

REPORT TO: East Lothian Council

MEETING DATE: 9 February 2016

BY: Depute Chief Executive (Resources and People Services)

SUBJECT: Council Financial Strategy 2016/17 to 2018/19

1 PURPOSE

- 1.1 To outline the Financial Strategy of the Council, this report provides the financial context for Councillors in preparing their budgets for the three year period 2016-19.

2 RECOMMENDATIONS

- 2.1 The Council is recommended to approve the attached Financial Strategy Statement.
- 2.2 As part of presenting their budget proposals, each Group of Councillors is recommended to:
- Develop a sustainable General Services budget avoiding the use of reserves in Year three (2018/19).
 - Develop General Services Capital Plans, which seek to minimise net borrowing requirements and are considered affordable both in terms of prudential limits and within the three year revenue budget.
 - Adopt the recommended levels for earmarked reserves as detailed in the Financial Strategy Statement.
 - Transfer any further additional reserves at the end of 2015/16 to either the General Services Capital Fund or the Cost Reduction Fund. Any balance on the Capital Fund to be used in future years to directly fund capital expenditure or defray capital charges.
 - Prepare balanced budget proposals for General Services taking into account a freeze in the level of Council Tax for Year 1 and the related estimates of Scottish Government Grant and other funding.
 - Retain within the HRA, at least £1.0 million of reserves as protection against unexpected costs or loss of income.

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

3 BACKGROUND

Constructing the Budget Proposals

- 3.1 Appended to this report is the Financial Strategy Statement for 2016-2019, which outlines the main opportunities, risks and constraints that face the Council over the next three years. The strategy forms the basis of the Council's stewardship of taxpayer's funds over an unprecedented and prolonged period of austerity that will continue through until at least 2019/20.
- 3.2 The establishment of a solid budgetary platform is the cornerstone of delivering the Financial Strategy. As in previous years, the budget allocates a "bottom-line" budget to each Business Group, and the Council Management Team in conjunction with relevant Service 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 to them. Although fully recognising the critical importance of effective leadership, it is the responsibility of every Council Officer to help deliver the Financial Strategy.
- 3.3 In preparing the 2016/19 budgets, provision to meet all known contractual commitments has been made, but once again, no general inflationary increase in budgets has been incorporated. Essentially, services are expected to absorb general inflationary pressures through the efficient management of the resources they have been allocated. This 'cost containment' continues to be an important element of the financial strategy.
- 3.4 The budget includes provision for capital financing (debt) costs that are generated by the Council's net borrowing requirements which are deemed affordable to both the HRA and General Fund within anticipated income levels. For each of the three years, the related revenue running costs of projects are sufficiently well advanced for these costs to be estimated with a reasonable degree of accuracy.

Financial Prospects

- 3.5 The Council continues to face substantial financial challenges. In 2016/17, the Council faces a significant cash terms reduction in Scottish Government Grant. The UK Chancellor published his recent Comprehensive Spending Review in November 2015, covering the four year period from 2016/17 to 2019/20. The Scottish Government has only published one year detailed figures relating to 2016/17, the amount

of funding available for council services over the subsequent two years is at best forecast to remain static in cash terms, with a high risk of further cash and real terms reductions in our Scottish Government Grant. There remains further political and electoral uncertainty with Scottish Government and Local Government Elections, and the prospect of a Referendum on Membership of the EU all taking place within the next 18 months. The introduction of new tax raising powers, wider implications of the Scotland Bill and the Commission on Local Taxation all contribute to a cocktail of 'unknowns' and potentially, additional cost and service pressures to manage.

- 3.6 The Council has already made significant changes to how it is organised that will enable it to deliver the services across East Lothian within times of reduced resources. Since 2013, the Council has delivered over £15 million of efficiencies across a range of areas including; improved procurement practices, workforce management including implementation of a Voluntary Early Release Scheme (VERS), and an on-going review to the way in which services are managed and delivered. The Council continues to explore relevant partnering arrangements where these might provide more efficient and effective service delivery.
- 3.7 In conjunction with NHS Lothian, the Council has made further progress towards implementation of the new Integrated Health and Social Care Partnership. The East Lothian Integration Scheme has now been approved and the new Integration Joint Board was formally established in July 2015, taking on its delegated responsibilities from 1 April 2016. This will provide both challenge and opportunity in future years, requiring the Council to identify and manage any risks identified through the joint working arrangements. This will require close monitoring and review during 2016 to assess any impact upon the financial strategy of the Council going forward.
- 3.8 Following its decision in November 2015, the Council now has an approved Draft Local Development Plan (LDP) which requires the building of an additional 10,050 homes in East Lothian by 2024. When approved, the additional enabling infrastructure costs that fall to the council will need to be built into future financial plans.
- 3.9 The Council is a formal partner to an Edinburgh and South East City Region Deal bid that has been submitted to both UK and Scottish Governments and if successful, subject to affordability, the detailed structure of any such deal will need to be incorporated within our existing financial plans.
- 3.10 In accordance with the Financial Strategy, the Council has also taken steps over recent years to reduce the reliance on reserves and move to a more sustainable long-term budget. However, the unexpected and significant cash terms reduction in Scottish Government Grant in 2016/17 means the job remains only partially complete, with latest UK wide financial forecasts indicating a likely requirement to make ongoing annual savings in public expenditure over the years up to and including 2019/20.

