appropriate rent increase to support the HRA budget proposals

3 BACKGROUND

Constructing the Budget Proposals

- 3.1 Appended to this report is the Financial Strategy for 2013-2016, which outlines the main opportunities, risks and constraints that face the Council over the next 3 years. This forms the basis of the Council's stewardship of taxpayer's funds over what will be a financially challenging period.
- 3.2 Constructing a sound budget is the cornerstone of delivering the Financial Strategy. As in previous years, the budget allocates a "bottom-line" budget to each Department and Business Group, and Executive Directors and Group Managers have the task of managing any cost increases within that budget. Managers are expected to achieve any specified efficiency savings and identify how they will meet any savings targets included in the budget allocated. It is part of the job of every Council officer to deliver the Financial Strategy.
- 3.3 In preparing the 2013/14 budgets, provision to meet all known contractual commitments has been made, but no general inflation increase in budgets has been incorporated. Essentially, services are expected to absorb general inflationary pressures through the efficient management of the resources they have. This 'cost containment' is an important element of the financial strategy.
- 3.4 The budget includes provision for capital financing (debt) costs that are generated by spending at the Capital Expenditure Limit for each of the three years and the revenue running costs of projects that are sufficiently well advanced for these costs to be estimated with a reasonable degree of accuracy.
- 3.5 Under statutory regulation the Council has to set annual limits on "the maximum amount which it can afford to allocate to capital expenditure". In the current financial circumstances, I am of the view that the Council should in future set Capital Expenditure Limits for General Services that seek to avoid any new additional borrowing after the 2013/14 financial year.
- 3.6 The link between capital expenditure and the final level of borrowing is not direct and is affected by factors such as the rate paid on borrowings, the type of capital asset created and the level of capital income receivable. However, based upon current factors, I would recommend the maximum Capital Expenditure Limits as follows;

Year	Capital Expenditure Limits (£m)
2012/13	33.000
2013/14	28.000
2014/15	20.000
2015/16	21.000
2016/17	18.000
2017/18	18.000
Totals	138.000

- 3.7 These Capital Expenditure limits will need to be applied flexibly to take into account additional capital income received by the Council and the potential for inter-year transfers – such transfers will assist in the management of any project slippage that may occur.
- 3.8 As the Financial Strategy makes clear, the Council is facing substantial financial challenges. Over the next three years the amount of funding available for council services is currently forecast to drop from £195.7 million to approximately £191.4 million. At the same time there are a whole range of ‘unknowns’ and new cost pressures to manage.
- 3.9 Meeting that challenge implies that the Council will have to continue to make significant changes to how it is organised and operates to deliver the services needed in East Lothian. Some of these changes have been made but much more is still required and this will take further time and careful management. During 2011/12 and 2012/13 the Council has and will draw significantly from reserves and only has limited reserves remaining that it can use to help manage this transitional period. It is vitally important that the Council maintains a disciplined approach to the implementation of any change programme and delivers the financial efficiencies in accordance with that programme. It is anticipated that the Chief Executive will be establishing a new Transformation Team that will support Executive Directors and Heads of Service, ensuring that the programme is fully delivered.
- 3.10 At this stage there is uncertainty about the extent and precise nature of changes that will be required and the group budget proposals will to varying extents reflect this. Groups have been advised to be as specific as they can be about the scale, timing and nature of the change that is

needed. However, it is inevitable that some changes may not be capable of being specified in detail, which means the budget proposed is subject to an increased degree of uncertainty about what will be involved in delivering it. In general, the greater the value of any non-specific changes included in the budget, the bigger the extent of change is being planned. These changes can be either cost reductions or income increases.

Managing the Workforce

- 3.11 The scale of the change programme required is considerable and it would be impossible to make the required reductions in cost without impacting upon the workforce. Both Groups will incorporate proposals that will introduce a Voluntary Early Release Scheme (VERS). It is expected that this will help streamline the workforce and facilitate necessary organisational changes and associated cost reductions that are necessary. The introduction of such a scheme marks a very significant departure for the Council but I would regard this as a critically important element of the strategy that will help manage down one of the Council's largest cost categories. In delivering such a scheme, it will be necessary to carefully consider implications in respect of both affordability and business need, ensuring where possible that the impact upon agreed Council priorities is minimised. It is anticipated that an early report will be brought to Cabinet.

Managing the budget 2013/14

- 3.12 Budget review and development is not a once-a-year process. External circumstances are continuously changing and performance compared to this budget will be kept under constant review with regular reports to Cabinet following the end of each quarter and a year-end report to the Council following submission of the draft accounts for audit.
- 3.13 In addition, monthly and quarterly performance reports are issued to managers with budget responsibility and the overall finances of the Council are subject to detailed annual independent audit review.
- 3.14 Heads of Service will be required to manage within the budgets approved at this meeting. If at any time spending pressures are not containable within the Business Group, the business group manager should report this to their Head of Service and Executive Director. In consultation with their Cabinet Spokesperson, the Executive Director has the flexibility to move budgets between business groups. Should this not resolve the spending issue, it is the service Directors' responsibility to formally report this to the Head of Council Resources. In this situation the matter may be reported to Cabinet and the Council may be asked to reconsider the policies applying within that Group with a view to reducing services and costs or increasing charges and income. If this cannot be achieved, then the Council may be asked to approve policy changes elsewhere that will yield the necessary savings through service reductions or increased charges.

Council Tax

- 3.15 Since the 2007/08 financial year the Council has operated a Council Tax freeze. In overall terms however, the funding received from the tax will increase over the coming year as a result of house building and an increase in the number of taxable properties. The estimated 2013/14 Band D equivalent tax base in East Lothian is 42,486 properties (last year 42,149) after adjusting for single taxpayers and exemptions.
- 3.16 It is anticipated that Council Tax collection will continue to be adversely affected by the difficult economic conditions. This situation is being kept under review. However, for the time being it is recommended that bad debt provision remain at 2% for 2013/14.

4 POLICY IMPLICATIONS

- 4.1 The Council has a range of plans and strategies and this budget is an important part of putting those into effect.

5 EQUALITIES IMPACT ASSESSMENT

Equalities – the Financial Strategy and subsequent budget proposals will have significant impact on the future delivery of services by East Lothian Council and therefore a potential impact on the wellbeing of equality groups. The EQIA on the Council Financial Strategy recommends that EQIA is considered as an ongoing process as part of the development and delivery of Council budgets.

6 RESOURCE IMPLICATIONS

- 6.1 Financial – the respective group proposals will provide an overview of the finances of the Council reflecting the constraints outlined in this report. The approved budget will be the 3 year summary and the explanation of the changes in each of the three years provided by each group.
- 6.2 Personnel - none directly from this report although there will be implications arising from subsequent service reviews and new initiatives.
- 6.3 Other – none.

7 BACKGROUND PAPERS

- 7.1 Council 12 February 2012 – “Council Financial Strategy 2012/13 to 2014/15”

7.2 Council 23 October 2012 – “Financial Strategy 2012-15 – Mid Year Review”

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DATE	7 February 2013



East Lothian
Council

**Financial
Strategy
Statement**

**2013/14 to
2015/16**

FINANCIAL STRATEGY STATEMENT 2013/14 to 2015/16

Objective and Principles

The financial objective of the Council is to provide the services that the Councillors believe are required for the lowest Council Tax or service charge possible.

Underpinning this objective are two key principles of public finance that the Council must observe – that there should be no taxation in advance of need and that there should be fairness in the tax burden between generations of taxpayers.

In practice, the principle of taxing only when necessary is closely related to the question of how much reserves the Council should hold. In setting a budget a balance has to be struck between holding funds in reserve for specified reasons, with any excess of reserves being used for the benefit of or returned directly to the taxpayers. This amounts to a decision on how much should be taken from reserves when setting the budget and this is explained further below.

Inter-generational fairness is most clearly apparent in the financing of capital investment projects. Many capital investments have a long-life and will benefit future generations. The use of debt finance ensures that the costs of the capital investment are spread over the life of the asset and paid for through taxes and charges over that life. Similar issues are involved in making provision for the future cost of pensions. These costs will be incurred by future generations even though the pensions have been earned in providing services now unless adequate provision for the full future cost is made from current tax receipts.

Medium Term Financial Position – Housing Revenue Account

The last ten years have seen a number of significant financial landmarks for the Housing Revenue Account. The first was the achievement of a zero net debt position in 2004/05 – mostly as a result of council house sale receipts in the property boom. Another has been the increase in capital spend over the past few years as the modernisation and affordable house building programmes have been expanded.

The medium term position for the Housing Revenue Account (HRA) budget will be set out as part of the budget approved by the Council. As almost all of the income for this service is locally raised the Council can plan, with a good degree of certainty, that it can manage the main financial risks. The overall HRA budget is a balancing act between the income raised through rent, the revenue expenditure such as staffing & repairs and the capital spending which is undertaken on modernisation and provision of affordable homes.

For the HRA, the financial strategy will focus upon the following;

- Ensuring that the HRA can sustainably support the capital programme associated with building new Council Houses and modernising existing homes.
- Ensuring that the rent levels and revenue savings to fund the rising debt costs are actioned and identified;

FINANCIAL STRATEGY STATEMENT 2013/14 to 2015/16

- Responding to the challenges arising from proposed UK benefit reforms over the coming years;
- Ensuring that the Council stays within the recommended upper limit for the ratio of income to debt charges of 40%. It is my view that this limit maintains an appropriate long term balance between the various elements of the HRA budget.
- Ensuring that the reserve or balance left on the HRA should not fall below £1.0 million. This will allow the Council to maintain a cushion against any unexpected increase in costs or loss of income, and to protect against the risks inherent in the UK welfare reform proposals. Given the uncertainty that exists over the timing and scale of capital investment in new affordable housing, there is no upper limit on reserves.

Medium Term Financial Position – General Services

For the General Services revenue budget, the Council continues to plan for the medium-term through its three-year planning processes. This year the Scottish Government has provided grant figures for the 2 years ahead to assist in that planning. The next Comprehensive Spending Review is scheduled to take place in 2014 and until then the likely grant figures for year 3 is uncertain. The financial assumption being made for Year 3 is that grant will remain at Year 2 levels.

In the medium term it is clear that the Council faces some difficult financial decisions as a result of the following;

- Reductions in the income it will receive from central government;
- New legislative requirements e.g. food waste treatment/homelessness legislation;
- Responding to the challenges arising from proposed UK benefit reforms over the coming years; and
- Increasing population e.g. school rolls/elderly care.

The latest estimate of funding that is available to support council services (after all the other corporate commitments are taken into account) is going to drop from £195.7 million in the current year (2012/13) to £191.4 million by 2015/16. This trend has been evident over the past couple of years but our estimate is that we have only managed 20% of the reduction which will be needed by the end of the budgetary period

This means that the Council is faced with reducing its expenditure commitments or increasing its income, or some combination of both.

Despite the challenging economic conditions that continue to prevail, the Council has an ambitious 5 year Council Plan approved in 2012. It may be possible to introduce new sources of income but a significant part of the

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medium term deficit is likely to have to be met through cost containment and avoidance. As far as possible, the Council is seeking to contain costs by becoming more efficient, which would minimise the effect on services provided. However, the size of the medium-term deficit suggests that more significant changes in how services are managed and delivered will be required as the means of containing costs whilst maintaining and where possible improving services in accordance with the Council Plan. This includes the Council paying due regard to the statutory obligations of the Equality Act 2010. Understanding the impact of financial decisions on those in the community will help to ensure that decisions about future provision of services meet the needs of the community effectively.

Pensions

All employees working for the Council have access to defined benefit pensions, which means that the Council as employer has substantial unknown future financial liabilities that only materialise when the pensions are actually paid. For teachers this liability is not established for East Lothian as these costs are part of a national scheme administered by the Scottish Government. For non-teaching staff, there is a statutory requirement that these costs are independently assessed as part of an actuarial valuation of each local pension fund every three years.

The actuary for the Lothian Pension Fund, of which the Council is part, makes a triennial assessment of the financial position of the East Lothian share of the local government pension fund and his requirements for employer contributions.

At 31 March 2011 the East Lothian share of Lothian Pension Fund was £30 million in deficit. The actuary has advised that it is the employer's responsibility to fund this gap over the next twenty years.

He has also indicated the minimum acceptable level of employer contributions for the 3 years up to 31 March 2015 and these have been drafted into the budget. The Council is ultimately expected to fund more than the minimum sum advised by the actuary but it is recognised that this will be difficult in current financial circumstances and the actuary has left the Council with flexibility as to how it funds the actual deficit in the medium to long-term.

The Pension Act 2011 has placed a number of new obligations upon the Council with changes to eligibility criteria effectively widening access to a greater number Council employees. The Council has also decided to defer the new auto-enrolment provisions until 2017 although it is still anticipated that there is likely to be an increase in scheme membership as a result of both of these issues.

In the longer-term addressing this pension deficit and overall pension costs will become an increasingly significant element of the Financial Strategy of the Council.

Risk Assessment

In setting a budget, the Council must take into account the risks that may impact upon successfully delivering the strategy. The main risks to the budget are

FINANCIAL STRATEGY STATEMENT 2013/14 to 2015/16

listed in the annex including the action the Council should take to manage those risks both in setting the budget and managing its finances over the coming years.

The success of the Financial Strategy depends on how successful we are in mitigating the risks through management action and the extent to which the risks we have to accept actually materialise.

Scottish Government Grant Funding

Central to delivering the Financial Strategy is the grant funding received from the Scottish Government. In the General Services budget, around 80% of the Council's funding is received as grant from the Scottish Government.

As happened last year, in 2013/14 the Scottish Government has offered to provide a specific amount of grant funding to the Council if it chooses to freeze the Council Tax and certain national policy objectives are supported by the Council when they set their budget. A much lower funding offer has been promised if these national objectives are not shown to be supported in the Council budget.

Due to the uncertainty surrounding the future of UK public sector finances and the scheduled Comprehensive Spending Review planned for 2014, there is a significant risk that the grant figures planned for the next three years may be revised. However, the Council must not let this uncertainty undermine their planning for local services in the medium-term. The best way to deal with that uncertainty is to plan ahead as best we can so that damage is minimised as far as possible

Reserves

Holding an adequate reserve to meet unanticipated costs is a key management tool for delivering the Financial Strategy, but this must be balanced against the need to avoid taxation in advance of need as explained above.

To strike this balance the Council must take a view on what the reserves are likely to be at the start of the 2013/14 financial year, any plans that have already been made to use reserves and how much should be held to meet any risks that materialise over the next three years. Any reserves that do not need to be held as part of this strategy should be used for the benefit of or directly returned to tax or rent payers as part of this budget.

Council has been already advised through the various quarterly finance reports that the General Services reserves (excluding HRA reserves) available going into 2012/13 was £14.745 million. The split of these is detailed below;

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Table 1: Reserves Analysis at 01 April 2012	
Reserve	(£m)
General Services Reserves	
Required to Support Future Budgets	6.357
Civil Emergency	2.000
Property Renewals	0.932
Cost Reduction Fund	3.733
Roads Renewals	0.000
Earmarked Reserves	
• DSM (Devolved School Management)	0.573
• MELDAP/DAAT	0.082
Insurance Fund	0.973
Capital Receipts Reserve	0.095
Sub-total General Services Reserves	14.745

This analysis includes the Insurance Fund and a range of earmarked funds such as those held for MELDAP and the DSM legislation. My advice going forward is that these should be retained and used for specific purposes already agreed by Council. This means that these are not then available for any alternative use.

The Capital Receipts Reserve balance of £95,000 can be used to meet the cost of debt charges in the year. I would intend that this will be applied at the 2012/13 financial year-end.

I am also advising that the Council should hold a financial reserve within the Civil Emergency Fund as a cushion against the costs of any emergency, such as the severe weather experienced in various seasons over recent years. This should be retained at the £2 million level.

Meeting future financial challenges is likely to mean significant changes in the way in which the Council delivers services. To help make these changes the Council has set up a Cost Reduction Fund. The balance on this Fund currently stands at £3.733 million and, over the last two years, has been used primarily to meet the costs of employee contract severance payments. There is likely to be a further use of this during 2012/13, and beyond, as the Council manages down its staff numbers to match its reduced financial resources. Given the scale of the changes facing the Council and the costs associated with making these changes the balance on this Fund needs to be replenished. On this basis I am recommending that the Cost Reduction Fund should be retained and that, if any future reserves become available, that they are directed towards this Fund.

As part of setting the 2012/13 budget the Council agreed to apply £6.357 million of its reserves to help manage the reduction in budgets over time. £4.073

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million of this total was to be used in 2012/13. The current predictions are that fewer reserves will be needed to balance the 2012/13 budget and I am recommending that any unused element of this £4.073 million at the end of the 2012/13 financial year is directed towards the Cost Reduction Fund.

During the year the Council has reviewed its approach to asset management – and how property renewals are funded. Rather than having a separate Property Renewals Reserve officers recommended that there should be an identifiable line with the Council's capital budget. This recommendation has been accepted by both political groups and each set of budget proposals have made allowance for property renewals within the capital plans. To complete this process I am recommending that the existing Property Renewals Reserve is closed and that any remaining balance is transferred to the Cost Reduction Fund at the end of the 2012/13 financial year.

Taking all these factors into account, this means that £2.284 million remains available to support the 2013-2016 budgets or be returned to taxpayers.

The regulations that surround the use of prudential borrowing powers require that the Council demonstrate that its capital investment plans are affordable and financially sustainable.

Affordability is demonstrated by the incorporation of all the costs associated with the investments within a balanced three-year budget.

Financial sustainability is demonstrated by having the final year of the budget showing balanced income and expenditure without the use of reserves. Borrowing is usually repaid over a longer period than three years, and the best indicator of whether the future repayments are sustainable is a 2015/16 budget that does not rely on temporary sources of funding such as reserves. In other words, to sustain the capital investment plan the Council needs to demonstrate that there is no structural deficit in its budget by 2015/16.

Summary

The Council faces a wide range of risks and an increasingly difficult financial environment. For General Services, in the short and medium term expenditure is outstripping income. In the longer-term, pension liabilities are increasing and should be funded now rather than passed on as a burden for future taxpayers.

However, I am confident that by effectively working together, and by delivering the required change programme, this challenge can be managed and that, by the end of the budgetary period we will be delivering our priority outcomes for the people of East Lothian within a sustainable and balanced budget.

To achieve this, over the next three years, the Council's financial strategy will be focused upon;

- Delivering a Change Programme that will achieve significant efficiency savings across all areas and all inputs such as staffing and supplies;
- Constraining cost growth – through effective demand management, good financial control by managers and by effective negotiation with suppliers;

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- Generating additional income and ensuring that, where the Council has decided, there is full cost recovery;
- Progressing integrated working with our partners where there is a promise of greater efficiency;
- Avoiding any new additional borrowing after the 2013/14 financial year.

Jim Lamond
Head of Council Resources
07 February 2013

ANNEX: FINANCIAL STRATEGY RISKS

Risk	Action	Mitigation Method
Efficiency savings are not achieved	Mitigate	<ol style="list-style-type: none"> 1) Identify required savings in the budget as part of a comprehensive change programme and report progress on achievement to Cabinet on a regular basis. 2) Participate in national efficiency initiatives 3) Compare efficiency with comparable organisations 4) Test the competitiveness of in-house services against similar services available in the market and vice versa.
Budget is not effectively managed	Mitigate	<ol style="list-style-type: none"> 1) Subdivide the budget to allow clear allocation of responsibility to managers and link those budgets to operational responsibility 2) Report on the budget position to managers on a monthly basis and Cabinet on a quarterly basis 3) Provide training in financial management to all responsible officers
Loss of key suppliers leads to additional costs	Mitigate	<ol style="list-style-type: none"> 1) Maintain active relationships with key suppliers to assist in early identification of problems 2) Hold a financial reserve to provide funding to meet costs arising should a supplier be lost
Events occur that were not fully anticipated in the budget	Mitigate	<ol style="list-style-type: none"> 1) Encourage wide participation in budget setting to capture as much service information as possible 2) Hold a financial reserve to provide funding to meet costs arising from such an event

ANNEX: FINANCIAL STRATEGY RISKS

Risk	Action	Mitigation Method
Wider changes in the economy impact on our costs (e.g. energy prices, interest rates) and income	Mitigate	<ol style="list-style-type: none"> 1) Identify volatile costs/income within the budget and adopt management processes to limit exposure 2) Hold a financial reserve to provide funding to meet costs/income loss arising
The Council does not carry through its plans	Mitigate	<ol style="list-style-type: none"> 1) Regularly monitor progress against the Council Plan 2) Regularly monitor the financial position compared to budget
A service fails to meet statutory requirements resulting in the cost of emergency corrective action	Mitigate	<ol style="list-style-type: none"> 1) Regularly monitor progress against the Council Plan 2) Hold a financial reserve to provide funding to meet costs arising from corrective action
Failure of key financial and other systems	Mitigate	<ol style="list-style-type: none"> 1) Ensure business continuity measures are effective 2) Hold a financial reserve to provide funding to meet costs arising should a system fail
UK welfare reform leads to a loss of income and increased demand for council services	Mitigate	<ol style="list-style-type: none"> 1) Monitor the development of welfare reforms and seek to influence wherever possible 2) Hold a financial reserve to cover increased costs or income loss
The Council has to meet a major unanticipated insurance or compensation claim	Mitigate	<ol style="list-style-type: none"> 1) Ensure insurance arrangements are adequate for the risks anticipated and that provision is made for claims 2) Hold a financial reserve to provide funding to meet costs arising should a claim arise

REPORT TO: East Lothian Council
MEETING DATE: 12 February 2013
BY: Executive Director (Support Services)
SUBJECT: Council Tax 2013/14

2

1 PURPOSE

- 1.1 To set the Council Tax charges for the 2013/14 tax year.

2 RECOMMENDATIONS

- 2.1 The Council is recommended to:
- 1) Approve the Council Tax charges for 2013/14 as listed at Section 3.8
 - 2) Approve the continued operation of the Council Tax advance payment discount at 2%.
 - 3) Approve the Council Tax second home and long-term empty property discount remains at 10% for 2013/14.
 - 4) Note the changes made to the 2013/14 budgets in relation to the cessation of the national Council Tax Benefit scheme and the new financial risks which the Council now faces.

3 BACKGROUND

- 3.1 The Council is required by law to set its Council Tax annually for the year ahead. In the past, this has been done as part of setting an overall General Services budget and varying Council Tax to support the Council's decisions on the services to be provided for the year ahead.
- 3.2 However, in recent years the levels of the Council Tax have been the subject of national debate and since 2007/2008 the 32 Scottish local authorities have been offered incentives to freeze the levels of the tax. Given the favourable incentives available, all have accepted the offers made by the Scottish Government and as a result the Council Tax decision has now effectively become detached from the General Services budget decisions.

- 3.3 Nevertheless, it remains important for the Council to:
- Note the basis of the offer of grant funding made by the Cabinet Secretary for Finance to local authorities and the particular commitments which are part of the offer
 - Formally approve the Council Tax levels for the coming year and record important decisions regarding the various discretionary discounts which the Council applies
 - Receive information about the amounts involved and any other significant changes to the whole Council Tax system.
- 3.4 In a letter to COSLA at the end of September 2012, John Swinney, the Scottish Cabinet Secretary for Finance Government outlined the terms of the financial settlement to be provided to local government for the 2013/14 financial year. Importantly, the settlement held back two amounts to deliver specific commitments. These are as follows;
- £70 million has been retained to fund the maintenance of the Council Tax freeze for 2013/14;
 - £39 million has been retained to maintain teacher numbers in line with pupil numbers and secure places for all probationers who required a place within the teacher induction scheme.
- 3.5 In a change from the practice of previous years only those Councils who do not intend to take up the offer of funding are required to write to the Cabinet Secretary for Finance.
- 3.6 East Lothian Council's share of the £70 million has been confirmed as £1.4 million. As each 1% increase in Council Tax would raise £0.45 million, a tax increase of over 3% would be needed just to make up lost grant funding if the Council chose to implement any Council Tax increase.
- 3.7 Discussions with all political groups, as part of the 2013/14 budget preparations, have confirmed that all groups wish to take up the offer of grant funding made by the Cabinet Secretary and also therefore to apply a Council Tax freeze for 2013/14.

Council Tax Charges

- 3.8 The charges which will apply for 2013/14 are listed overleaf.

Band	Band Value (£)	Fraction of Band D	Charge for the Year (£)
Band A	Up to 27,000	6/9	745.08
Band B	27 to 35,000	7/9	869.26
Band C	35 to 45,000	8/9	993.44
Band D	45 to 58,000	9/9	1,117.62
Band E	58 to 80,000	11/9	1,365.98
Band F	80 to 106,000	13/9	1,614.34
Band G	106 to 212,000	15/9	1,862.70
Band H	over 212,000	18/9	2,235.24

- 3.9 The Council is required to declare a Band D tax. All other tax band rates vary as a fraction of the Band D figure. The Council has no discretion over these fractions.

Early Payment Discount

- 3.10 To support higher levels of tax collection, I recommend that the Council should continue to offer an early payment discount of 2% for any taxpayer that settles their tax bill in full in advance. This discount continues to be significantly lower than the average rate at which the Council borrows funds and I expect that position to continue throughout 2013/14.

Empty Dwellings and Second Homes Discount

- 3.11 Since 2005 the Council has reduced the discount awarded to empty dwellings and second homes to 10%, which, up to this point, is the minimum discount allowed under the Council Tax (Discount for Unoccupied Dwellings) (Scotland) Regulations 2004.
- 3.12 However, the Local Government Finance (Unoccupied Properties etc.) (Scotland) Act 2012 was passed in October 2012. The Act is aimed at encouraging owners of empty domestic and commercial properties to bring them back into productive use – primarily by diluting the tax support available to owners. In particular, it is proposed that Council's will have the discretion to both remove the discount on certain types of unoccupied homes and to increase the level of Council Tax payable on these properties by up to 100%. The Act has no implications for charges applicable to second homes.
- 3.13 The Scottish Government has laid regulations before Parliament outlining the detailed rules and discretions which will apply. These regulations have only been brought into force within recent days.
- 3.14 Until the implications of these new regulations are clear, enabling the matter to be fully considered by the Council, I recommend that the 10% discount levels for empty and second home properties are continued for 2013/14.

Council Tax Reduction Scheme

- 3.15 Members will be aware that from 01 April 2013 the previous Council Tax benefit system is being replaced by an interim Council Tax reduction scheme. The funds for this are to be transferred from the Department for Work and Pension to the devolved administrations but with a reduction of 10% in the overall level of funding. During 2012/13 East Lothian Council would expect to award approximately £5.7 million in Council Tax benefits. On a 'pro-rata' basis the Council's share of the reduction is therefore £570,000.
- 3.16 For 2013/14 the Scottish Government and local authorities have agreed to cover the estimated £40 million national cost of the shortfall – with the Scottish Government providing £23 million and local authorities providing the remaining £17 million.
- 3.17 In the case of East Lothian Council it has meant:
- An additional £281,000 from the Scottish Government. At this stage however, they have only released 80% of their promised contribution – with the remaining 20% to be released when the costs of the scheme become clearer
 - The Council having to set aside £260,000 from its own resources to support the replacement Council Tax benefit scheme.
- 3.18 Members should note that the introduction of these changes and the delegation of the scheme significantly increase the financial risk for the Council. In the past the cost of the Council Tax benefit scheme was largely met by the Department for Work and Pensions. Going forward,
- There is currently no commitment from the Scottish Government to fund their share of the 10% shortfall beyond 2013/14
 - Councils will now bear the financial risk where claims for Council Tax support increase - either because of general economic conditions or because of an increasing population within the local authority's boundaries.

4 POLICY IMPLICATIONS

- 4.1 The Council has a range of plans and strategies and the funding from Council Tax is an important part of putting those into effect.

5 EQUALITIES IMPACT ASSESSMENT

- 5.1 An equalities impact assessment has been carried out on the various proposals in this report. Overall, it is considered that a freeze in Council Tax levels has a preferable impact upon the community than the alternative of increasing Council Tax by more than 3% to compensate for

any grant loss that would occur if the Scottish Government's offer was not taken up. There are no equality implications arising from the introduction of the Council Tax Reduction Scheme in Year 1 but further work will be required to assess the potential impact in subsequent years.

6 RESOURCE IMPLICATIONS

- 6.1 Financial – as described above in Section 3.
- 6.2 Personnel – none.
- 6.3 Other – none.

7 BACKGROUND PAPERS

- 7.1 Council 14 February 2012 – Council Financial Strategy 2012/13 to 2014/15
- 7.2 Scottish Executive Finance Circular No 5/2012 – Local Government Finance Settlement 2013/14, and Changes in 2012/13
- 7.3 Letter to COSLA – 20th September 2012

AUTHOR'S NAME	Jim Lamond
DESIGNATION	Head of Council Resources
CONTACT INFO	jlamond@eastlothian.gov.uk
DATE	7 February 2013

REPORT TO: East Lothian Council

MEETING DATE: 12 February 2013

BY: Executive Director (Services for Communities)

SUBJECT: Proposals to Increase Council House Rents –
Consultation Exercise

3

1 PURPOSE

- 1.1 To outline the results of the Consultation Exercise on the proposals to increase Council House Rents in 2013/14.
- 1.2 To outline the key aspects of the consultation process.

2 RECOMMENDATIONS

- 2.1 Council is asked to note the results of the Consultation Exercise.
- 2.2 Council is asked to note the Consultation process and that this will be further improved and consolidated on in future years.

3 BACKGROUND

- 3.1 The Council has a statutory obligation under the Housing (Scotland) Act 2001 to consult with all tenants when making any proposals to increase rents. In doing so the Council must:

- Consult all tenants affected by the proposal, and
- Have regard to the views expressed during the consultation exercise.

Consultation Approach

- 3.2 With the aim of improving on the approach to consulting on rent proposals adopted in previous years, the Council undertook to continue to work with and agree a robust approach in conjunction with East Lothian Tenants & Residents Panel (ELTRP).

3.3 The Project Group originally set up in June 2008, comprising of Council staff from Community Housing and Finance as well as members of ELTRP reconvened in November 2012 to discuss and agree the approach for 2013/14.

3.4 **The Project Group:**

- designed, agreed and implemented the consultation approach for the rent proposals, which gave tenants the opportunity to complete a consultation questionnaire to give their views on the rent consultation and proposed rent increase. Tenants also had the opportunity to comment in other ways (i.e. via free phone, email or by writing in).
- designed an improved more customer friendly consultation letter, which included key information to tenants to allow them to understand how their rent money is spent and the key services it pays for. A ready reckoner was also included which showed tenants what effect the potential rent increase will have on their current fortnightly rent.
- agreed the timeline for the consultation.

3.5 All of the above measures continue to build upon the improved approach introduced in previous years.

Consultation Outcome

3.6 Whilst the consultation process itself has continued to improve, there was also a slight increase in the number of responses from individuals again this year. In addition most of the feedback was related to the proposals, and much of the feedback was received through the questionnaire, with only a few responses by telephone and in writing.

3.7 A total of 973 completed questionnaires were returned along with four telephone calls and one written response representing a return rate of 11.5% of all letters issued.

3.8 The results of all the feedback received from tenants who completed the consultation questionnaire are shown below.

- 95.1% of those who responded were happy with the level of consultation and information they get about the annual rent increase. This represents an increase of 2.5% on last year's figure.
- 90% said that they think the rent they pay is good value for money. This is an increase on last year's figure of 3.3%.
- 85.3% think the Council is proposing a fair rent increase of 4.3%. This represents a 0.7% increase on last year's figure.

- 95% agree with the Council's commitment to build new houses, to help address the housing situation in East Lothian. This is an increase of 2.3%.
 - 95.6% agree that the Council should continue to modernise its existing stock, e.g. kitchen and bathroom replacement. This is more or less the same as last year with a very slight decrease of 0.1%.
 - 94.5% agree that their rent should be used to pay for the following key areas – service delivery, modernisation of council houses and delivery of new affordable homes. (new question for this year's consultation)
- 3.9 A summary of responses received from tenants who completed the consultation questionnaire during the consultation exercise is attached in Appendix 1.
- 3.10 The Rent Increase Consultation Register (Appendix 2) is lodged in the Members' Library.

4 POLICY IMPLICATIONS

- 4.1 The improved consultation process underlines the Council's commitment to its Tenant Participation Strategy.

5 EQUALITIES IMPACT ASSESSMENT

- 5.1 This report is not applicable to the well being of equalities groups and an Equalities Impact Assessment is not required.

6 RESOURCE IMPLICATIONS

- 6.1 Financial – None.
- 6.2 Personnel – None.
- 6.3 Other – None.

7 BACKGROUND PAPERS

- 7.1 Appendix 1 – Summary of responses received during the Rent Increase Consultation Exercise 2013/14.
- 7.2 Appendix 2 – Rent Increase Consultation Register lodged in the Members' Library.

AUTHOR'S NAME	Richard Jennings
DESIGNATION	Head of Housing & Environment
CONTACT INFO	James Coutts – Ext 7483.
DATE	25 th January 2013

Rent Consultation Questionnaire

We want to hear your views on the rent consultation and proposed rent increase for 2013-14. Please take a few minutes to fill in this form.

Q1 Are you happy with the level of consultation and information you get about the annual rent increase? If no, please tell us why?

Yes..... 95.1%
 No..... 4.0%
 Comments 4.2%

Q5 Do you agree that the Council should continue to modernise its existing stock (for example new kitchens, bathrooms etc.) If no, please tell us why?

Yes 95.6%
 No..... 2.8%
 Comments 9.0%

Q2 Do you think the rent you pay is good value for money? If no, please tell us why?

Yes..... 90.0%
 No..... 8.2%
 Comments 9.1%

Q6 Do you agree that your rent should be used to pay for the following key areas? Service delivery, modernisation of council houses and delivery of new affordable houses. If no, please state what is not important or what you think is missing?

Yes 94.5%
 No 3.2%
 Comments 6.1%

Q3 By increasing rent the Council continues to deliver existing services, invest in our stock and deliver new houses. Do you think the Council is proposing a fair rent increase? If no, please tell us why?

Yes..... 85.3%
 No..... 12.1%
 Comments 12.0%

Q7 Do you have any other comments you would like to make?

Comments 30.7%
 (see below)

Q4 Do you agree with the Council's commitment to build new houses to help address the housing situation in East Lothian? If no, please tell us why?

Yes..... 95.0%
 No 4.2%
 Comments 7.7%

Comments received during Rent Consultation 2013/14.

General summary of responses received.

Question 1 - Are you happy with the level of consultation and information you get about the annual rent increase? If no, please tell us why?

Of those who commented, some felt that they weren't consulted, or that more information could be provided. Others felt that no matter what was said rents would go up anyway.

Question 2 - Do you think the rent you pay is good value for money? If no, please tell us why?

Comments generally related to modernisation work with some tenants saying that they are still waiting on a new kitchen or bathroom. Others commented that their house was poorly maintained and that they had to wait a long time to get repairs done.

Question 3 - By increasing rent the Council continues to deliver existing services, invest in our stock and delivery new houses. Do you think the Council is proposing a fair rent increase? If no, please tell us why?

Of those who responded to this question, 12% said no and made comments and a lot of those who commented felt that they thought the increase was unfair in the current economic climate and others felt because their house is not modernised, well maintained or repaired.

Question 4 - Do you agree with the Council's commitment to build new houses to help address the housing situation in East Lothian? If no, please tell us why?

A lot of the comments made related to how houses are allocated.

Question 5 - Do you agree that the Council should continue to modernise its existing stock (for example new kitchens, bathrooms etc.)? If no, please tell us why?

Almost half of those who commented agreed but wanted to know when they would be getting their new kitchen or bathroom and others commented that these upgrades should only be done in the houses that needed them.

Question 6 - Do you agree that your rent should be used to pay for the following key areas?

**1) Service delivery e.g. repairs, housing management etc. 2) Modernisation of council houses
3) Delivery of new affordable houses. If no, please state what is not important or what you think is missing?**

Although a lot of comments related again to the modernisation of houses, others commented on the delivery of new homes and not all felt that the Council or their rent should pay for the building new houses.

Question 7 – Do you have any other comments you would like to make?

The top four categories tenants commented on (with the most common first) were modernisation, positive comments, the rent increase and the repairs service.

In terms of the comments made relating to modernisation most of them were from tenants wondering when they would get their new kitchen or bathroom although other improvement work was also referred to. Tenants also commented on the repairs service and in particular these were comments and concerns about the length of time it takes to get repairs done. There were comments about the rent increase itself and also some positive comments not only about the Council but about the services it provides.

**Deborah Piner
Service Development Officer
22nd January 2013**



East Lothian
Council

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ADMINISTRATION RENT PROPOSALS

2013/14 – 2017/18

2012/13 Budget	2013/14 Budget	2014/15 Budget	2015/16 Budget	2016/17 Budget	2017/18 Budget
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Rent Increase	4.30%	4.30%	4.30%	4.30%	4.30%	4.30%
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BUDGET						
	£000	£000	£000	£000	£000	£000
Income						
House Rents	(21,002)	(22,364)	(23,645)	(24,844)	(26,153)	(27,559)
Garage Rents	(353)	(368)	(384)	(401)	(418)	(436)
Services/Service Charges	(494)	(499)	(504)	(509)	(514)	(519)
Other Income	(130)	(132)	(133)	(134)	(136)	(137)
Interest	(65)	(60)	(49)	(41)	(33)	(27)
Total Income	(22,044)	(23,423)	(24,715)	(25,929)	(27,254)	(28,678)
Expenditure						
Employee Costs	2,015	2,035	2,055	2,076	2,097	2,118
Repair Costs	8,000	8,000	8,080	8,161	8,243	8,325
Leasing	463	49	-	-	-	-
Void Rents	300	320	339	357	377	398
Bad Debt Provision	327	380	448	521	600	688
Operating Payments	1,516	1,516	1,531	1,546	1,561	1,577
Transfer Payments	560	566	572	578	584	590
Internal Recharges	2,919	2,958	2,998	2,928	2,957	2,987
Debt Charges	6,293	7,506	8,495	9,454	10,502	11,027
Total Expenditure	22,393	23,330	24,518	25,621	26,921	27,710
Management of Balances						
Opening (Surplus) / Deficit	(6,715)	(5,371)	(4,469)	(3,671)	(2,984)	(2,322)
Capital from current revenue	-	-	-	-	-	1,700
(Surplus)/ Deficit for Year	349	(93)	(197)	(308)	(333)	(968)
Transfer to General Services	995	995	995	995	995	500
Closing (Surplus) / Deficit	(5,371)	(4,469)	(3,671)	(2,984)	(2,322)	(1,090)

Capital Expenditure						
Modernisation/Extensions	10,035	10,135	10,231	10,328	10,426	10,525
Leasing	876	514	11	0	0	0
New Affordable Housing	10,093	14,335	10,000	10,000	10,000	4,250
Open Market Acquisition	6,000	0	0	0	0	0
Mortgage to Rent	2,100	646	662	678	695	713
Total	29,104	25,630	20,904	21,007	21,122	15,488

	2013/14	2014/15	2015/16	2016/17	2017/18
	£000	£000	£000	£000	£000
HRA Income					
House Rents					
Rent income adjustments relating to rent increases, house building and RTB sales	(1,362)	(1,281)	(1,199)	(1,309)	(1,406)
<i>Changes as result of RTB sales and rent increases</i>					
Garage Rents					
Rent income adjustments relating to rent increases	(15)	(16)	(17)	(17)	(18)
<i>Changes as result of rent inceases</i>					
Service Charges					
Income adjustments relating to service charge adjustments	(5)	(5)	(5)	(5)	(5)
<i>Changes as result of rcharge adjustments</i>					
Other Income					
Homeless Rents	(1)	(1)	(1)	(1)	(1)
<i>Payment from Homeless budget</i>					
Interest					
Interest on accumulated balances	5	11	8	8	6
<i>Internal interest received</i>					
TOTAL	(1,378)	(1,292)	(1,214)	(1,324)	(1,424)
HRA Expenditure					
Staffing					
General Inflation Increase	20	20	21	21	21
<i>Increase in line with assessed inflation rate</i>					
	20	20	21	21	21
Repairs					
General Inflation Increase	-	80	81	82	82
<i>Increase in line with assessed inflation rate</i>					
	-	80	81	82	82
Leasing Savings					
Central Heating Leases	(414)	(49)	-	-	-
<i>Leases come to end of primary lease period</i>					
	(414)	(49)	-	-	-
Void Rents					
Rent adjustments relating to RTB sales and rent increases	20	19	18	20	21
<i>Changes as result of RTB sales and rent inceases</i>					
	20	19	18	20	21
Bad Debts					
Rent adjustments relating to RTB sales and rent increases	53	68	73	79	88
<i>Changes as result of RTB sales and rent inceases</i>					
	53	68	73	79	88
Operating Expenses					

	2013/14	2014/15	2015/16	2016/17	2017/18
	£000	£000	£000	£000	£000
General Inflation Increase <i>Increase in line with assessed inflation rate</i>	15	15	15	15	16
Staff Travel <i>Renegotiation of staff travel scheme</i>	(28)	-	-	-	-
Grounds Maintenance work - new estates <i>Costs associated with open space maintenance on new estates</i>	13	-	-	-	-
	-	15	15	15	16
Transfer payments					
General Inflation Increase <i>Increase in line with assessed inflation rate</i>	6	6	6	6	6
	6	6	6	6	6
Internal Recharges					
General Inflation Increase <i>Increase in line with assessed inflation rate</i>	29	30	30	29	30
Rent Arrears Reduction <i>Project aimed at reducing rent arrears over the coming years</i>	-	-	(100)	-	-
Trade Waste Charges <i>Increase in Trade Waste Charges relating to LATs/Landfill Tax</i>	10	10	-	-	-
	39	40	(70)	29	30
Debt Charges					
Interest on Debt <i>Effect of capital programme</i>	739	581	572	603	455
Debt Management Expenses (DME) <i>Increase in DME reflects increased debt and investment management activity</i>	10	8	8	8	6
Debt repayments <i>Change in debt principal repayments/funding due to previous capital investments</i>	464	400	379	437	64
	1,213	989	959	1,048	525
Transfer to General Services					
Change in transfer to General Services	-	-	-	-	(495)
TOTAL	(441)	(104)	(111)	(24)	(1,130)