- 3.11 Independent financial commentators have suggested that in the short to medium term, there are particular reasons that will create significantly increased uncertainty about the extent and nature of changes that will be required of both the Council and Scottish Local Government more generally – and the political group budget proposals will to varying extents reflect this. In accordance with our established practice, Groups have been advised to be as precise 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 that the further into the forward planning period you go, the greater the uncertainty about what will actually be required to deliver it. In general, the greater the value of any non-specific changes included in the budget, the greater the extent of change is being planned. These changes can be either cost reductions or income increases.

Managing the budget during 2016/17

- 3.12 The Council's external operating environment is subject to constant change and therefore budget review and development cannot simply be a once-a-year process. Performance compared to approved budget will be kept under constant review with regular quarterly reports made to Cabinet and a year-end report presented to the full Council following submission of the draft accounts for audit.
- 3.13 As part of our normal financial management support service, monthly and quarterly performance reports are issued to managers with budget responsibility and in addition to that, the overall finances of the Council are subject to detailed annual independent audit review.
- 3.14 It is vitally important that through the Council Management Team (CMT), the Council maintains a disciplined approach to the implementation of its change programme and delivers the financial efficiencies planned in accordance with that programme and the supporting budgets. During the recent years, significant progress has been made in delivering planned changes including; the VERS scheme mentioned earlier, continued implementation of the Customer Excellence Programme, improved procurement practices and efficiencies under the Procurement Improvement Panel, wider Partnership Working and a number of significant service reviews including Children's Wellbeing, Customer Services and best value reviews of both Adult Wellbeing and the Strategic Asset Management Team.
- 3.15 The Chief Executive established a Budget Review Group which continues to meet on a regular basis to scrutinise spending across all areas of the Council – identifying potential areas of budget variance and ensuring that maximum use is being made of resources.
- 3.16 Heads of Service will be required to manage within the budgets approved at today's Council meeting. If at any time spending pressures are not containable within the Business Group, the relevant Service Manager should report this to their Head of Service and Depute Chief Executive. In consultation with their Cabinet Spokesperson, the relevant Depute Chief

Executive has the flexibility to move budgets between business groups. Should this not resolve the spending issue, it is the Depute Chief Executives' 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

- 3.17 Since 2007/08, the Council has operated within a national settlement framework that has seen Council Tax levels frozen. In overall terms however, the funding received directly from the tax will increase over the coming year as a result of house building and an increase in the number of taxable properties, with further increases also anticipated in each of the two subsequent years.
- 3.18 It is anticipated that tax collection will continue to be adversely affected by the ongoing difficult economic conditions. This situation is being kept under review. However, every effort is being made to maximise tax collection and it is recommended that bad debt provision for in year collection remains at 2% for 2016/17.
- 3.19 In December 2015, the Commission for Local Taxation published its report on possible alternatives to the present Council Tax system. Despite no definitive recommendation on the most appropriate form of local taxation, there was a clear recommendation that the current Council Tax system should not continue in its current form. The implications of any future change will need to be considered within future year's financial strategy.

4 POLICY IMPLICATIONS

- 4.1 The Council has a range of plans and strategies that contribute to commitments made in both the Single Outcome Agreement and the Council Plan - this budget is an important part of putting these into effect.

5 EQUALITIES IMPACT ASSESSMENT

- 5.1 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, efficiency measures and any new initiatives.
- 6.3 Other – none.