SNP GROUP RENT PROPOSALS

2013/14 – 2017/18

2012/13 Budget	2013/14 Budget	2014/15 Budget	2015/16 Budget	2016/17 Budget	2017/18 Budget
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Rent Increase	4.30%	4.00%	4.00%	4.00%	4.00%	4.00%
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BUDGET						
	£000	£000	£000	£000	£000	£000
Income						
House Rents	(21,002)	(22,296)	(23,506)	(24,625)	(25,851)	(27,165)
Garage Rents	(353)	(367)	(382)	(397)	(413)	(430)
Services/Service Charges	(494)	(499)	(504)	(509)	(514)	(519)
Other Income	(130)	(131)	(133)	(134)	(135)	(137)
Interest	(65)	(60)	(48)	(39)	(31)	(23)
Total Income	(22,044)	(23,353)	(24,573)	(25,704)	(26,944)	(28,274)
Expenditure						
Employee Costs	2,015	2,035	2,055	2,076	2,097	2,118
Repair Costs	8,000	8,075	8,075	8,075	8,075	8,075
Leasing	463	49	-	-	-	-
Void Rents	300	319	337	354	372	392
Bad Debt Provision	327	378	446	516	593	678
Operating Payments	1,516	1,516	1,531	1,546	1,561	1,577
Transfer Payments	560	566	572	578	584	590
Internal Recharges	2,919	2,958	2,898	2,927	2,956	2,986
Debt Charges	6,293	7,505	8,489	9,443	10,470	10,979
Total Expenditure	22,393	23,401	24,403	25,515	26,708	27,395
Management of Balances						
Opening (Surplus) / Deficit	(6,715)	(5,371)	(4,328)	(3,503)	(2,697)	(1,938)
Capital from current revenue	-	-	-	-	-	-
(Surplus)/ Deficit for Year	349	48	(170)	(189)	(236)	(879)
Transfer to General Services	995	995	995	995	995	995
Closing (Surplus) / Deficit	(5,371)	(4,328)	(3,503)	(2,697)	(1,938)	(1,822)

Capital Expenditure						
Modernisation	10,035	10,035	10,130	10,226	9,528	9,618
Leasing	876	514	11	0	0	0
New Affordable Housing	10,093	14,335	10,000	10,000	10,000	4,250
Open Market Acquisition	6,000	0	0	0	0	0
Mortgage to Rent	2,100	646	662	678	695	713
Total	29,104	25,530	20,803	20,905	20,223	14,581

	2013/14	2014/15	2015/16	2016/17	2017/18
	£000	£000	£000	£000	£000
HRA Income					
House Rents					
Rent income adjustments relating to rent increases, house building and RTB sales	(1,294)	(1,210)	(1,119)	(1,226)	(1,314)
<i>Changes as result of RTB sales and rent increases</i>					
Garage Rents					
Rent income adjustments relating to rent increases	(14)	(15)	(15)	(16)	(17)
<i>Changes as result of rent inceases</i>					
Service Charges					
Income adjustments relating to service charge adjustments	(5)	(5)	(5)	(5)	(5)
<i>Changes as result of rcharge adjustments</i>					
Other Income					
Homeless Rents	(1)	(1)	(1)	(1)	(1)
<i>Payment from Homeless budget</i>					
Interest					
Interest on accumulated balances	5	12	9	8	8
<i>Internal interest received</i>					
TOTAL	(1,309)	(1,219)	(1,131)	(1,240)	(1,329)
HRA Expenditure					
Staffing					
General Inflation Increase	20	20	21	21	21
<i>Increase in line with assessed inflation rate</i>					
	20	20	21	21	21
Repairs					
Housing apprenticeships	75	-	-	-	-
<i>Additional housing apprenticeships</i>					
	75	-	-	-	-
Leasing Savings					
Central Heating Leases	(414)	(49)	-	-	-
<i>Leases come to end of primary lease period</i>					
	(414)	(49)	-	-	-
Void Rents					
Rent adjustments relating to RTB sales and rent increases	19	18	17	18	20
<i>Changes as result of RTB sales and rent inceases</i>					
	19	18	17	18	20
Bad Debts					
Rent adjustments relating to RTB sales and rent increases	51	68	70	77	85
<i>Changes as result of RTB sales and rent inceases</i>					
	51	68	70	77	85
Operating Expenses					

	2013/14	2014/15	2015/16	2016/17	2017/18
	£000	£000	£000	£000	£000
General Inflation Increase <i>Increase in line with assessed inflation rate</i>	15	15	15	15	16
Staff Travel <i>Renegotiation of staff travel scheme</i>	(28)	-	-	-	-
Grounds Maintenance work - new estates <i>Costs associated with open space maintenance on new estates</i>	13	-	-	-	-
	-	15	15	15	16
Transfer payments					
General Inflation Increase <i>Increase in line with assessed inflation rate</i>	6	6	6	6	6
	6	6	6	6	6
Internal Recharges					
General Inflation Increase <i>Increase in line with assessed inflation rate</i>	29	30	29	29	30
Rent Arrears Reduction <i>Project aimed at reducing rent arrears over the coming year</i>	-	(100)	-	-	-
Trade Waste Charges <i>Increase in Trade Waste Charges relating to LATs/Landfill Tax</i>	10	10	-	-	-
	39	(60)	29	29	30
Debt Charges					
Interest on Debt <i>Effect of capital programme</i>	738	577	568	584	453
Debt Management Expenses (DME) <i>Increase in DME reflects increased debt and investment management activity</i>	10	8	8	8	6
Debt repayments <i>Change in debt principal repayments/funding due to previous capital investments</i>	464	399	378	435	50
	1,212	984	954	1,027	509
Transfer to General Services					
Change in transfer to General Services	-	-	-	-	-
TOTAL	(301)	(217)	(19)	(47)	(642)



East Lothian
Council

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ADMINISTRATION BUDGET PROPOSALS

2013/14 – 2015/16

BUDGET 2013-2016

	2013/14 Budget			2014/15 Budget			2015/16 Budget		
	2012/13 Base Budget £'000	Changes £'000	Total Budget £'000	2013/14 Base Budget £'000	Changes £'000	Total Budget £'000	2014/15 Base Budget £'000	Changes £'000	Total Budget £'000
CORPORATE INCOME									
Revenue Support Grant	(170,590)	8,691	(161,899)	(161,899)	(652)	(162,551)	(162,551)	-	(162,551)
National Non-domestic Rates Grant	(46,390)	(371)	(46,761)	(46,761)	(375)	(47,136)	(47,136)	(377)	(47,513)
Council Tax	(123)	85	(38)	(38)	-	(38)	(38)	-	(38)
Renewable Energy	(4,073)	1,907	(2,166)	(2,166)	2,122	(44)	(44)	193	149
Transfer to/(from) Reserves	(995)	-	(995)	(995)	-	(995)	(995)	-	(995)
Transfer to/(from) HRA Surpluses									
EXPENDITURE LIMIT	(222,171)	10,312	(211,859)	(211,859)	1,095	(210,764)	(210,764)	(184)	(210,948)
LESS CORPORATE COMMITMENTS									
Police Requisition	6,967	(6,967)	-	-	-	-	-	-	-
Fire Brigade Requisition	2,916	(2,916)	-	-	-	-	-	-	-
Valuation Board Requisition	678	(4)	674	674	-	674	674	-	674
Asset Management	(4,462)	-	(4,462)	(4,462)	-	(4,462)	(4,462)	-	(4,462)
VERS Savings	-	(2,000)	(2,000)	(2,000)	(1,000)	(3,000)	(3,000)	-	(3,000)
Debt Charges	16,911	1,530	18,441	18,441	896	19,336	19,336	305	19,642
Pension Deficit	2,649	150	2,799	2,799	-	2,799	2,799	-	2,799
External Audit	250	30	280	280	-	280	280	-	280
Housing Benefit Loss	550	-	550	550	-	550	550	-	550
	26,459	(10,177)	16,282	16,282	(104)	16,177	16,177	305	16,483
FUNDING FOR COUNCIL SERVICES	(195,712)	135	(195,577)	(195,577)	991	(194,587)	(194,587)	121	(194,465)
SERVICE PLANNED EXPENDITURE									
Services for People									
Children's Wellbeing	11,074	798	11,872	11,872	(446)	11,426	11,426	(190)	11,236
Pre-school Education & Childcare	5,494	(112)	5,382	5,382	9	5,391	5,391	17	5,408
Additional Support for Learning	7,853	119	7,972	7,972	59	8,031	8,031	(20)	8,011
Schools - Primary	29,733	(349)	29,384	29,384	335	29,719	29,719	448	30,167
Schools - Secondary	36,241	75	36,316	36,316	141	36,457	36,457	279	36,736
Schools Support Services	3,219	(281)	2,938	2,938	(5)	2,933	2,933	20	2,953
Adult Wellbeing	45,124	(15)	45,109	45,109	(290)	44,819	44,819	(919)	43,900
Sub-total	138,738	235	138,973	138,973	(197)	138,776	138,776	(365)	138,411

BUDGET 2013-2016

	2013/14 Budget			2014/15 Budget			2015/16 Budget		
	2012/13 Base Budget £'000	Changes £'000	Total Budget £'000	2013/14 Base Budget £'000	Changes £'000	Total Budget £'000	2014/15 Base Budget £'000	Changes £'000	Total Budget £'000
Services for Communities									
Community Housing	3,372	(634)	2,738	2,738	(11)	2,727	2,727	17	2,744
Planning & Environmental Services	3,118	216	3,334	3,334	-	3,334	3,334	38	3,372
Property	2,315	(115)	2,200	2,200	(106)	2,094	2,094	16	2,110
Facility Support Services	3,062	37	3,099	3,099	(36)	3,063	3,063	(17)	3,046
Landscape & Countryside Management	5,732	(128)	5,604	5,604	29	5,633	5,633	11	5,644
Roads, Transportation & Waste Services	13,142	(69)	13,073	13,073	58	13,131	13,131	52	13,183
Sub-total	30,741	(693)	30,048	30,048	(66)	29,982	29,982	117	30,099
Support Services									
Communications & Marketing	488	(16)	472	472	2	474	474	6	480
Policy & Improvement	1,646	(27)	1,619	1,619	(21)	1,598	1,598	7	1,605
Community Partnerships	1,006	152	1,158	1,158	50	1,208	1,208	(16)	1,192
Culture	4,153	81	4,234	4,234	(78)	4,156	4,156	(14)	4,142
Community Learning & Development	3,538	(91)	3,447	3,447	(195)	3,252	3,252	52	3,304
Healthy Living Service	4,366	(15)	4,351	4,351	(155)	4,196	4,196	(30)	4,166
Economic Development	1,020	210	1,230	1,230	163	1,393	1,393	5	1,398
Customer Services	1,448	(55)	1,393	1,393	(1)	1,392	1,392	23	1,415
Financial Services	2,149	(231)	1,918	1,918	(60)	1,858	1,858	22	1,880
Revenues & Benefits	936	552	1,488	1,488	(312)	1,176	1,176	20	1,196
IT Services	1,845	(50)	1,795	1,795	(26)	1,769	1,769	17	1,786
Law & Licensing	519	(16)	503	503	(18)	485	485	7	492
Human Resources	1,240	(105)	1,135	1,135	(46)	1,089	1,089	12	1,101
Governance & Democratic Services	1,879	(66)	1,813	1,813	(30)	1,783	1,783	15	1,798
Sub-total	26,233	323	26,556	26,556	(727)	25,829	25,829	126	25,955
TOTAL SERVICE EXPENDITURE	195,712	(135)	195,577	195,577	(991)	194,587	194,587	(121)	194,465

BUDGET CHANGES

Description	2013/14			2014/15			2015/16		
	Budget Change £000	Efficiency Measures/Savings/ Increased Income £000	Total Change £000	Budget Change £000	Efficiency Measures/Savings/ Increased Income £000	Total Change £000	Budget Change £000	Efficiency Measures/Savings/ Increased Income £000	Total Change £000
CORPORATE INCOME									
Revenue Support Grant (RSG)/Non Domestic Rates (NDR)									
Assumed General Change in RSG/NDR	8,691	-	8,691	(652)	-	(652)	-	-	-
<i>Change in RSG awarded by Scottish Government</i>									
	8,691	-	8,691	(652)	-	(652)	-	-	-
Council Tax									
Change in number of chargeable properties	(371)	-	(371)	(375)	-	(375)	(377)	-	(377)
<i>Additional properties incorporated into the new years' tax bases/Tax Increases</i>									
	(371)	-	(371)	(375)	-	(375)	(377)	-	(377)
Renewable Energy									
PV installations - feed in tariff income	85	-	85	-	-	-	-	-	-
<i>Income from renewable energy generation</i>									
PV installations - energy costs avoided	-	-	-	-	-	-	-	-	-
<i>Reduction in electricity purchased</i>									
	85	-	85	-	-	-	-	-	-
Transfer to/(from) Reserves									
General Fund Balances	1,907	-	1,907	2,122	-	2,122	193	-	193
<i>Change in use of GF balances</i>									
	1,907	-	1,907	2,122	-	2,122	193	-	193
Transfer to/(from) HRA Surpluses									
HRA Surplus Transfer	-	-	-	-	-	-	-	-	-
<i>Change in use of HRA balances</i>									
	-	-	-	-	-	-	-	-	-
CORPORATE COMMITMENTS									
Police Requisition									
Change in requisition in line with latest Joint Board budget papers	(6,967)	-	(6,967)	-	-	-	-	-	-
<i>Lothian & Borders Police</i>									
	(6,967)	-	(6,967)	-	-	-	-	-	-
Fire Brigade Requisition									
Change in requisition in line with latest Joint Board budget papers	(2,916)	-	(2,916)	-	-	-	-	-	-
<i>Lothian & Borders Fire & Rescue Board</i>									
	(2,916)	-	(2,916)	-	-	-	-	-	-
Valuation Board									
Change in requisition in line with latest Joint Board budget papers	(4)	-	(4)	-	-	-	-	-	-
<i>Lothian Joint Valuation Board</i>									
	(4)	-	(4)	-	-	-	-	-	-
Asset Management									
Finance Leases	-	-	-	-	-	-	-	-	-
<i>Ongoing Costs</i>									
	-	-	-	-	-	-	-	-	-
Voluntary Early Retirement/Severance Scheme									
Savings arising from managed reduction in workforce	-	(2,000)	(2,000)	-	(1,000)	(1,000)	-	-	-
<i>Annual savings on staff costs</i>									
	-	(2,000)	(2,000)	-	(1,000)	(1,000)	-	-	-
Debt Charges									
Interest and Principal repayments	1,530	-	1,530	896	-	896	305	-	305
<i>Cost of new capital projects within Capital Projects section</i>									
	1,530	-	1,530	896	-	896	305	-	305
Council Pension Deficit									
Payments to Lothian Pension Fund	-	-	-	-	-	-	-	-	-
<i>Additional deficit repayment contribution - matched by reduction in contribution within services from 17.5% to 16.6%</i>									
Pensions Act 2011	150	-	150	-	-	-	-	-	-
<i>Estimated effect of Pensions Act 2011 on Council pension payments</i>									
	150	-	150	-	-	-	-	-	-
External Audit									
Change in payment matching indicative fee	30	-	30	-	-	-	-	-	-
<i>Payments to Audit Scotland/Auditors</i>									
	30	-	30	-	-	-	-	-	-
SERVICES FOR PEOPLE									
Children's Wellbeing									
Increases in Pay Costs	65	-	65	66	-	66	66	-	66

Description	Budget Change	Efficiency Measures/Savings/Increased Income	Total Change	Budget Change	Efficiency Measures/Savings/Increased Income	Total Change	Budget Change	Efficiency Measures/Savings/Increased Income	Total Change
	£000	£000	£000	£000	£000	£000	£000	£000	£000
<i>Effect of assumed 1% increase.</i>									
Investment <i>Increase budget to reflect actual costs of funding existing services</i>	880	-	880	-	-	-	-	-	-
Investment <i>Additional support for care for children in the community</i>	150	-	150	-	-	-	-	-	-
EDRMS Project <i>Transfer of budget to IT to support EDRMS project</i>	(1)	-	(1)	-	-	-	-	-	-
Family Support <i>In line with SG grant increases</i>	56	-	56	-	-	-	-	-	-
Control of Overtime <i>Reduction in overtime in Year 1 and review of terms and conditions in subsequent years</i>	-	(2)	(2)	-	-	-	-	(6)	(6)
Staff Travel Scheme <i>Renegotiation of Staff Travel Scheme</i>	-	-	-	-	(72)	(72)	-	-	-
BuySmart Reviews <i>BuySmart Review of supplies & services - leading to either reduced purchasing, ensuring contracts set up and used or buying to an alternative standard.</i>	-	(15)	(15)	-	(15)	(15)	-	-	-
Efficient Workforce Management <i>Group savings target to be met from service redesign, strict management of variable staffing and agency costs.</i>	-	(174)	(174)	-	(280)	(280)	-	-	-
Reduce Non-Staffing budgets <i>Reduce Transport, Communications, Equipment, Printing, Training, Client Travel, Materials, Catering, Services, Clothing and Recruitment budgets by 10%</i>	-	(67)	(67)	-	-	-	-	-	-
Voluntary Organisations <i>Focus spending on organisations involved in direct service provision meeting assessed clients needs</i>	-	(82)	(82)	-	-	-	-	-	-
Funding to NHS/Partner Health Agencies <i>Reduce funding to the above in line with Children's Wellbeing budget efficiencies required</i>	-	(10)	(10)	-	-	-	-	-	-
Income Generation <i>Training placements for trainee social workers</i>	-	(2)	(2)	-	-	-	-	-	-
External Residential Care Placements <i>Review and Reduction in spend</i>	-	-	-	-	(100)	(100)	-	(250)	(250)
Commissioning Strategy <i>Efficiencies and Cost Reductions expected to arise as result of implementation of Commissioning Strategy and review of care partnerships/contracts and packages</i>	-	-	-	-	(45)	(45)	-	-	-
	1,150	(352)	798	66	(512)	(446)	66	(256)	(190)
Pre-School Education & Childcare									
Increases in Pay Costs <i>Effect of assumed 1% increase.</i>	14	-	14	14	-	14	15	-	15
Increase in NDR charges <i>Increase in poundage rates beyond 2012/13</i>	-	-	-	-	-	-	-	-	-
Facility Services Charges <i>Increases in Facilities Charges in line with salary increases</i>	2	-	2	2	-	2	2	-	2
Living Wage <i>Effect of £7.50 minimum hourly rate on Facilities Charges</i>	2	-	2	-	-	-	-	-	-
Staff Travel Scheme <i>Renegotiation of Staff Travel Scheme</i>	-	-	-	-	(2)	(2)	-	-	-
Childcare Strategy - Reduction in Workforce Expansion Training <i>Reduce funding to private nurseries</i>	-	(40)	(40)	-	-	-	-	-	-
Pre School Teaching - Support to Partner Providers <i>Deletion of pre-school teaching vacancy</i>	-	(21)	(21)	-	-	-	-	-	-
BuySmart Reviews <i>BuySmart Review of supplies & services - leading to either reduced purchasing, ensuring contracts set up and used or buying to an alternative standard.</i>	-	(5)	(5)	-	(5)	(5)	-	-	-
Pre-School Grants <i>Withdraw enhanced rates at private nurseries - moving towards one rate more in line with Scottish average</i>	-	(36)	(36)	-	-	-	-	-	-
Wraparound Care <i>Move towards a Wraparound service that more closely matches income and expenditure - with reduced subsidy from East Lothian Council and review of access criteria</i>	-	(28)	(28)	-	-	-	-	-	-
	18	(130)	(112)	16	(7)	9	17	-	17
Additional Support for Learning									

Description	Budget	Efficiency	Total Change	Budget	Efficiency	Total Change	Budget	Efficiency	Total Change
	Change £000	Measures/Savings/ Increased Income £000		Change £000	Measures/Savings/ Increased Income £000		Change £000	Measures/Savings/ Increased Income £000	
Increases in Pay Costs <i>Effect of assumed 1% increase.</i>	14	-	14	15	-	15	15	-	15
Investment in Stage 3 Support <i>Transfer of funding from Primary Group to support children at Stage 3 in our schools</i>	200	-	200	15	-	15	15	-	15
School Based Therapeutic Counselling Services <i>Extend programme and seek to secure match funding from Lothian Health</i>	50	-	50	50	-	50	50	-	50
External Learning Centres <i>Savings from review of contract levels/Best Value Review of Services</i>	-	(40)	(40)	-	-	-	-	(100)	(100)
Staff Travel Scheme <i>Renegotiation of Staff Travel Scheme</i>	-	-	-	-	(16)	(16)	-	-	-
Efficient Workforce Management/Educational Psychology Service <i>Redesign the service away from the current cluster based model.</i>	-	(20)	(20)	-	-	-	-	-	-
Efficient Workforce Management/Outreach Services <i>Remodel service delivery.</i>	-	(80)	(80)	-	-	-	-	-	-
BuySmart Reviews <i>BuySmart Review of supplies & services - leading to either reduced purchasing, ensuring contracts set up and used or buying to an alternative standard.</i>	-	(5)	(5)	-	(5)	(5)	-	-	-
	264	(145)	119	80	(21)	59	80	(100)	(20)
Schools - Primary									
Increases in Pay Costs <i>Effect of assumed 1% increase.</i>	272	-	272	275	-	275	278	-	278
Increase in NDR charges <i>Increase in poundage rates beyond 2012/13</i>	40	-	40	41	-	41	41	-	41
Facility Services Charges <i>Increases in Facilities Charges in line with salary increases</i>	29	-	29	29	-	29	29	-	29
Living Wage <i>Effect of £7.50 minimum hourly rate on Facilities Charges</i>	57	-	57						
Rebasing of Primary pupil roll figures <i>Primary pupil roll projections rebased downwards to 7,850 for 2013/14 and subsequent increases thereafter of 150 each year</i>	(500)	-	(500)	150	-	150	150	-	150
Efficient Workforce Management /School Management <i>Review the management resources within all schools, including review of the ratio of Principal Teachers to Classroom Teachers to achieve efficiency target.</i>	-	(50)	(50)	-	(100)	(100)	-	-	-
McCormac Review <i>Savings arising from national review of teachers' terms and conditions</i>	-	(71)	(71)	-	-	-	-	-	-
Free School Meals <i>Removal of current scheme whereby all P1-P3 pupils in certain schools receive free school meals</i>	-	(66)	(66)	-	-	-	-	-	-
DSM Review <i>Review of DSM scheme</i>	-	(50)	(50)	-	(50)	(50)	-	(50)	(50)
BuySmart Reviews <i>BuySmart Review of supplies & services - leading to either reduced purchasing, ensuring contracts set up and used or buying to an alternative standard.</i>	-	(10)	(10)	-	(10)	(10)	-	-	-
	(102)	(247)	(349)	495	(160)	335	498	(50)	448
Schools - Secondary									
Increases in Pay Costs <i>Effect of assumed 1% increase.</i>	249	-	249	252	-	252	255	-	255
Increase in NDR charges <i>Increase in poundage rates beyond 2012/13</i>	35	-	35	36	-	36	37	-	37
PPP Contract <i>Increase in PPP contract charges for Education facilities</i>	199	-	199	203	-	203	233	-	233
Facility Services Charges <i>Increases in Facilities Charges in line with salary increases</i>	4	-	4	4	-	4	4	-	4
Staff Travel Scheme <i>Renegotiation of Staff Travel Scheme</i>	-	-	-	-	(2)	(2)	-	-	-
Efficient Workforce Management/School Management <i>Results of review of the management resources within all schools</i>	-	(240)	(240)	-	-	-	-	-	-
Improving options in the Senior Phase across the Authority <i>Use of IT to enhance/support delivery of curriculum in the senior phase (S4-S6). Subject to changes in Scottish Government policy re teacher/pupil ratio</i>	-	-	-	-	-	-	-	(160)	(160)
McCormac Review <i>Savings arising from national review of teachers' terms and conditions</i>	-	(70)	(70)	-	-	-	-	-	-
School Transport <i>Re-provision of transport services</i>	-	-	-	-	(100)	(100)	-	-	-

Description	Budget	Efficiency	Total Change	Budget	Efficiency	Total Change	Budget	Efficiency	Total Change
	Change £000	Measures/Savings/ Increased Income £000		Change £000	Measures/Savings/ Increased Income £000		Change £000	Measures/Savings/ Increased Income £000	
DSM Review	-	(90)	(90)	-	(240)	(240)	-	(90)	(90)
<i>Review of DSM scheme</i>									
BuySmart Reviews	-	(12)	(12)	-	(12)	(12)	-	-	-
<i>BuySmart Review of supplies & services - leading to either reduced purchasing, ensuring contracts set up and used or buying to an alternative standard.</i>									
	487	(412)	75	495	(354)	141	529	(250)	279
Schools Support Services									
Increases in Pay Costs	20	-	20	20	-	20	20	-	20
<i>Effect of assumed 1% increase.</i>									
New Wide Area Network	(100)	-	(100)	-	-	-	-	-	-
<i>Savings generated from new Wide Area Network</i>									
Curriculum for Excellence Grant	(68)	-	(68)	-	-	-	-	-	-
<i>Removal of CFE amount from Local Government Settlement</i>									
EDRMS Project	(1)	-	(1)	-	-	-	-	-	-
<i>Transfer of budget to IT to support EDRMS project</i>									
Schools - Strategic Planning	(46)	-	(46)	-	-	-	-	-	-
<i>Transfer of budget to Property in line with new management responsibilities</i>									
Staff Travel Scheme	-	-	-	-	(15)	(15)	-	-	-
<i>Renegotiation of Staff Travel Scheme</i>									
Efficient Workforce Management/Central Business Support	-	(50)	(50)	-	-	-	-	-	-
<i>Review central business support to achieve efficiencies</i>									
BuySmart Reviews	-	(10)	(10)	-	(10)	(10)	-	-	-
<i>BuySmart Review of supplies & services - leading to either reduced purchasing, ensuring contracts set up and used or buying to an alternative standard.</i>									
Efficient Workforce Management	-	(26)	(26)	-	-	-	-	-	-
<i>Group savings target to be met from service redesign, strict management of variable staffing and agency costs.</i>									
	(195)	(86)	(281)	20	(25)	(5)	20	-	20
Adult Wellbeing									
Increases in Pay Costs	141	-	141	142	-	142	144	-	144
<i>Effect of assumed 1% increase.</i>									
Investment	581	-	581	826	-	826	-	-	-
<i>Ongoing investment in ASC services</i>									
Facility Services Charges	7	-	7	7	-	7	7	-	7
<i>Increases in Facilities Charges in line with salary increases</i>									
Resource Transfer	(60)	-	(60)	-	-	-	-	-	-
<i>Additional Resource Transfer income from NHS Lothian</i>									
Resource Transfer	60	-	60	-	-	-	-	-	-
<i>Additional expenditure to match Resource Transfer income from NHS Lothian</i>									
Living Wage	20	-	20	-	-	-	-	-	-
<i>Effect of £7.50 minimum hourly rate on Facilities Charges</i>									
Increase in Free Personal/Nursing Care Rates	58	-	58	29	-	29	-	-	-
<i>In line with SG grant increases</i>									
EDRMS Project	(1)	-	(1)	-	-	-	-	-	-
<i>Transfer of budget to IT to support EDRMS project</i>									
Welfare Rights Officer - Benefits Advice	21	-	21	-	-	-	-	-	-
<i>Welfare Rights Officer funded by external income/Fairer East Lothian Fund</i>									
Gullane Day Centre	25	-	25	-	-	-	-	-	-
<i>Additional property costs associated with new Gullane Day Centre - initial assessment</i>									
Day Centres	50	-	50	-	-	-	-	-	-
<i>Additional support as discussed with day centre association</i>									
Day Centre Transport	-	-	-	-	(90)	(90)	-	-	-
<i>Re-provision of Day Centre transport</i>									
Adult Resource Centres	-	-	-	-	-	-	-	(80)	(80)
<i>Modernisation of Adult Day Care Services</i>									
Staff Travel Scheme	-	-	-	-	(92)	(92)	-	-	-
<i>Renegotiation of Staff Travel Scheme</i>									
Control of Overtime	-	(15)	(15)	-	-	-	-	(65)	(65)
<i>Reduction in overtime in Year 1 and review of terms and conditions in subsequent years</i>									
Review of Income & Charging	-	(50)	(50)	-	(50)	(50)	-	-	-
<i>Review scope to extend charges to economic cost and review of charging policies, including the taper and allowable expenses.</i>									
Staffing	-	(35)	(35)	-	(35)	(35)	-	-	-

Description	Budget	Efficiency	Total Change	Budget	Efficiency	Total Change	Budget	Efficiency	Total Change
	Change	Measures/Savings/Increased Income		Change	Measures/Savings/Increased Income		Change	Measures/Savings/Increased Income	
	£000	£000	£000	£000	£000	£000	£000	£000	£000
<i>Benefit realisation. Review of Admin staffing levels across the service following implementation of Frameworki</i>									
BuySmart Reviews	-	(25)	(25)	-	(25)	(25)	-	-	-
<i>BuySmart Review of supplies & services - leading to either reduced purchasing, ensuring contracts set up and used or buying to an alternative standard.</i>									
Voluntary Organisations	-	(75)	(75)	-	(75)	(75)	-	-	-
<i>Focus spending on organisations involved in direct service provision meeting assessed clients needs</i>									
Learning Disability Residential Care	-	(75)	(75)	-	(85)	(85)	-	-	-
<i>Review of cases and examine scope to reduce costs using fair cost approach</i>									
Physical Disability Residential Care	-	(67)	(67)	-	(75)	(75)	-	-	-
<i>Review of cases and examine scope to reduce costs using fair cost approach</i>									
Training & Development	-	(60)	(60)	-	-	-	-	-	-
<i>Establish membership to Borders training consortium</i>									
Occupational Therapy Aids	-	(25)	(25)	-	(40)	(40)	-	-	-
<i>Signposting to alternative sources/review of low level self referral</i>									
Learning Disability Resource in East Lothian	-	(50)	(50)	-	-	-	-	-	-
<i>Signposting to alternative sources/review of low level self referral</i>									
Redesign of Services for Older People	-	-	-	-	(50)	(50)	-	(750)	(750)
<i>Savings from reassessment of residential requirement in medium to long term</i>									
Adult Placement	-	(50)	(50)	-	(50)	(50)	-	-	-
<i>Develop opportunities for adult placement with savings within care purchasing budget.</i>									
Emergency Social Work Service	-	(30)	(30)	-	(30)	(30)	-	-	-
<i>Re-negotiation of existing service agreements</i>									
Supporting People	-	(75)	(75)	-	(75)	(75)	-	-	-
<i>Review of block contracts and movement to spot purchase arrangements</i>									
Allocation of Respite	-	-	-	-	(75)	(75)	-	(75)	(75)
<i>Allocation of respite based on ongoing re-assessed of need</i>									
Criminal Justice Review of Overhead Allocations	-	(35)	(35)	-	-	-	-	-	-
<i>Review of overhead allocations to fully recover central support costs</i>									
Systems Support to Frameworki	-	(35)	(35)	-	-	-	-	-	-
<i>Review and prioritisation of system support activities</i>									
Review of Respite provision for older people	-	(45)	(45)	-	(60)	(60)	-	-	-
<i>Review of Respite provision within ELC homes</i>									
Make greater use of Sheltered Housing	-	(45)	(45)	-	(100)	(100)	-	-	-
<i>Make greater use of Sheltered Housing to provide higher levels of community support and reduce numbers of purchased care home beds</i>									
Recommission services within local neighbourhoods	-	(50)	(50)	-	(62)	(62)	-	-	-
<i>Development of day local services to replace services purchased out with East Lothian</i>									
Efficient Workforce Management	-	(50)	(50)	-	(200)	(200)	-	(100)	(100)
<i>Group savings target to be met from service redesign, strict management of variable staffing and agency costs.</i>									
Review allocation of care between Free Personal Care and Non Personal Care	-	(25)	(25)	-	(25)	(25)	-	-	-
<i>Identify potential to increase level of chargeable services within care packages.</i>									
	902	(917)	(15)	1,004	(1,294)	(290)	151	(1,070)	(919)
SERVICES FOR COMMUNITIES									
Community Housing									
Increases in Pay Costs	17	-	17	17	-	17	17	-	17
<i>Effect of assumed 1% increase.</i>									
Transfer of Anti-Social Behaviour Team wef 01 April	(392)	-	(392)	-	-	-	-	-	-
<i>Transfer of budget in line with changed management arrangements</i>									
Living Wage	1	-	1	-	-	-	-	-	-
<i>Effect of £7.50 minimum hourly rate on Facilities Charges</i>									
Staff Travel Scheme	-	-	-	-	(28)	(28)	-	-	-
<i>Renegotiation of Staff Travel Scheme</i>									
Private Sector Housing Grant	-	(100)	(100)	-	-	-	-	-	-
<i>Reduce spend on PSHG</i>									
Training Budgets	-	(10)	(10)	-	-	-	-	-	-
<i>Reduce training budgets across the Group</i>									
BuySmart Reviews	-	(30)	(30)	-	-	-	-	-	-
<i>BuySmart Review of supplies & services - leading to either reduced purchasing, ensuring contracts set up and used or buying to an alternative standard.</i>									
Efficient Workforce Management	-	(70)	(70)	-	-	-	-	-	-

Description	Budget	Efficiency	Total Change	Budget	Efficiency	Total Change	Budget	Efficiency	Total Change
	Change £000	Measures/Savings/ Increased Income £000		Change £000	Measures/Savings/ Increased Income £000		Change £000	Measures/Savings/ Increased Income £000	
Group savings target to be met from service redesign, strict management of variable staffing and agency costs.									
Grant Spend	-	(50)	(50)	-	-	-	-	-	-
Reductions in spend on grant spend across the Group									
	(374)	(260)	(634)	17	(28)	(11)	17	-	17
Planning & Environmental Services									
Increases in Pay Costs	38	-	38	38	-	38	38	-	38
Effect of assumed 1% increase.									
Transfer of Anti-Social Behaviour Team wef 01 April	392	-	392	-	-	-	-	-	-
Transfer of budget in line with changed management arrangements									
Sustainability Projects	-	(60)	(60)	-	-	-	-	-	-
Reduce spend on sustainability projects									
Local Development Plan	-	(50)	(50)	-	-	-	-	-	-
Reduce budgeted spend on Local Development Plan									
Staff Travel Scheme	-	-	-	-	(38)	(38)	-	-	-
Renegotiation of Staff Travel Scheme									
Training Budgets	-	(10)	(10)	-	-	-	-	-	-
Reduce training budgets across the Group									
BuySmart Reviews	-	(24)	(24)	-	-	-	-	-	-
BuySmart Review of supplies & services - leading to either reduced purchasing, ensuring contracts set up and used or buying to an alternative standard.									
Efficient Workforce Management	-	(70)	(70)	-	-	-	-	-	-
Group savings target to be met from service redesign, strict management of variable staffing and agency costs.									
	430	(214)	216	38	(38)	-	38	-	38
Property									
Increases in Pay Costs	36	-	36	36	-	36	36	-	36
Effect of assumed 1% increase.									
Schools - Strategic Planning	46	-	46	-	-	-	-	-	-
Transfer of budget to Property in line with new management responsibilities									
Staff Travel Scheme	-	-	-	-	(24)	(24)	-	-	-
Renegotiation of Staff Travel Scheme									
Increase in rents for Industrial Rents	-	(20)	(20)	-	(20)	(20)	-	(20)	(20)
Rents will increase in line with rent reviews/Increase to match existing actual income									
General Fund Repairs	-	(20)	(20)	-	-	-	-	-	-
Savings expected from GF Repairs budgets based upon ongoing building rationalisation, business efficiency and mobile working.									
BuySmart Reviews	-	(27)	(27)	-	(27)	(27)	-	-	-
BuySmart Review of supplies & services - leading to either reduced purchasing, ensuring contracts set up and used or buying to an alternative standard.									
Efficient Workforce Management/Property Services Service Review	-	(130)	(130)	-	(71)	(71)	-	-	-
Group savings target to be met from service redesign, strict management of variable staffing and agency costs.									
	82	(197)	(115)	36	(142)	(106)	36	(20)	16
Facility Support Services									
Increases in Pay Costs	13	-	13	13	-	13	13	-	13
Effect of assumed 1% increase.									
Living Wage	29	-	29	-	-	-	-	-	-
Effect of assumed 1% increase.									
Removal of Energy Costs - Village Halls	(48)	-	(48)	-	-	-	-	-	-
Transfer of Budget to Community Group									
Simplified Accounting Processes - Shared Accommodation	23	-	23	-	-	-	-	-	-
Transfer of budget to Facility Services for Dunbar Townhouse									
Increase in NDR charges	20	-	20	21	-	21	22	-	22
Increase in poundage rates beyond 2012/13									
Randall House	63	-	63	-	-	-	-	-	-
Scheduled increase in rental charge									
George Johnstone Centre	30	-	30	-	-	-	-	-	-
Additional costs arising from new Area Office net of contribution from HRA									
Control of Overtime	-	(15)	(15)	-	-	-	-	(52)	(52)
Reduction in overtime in Year 1 and review of terms and conditions in subsequent years									
Staff Travel Scheme	-	-	-	-	(7)	(7)	-	-	-

Description	Budget	Efficiency	Total Change	Budget	Efficiency	Total Change	Budget	Efficiency	Total Change
	Change	Measures/Savings/Increased Income		Change	Measures/Savings/Increased Income		Change	Measures/Savings/Increased Income	
	£000	£000	£000	£000	£000	£000	£000	£000	£000
<i>Renegotiation of Staff Travel Scheme</i>	-	(10)	(10)	-	(45)	(45)	-	-	-
Efficient Workforce Management <i>Group savings target to be met from service redesign, strict management of variable staffing and agency costs.</i>	-	(50)	(50)	-	-	-	-	-	-
BuySmart Reviews <i>BuySmart Review of supplies & services - leading to either reduced purchasing, ensuring contracts set up and used or buying to an alternative standard.</i>	-	(18)	(18)	-	(18)	(18)	-	-	-
	130	(93)	37	34	(70)	(36)	35	(52)	(17)
Landscape & Countryside Management									
Increases in Pay Costs <i>Effect of assumed 1% increase.</i>	53	-	53	54	-	54	54	-	54
Increase in NDR charges <i>Increase in poundage rates beyond 2012/13</i>	2	-	2	2	-	2	2	-	2
Coastal Car Parks <i>Net Income stream expected from introduction of car parking charges</i>	-	-	-	(450)	-	(450)	-	-	-
Coastal Car Parks <i>Capital spend funded from revenue income stream</i>	-	-	-	450	-	450	-	-	-
Waste Disposal - rising cost of landfill <i>Increased Costs arising from the additional £8 per tonne Landfill Tax</i>	7	-	7	-	-	-	-	-	-
Staff Travel Scheme <i>Renegotiation of Staff Travel Scheme</i>	-	-	-	-	(9)	(9)	-	-	-
Control of Overtime <i>Reduction in overtime in Year 1 and review of terms and conditions in subsequent years</i>	-	(15)	(15)	-	-	-	-	(45)	(45)
Uprating of Income <i>Uprating of income for Burial/Lair Charges</i>	-	(28)	(28)	-	-	-	-	-	-
Income Generation <i>Generation of additional income from Open Space Maintenance in new HRA Estates/Nursery/Hire of Outdoor Education Base/Events</i>	-	(30)	(30)	-	-	-	-	-	-
Efficient Workforce Management <i>Group savings target to be met from service redesign, strict management of variable staffing and agency costs.</i>	-	(99)	(99)	-	-	-	-	-	-
BuySmart Reviews <i>BuySmart Review of supplies & services - leading to either reduced purchasing, ensuring contracts set up and used or buying to an alternative standard.</i>	-	(18)	(18)	-	(18)	(18)	-	-	-
	62	(190)	(128)	56	(27)	29	56	(45)	11
Roads, Transportation & Waste Services									
Increases in Pay Costs <i>Effect of assumed 1% increase.</i>	73	-	73	74	-	74	75	-	75
Increase in NDR charges <i>Increase in poundage rates beyond 2012/13</i>	6	-	6	6	-	6	7	-	7
Waste Disposal - rising cost of landfill/New Contract arrangements <i>Increased Costs arising from the additional £8 per tonne Landfill Tax and effect of new contract arrangements from 2013/2014</i>	181	-	181	254	-	254	10	-	10
Living Wage <i>Effect of £7.50 minimum hourly rate on Facilities Charges</i>	2	-	2	-	-	-	-	-	-
Income Generation <i>Increase in Trade Waste Charges</i>	-	(30)	(30)	-	(30)	(30)	-	-	-
Special Uplifts <i>Removal of Charge</i>	40	-	40	-	-	-	-	-	-
Staff Travel Scheme <i>Renegotiation of Staff Travel Scheme</i>	-	-	-	-	(21)	(21)	-	-	-
BuySmart Reviews <i>BuySmart Review of supplies & services - leading to either reduced purchasing, ensuring contracts set up and used or buying to an alternative standard.</i>	-	(36)	(36)	-	(36)	(36)	-	-	-
Control of Overtime <i>Reduction in overtime in Year 1 and review of terms and conditions in subsequent years</i>	-	(40)	(40)	-	-	-	-	(40)	(40)
Fuel Costs <i>Review of fuel costs across vehicles with aim of securing a 5% reduction</i>	-	(25)	(25)	-	(25)	(25)	-	-	-
HGV Operating Centres	-	(20)	(20)	-	-	-	-	-	-

Description	Budget Change	Efficiency Measures/Savings/Increased Income	Total Change	Budget Change	Efficiency Measures/Savings/Increased Income	Total Change	Budget Change	Efficiency Measures/Savings/Increased Income	Total Change
	£000	£000	£000	£000	£000	£000	£000	£000	£000
<i>Review of HGV operating centres in Haddington & East Linton</i>	-	(220)	(220)	-	(164)	(164)	-	-	-
Efficient Workforce Management <i>Group savings target to be met from service redesign, strict management of variable staffing and agency costs.</i>	302	(371)	(69)	334	(276)	58	92	(40)	52
SUPPORT SERVICES									
Communications & Marketing									
Increases in Pay Costs <i>Effect of assumed 1% increase.</i>	6	-	6	6	-	6	6	-	6
Staff Travel Scheme <i>Renegotiation of Staff Travel Scheme</i>	-	-	-	-	(4)	(4)	-	-	-
Efficient Workforce Management <i>Group savings target to be met from service redesign, strict management of variable staffing and agency costs.</i>	-	(22)	(22)	-	-	-	-	-	-
	6	(22)	(16)	6	(4)	2	6	-	6
Policy & Improvement									
Increases in Pay Costs <i>Effect of assumed 1% increase.</i>	7	-	7	7	-	7	7	-	7
Transfer of admin support to Corporate Policy & Improvement <i>Budget transfer due to changed management responsibilities</i>	8	-	8	-	-	-	-	-	-
Welfare Rights Officer - Benefits Advice <i>Welfare Rights Officer funded by external income/Fairer East Lothian Fund</i>	(21)	-	(21)	-	-	-	-	-	-
Staff Travel Scheme <i>Renegotiation of Staff Travel Scheme</i>	-	-	-	-	(2)	(2)	-	-	-
Corporate Health & Safety/Shared Services <i>Continuation of sharing arrangements with Midlothian Council</i>	-	(21)	(21)	-	-	-	-	-	-
Efficient Workforce Management <i>Group savings target to be met from service redesign, strict management of variable staffing and agency costs.</i>	-	-	-	-	(26)	(26)	-	-	-
	(6)	(21)	(27)	7	(28)	(21)	7	-	7
Community Partnerships									
Increases in Pay Costs <i>Effect of assumed 1% increase.</i>	-	-	-	-	-	-	-	-	-
Transfer of Grant Budgets to Partnership Funding <i>Amalgamation of grant budgets</i>	11	-	11	-	-	-	-	-	-
Budget Transfer <i>Responsibility for PPL/PRS licenses</i>	(4)	-	(4)	-	-	-	-	-	-
Grant Budgets <i>Increase in grant budgets</i>	150	-	150	50	-	50	50	-	50
Local Galas <i>Support for local galas</i>	30	-	30	-	-	-	-	-	-
Support to Build Capacity <i>Additional funds per April 2012 Members Library report</i>	66	-	66	-	-	-	(66)	-	(66)
Efficient Workforce Management <i>Group savings target to be met from service redesign, strict management of variable staffing and agency costs.</i>	-	(100)	(100)	-	-	-	-	-	-
EDRMS Project <i>Transfer of budget to IT to support EDRMS project</i>	(1)	-	(1)	-	-	-	-	-	-
	252	(100)	152	50	-	50	(16)	-	(16)
Culture									
Increases in Pay Costs <i>Effect of assumed 1% increase.</i>	34	-	34	34	-	34	35	-	35
Simplified Accounting Processes - Shared Accommodation <i>Transfer of budget to Facility Services for Dunbar Townhouse</i>	(23)	-	(23)	-	-	-	-	-	-
Facility Services Charges <i>Increases in Facilities Charges in line with salary increases</i>	1	-	1	1	-	1	1	-	1
Living Wage <i>Effect of £7.50 minimum hourly rate on Facilities Charges</i>	4	-	4	-	-	-	-	-	-
North Berwick Museum <i>Increased costs associated with opening of the North Berwick Museum</i>	40	-	40	-	-	-	-	-	-
Brunton Hall <i>Increased costs associated with opening of the refurbished Brunton Hall</i>	61	-	61	-	-	-	-	-	-
Staff Travel Scheme	-	-	-	-	(11)	(11)	-	-	-

Description	Budget	Efficiency	Total Change	Budget	Efficiency	Total Change	Budget	Efficiency	Total Change
	Change	Measures/Savings/Increased Income		Change	Measures/Savings/Increased Income		Change	Measures/Savings/Increased Income	
	£000	£000	£000	£000	£000	£000	£000	£000	£000
<i>Renegotiation of Staff Travel Scheme</i>									
Brunton Theatre Trust	-	(20)	(20)	-	(30)	(30)	-	-	-
<i>Reduction of in contract payment to BTT</i>									
Library Services	-	-	-	-	(20)	(20)	-	(50)	(50)
<i>Review of mobile library service, reductions in revenue costs of Library Management system, review of branch professional posts, & introduction of new tech</i>									
Review Museum Opening Hours	-	(16)	(16)	-	-	-	-	-	-
<i>Adjustment to opening hours of museums & seasonal staff contracts</i>									
Efficient Workforce Management	-	-	-	-	(52)	(52)	-	-	-
<i>Group savings target to be met from service redesign, strict management of variable staffing and agency costs.</i>									
	117	(36)	81	35	(113)	(78)	36	(50)	(14)
Community Learning & Development									
Increases in Pay Costs	24	-	24	24	-	24	24	-	24
<i>Effect of assumed 1% increase.</i>									
Increase in NDR charges	14	-	14	14	-	14	15	-	15
<i>Increase in poundage rates beyond 2012/13</i>									
PPP Contract	15	-	15	6	-	6	7	-	7
<i>Increase in PPP contract charges for Community Learning Centre/Musselburgh East</i>									
<i>Community Association.</i>									
Budget Transfer	4	-	4	-	-	-	-	-	-
<i>Responsibility for PPL/PRS licenses</i>									
Facility Services Charges	6	-	6	6	-	6	6	-	6
<i>Increases in Facilities Charges in line with salary increases</i>									
Living Wage	18	-	18	-	-	-	-	-	-
<i>Effect of £7.50 minimum hourly rate on Facilities Charges</i>									
Transfer of Energy Budgets	48	-	48	-	-	-	-	-	-
<i>Transfer of Budgets from Facility Services</i>									
Dunbar Community Facility (CS003)	40	-	40	30	-	30	-	-	-
<i>Additional costs associated with opening of combined facility</i>									
Staff Travel Scheme	-	-	-	-	(10)	(10)	-	-	-
<i>Renegotiation of Staff Travel Scheme</i>									
Adult Education Classes	-	(10)	(10)	-	-	-	-	-	-
<i>Reduction in subsidy to Adult Education classes by either increasing income/focus on cost inputs</i>									
Free Lets	-	-	-	-	(20)	(20)	-	-	-
<i>Increase in fees for use and reduction in number of free lets</i>									
BuySmart Reviews	-	(10)	(10)	-	(10)	(10)	-	-	-
<i>BuySmart Review of supplies & services - leading to either reduced purchasing, ensuring contracts set up and used or buying to an alternative standard.</i>									
Efficient Workforce Management	-	(90)	(90)	-	(80)	(80)	-	-	-
<i>Group savings target to be met from service redesign, strict management of variable staffing and agency costs.</i>									
Cluster Management Committees - Joint Working Development	-	(150)	(150)	-	(155)	(155)	-	-	-
<i>Savings arising from joint working</i>									
	169	(260)	(91)	80	(275)	(195)	52	-	52
Healthy Living									
Increases in Pay Costs	12	-	12	12	-	12	12	-	12
<i>Effect of assumed 1% increase.</i>									
Increase in NDR charges	3	-	3	3	-	3	4	-	4
<i>Increase in poundage rates beyond 2012/13</i>									
Transfer of Grant Budgets to Partnership Funding	(11)	-	(11)	-	-	-	-	-	-
<i>Amalgamation of grant budgets</i>									
PPP Contract	15	-	15	8	-	8	10	-	10
<i>Increase in PPP contract charges for Mercat Gait above assessed inflation rate</i>									
Commonwealth Games	30	-	30	(30)	-	(30)	-	-	-
<i>Support for local sportspeople</i>									
Healthy Eating	25	-	25	-	-	-	-	-	-
<i>Additional support for Roots & Fruits/Match funding with Lothian Health</i>									
Staff Travel Scheme	-	-	-	-	(5)	(5)	-	-	-
<i>Renegotiation of Staff Travel Scheme</i>									
Income Generation	-	(10)	(10)	-	-	-	-	-	-
<i>Increase in income generated from various funding sources</i>									

Description	Budget	Efficiency	Total Change	Budget	Efficiency	Total Change	Budget	Efficiency	Total Change
	Change £000	Measures/Savings/ Increased Income £000		Change £000	Measures/Savings/ Increased Income £000		Change £000	Measures/Savings/ Increased Income £000	
BuySmart Reviews <i>BuySmart Review of supplies & services - leading to either reduced purchasing, ensuring contracts set up and used or buying to an alternative standard.</i>	-	(9)	(9)	-	(9)	(9)	-	-	-
Efficient Workforce Management <i>Group savings target to be met from service redesign, strict management of variable staffing and agency costs.</i>	-	(14)	(14)	-	(50)	(50)	-	-	-
Enjoy Contract Payments <i>Reduction in contract payment to Enjoy over the next three years</i>	-	(56)	(56)	-	(84)	(84)	-	(56)	(56)
	74	(89)	(15)	(7)	(148)	(155)	26	(56)	(30)
Economic Development									
Increases in Pay Costs <i>Effect of assumed 1% increase.</i>	5	-	5	5	-	5	5	-	5
Support for Business <i>Support for local Business to compete for contracts</i>	25	-	25	25	-	25	-	-	-
Support for Business <i>Apprenticeships/Training</i>	50	-	50	50	-	50	-	-	-
Support for Business <i>Haddington Vision Support for 3 years</i>	-	-	-	50	-	50	-	-	-
Support for Tourism <i>Support Local Festivals</i>	120	-	120	-	-	-	-	-	-
Business Development <i>Social Enterprise/Business Start Up - support and development</i>	50	-	50	50	-	50	-	-	-
Staff Travel Scheme <i>Renegotiation of Staff Travel Scheme</i>	-	-	-	-	(8)	(8)	-	-	-
BuySmart Reviews <i>BuySmart Review of supplies & services - leading to either reduced purchasing, ensuring contracts set up and used or buying to an alternative standard.</i>	-	(9)	(9)	-	(9)	(9)	-	-	-
Efficient Workforce Management <i>Group savings target to be met from service redesign, strict management of variable staffing and agency costs.</i>	-	(31)	(31)	-	-	-	-	-	-
	250	(40)	210	180	(17)	163	5	-	5
Customer Services									
Increases in Pay Costs <i>Effect of assumed 1% increase.</i>	22	-	22	22	-	22	23	-	23
Call Centre/Council Tax Calls Transfer <i>Council Tax calls through the Contact Centre. Transfer of budget to Customer Services.</i>	42	-	42	-	-	-	-	-	-
Staff Travel Scheme <i>Renegotiation of Staff Travel Scheme</i>	-	-	-	-	(3)	(3)	-	-	-
BuySmart Reviews <i>BuySmart Review of supplies & services - leading to either reduced purchasing, ensuring contracts set up and used or buying to an alternative standard.</i>	-	(20)	(20)	-	(20)	(20)	-	-	-
CCTV Equipment <i>Reduce CCTV equipment spend</i>	-	(40)	(40)	-	-	-	-	-	-
Community Response Income <i>Increase income from community response service</i>	-	(15)	(15)	-	-	-	-	-	-
Efficient Workforce Management <i>Group savings target to be met from service redesign, strict management of variable staffing and agency costs.</i>	-	(44)	(44)	-	-	-	-	-	-
	64	(119)	(55)	22	(23)	(1)	23	-	23
Financial Services									
Increases in Pay Costs <i>Effect of assumed 1% increase.</i>	21	-	21	21	-	21	22	-	22
Budget Transfer - Housing Debt <i>Transfer of budget relating to housing debt</i>	(14)	-	(14)	-	-	-	-	-	-
Transfer/Lease of Buildings <i>Budget for investigation of the potential transfer of community buildings to a NDR exempt organisation.</i>	(70)	-	(70)	-	-	-	-	-	-
Green Deal <i>Initial investment to start up an East Lothian 'Green Deal'. Full re-imburement of costs expected by 2013/2014 financial year</i>	(60)	-	(60)	-	-	-	-	-	-
Staff Travel Scheme <i>Renegotiation of Staff Travel Scheme</i>	-	-	-	-	(4)	(4)	-	-	-
Income Generation <i>Up-rating of externally generated income</i>	-	(1)	(1)	-	-	-	-	-	-

Description	Budget	Efficiency	Total Change	Budget	Efficiency	Total Change	Budget	Efficiency	Total Change
	Change	Measures/Savings/Increased Income		Change	Measures/Savings/Increased Income		Change	Measures/Savings/Increased Income	
	£000	£000	£000	£000	£000	£000	£000	£000	£000
BuySmart Reviews <i>BuySmart Review of supplies & services - leading to either reduced purchasing, ensuring contracts set up and used or buying to an alternative standard.</i>	-	(42)	(42)	-	(15)	(15)	-	-	-
Efficient Workforce Management <i>Group savings target to be met from service redesign, strict management of variable staffing and agency costs.</i>	-	(65)	(65)	-	(62)	(62)	-	-	-
	(123)	(108)	(231)	21	(81)	(60)	22	-	22
Revenues & Benefits									
Increases in Pay Costs <i>Effect of assumed 1% increase.</i>	19	-	19	19	-	19	20	-	20
Call Centre/Council Tax Calls Transfer <i>Council Tax calls through the Contact Centre. Transfer of budget to Customer Services.</i>	(42)	-	(42)	-	-	-	-	-	-
Budget Transfer - Housing Debt <i>Transfer of budget relating to housing debt</i>	14	-	14	-	-	-	-	-	-
Council Tax Support <i>Additional SG grant in line with Finance Circular</i>	281	-	281	(281)	-	(281)	-	-	-
Council Tax Support <i>Assumed local authority contribution</i>	260	-	260	-	-	-	-	-	-
Housing Benefit Support <i>Offset changes in welfare reforms</i>	80	-	80	-	-	-	-	-	-
Staff Travel Scheme <i>Renegotiation of Staff Travel Scheme</i>	-	-	-	-	(11)	(11)	-	-	-
BuySmart Reviews <i>BuySmart Review of supplies & services - leading to either reduced purchasing, ensuring contracts set up and used or buying to an alternative standard.</i>	-	(10)	(10)	-	(10)	(10)	-	-	-
Efficient Workforce Management <i>Group savings target to be met from service redesign, strict management of variable staffing and agency costs.</i>	-	(50)	(50)	-	(29)	(29)	-	-	-
	612	(60)	552	(262)	(50)	(312)	20	-	20
Information Technology									
Increases in Pay Costs <i>Effect of assumed 1% increase.</i>	16	-	16	17	-	17	17	-	17
Worksmart <i>License costs to enable increased homeworking</i>	10	-	10	-	-	-	-	-	-
Income Generation <i>Uprating of externally generated income</i>	-	(1)	(1)	-	-	-	-	-	-
EDRMS Project <i>Transfer of budget to IT to support EDRMS project</i>	5	-	5	-	-	-	-	-	-
Staff Travel Scheme <i>Renegotiation of Staff Travel Scheme</i>	-	-	-	-	(3)	(3)	-	-	-
Efficient Workforce Management <i>Group savings target to be met from service redesign, strict management of variable staffing and agency costs.</i>	-	(40)	(40)	-	-	-	-	-	-
BuySmart Reviews <i>BuySmart Review of supplies & services - leading to either reduced purchasing, ensuring contracts set up and used or buying to an alternative standard.</i>	-	(40)	(40)	-	(40)	(40)	-	-	-
	31	(81)	(50)	17	(43)	(26)	17	-	17
Law & Licensing									
Increases in Pay Costs <i>Effect of assumed 1% increase.</i>	7	-	7	7	-	7	7	-	7
Staff Travel Scheme <i>Renegotiation of Staff Travel Scheme</i>	-	-	-	-	(2)	(2)	-	-	-
Licensing Fees <i>Increase in Civic Government application fee charges in line with October 2008 Cabinet Report</i>	-	(3)	(3)	-	(3)	(3)	-	-	-
BuySmart Reviews <i>BuySmart Review of supplies & services - leading to either reduced purchasing, ensuring contracts set up and used or buying to an alternative standard.</i>	-	(20)	(20)	-	(20)	(20)	-	-	-
	7	(23)	(16)	7	(25)	(18)	7	-	7
Human Resources									
Increases in Pay Costs <i>Effect of assumed 1% increase.</i>	11	-	11	11	-	11	12	-	12
EDRMS Project <i>Transfer of budget to IT to support EDRMS project</i>	(1)	-	(1)	-	-	-	-	-	-

Description	Budget	Efficiency	Total Change	Budget	Efficiency	Total Change	Budget	Efficiency	Total Change
	Change	Measures/Savings/Increased Income		Change	Measures/Savings/Increased Income		Change	Measures/Savings/Increased Income	
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Transfer of admin support to Corporate Policy & Improvement <i>Budget transfer due to changed management responsibilities</i>	(8)	-	(8)	-	-	-	-	-	-
Staff Travel Scheme <i>Renegotiation of Staff Travel Scheme</i>	-	-	-	-	(4)	(4)	-	-	-
Enjoy Contract <i>Increase in charges to Enjoy by RPI rate</i>	-	(2)	(2)	-	-	-	-	-	-
Corporate Training Budget - Healthy Working Lives/Corporate Training <i>Reduction in corporate training budget to focus upon in-house delivery of priority support and learning</i>	-	(10)	(10)	-	-	-	-	-	-
BuySmart Reviews <i>BuySmart Review of supplies & services - leading to either reduced purchasing, ensuring contracts set up and used or buying to an alternative standard.</i>	-	(15)	(15)	-	(15)	(15)	-	-	-
Efficient Workforce Management <i>Group savings target to be met from service redesign, strict management of variable staffing and agency costs.</i>	-	(80)	(80)	-	(38)	(38)	-	-	-
	2	(107)	(105)	11	(57)	(46)	12	-	12
Governance & Democratic Services									
Increases in Pay Costs <i>Effect of assumed 1% increase.</i>	14	-	14	14	-	14	15	-	15
Police & Fire Governance <i>Additional RSG relating to ongoing police & fire costs</i>	50	-	50	-	-	-	-	-	-
Local Government Elections <i>Costs associated with running May 2012 local government elections</i>	(120)	-	(120)	-	-	-	-	-	-
Staff Travel Scheme <i>Renegotiation of Staff Travel Scheme</i>	-	-	-	-	(4)	(4)	-	-	-
BuySmart Reviews <i>BuySmart Review of supplies & services - leading to either reduced purchasing, ensuring contracts set up and used or buying to an alternative standard.</i>	-	(10)	(10)	-	(40)	(40)	-	-	-
	(56)	(10)	(66)	14	(44)	(30)	15	-	15
TOTAL	6,690	(6,690)	(0)	4,863	(4,862)	(0)	1,988	(1,989)	0

CAPITAL PROJECTS

		2012/13	2013/14	2014/15	2015/16	Total Planned Spending (2012-2016)	Notes
		£000	£000	£000	£000	£000	
Abbey, North Berwick Care Home refurbishment	Adult Social Care	-	-	-	-	-	Project under consideration for future years
New Day Centre - Gullane	Adult Social Care	926	2,150	42	-	3,118	
Fa'side Tranent - New residential home and day centre	Adult Social Care	250	6,944	1,798	131	9,123	
Musselburgh Care Home	Adult Social Care	1,150	-	-	-	1,150	
Haddington Day Centre	Adult Social Care	-	-	-	-	-	Project under consideration for future years
Mobile Working	Community Housing	11	9	-	-	20	
PV installations in public buildings	Corporate	265	-	-	-	265	
Property Renewals	Corporate	1,200	700	900	900	3,700	
Property Fees/Internal Architect etc fees	Corporate	1,605	1,445	1,445	1,445	5,940	
Environment Fees	Corporate	123	111	111	111	456	
Brunton Hall - Theatre and Main Hall refurbishment	Culture & Community	2,235	45	-	-	2,280	
Dunbar - new Community facility	Culture & Community	724	-	-	-	724	
Dunbar Town House Museum	Culture & Community	48	-	-	-	48	
John Gray Centre Haddington	Culture & Community	570	-	-	-	570	
Prestongrange Museum	Culture & Community	-	-	-	-	-	Project under consideration for future years
Port Seton Sports Hall	Culture & Community	-	-	-	150	150	
Whitecraig Community Centre	Culture & Community	50	-	100	500	650	
Ormiston Community Centre	Culture & Community	166	-	-	-	166	
Village Halls - Matched Funding	Culture & Community	-	50	50	50	150	
Tranent Library	Culture & Community	922	50	-	-	972	
North Berwick Museum - refurbishment	Culture & Community	1,454	30	-	-	1,484	
Community Intervention	Culture & Community	200	200	200	200	800	
Red School Prestonpans	Culture & Community	100	-	-	-	100	
Support for Business - Land Acquisition/Infrastructure/Broadband	Economic Devt	100	500	300	-	900	
Support for Business - Town Centre Regeneration	Economic Devt	100	450	450	-	1,000	
Reprovision of Pathways Home	Children's Wellbeing	0	725	-	-	725	
Dunbar New Primary School	Education	300	-	-	-	300	
Haddington IS / St Mary's RCPS - New shared Campus	Education	6,700	-	-	-	6,700	
Sandersons Wynd PS - additional Classrooms	Education	17	-	-	-	17	
Dunbar Grammar School Extension	Education	-	-	200	5,500	5,700	
Musselburgh Grammar School Extension	Education	-	-	-	-	-	Project under consideration for future years
North Berwick High School Extension	Education	-	-	-	200	200	
Ross High School Extension	Education	-	-	-	-	-	Project under consideration for future years
Knox Academy Expansion	Education	-	-	-	-	-	Project under consideration for future years
Dirleton Classroom Extension	Education	200	361	13	-	574	

ADMINISTRATION - GENERAL SERVICES BUDGET PROPOSALS

DETAILS

Dunbar Primary - Phase 2 Comms Unit	Education	-	-	-	150	150
Macmerry PS Extension	Education	100	300	12	-	412
Ormiston Temporary Units	Education	-	112	-	-	112
Pinkie St Peter's PS Extension/Levenhall Nursery reprovion	Education	100	500	2,000	760	3,360
Law Primary School	Education	-	-	100	2,000	2,100
Windygoul PS additional Classrooms	Education	-	875	925	-	1,800
Windygoul PS - Temp Units Rental	Education	12	98	-	-	110
Replacement Vehicles	Fleet	1,203	2,356	2,000	1,350	6,909
East Lothian Legacy Project - All Weather Running/Meadowmill	Healthy Living	201	-	-	-	201
Pavilions	Healthy Living	-	150	250	50	450
East Lothian Legacy Project - Meadowmill Alterations	Healthy Living	985	15	-	-	1,000
Sports Centres - refurbishment & Equipment	Healthy Living	200	200	200	200	800
Musselburgh Tennis Court Upgrade	Healthy Living	-	-	60	-	60
Expansion of 3G pitch provision	Healthy Living	50	900	900	-	1,850
Schools IT	IT	1,120	938	545	923	3,526
Corporate IT Program	IT	290	240	216	216	962
Core Path Plan Implementation	Landscape	18	50	100	50	218
Polson Park restoration	Landscape	2	-	-	-	2
John Muir Country Park Play Area	Landscape	80	-	-	-	80
Cuthill Park	Landscape	100	-	-	-	100
Amenity Services Machinery & Equipment - replacement	Landscape	72	95	177	100	444
Allotments	Landscape	-	100	-	-	100
Cemeteries - Extensions	Landscape	30	590	-	-	620
Coastal Car Parks/Toilets	Landscape	552	600	550	450	2,152
Peppercraig Depot Haddington	Landscape	325	325	-	-	650
Coastal Protection/Flood	Coastal/Flood	194	300	300	300	1,094
Promenade Improvements - Fisherrow		-	25	25	-	50
Pencaitland Paths/Community Car Park	Roads	-	-	200	-	200
Cycling Walking Safer Streets (Ring-fenced grant funded)	Roads	113	104	153	120	490
Roads	Roads	5,371	5,350	5,250	5,500	21,471
New Salt Barn	Roads	454	-	-	-	454
Roads: safety hotspot surveys & improvements	Roads	100	-	-	-	100
QMU Triangle	Roads	-	-	500	2,000	2,500
Parking Improvements	Roads	-	300	300	250	850
Dolphinstone - Recycling/Transfer Station	Waste Services	5	-	-	-	5
Purchase of New Bins	Waste Services	120	153	153	63	489
		31,213	28,446	20,525	23,669	103,853



East Lothian
Council

5b

SNP GROUP BUDGET PROPOSALS

2013/14 – 2015/16

BUDGET 2013-2016

	2013/14 Budget			2014/15 Budget			2015/16 Budget		
	2012/13 Base Budget £'000	Changes £'000	Total Budget £'000	2013/14 Base Budget £'000	Changes £'000	Total Budget £'000	2014/15 Base Budget £'000	Changes £'000	Total Budget £'000
CORPORATE INCOME									
Revenue Support Grant	(170,590)	8,691	(161,899)	(161,899)	(652)	(162,551)	(162,551)	-	(162,551)
National Non-domestic Rates Grant	(46,390)	(371)	(46,761)	(46,761)	(375)	(47,136)	(47,136)	(377)	(47,513)
Council Tax	(123)	85	(38)	(38)	-	(38)	(38)	-	(38)
Transfer to/(from) Reserves	(4,073)	2,126	(1,947)	(1,947)	1,969	22	22	(22)	-
Transfer to/(from) HRA Surpluses	(995)	-	(995)	(995)	-	(995)	(995)	-	(995)
EXPENDITURE LIMIT	(222,171)	10,531	(211,640)	(211,640)	942	(210,698)	(210,698)	(399)	(211,097)
LESS CORPORATE COMMITMENTS									
Police Requisition	6,967	(6,967)	-	-	-	-	-	-	-
Fire Brigade Requisition	2,916	(2,916)	-	-	-	-	-	-	-
Valuation Board Requisition	678	(4)	674	674	-	674	674	-	674
Asset Management	(4,462)	-	(4,462)	(4,462)	-	(4,462)	(4,462)	-	(4,462)
VERS	-	(2,000)	(2,000)	(2,000)	(1,367)	(3,367)	(3,367)	(795)	(4,162)
Shared Services	-	-	-	-	-	-	-	(680)	(680)
Debt Charges	16,911	1,524	18,435	18,435	863	19,298	19,298	263	19,561
Pension Deficit	2,649	150	2,799	2,799	-	2,799	2,799	-	2,799
External Audit	250	30	280	280	-	280	280	-	280
Housing Benefit Loss	550	-	550	550	-	550	550	-	550
	26,459	(10,183)	16,276	16,276	(504)	15,772	15,772	(1,212)	14,560
FUNDING FOR COUNCIL SERVICES	(195,712)	348	(195,364)	(195,364)	438	(194,926)	(194,926)	(1,611)	(196,537)
SERVICE PLANNED EXPENDITURE									
Services for People									
Children's Wellbeing	11,074	652	11,726	11,726	(31)	11,695	11,695	66	11,761
Pre-school Education & Childcare	5,494	(70)	5,424	5,424	14	5,438	5,438	17	5,455
Additional Support for Learning	7,853	178	8,031	8,031	14	8,045	8,045	30	8,075
Schools - Primary	29,733	(526)	29,207	29,207	327	29,534	29,534	498	30,032
Schools - Secondary	36,241	(96)	36,145	36,145	355	36,500	36,500	369	36,869
Schools Support Services	3,219	(278)	2,941	2,941	5	2,946	2,946	20	2,966
Adult Wellbeing	45,124	-	45,124	45,124	(92)	45,032	45,032	151	45,183
Sub-total	138,738	(140)	138,598	138,598	592	139,190	139,190	1,151	140,341

BUDGET 2013-2016

	2013/14 Budget			2014/15 Budget			2015/16 Budget		
	2012/13			2013/14			2014/15		
	Base Budget £'000	Changes £'000	Total Budget £'000	Base Budget £'000	Changes £'000	Total Budget £'000	Base Budget £'000	Changes £'000	Total Budget £'000
Services for Communities									
Community Housing	3,372	(464)	2,908	2,908	(161)	2,747	2,747	17	2,764
Planning & Environmental Services	3,118	341	3,459	3,459	(49)	3,410	3,410	38	3,448
Property	2,315	(97)	2,218	2,218	(79)	2,139	2,139	16	2,155
Facility Support Services	3,062	64	3,126	3,126	(18)	3,108	3,108	35	3,143
Landscape & Countryside Management	5,732	(103)	5,629	5,629	47	5,676	5,676	56	5,732
Roads, Transportation & Waste Services	13,142	(40)	13,102	13,102	49	13,151	13,151	92	13,243
Sub-total	30,741	(299)	30,442	30,442	(211)	30,231	30,231	254	30,485
Support Services									
Communications & Marketing	488	(1)	487	487	(13)	474	474	6	480
Policy & Improvement	1,646	(27)	1,619	1,619	(21)	1,598	1,598	7	1,605
Community Partnerships	1,006	(28)	978	978	(30)	948	948	(66)	882
Culture	4,153	64	4,217	4,217	(78)	4,139	4,139	36	4,175
Community Learning & Development	3,538	(43)	3,495	3,495	(145)	3,350	3,350	52	3,402
Healthy Living Service	4,366	(42)	4,324	4,324	(60)	4,264	4,264	1	4,265
Economic Development	1,020	2	1,022	1,022	(34)	988	988	5	993
Customer Services	1,448	(9)	1,439	1,439	(25)	1,414	1,414	23	1,437
Financial Services	2,149	(226)	1,923	1,923	(50)	1,873	1,873	22	1,895
Revenues & Benefits	936	580	1,516	1,516	(252)	1,264	1,264	70	1,334
IT Services	1,845	(12)	1,833	1,833	(42)	1,791	1,791	17	1,808
Law & Licensing	519	(16)	503	503	(11)	492	492	7	499
Human Resources	1,240	(95)	1,145	1,145	(31)	1,114	1,114	12	1,126
Governance & Democratic Services	1,879	(56)	1,823	1,823	(27)	1,796	1,796	15	1,811
Sub-total	26,233	91	26,324	26,324	(819)	25,505	25,505	207	25,712
TOTAL SERVICE EXPENDITURE	195,712	(348)	195,364	195,364	(438)	194,926	194,926	1,612	196,537

BUDGET CHANGES

Description	2013/14			2014/15			2015/16		
	Budget Change £000	Efficiency Measures/Savings/ Increased Income £000	Total Change £000	Budget Change £000	Efficiency Measures/Savings/ Increased Income £000	Total Change £000	Budget Change £000	Efficiency Measures/Savings/ Increased Income £000	Total Change £000
CORPORATE INCOME									
Revenue Support Grant (RSG)/Non Domestic Rates (NDR)									
Assumed General Change in RSG/NDR	8,691	-	8,691	(652)	-	(652)	-	-	-
<i>Change in RSG awarded by Scottish Government</i>									
	8,691	-	8,691	(652)	-	(652)	-	-	-
Council Tax									
Change in number of chargeable properties	(371)	-	(371)	(375)	-	(375)	(377)	-	(377)
<i>Additional properties incorporated into the new years' tax bases/Tax Increases</i>									
	(371)	-	(371)	(375)	-	(375)	(377)	-	(377)
Renewable Energy									
PV installations - feed in tariff income	85	-	85	-	-	-	-	-	-
<i>Income from renewable energy generation</i>									
PV installations - energy costs avoided	-	-	-	-	-	-	-	-	-
<i>Reduction in electricity purchased</i>									
	85	-	85	-	-	-	-	-	-
Transfer to/(from) Reserves									
General Fund Balances	2,126	-	2,126	3,469	-	3,469	(22)	-	(22)
<i>Change in use of GF balances</i>									
Sale of Business	-	-	-	(1,500)	-	(1,500)	-	-	-
<i>Prospective proceeds from sale of non-core business</i>									
	2,126	-	2,126	1,969	-	1,969	(22)	-	(22)
Transfer to/(from) HRA Surpluses									
HRA Surplus Transfer	-	-	-	-	-	-	-	-	-
<i>Change in use of HRA balances</i>									
	-	-	-	-	-	-	-	-	-
CORPORATE COMMITMENTS									
Police Requisition									
Change in requisition in line with latest Joint Board budget papers	(6,967)	-	(6,967)	-	-	-	-	-	-
<i>Lothian & Borders Police</i>									
	(6,967)	-	(6,967)	-	-	-	-	-	-
Fire Brigade Requisition									
Change in requisition in line with latest Joint Board budget papers	(2,916)	-	(2,916)	-	-	-	-	-	-
<i>Lothian & Borders Fire & Rescue Board</i>									
	(2,916)	-	(2,916)	-	-	-	-	-	-
Valuation Board									
Change in requisition in line with latest Joint Board budget papers	(4)	-	(4)	-	-	-	-	-	-
<i>Lothian Joint Valuation Board</i>									
	(4)	-	(4)	-	-	-	-	-	-
Asset Management									
Finance Leases	-	-	-	-	-	-	-	-	-
<i>Ongoing Costs</i>									
	-	-	-	-	-	-	-	-	-
Voluntary Early Retirement/Severance Scheme									
Savings arising from managed reduction in workforce	-	(2,000)	(2,000)	-	(1,367)	(1,367)	-	(795)	(795)
<i>Annual savings on staff costs</i>									
	-	(2,000)	(2,000)	-	(1,367)	(1,367)	-	(795)	(795)
Shared Services									
Savings arising from sharing services with other public bodies	-	-	-	-	-	-	-	(680)	(680)
<i>Annual savings to be targeted</i>									
	-	-	-	-	-	-	-	(680)	(680)
Debt Charges									
Interest and Principal repayments	1,524	-	1,524	863	-	863	263	-	263
<i>Cost of new capital projects within Capital Projects section</i>									
	1,524	-	1,524	863	-	863	263	-	263
Council Pension Deficit									
Payments to Lothian Pension Fund	-	-	-	-	-	-	-	-	-
<i>Additional deficit repayment contribution - matched by reduction in contribution within services from 17.5% to 16.6%</i>									
Pensions Act 2011	150	-	150	-	-	-	-	-	-
<i>Estimated effect of Pensions Act 2011 on Council pension payments</i>									
	150	-	150	-	-	-	-	-	-
External Audit									

Description	Budget	Efficiency	Total Change	Budget	Efficiency	Total Change	Budget	Efficiency	Total Change
	Change £000	Measures/Savings/ Increased Income £000		Change £000	Measures/Savings/ Increased Income £000		Change £000	Measures/Savings/ Increased Income £000	
Change in payment matching indicative fee	30	-	30	-	-	-	-	-	-
<i>Payments to Audit Scotland/Auditors</i>									
	30	-	30	-	-	-	-	-	-
SERVICES FOR PEOPLE									
Children's Wellbeing									
Increases in Pay Costs	65	-	65	66	-	66	66	-	66
<i>Effect of assumed 1% increase.</i>									
Investment	790	-	790	375	-	375	-	-	-
<i>Increase in funding for Children's Services to recognise pressures across the service</i>									
EDRMS Project	(1)	-	(1)	-	-	-	-	-	-
<i>Transfer of budget to IT to support EDRMS project</i>									
Family Support	56	-	56	-	-	-	-	-	-
<i>In line with SG grant increases</i>									
Staff Travel Scheme	-	-	-	-	(72)	(72)	-	-	-
<i>Renegotiation of Staff Travel Scheme</i>									
BuySmart Reviews	-	(5)	(5)	-	(5)	(5)	-	-	-
<i>BuySmart Review of supplies & services - leading to either reduced purchasing, ensuring contracts set up and used or buying to an alternative standard.</i>									
Efficient Workforce Management	-	(174)	(174)	-	(280)	(280)	-	-	-
<i>Group savings target to be met from service redesign, removal of current and future vacancies, strict management of variable staffing and agency costs</i>									
Reduce Non-Staffing budgets	-	(67)	(67)	-	-	-	-	-	-
<i>Reduce Transport, Communications, Equipment, Printing, Training, Client Travel, Materials, Catering, Services, Clothing and Recruitment budgets by 10%</i>									
Funding to NHS/Partner Health Agencies	-	(10)	(10)	-	-	-	-	-	-
<i>Reduce funding to the above in line with Children's Wellbeing budget efficiencies required</i>									
Income Generation	-	(2)	(2)	-	-	-	-	-	-
<i>Training placements for trainee social workers</i>									
External Residential Care Placements	-	-	-	-	(70)	(70)	-	-	-
<i>Review and Reduction in spend</i>									
Commissioning Strategy	-	-	-	-	(45)	(45)	-	-	-
<i>Efficiencies and Cost Reductions expected to arise as result of implementation of Commissioning Strategy and review of care partnerships/contracts and packages</i>									
	910	(258)	652	441	(472)	(31)	66	-	66
Pre-School Education & Childcare									
Increases in Pay Costs	14	-	14	14	-	14	15	-	15
<i>Effect of assumed 1% increase.</i>									
Increase in NDR charges	-	-	-	-	-	-	-	-	-
<i>Increase in poundage rates beyond 2012/13</i>									
Facility Services Charges	2	-	2	2	-	2	2	-	2
<i>Increases in Facilities Charges in line with salary increases</i>									
Living Wage	2	-	2	-	-	-	-	-	-
<i>Effect of £7.50 minimum hourly rate on Facilities Charges</i>									
Staff Travel Scheme	-	-	-	-	(2)	(2)	-	-	-
<i>Renegotiation of Staff Travel Scheme</i>									
Childcare Strategy	-	(5)	(5)	-	-	-	-	-	-
<i>Reduce Partnership Projects budget by 4%</i>									
Childcare Strategy - Reduction in Workforce Expansion Training	-	(40)	(40)	-	-	-	-	-	-
<i>Reduce funding to private nurseries</i>									
Pre School Teaching - Support to Partner Providers	-	(42)	(42)	-	-	-	-	-	-
<i>Deletion of pre-school teaching vacancy</i>									
BuySmart Reviews	-	(1)	(1)	-	-	-	-	-	-
<i>BuySmart Review of supplies & services - leading to either reduced purchasing, ensuring contracts set up and used or buying to an alternative standard.</i>									
	18	(88)	(70)	16	(2)	14	17	-	17
Additional Support for Learning									
Increases in Pay Costs	14	-	14	15	-	15	15	-	15
<i>Effect of assumed 1% increase.</i>									
Investment in Stage 3 Support	200	-	200	15	-	15	15	-	15
<i>Transfer of funding from Primary Group to support children at Stage 3 in our schools</i>									
School Based Therapeutic Counselling Services	100	-	100	-	-	-	-	-	-
<i>Expansion of scheme</i>									
Staff Travel Scheme	-	-	-	-	(16)	(16)	-	-	-

Description	Budget	Efficiency	Total Change	Budget	Efficiency	Total Change	Budget	Efficiency	Total Change
	Change	Measures/Savings/Increased Income		Change	Measures/Savings/Increased Income		Change	Measures/Savings/Increased Income	
	£000	£000	£000	£000	£000	£000	£000	£000	£000
<i>Renegotiation of Staff Travel Scheme</i>									
Efficient Workforce Management/Educational Psychology Service <i>Redesign the service away from the current cluster based model.</i>	-	(20)	(20)	-	-	-	-	-	-
Efficient Workforce Management/Outreach Services <i>Remodel service delivery.</i>	-	(80)	(80)	-	-	-	-	-	-
BuySmart Reviews <i>BuySmart Review of supplies & services - leading to either reduced purchasing, ensuring contracts set up and used or buying to an alternative standard.</i>	-	(1)	(1)	-	-	-	-	-	-
Reduce Transport Costs <i>Renegotiation of all transport contracts and careful review of our current provision leading to a reduced cost.</i>	-	(35)	(35)	-	-	-	-	-	-
	314	(136)	178	30	(16)	14	30	-	30
Schools - Primary									
Increases in Pay Costs <i>Effect of assumed 1% increase.</i>	272	-	272	275	-	275	278	-	278
Increase in NDR charges <i>Increase in poundage rates beyond 2012/13</i>	40	-	40	41	-	41	41	-	41
Facility Services Charges <i>Increases in Facilities Charges in line with salary increases</i>	29	-	29	29	-	29	29	-	29
Living Wage <i>Effect of £7.50 minimum hourly rate on Facilities Charges</i>	57	-	57	-	-	-	-	-	-
Rebasing of Primary pupil roll figures <i>Primary pupil roll projections rebased downwards to 7,850 for 2013/14 and subsequent increases thereafter of 150 each year</i>	(500)	-	(500)	150	-	150	150	-	150
Efficient Workforce Management /School Management <i>Review the management resources within all schools, including review of the ratio of Principal Teachers to Classroom Teachers to achieve efficiency target.</i>	-	(100)	(100)	-	(50)	(50)	-	-	-
Reduce Transport Costs <i>Renegotiation of all transport contracts and careful review of our current provision leading to a reduced cost.</i>	-	(20)	(20)	-	-	-	-	-	-
McCormac Review <i>Savings arising from national review of teachers' terms and conditions</i>	-	(71)	(71)	-	-	-	-	-	-
Service Review/Support Structures <i>Service review of support structures across all schools</i>	-	(165)	(165)	-	(85)	(85)	-	-	-
DSM Review <i>Review of DSM scheme</i>	-	(66)	(66)	-	(33)	(33)	-	-	-
BuySmart Reviews <i>BuySmart Review of supplies & services - leading to either reduced purchasing, ensuring contracts set up and used or buying to an alternative standard.</i>	-	(2)	(2)	-	-	-	-	-	-
	(102)	(424)	(526)	495	(168)	327	498	-	498
Schools - Secondary									
Increases in Pay Costs <i>Effect of assumed 1% increase.</i>	249	-	249	252	-	252	255	-	255
Increase in NDR charges <i>Increase in poundage rates beyond 2012/13</i>	35	-	35	36	-	36	37	-	37
PPP Contract <i>Increase in PPP contract charges for Education facilities</i>	199	-	199	203	-	203	233	-	233
Facility Services Charges <i>Increases in Facilities Charges in line with salary increases</i>	4	-	4	4	-	4	4	-	4
Staff Travel Scheme <i>Renegotiation of Staff Travel Scheme</i>	-	-	-	-	(2)	(2)	-	-	-
Efficient Workforce Management/School Management <i>Results of review of the management resources within all schools</i>	-	(240)	(240)	-	-	-	-	-	-
Improving options in the Senior Phase across the Authority <i>Use of IT to enhance/support delivery of curriculum in the senior phase (S4-S6). Subject to changes in Scottish Government policy re teacher/pupil ratio</i>	-	-	-	-	-	-	-	(160)	(160)
McCormac Review <i>Savings arising from national review of teachers' terms and conditions</i>	-	(70)	(70)	-	-	-	-	-	-
Service Review/Support Structures <i>Service review of support structures across all schools</i>	-	(165)	(165)	-	(85)	(85)	-	-	-
DSM Review <i>Review of DSM scheme</i>	-	(66)	(66)	-	(33)	(33)	-	-	-
BuySmart Reviews	-	(2)	(2)	-	-	-	-	-	-

Description	Budget	Efficiency	Total Change	Budget	Efficiency	Total Change	Budget	Efficiency	Total Change
	Change £000	Measures/Savings/ Increased Income £000		Change £000	Measures/Savings/ Increased Income £000		Change £000	Measures/Savings/ Increased Income £000	
<i>BuySmart Review of supplies & services - leading to either reduced purchasing, ensuring contracts set up and used or buying to an alternative standard.</i>	-	(40)	(40)	-	(20)	(20)	-	-	-
Reduce Transport Costs <i>Renegotiation of all transport contracts and careful review of our current provision leading to a reduced cost.</i>	-	(40)	(40)	-	(20)	(20)	-	-	-
	487	(583)	(96)	495	(140)	355	529	(160)	369
Schools Support Services									
Increase in Pay Costs <i>Effect of assumed 1% increase.</i>	20	-	20	20	-	20	20	-	20
New Wide Area Network <i>Savings generated from new Wide Area Network</i>	(100)	-	(100)	-	-	-	-	-	-
Curriculum for Excellence Grant <i>Removal of CFE amount from Local Government Settlement</i>	(68)	-	(68)	-	-	-	-	-	-
EDRMS Project <i>Transfer of budget to IT to support EDRMS project</i>	(1)	-	(1)	-	-	-	-	-	-
Schools - Strategic Planning <i>Transfer of budget to Property in line with new management responsibilities</i>	(46)	-	(46)	-	-	-	-	-	-
Staff Travel Scheme <i>Renegotiation of Staff Travel Scheme</i>	-	-	-	-	(15)	(15)	-	-	-
Efficient Workforce Management/Central Business Support <i>Review central business support to achieve efficiencies</i>	-	(50)	(50)	-	-	-	-	-	-
BuySmart Reviews <i>BuySmart Review of supplies & services - leading to either reduced purchasing, ensuring contracts set up and used or buying to an alternative standard.</i>	-	(7)	(7)	-	-	-	-	-	-
Efficient Workforce Management <i>Group savings target to be met from service redesign, removal of current and future vacancies, strict management of variable staffing and agency costs</i>	-	(26)	(26)	-	-	-	-	-	-
	(195)	(83)	(278)	20	(15)	5	20	-	20
Adult Wellbeing									
Increase in Pay Costs <i>Effect of assumed 1% increase.</i>	141	-	141	142	-	142	144	-	144
Investment <i>Ongoing investment in ASC services</i>	992	-	992	1,035	-	1,035	-	-	-
Facility Services Charges <i>Increases in Facilities Charges in line with salary increases</i>	7	-	7	7	-	7	7	-	7
Resource Transfer <i>Additional Resource Transfer income from NHS Lothian</i>	(60)	-	(60)	-	-	-	-	-	-
Resource Transfer <i>Additional expenditure to match Resource Transfer income from NHS Lothian</i>	60	-	60	-	-	-	-	-	-
Living Wage <i>Effect of £7.50 minimum hourly rate on Facilities Charges</i>	20	-	20	-	-	-	-	-	-
Increase in Free Personal/Nursing Care Rates <i>In line with SG grant increases</i>	58	-	58	29	-	29	-	-	-
EDRMS Project <i>Transfer of budget to IT to support EDRMS project</i>	(1)	-	(1)	-	-	-	-	-	-
Welfare Rights Officer - Benefits Advice <i>Welfare Rights Officer funded by external income/Fairer East Lothian Fund</i>	21	-	21	-	-	-	-	-	-
Gullane Day Centre <i>Additional property costs associated with new Gullane Day Centre - initial assessment</i>	25	-	25	-	-	-	-	-	-
Adult Resource Centres <i>Modernisation of Adult Day Care Services</i>	-	(80)	(80)	-	(80)	(80)	-	-	-
Staff Travel Scheme <i>Renegotiation of Staff Travel Scheme</i>	-	-	-	-	(92)	(92)	-	-	-
Transport <i>Reduce use of corporate transport service as a part of development of alternative day activities</i>	-	(80)	(80)	-	(80)	(80)	-	-	-
Review of Income & Charging <i>Review scope to extend charges to economic cost and review of charging policies, including the taper and allowable expenses.</i>	-	(50)	(50)	-	(50)	(50)	-	-	-
Promote Use of Telecare <i>Promote use of Telecare to reduce need for Homecare</i>	-	(65)	(65)	-	(80)	(80)	-	-	-
Domiciliary Care - externalisation <i>Increased procurement of purchased home care to take advantage of reduced unit cost.</i>	-	(100)	(100)	-	(100)	(100)	-	-	-
Staffing	-	(35)	(35)	-	(35)	(35)	-	-	-

Description	Budget	Efficiency	Total Change	Budget	Efficiency	Total Change	Budget	Efficiency	Total Change
	Change	Measures/Savings/Increased Income		Change	Measures/Savings/Increased Income		Change	Measures/Savings/Increased Income	
	£000	£000	£000	£000	£000	£000	£000	£000	£000
<i>Benefit realisation. Review of Admin staffing levels across the service following implementation of Frameworki</i>									
BuySmart Reviews	-	(11)	(11)	-	(11)	(11)	-	-	-
<i>BuySmart Review of supplies & services - leading to either reduced purchasing, ensuring contracts set up and used or buying to an alternative standard.</i>									
Learning Disability Residential Care	-	(75)	(75)	-	(85)	(85)	-	-	-
<i>Review of cases and examine scope to reduce costs using fair cost approach</i>									
Physical Disability Residential Care	-	(67)	(67)	-	(75)	(75)	-	-	-
<i>Review of cases and examine scope to reduce costs using fair cost approach</i>									
Training & Development	-	(60)	(60)	-	-	-	-	-	-
<i>Establish membership to Borders training consortium</i>									
Occupational Therapy Aids	-	(25)	(25)	-	(40)	(40)	-	-	-
<i>Signposting to alternative sources/review of low level self referral</i>									
Learning Disability Resource in East Lothian	-	(50)	(50)	-	-	-	-	-	-
<i>Signposting to alternative sources/review of low level self referral</i>									
End of Lease for Greenfield Park & Reprovide	-	(50)	(50)	-	(50)	(50)	-	-	-
<i>Take up spare capacity within other homes and increase purchase from independent sector. Staff will be re-allocated to remaining homes.</i>									
ELVOS Supported Employment	-	(50)	(50)	-	(50)	(50)	-	-	-
<i>Re-alignment of ELVOS with other employment services</i>									
Adult Placement	-	(50)	(50)	-	(50)	(50)	-	-	-
<i>Develop opportunities for adult placement with savings within care purchasing budget.</i>									
Emergency Social Work Service	-	(30)	(30)	-	(30)	(30)	-	-	-
<i>Re-negotiation of existing service agreements</i>									
Supporting People	-	(75)	(75)	-	(75)	(75)	-	-	-
<i>Review of block contracts and movement to spot purchase arrangements</i>									
Allocation of Respite	-	(75)	(75)	-	(75)	(75)	-	-	-
<i>Allocation of respite based on ongoing re-assessed of need</i>									
Criminal Justice Review of Overhead Allocations	-	(35)	(35)	-	-	-	-	-	-
<i>Review of overhead allocations to fully recover central support costs</i>									
Systems Support to Frameworki	-	(35)	(35)	-	-	-	-	-	-
<i>Review and prioritisation of system support activities</i>									
Review of Respite provision for older people	-	(45)	(45)	-	(60)	(60)	-	-	-
<i>Review of Respite provision within ELC homes</i>									
Make greater use of Sheltered Housing	-	(45)	(45)	-	(100)	(100)	-	-	-
<i>Make greater use of Sheltered Housing to provide higher levels of community support and reduce numbers of purchased care home beds</i>									
Recommission services within local neighbourhoods	-	(50)	(50)	-	(62)	(62)	-	-	-
<i>Development of day local services to replace services purchased out with East Lothian</i>									
Review allocation of care between Free Personal Care and Non Personal Care	-	(25)	(25)	-	(25)	(25)	-	-	-
<i>Identify potential to increase level of chargeable services within care packages.</i>									
	1,263	(1,263)	-	1,213	(1,305)	(92)	151	-	151
SERVICES FOR COMMUNITIES									
Community Housing									
Increases in Pay Costs	17	-	17	17	-	17	17	-	17
<i>Effect of assumed 1% increase.</i>									
Transfer of Anti-Social Behaviour Team wef 01 April	(392)	-	(392)	-	-	-	-	-	-
<i>Transfer of budget in line with changed management arrangements</i>									
Living Wage	1	-	1	-	-	-	-	-	-
<i>Effect of £7.50 minimum hourly rate on Facilities Charges</i>									
Staff Travel Scheme	-	-	-	-	(28)	(28)	-	-	-
<i>Renegotiation of Staff Travel Scheme</i>									
Private Sector Housing Grant	-	(50)	(50)	-	(50)	(50)	-	-	-
<i>Reduce spend on PSHG</i>									
Training Budgets	-	-	-	-	(10)	(10)	-	-	-
<i>Reduce training budgets across the Group</i>									
BuySmart Reviews	-	(5)	(5)	-	(5)	(5)	-	-	-
<i>BuySmart Review of supplies & services - leading to either reduced purchasing, ensuring contracts set up and used or buying to an alternative standard.</i>									
Efficient Workforce Management	-	(35)	(35)	-	(35)	(35)	-	-	-
<i>Group savings target to be met from service redesign, removal of current and future vacancies. strict management of variable staffing and agency costs</i>									
Grant Spend	-	-	-	-	(50)	(50)	-	-	-
<i>Reductions in spend on grant spend across the Group</i>									

Description	Budget Change	Efficiency Measures/Savings/Increased Income	Total Change	Budget Change	Efficiency Measures/Savings/Increased Income	Total Change	Budget Change	Efficiency Measures/Savings/Increased Income	Total Change
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Planning & Environmental Services	(374)	(90)	(464)	17	(178)	(161)	17	-	17
Increases in Pay Costs <i>Effect of assumed 1% increase.</i>	38	-	38	38	-	38	38	-	38
Transfer of Anti-Social Behaviour Team wef 01 April <i>Transfer of budget in line with changed management arrangements</i>	392	-	392	-	-	-	-	-	-
Local Development Plan <i>Reduce budgeted spend on Local Development Plan</i>	-	(50)	(50)	-	-	-	-	-	-
Staff Travel Scheme <i>Renegotiation of Staff Travel Scheme</i>	-	-	-	-	(38)	(38)	-	-	-
Training Budgets <i>Reduce training budgets across the Group</i>	-	-	-	-	(10)	(10)	-	-	-
BuySmart Reviews <i>BuySmart Review of supplies & services - leading to either reduced purchasing, ensuring contracts set up and used or buying to an alternative standard.</i>	-	(4)	(4)	-	(4)	(4)	-	-	-
Efficient Workforce Management <i>Group savings target to be met from service redesign, removal of current and future vacancies. strict management of variable staffing and agency costs</i>	-	(35)	(35)	-	(35)	(35)	-	-	-
	430	(89)	341	38	(87)	(49)	38	-	38
Property									
Increases in Pay Costs <i>Effect of assumed 1% increase.</i>	36	-	36	36	-	36	36	-	36
Schools - Strategic Planning <i>Transfer of budget to Property in line with new management responsibilities</i>	46	-	46	-	-	-	-	-	-
Staff Travel Scheme <i>Renegotiation of Staff Travel Scheme</i>	-	-	-	-	(24)	(24)	-	-	-
Increase in rents for Industrial Rents <i>Rents will increase in line with rent reviews/Increase to match existing actual income</i>	-	(20)	(20)	-	(20)	(20)	-	(20)	(20)
General Fund Repairs <i>Savings expected from GF Repairs budgets based upon ongoing building rationalisation, business efficiency and mobile working.</i>	-	(20)	(20)	-	-	-	-	-	-
BuySmart Reviews <i>BuySmart Review of supplies & services - leading to either reduced purchasing, ensuring contracts set up and used or buying to an alternative standard.</i>	-	(9)	(9)	-	-	-	-	-	-
Efficient Workforce Management/Property Services Service Review <i>Group savings target to be met from service redesign, removal of current and future vacancies. strict management of variable staffing and agency costs</i>	-	(130)	(130)	-	(71)	(71)	-	-	-
	82	(179)	(97)	36	(115)	(79)	36	(20)	16
Facility Support Services									
Increases in Pay Costs <i>Effect of assumed 1% increase.</i>	13	-	13	13	-	13	13	-	13
Living Wage <i>Effect of assumed 1% increase.</i>	29	-	29	-	-	-	-	-	-
Removal of Energy Costs - Village Halls <i>Transfer of Budget to Community Group</i>	(48)	-	(48)	-	-	-	-	-	-
Simplified Accounting Processes - Shared Accommodation <i>Transfer of budget to Facility Services for Dunbar Townhouse</i>	23	-	23	-	-	-	-	-	-
Increase in NDR charges <i>Increase in poundage rates beyond 2012/13</i>	20	-	20	21	-	21	22	-	22
Randall House <i>Scheduled increase in rental charge</i>	63	-	63	-	-	-	-	-	-
George Johnstone Centre <i>Additional costs arising from new Area Office net of contribution from HRA</i>	30	-	30	-	-	-	-	-	-
Staff Travel Scheme <i>Renegotiation of Staff Travel Scheme</i>	-	-	-	-	(7)	(7)	-	-	-
Efficient Workforce Management <i>Group savings target to be met from service redesign, removal of current and future vacancies. strict management of variable staffing and agency costs</i>	-	(10)	(10)	-	(45)	(45)	-	-	-
Staff & Function Catering <i>Review of staff & function catering aimed at increasing income/surplus</i>	-	(50)	(50)	-	-	-	-	-	-
BuySmart Reviews <i>BuySmart Review of supplies & services - leading to either reduced purchasing, ensuring contracts set up and used or buying to an alternative standard.</i>	-	(6)	(6)	-	-	-	-	-	-

Description	Budget	Efficiency	Total Change	Budget	Efficiency	Total Change	Budget	Efficiency	Total Change
	Change £000	Measures/Savings/ Increased Income £000		Change £000	Measures/Savings/ Increased Income £000		Change £000	Measures/Savings/ Increased Income £000	
Landscape & Countryside Management	130	(66)	64	34	(52)	(18)	35	-	35
Increases in Pay Costs <i>Effect of assumed 1% increase.</i>	53	-	53	54	-	54	54	-	54
Increase in NDR charges <i>Increase in poundage rates beyond 2012/13</i>	2	-	2	2	-	2	2	-	2
Waste Disposal - rising cost of landfill <i>Increased Costs arising from the additional £8 per tonne Landfill Tax</i>	7	-	7	-	-	-	-	-	-
Staff Travel Scheme <i>Renegotiation of Staff Travel Scheme</i>	-	-	-	-	(9)	(9)	-	-	-
Uprating of Income <i>Uprating of income for Burial/Lair Charges</i>	-	(28)	(28)	-	-	-	-	-	-
Income Generation <i>Generation of additional income from Open Space Maintenance in new HRA Estates/Nursery/Hire of Outdoor Education Base/Events</i>	-	(30)	(30)	-	-	-	-	-	-
Efficient Workforce Management <i>Group savings target to be met from service redesign, removal of current and future vacancies, strict management of variable staffing and agency costs</i>	-	(99)	(99)	-	-	-	-	-	-
BuySmart Reviews <i>BuySmart Review of supplies & services - leading to either reduced purchasing, ensuring contracts set up and used or buying to an alternative standard.</i>	-	(8)	(8)	-	-	-	-	-	-
	62	(165)	(103)	56	(9)	47	56	-	56
Roads, Transportation & Waste Services									
Increases in Pay Costs <i>Effect of assumed 1% increase.</i>	73	-	73	74	-	74	75	-	75
Increase in NDR charges <i>Increase in poundage rates beyond 2012/13</i>	6	-	6	6	-	6	7	-	7
Waste Disposal - rising cost of landfill/New Contract arrangements <i>Increased Costs arising from the additional £8 per tonne Landfill Tax and effect of new contract arrangements from 2013/2014</i>	181	-	181	254	-	254	10	-	10
Living Wage <i>Effect of £7.50 minimum hourly rate on Facilities Charges</i>	2	-	2	-	-	-	-	-	-
Income Generation <i>Increase in Trade Waste Charges</i>	-	(30)	(30)	-	(30)	(30)	-	-	-
Staff Travel Scheme <i>Renegotiation of Staff Travel Scheme</i>	-	-	-	-	(21)	(21)	-	-	-
BuySmart Reviews <i>BuySmart Review of supplies & services - leading to either reduced purchasing, ensuring contracts set up and used or buying to an alternative standard.</i>	-	(12)	(12)	-	-	-	-	-	-
Roads Services <i>Reduction in overtime to cover only Winter Maintenance/Emergency and traffic sensitive sites</i>	-	(40)	(40)	-	-	-	-	-	-
Fuel Costs <i>Review of fuel costs across vehicles with aim of securing a 5% reduction</i>	-	-	-	-	(50)	(50)	-	-	-
HGV Operating Centres <i>Review of HGV operating centres in Haddington & East Linton</i>	-	-	-	-	(20)	(20)	-	-	-
Efficient Workforce Management <i>Group savings target to be met from service redesign, removal of current and future vacancies, strict management of variable staffing and agency costs</i>	-	(220)	(220)	-	(164)	(164)	-	-	-
	262	(302)	(40)	334	(285)	49	92	-	92
SUPPORT SERVICES									
Communications & Marketing									
Increases in Pay Costs <i>Effect of assumed 1% increase.</i>	6	-	6	6	-	6	6	-	6
Staff Travel Scheme <i>Renegotiation of Staff Travel Scheme</i>	-	-	-	-	(4)	(4)	-	-	-
Efficient Workforce Management <i>Group savings target to be met from service redesign, removal of current and future vacancies, strict management of variable staffing and agency costs</i>	-	(7)	(7)	-	(15)	(15)	-	-	-
	6	(7)	(1)	6	(19)	(13)	6	-	6
Policy & Improvement									

Description	Budget	Efficiency	Total Change	Budget	Efficiency	Total Change	Budget	Efficiency	Total Change
	Change	Measures/Savings/Increased Income		Change	Measures/Savings/Increased Income		Change	Measures/Savings/Increased Income	
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Increases in Pay Costs <i>Effect of assumed 1% increase.</i>	7	-	7	7	-	7	7	-	7
Transfer of admin support to Corporate Policy & Improvement <i>Budget transfer due to changed management responsibilities</i>	8	-	8	-	-	-	-	-	-
Welfare Rights Officer - Benefits Advice <i>Welfare Rights Officer funded by external income/Fairer East Lothian Fund</i>	(21)	-	(21)	-	-	-	-	-	-
Staff Travel Scheme <i>Renegotiation of Staff Travel Scheme</i>	-	-	-	-	(2)	(2)	-	-	-
Corporate Health & Safety/Shared Services <i>Continuation of sharing arrangements with Midlothian Council</i>	-	(21)	(21)	-	-	-	-	-	-
Efficient Workforce Management <i>Group savings target to be met from service redesign, removal of current and future vacancies, strict management of variable staffing and agency costs</i>	-	-	-	-	(26)	(26)	-	-	-
	(6)	(21)	(27)	7	(28)	(21)	7	-	7
Community Partnerships									
Increases in Pay Costs <i>Effect of assumed 1% increase.</i>	-	-	-	-	-	-	-	-	-
Transfer of Grant Budgets to Partnership Funding <i>Amalgamation of grant budgets</i>	11	-	11	-	-	-	-	-	-
Budget Transfer <i>Responsibility for PPL/PRS licenses</i>	(4)	-	(4)	-	-	-	-	-	-
Grant Budgets <i>Savings on grant budgets</i>	-	-	-	-	(30)	(30)	-	-	-
Support to Build Capacity <i>Additional funds per April 2012 Members Library report</i>	66	-	66	-	-	-	(66)	-	(66)
Efficient Workforce Management <i>Group savings target to be met from service redesign, removal of current and future vacancies, strict management of variable staffing and agency costs</i>	-	(100)	(100)	-	-	-	-	-	-
EDRMS Project <i>Transfer of budget to IT to support EDRMS project</i>	(1)	-	(1)	-	-	-	-	-	-
	72	(100)	(28)	-	(30)	(30)	(66)	-	(66)
Culture									
Increases in Pay Costs <i>Effect of assumed 1% increase.</i>	34	-	34	34	-	34	35	-	35
Simplified Accounting Processes - Shared Accommodation <i>Transfer of budget to Facility Services for Dunbar Townhouse</i>	(23)	-	(23)	-	-	-	-	-	-
Facility Services Charges <i>Increases in Facilities Charges in line with salary increases</i>	1	-	1	1	-	1	1	-	1
Living Wage <i>Effect of £7.50 minimum hourly rate on Facilities Charges</i>	4	-	4	-	-	-	-	-	-
North Berwick Museum <i>Increased costs associated with opening of the North Berwick Museum</i>	40	-	40	-	-	-	-	-	-
Brunton Hall <i>Increased costs associated with opening of the refurbished Brunton Hall</i>	61	-	61	-	-	-	-	-	-
Staff Travel Scheme <i>Renegotiation of Staff Travel Scheme</i>	-	-	-	-	(11)	(11)	-	-	-
Library Services/Mobile Library <i>Savings from restructure of mobile library service, reductions in revenue costs of Library Management system and reduction in branch professional posts</i>	-	(53)	(53)	-	(50)	(50)	-	-	-
Efficient Workforce Management <i>Group savings target to be met from service redesign, removal of current and future vacancies, strict management of variable staffing and agency costs</i>	-	-	-	-	(52)	(52)	-	-	-
	117	(53)	64	35	(113)	(78)	36	-	36
Community Learning & Development									
Increases in Pay Costs <i>Effect of assumed 1% increase.</i>	24	-	24	24	-	24	24	-	24
Increase in NDR charges <i>Increase in poundage rates beyond 2012/13</i>	14	-	14	14	-	14	15	-	15
PPP Contract <i>Increase in PPP contract charges for Community Learning Centre/Musselburgh East Community Association.</i>	15	-	15	6	-	6	7	-	7
Budget Transfer <i>Responsibility for PPL/PRS licenses</i>	4	-	4	-	-	-	-	-	-
Facility Services Charges	6	-	6	6	-	6	6	-	6

Description	Budget	Efficiency	Total Change	Budget	Efficiency	Total Change	Budget	Efficiency	Total Change
	Change £000	Measures/Savings/ Increased Income £000		Change £000	Measures/Savings/ Increased Income £000		Change £000	Measures/Savings/ Increased Income £000	
<i>Increases in Facilities Charges in line with salary increases</i>									
Living Wage	18	-	18	-	-	-	-	-	-
<i>Effect of £7.50 minimum hourly rate on Facilities Charges</i>									
Transfer of Energy Budgets	48	-	48	-	-	-	-	-	-
<i>Transfer of Budgets from Facility Services</i>									
Dunbar Community Facility (CS003)	40	-	40	30	-	30	-	-	-
<i>Additional costs associated with opening of combined facility</i>									
Staff Travel Scheme	-	-	-	-	(10)	(10)	-	-	-
<i>Renegotiation of Staff Travel Scheme</i>									
Adult Education Classes	-	(10)	(10)	-	-	-	-	-	-
<i>Reduction in subsidy to Adult Education classes by either increasing income/focus on cost inputs</i>									
BuySmart Reviews	-	(2)	(2)	-	(10)	(10)	-	-	-
<i>BuySmart Review of supplies & services - leading to either reduced purchasing, ensuring contracts set up and used or buying to an alternative standard.</i>									
Efficient Workforce Management	-	(50)	(50)	-	(50)	(50)	-	-	-
<i>Group savings target to be met from service redesign, removal of current and future vacancies, strict management of variable staffing and agency costs</i>									
Cluster Management Committees - Joint Working Development	-	(150)	(150)	-	(155)	(155)	-	-	-
<i>Savings arising from joint working</i>									
	169	(212)	(43)	80	(225)	(145)	52	-	52
Healthy Living									
Increases in Pay Costs	12	-	12	12	-	12	12	-	12
<i>Effect of assumed 1% increase.</i>									
Increase in NDR charges	3	-	3	3	-	3	4	-	4
<i>Increase in poundage rates beyond 2012/13</i>									
Transfer of Grant Budgets to Partnership Funding	(11)	-	(11)	-	-	-	-	-	-
<i>Amalgamation of grant budgets</i>									
PPP Contract	15	-	15	8	-	8	10	-	10
<i>Increase in PPP contract charges for Mercat Gait above assessed inflation rate</i>									
Staff Travel Scheme	-	-	-	-	(5)	(5)	-	-	-
<i>Renegotiation of Staff Travel Scheme</i>									
Income Generation	-	(10)	(10)	-	-	-	-	-	-
<i>Increase in income generated from various funding sources</i>									
BuySmart Reviews	-	(9)	(9)	-	-	-	-	-	-
<i>BuySmart Review of supplies & services - leading to either reduced purchasing, ensuring contracts set up and used or buying to an alternative standard.</i>									
Efficient Workforce Management	-	(14)	(14)	-	(50)	(50)	-	-	-
<i>Group savings target to be met from service redesign, removal of current and future vacancies, strict management of variable staffing and agency costs</i>									
Enjoy Contract Payments	-	(28)	(28)	-	(28)	(28)	-	(25)	(25)
<i>Reduction in contract payment to Enjoy over the next three years</i>									
	19	(61)	(42)	23	(83)	(60)	26	(25)	1
Economic Development									
Increases in Pay Costs	5	-	5	5	-	5	5	-	5
<i>Effect of assumed 1% increase.</i>									
Staff Travel Scheme	-	-	-	-	(8)	(8)	-	-	-
<i>Renegotiation of Staff Travel Scheme</i>									
BuySmart Reviews	-	(3)	(3)	-	-	-	-	-	-
<i>BuySmart Review of supplies & services - leading to either reduced purchasing, ensuring contracts set up and used or buying to an alternative standard.</i>									
Efficient Workforce Management	-	-	-	-	(31)	(31)	-	-	-
<i>Group savings target to be met from service redesign, removal of current and future vacancies, strict management of variable staffing and agency costs</i>									
	5	(3)	2	5	(39)	(34)	5	-	5
Customer Services									
Increases in Pay Costs	22	-	22	22	-	22	23	-	23
<i>Effect of assumed 1% increase.</i>									
Call Centre/Council Tax Calls Transfer	42	-	42	-	-	-	-	-	-
<i>Council Tax calls through the Contact Centre. Transfer of budget to Customer Services.</i>									
Staff Travel Scheme	-	-	-	-	(3)	(3)	-	-	-
<i>Renegotiation of Staff Travel Scheme</i>									

Description	Budget Change	Efficiency Measures/Savings/Increased Income	Total Change	Budget Change	Efficiency Measures/Savings/Increased Income	Total Change	Budget Change	Efficiency Measures/Savings/Increased Income	Total Change
	£000	£000	£000	£000	£000	£000	£000	£000	£000
BuySmart Reviews <i>BuySmart Review of supplies & services - leading to either reduced purchasing, ensuring contracts set up and used or buying to an alternative standard.</i>	-	(18)	(18)	-	-	-	-	-	-
CCTV Equipment <i>Reduce CCTV equipment spend</i>	-	(40)	(40)	-	-	-	-	-	-
Community Response Income <i>Increase income from community response service</i>	-	(15)	(15)	-	-	-	-	-	-
Efficient Workforce Management <i>Group savings target to be met from service redesign, removal of current and future vacancies. strict management of variable staffing and agency costs</i>	-	-	-	-	(44)	(44)	-	-	-
	64	(73)	(9)	22	(47)	(25)	23	-	23
Financial Services									
Increases in Pay Costs <i>Effect of assumed 1% increase.</i>	21	-	21	21	-	21	22	-	22
Budget Transfer - Housing Debt <i>Transfer of budget relating to housing debt</i>	(14)	-	(14)	-	-	-	-	-	-
Transfer/Lease of Buildings <i>Budget for investigation of the potential transfer of community buildings to a NDR exempt organisation.</i>	(70)	-	(70)	-	-	-	-	-	-
Green Deal <i>Initial investment to start up an East Lothian 'Green Deal'. Full re-imburement of costs expected by 2013/2014 financial year</i>	(60)	-	(60)	-	-	-	-	-	-
Staff Travel Scheme <i>Renegotiation of Staff Travel Scheme</i>	-	-	-	-	(4)	(4)	-	-	-
Income Generation <i>Upating of externally generated income</i>	-	(1)	(1)	-	-	-	-	-	-
BuySmart Reviews <i>BuySmart Review of supplies & services - leading to either reduced purchasing, ensuring contracts set up and used or buying to an alternative standard.</i>	-	(42)	(42)	-	-	-	-	-	-
Efficient Workforce Management <i>Group savings target to be met from service redesign, removal of current and future vacancies, strict management of variable staffing and agency costs</i>	-	(60)	(60)	-	(67)	(67)	-	-	-
	(123)	(103)	(226)	21	(71)	(50)	22	-	22
Revenues & Benefits									
Increases in Pay Costs <i>Effect of assumed 1% increase.</i>	19	-	19	19	-	19	20	-	20
Call Centre/Council Tax Calls Transfer <i>Council Tax calls through the Contact Centre. Transfer of budget to Customer Services.</i>	(42)	-	(42)	-	-	-	-	-	-
Budget Transfer - Housing Debt <i>Transfer of budget relating to housing debt</i>	14	-	14	-	-	-	-	-	-
Discretionary Housing/Welfare Payments <i>Council contribution to Discretionary Housing Payments/Social Fund</i>	100	-	100	50	-	50	50	-	50
Council Tax Support <i>Additional SG grant in line with Finance Circular</i>	281	-	281	(281)	-	(281)	-	-	-
Council Tax Support <i>Assumed local authority contribution</i>	260	-	260	-	-	-	-	-	-
Staff Travel Scheme <i>Renegotiation of Staff Travel Scheme</i>	-	-	-	-	(11)	(11)	-	-	-
BuySmart Reviews <i>BuySmart Review of supplies & services - leading to either reduced purchasing, ensuring contracts set up and used or buying to an alternative standard.</i>	-	(2)	(2)	-	-	-	-	-	-
Efficient Workforce Management <i>Group savings target to be met from service redesign, removal of current and future vacancies, strict management of variable staffing and agency costs</i>	-	(50)	(50)	-	(29)	(29)	-	-	-
	632	(52)	580	(212)	(40)	(252)	70	-	70
Information Technology									
Increases in Pay Costs <i>Effect of assumed 1% increase.</i>	16	-	16	17	-	17	17	-	17
Worksmart <i>License costs to enable increased homeworking</i>	10	-	10	-	-	-	-	-	-
Income Generation <i>Upating of externally generated income</i>	-	(1)	(1)	-	-	-	-	-	-
EDRMS Project	5	-	5	-	-	-	-	-	-

Description	Budget Change	Efficiency Measures/Savings/Increased Income	Total Change	Budget Change	Efficiency Measures/Savings/Increased Income	Total Change	Budget Change	Efficiency Measures/Savings/Increased Income	Total Change
	£000	£000	£000	£000	£000	£000	£000	£000	£000
<i>Transfer of budget to IT to support EDRMS project</i>									
Staff Travel Scheme	-	-	-	-	(3)	(3)	-	-	-
<i>Renegotiation of Staff Travel Scheme</i>									
Efficient Workforce Management	-	(40)	(40)	-	-	-	-	-	-
<i>Group savings target to be met from service redesign, removal of current and future vacancies, strict management of variable staffing and agency costs</i>									
BuySmart Reviews	-	(2)	(2)	-	(56)	(56)	-	-	-
<i>BuySmart Review of supplies & services - leading to either reduced purchasing, ensuring contracts set up and used or buying to an alternative standard.</i>									
	31	(43)	(12)	17	(59)	(42)	17	-	17
Law & Licensing									
Increases in Pay Costs	7	-	7	7	-	7	7	-	7
<i>Effect of assumed 1% increase.</i>									
Staff Travel Scheme	-	-	-	-	(2)	(2)	-	-	-
<i>Renegotiation of Staff Travel Scheme</i>									
Licensing Fees	-	(3)	(3)	-	(3)	(3)	-	-	-
<i>Increase in Civic Government application fee charges in line with October 2008 Cabinet Report</i>									
BuySmart Reviews	-	(20)	(20)	-	(13)	(13)	-	-	-
<i>BuySmart Review of supplies & services - leading to either reduced purchasing, ensuring contracts set up and used or buying to an alternative standard.</i>									
	7	(23)	(16)	7	(18)	(11)	7	-	7
Human Resources									
Increases in Pay Costs	11	-	11	11	-	11	12	-	12
<i>Effect of assumed 1% increase.</i>									
EDRMS Project	(1)	-	(1)	-	-	-	-	-	-
<i>Transfer of budget to IT to support EDRMS project</i>									
Transfer of admin support to Corporate Policy & Improvement	(8)	-	(8)	-	-	-	-	-	-
<i>Budget transfer due to changed management responsibilities</i>									
Staff Travel Scheme	-	-	-	-	(4)	(4)	-	-	-
<i>Renegotiation of Staff Travel Scheme</i>									
Enjoy Contract	-	(2)	(2)	-	-	-	-	-	-
<i>Increase in charges to Enjoy by RPI rate</i>									
Corporate Training Budget - Healthy Working Lives/Corporate Training	-	(10)	(10)	-	-	-	-	-	-
<i>Reduction in corporate training budget to focus upon in-house delivery of priority support and learning</i>									
BuySmart Reviews	-	(5)	(5)	-	-	-	-	-	-
<i>BuySmart Review of supplies & services - leading to either reduced purchasing, ensuring contracts set up and used or buying to an alternative standard.</i>									
Efficient Workforce Management	-	(80)	(80)	-	(38)	(38)	-	-	-
<i>Group savings target to be met from service redesign, removal of current and future vacancies, strict management of variable staffing and agency costs</i>									
	2	(97)	(95)	11	(42)	(31)	12	-	12
Governance & Democratic Services									
Increases in Pay Costs	14	-	14	14	-	14	15	-	15
<i>Effect of assumed 1% increase.</i>									
Police & Fire Governance	50	-	50	-	-	-	-	-	-
<i>Additional RSG relating to ongoing police & fire costs</i>									
Local Government Elections	(120)	-	(120)	-	-	-	-	-	-
<i>Costs associated with running May 2012 local government elections</i>									
Staff Travel Scheme	-	-	-	-	(4)	(4)	-	-	-
<i>Renegotiation of Staff Travel Scheme</i>									
BuySmart Reviews	-	-	-	-	(37)	(37)	-	-	-
<i>BuySmart Review of supplies & services - leading to either reduced purchasing, ensuring contracts set up and used or buying to an alternative standard.</i>									
	(56)	-	(56)	14	(41)	(27)	15	-	15
TOTAL	6,574	(6,574)	(0)	5,066	(5,066)	0	1,681	(1,680)	(0)

CAPITAL PROJECTS

		2012/13	2013/14	2014/15	2015/16	Total Planned Spending (2012-2016)	Notes
		£000	£000	£000	£000	£000	
Abbey, North Berwick Care Home refurbishment	Adult Social Care	-	-	500	-	500	
New Day Centre - Gullane	Adult Social Care	926	2,150	42	-	3,118	
Fa'side - New residential home and day centre	Adult Social Care	250	6,944	1,798	131	9,123	
Musselburgh Care Home	Adult Social Care	1,150	-	-	-	1,150	
Haddington Day Centre	Adult Social Care	-	950	50	-	1,000	
Mobile Working	Community Housing	11	9	-	-	20	
PV installations in public buildings	Corporate	265	-	-	-	265	
Property Renewals	Corporate	1,200	700	900	900	3,700	
Property Fees/Internal Architect etc fees	Corporate	1,605	1,445	1,445	1,445	5,940	
Environment Fees	Corporate	123	111	111	111	456	
Brunton Hall - Theatre and Main Hall refurbishment	Culture & Community	2,235	45	-	-	2,280	
Dunbar - new Community facility	Culture & Community	724	-	-	-	724	
Dunbar Town House Museum	Culture & Community	48	-	-	-	48	
John Gray Centre Haddington	Culture & Community	570	-	-	-	570	
Prestongrange Museum	Culture & Community	-	100	150	200	450	
Port Seton Sports Hall	Culture & Community	-	100	1,050	30	1,180	
Whitecraig Community Centre	Culture & Community	50	100	100	400	650	
Ormiston Community Centre	Culture & Community	166	-	-	-	166	
Musselburgh Library	Culture & Community	-	100	-	-	100	
Tranent Library	Culture & Community	922	50	-	-	972	
North Berwick Museum - refurbishment	Culture & Community	1,454	30	-	-	1,484	
Red School Prestonpans - expand Music Provision	Culture & Community	-	100	-	-	100	
Musselburgh Town Centre Regeneration	Economic Devt	50	450	500	-	1,000	
Reprovision of Pathways	Children's Wellbeing	-	725	-	-	725	
Prestonpans Family Centre	Children's Wellbeing	-	-	-	-	-	Project under consideration for future years
Dunbar New Primary School	Education	300	-	-	-	300	
Haddington IS / St Mary's RCPS - New shared Campus	Education	6,700	-	-	-	6,700	
Sandersons Wynd PS - additional Classrooms	Education	17	-	-	-	17	
Dunbar Grammar School Extension	Education	-	-	200	5,500	5,700	
Musselburgh Grammar School Extension	Education	-	-	-	-	-	Project under consideration for future years
North Berwick High School Extension	Education	-	-	-	200	200	
Ross High School Extension	Education	-	-	-	-	-	Project under consideration for future years
Knox Academy Expansion	Education	-	-	-	-	-	Project under consideration for future years
Dirleton Classroom Extension	Education	200	361	13	-	574	
Dunbar Primary - Phase 2 Comms Unit	Education	-	150	-	-	150	

		2012/13	2013/14	2014/15	2015/16	Total Planned Spending (2012-2016)	Notes
		£000	£000	£000	£000	£000	
Macmerry PS Extension	Education	100	300	12	-	412	
Ormiston Temporary Units	Education	-	112	-	-	112	
Pinkie St Peter's PS Extension/Nursery provision	Education	100	500	2,000	760	3,360	
Law Primary School	Education	-	-	100	2,000	2,100	
Windygoul PS additional Classrooms	Education	-	875	925	-	1,800	
Windygoul PS - Temp Units Rental	Education	12	98	-	-	110	
Toilets East Beach Nth Berwick - Glen Golf Club	Facility Support	25	-	-	-	25	
Gifford Toilets & Shelter	Facility Support	-	150	-	-	150	
Replacement Vehicles	Fleet	1,203	2,095	1,970	1,080	6,348	
East Lothian Legacy Project - All Weather Running/Meadowmill	Healthy Living	201	-	-	-	201	
East Lothian Legacy Project - Meadowmill Alterations	Healthy Living	985	15	-	-	1,000	
Sports Centres - refurbishment & Equipment	Healthy Living	150	150	150	150	600	
Expansion of 3G pitch provision	Healthy Living	50	900	900	-	1,850	
Winterfield Golf & Tennis Facility	Healthy Living	-	-	-	-	-	Project under consideration for future years
Schools IT	IT	1,270	700	484	740	3,194	
Corporate IT Program	IT	290	240	216	216	962	
Core Path Plan Implementation	Landscape	18	-	-	-	18	
Polson Park restoration	Landscape	2	-	-	-	2	
John Muir Country Park Play Area	Landscape	80	-	-	-	80	
Cuthill Park	Landscape	100	-	-	-	100	
Amenity Services Machinery & Equipment - replacement	Landscape	72	95	177	100	444	
Allotments	Landscape	-	100	-	-	100	
Cemeteries - Extensions	Landscape	30	300	290	-	620	
Coastal Car Parks/Toilets	Landscape	552	-	-	-	552	
Peppercraig Depot Haddington	Landscape	325	325	-	-	650	
Coastal Protection/Flood	Coastal/Flood	194	-	200	82	476	
Longniddry Car Park	Roads	-	-	-	-	-	Project under consideration for future years
Pencaitland Paths/Community Car Park	Roads	200	-	-	-	200	
Cycling Walking Safer Streets (Ring-fenced grant funded)	Roads	113	104	153	120	490	
Roads	Roads	5,625	5,250	5,250	5,250	21,375	
New Salt Barn	Roads	454	-	-	-	454	
Roads: safety hotspot surveys & improvements	Roads	100	150	150	150	550	
QMU Triangle	Roads	-	-	500	2,000	2,500	
North Berwick Parking Improvements	Roads	-	500	-	-	500	
Dolphinstone - Recycling/Transfer Station	Waste Services	5	-	-	-	5	
Purchase of New Bins	Waste Services	120	153	153	63	489	
		31,342	27,732	20,489	21,628	101,191	