7 BACKGROUND PAPERS

- 7.1 Council 10 February 2015 – “Council Financial Strategy 2015/16 to 2017/18”
- 7.2 Cabinet 8 September 2015 – Financial Review 2015-16 Quarter 1
- 7.3 Cabinet 8 December 2015 – Financial Review 2015-16 Quarter 2

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East Lothian
Council

**Financial
Strategy
Statement**

**2016/17 to
2018/19**

FINANCIAL STRATEGY STATEMENT 2016/19

Objective and Principles

A key financial objective for the Council is the provision of services that the Councillors believe are appropriate 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 effectively translates to making decisions on how much should be taken from reserves when setting the budget and this is explained further below.

Inter-generational fairness is most readily apparent in the financing of capital investment projects. Many capital investments have a relatively long-life and will provide benefit to future generations. The use of debt finance helps ensure 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 now for the future cost of pensions. Ultimately 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.

Key Variables affecting the Financial Strategy:

1. Scottish Government Grant Funding

Central to delivering the Financial Strategy is the level of grant funding received from the Scottish Government. In the General Services revenue budget, nearly 75% of the Council's funding is received as Scottish Government Grant. In addition, the Council receives substantial Scottish Government support in respect of both General Services and Housing Capital Expenditure.

The Draft Scottish Budget for 2016/17 was announced by the Depute First Minister (DFM) on 16 December. Although the UK Government completed and published its own 4 year Comprehensive Spending Review (CSR) on 25 November, relatively late compared to previous CSRs, the Scottish Government has only published one year detailed figures relating to 2016/17. The Draft Budget does however; establish a number of priorities likely to be reflected in future years. As well as support for a more progressive approach to direct taxation, a clear indication has been given towards the protection of both Health and Police spending suggesting that a series of further tight settlements can be expected for Local Government in the coming years. The Scottish Government's financial plans continue to reflect the main recommendations of the Christie Commission promoting both service integration and early intervention and prevention.

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The announcement made by the DFM also signalled the intention to conduct a full review of Business Rates and also that publication of the Scottish Government's formal response to the recommendations of the Commission on Local Tax Reform would take place early in the New Year. The 2016/17 Scottish Budget is the first that contains a Scottish Rate of Income Tax (SRIT) and for this year, no change to existing UK wide rates has been proposed.

The settlement continues to reflect allocation of monies to support a range of specified Scottish Government commitments including the provision of Free School Meals to all P1 to P3 pupils, an expansion of free early years learning and childcare and a policy of mitigation relative to the UK Government's Welfare Reform Programme. However, this must be considered within the context of an overall reduction in grant that means delivery of these commitments creates a proportionate adverse impact elsewhere.

The relatively late settlement announcement led to a period of extended post announcement negotiations between COSLA and the Scottish Government that only concluded on 26 January 2016. The following day, the DFM issued letters to each Council Leader containing updated, final settlement terms, most notably advising that receipt of the Council's full funding package is conditional upon delivery of **all** of the following measures;

- **Integration Fund** – relating to monies provided from the Health Budget to Integration Authorities in 2016/17 for the delivery of Social Care including expansion of social care services, making progress on charging thresholds, implementation of the Living Wage by care providers, demographic growth and to help meet a range of existing cost pressures.
- **Teacher Numbers** – the protection of teacher numbers through application of a commitment to maintain at a national level, the existing pupil teacher ratio.
- **Council Tax Freeze – for 2016/17**, the Council will require to deliver a Council Tax freeze for the ninth consecutive year.

Any council that does not formally agree to all of the above measures will not receive their share of the Integration Fund, support for teachers or the support for council tax freeze – amounting to £408M nationally. For East Lothian Council, this would mean a cumulative funding loss of £7.8M. The effect of this lower grant award would require a compensating Council Tax increase of nearly 17%.

The 2016/17 settlement, assuming acceptance of the conditions and commitments mentioned above, shows an overall grant reduction in cash terms of over £4.4M (2.6%). Although previous medium term plans had highlighted the potential risk of reduced grant levels, the extent of the reduction was much greater than most independent commentators and councils had anticipated. At a time when the Council continues to face a number of cost and demand pressures, a funding reduction of this scale presents a considerable challenge and re-enforces the need for continuation of the Council's existing strategy objectives of cost containment and cost avoidance.

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In addition, the Council also receives Scottish Government support in relation to capital spending through receipt of a Capital Grant. The grant funding for the 2016/17 financial year has been reduced and will be returned to the Council over the next spending review period. There continues to be uncertainty surrounding the future of UK public sector finances and there is a significant risk that both revenue and capital grant figures planned for the next two 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 enabling us to minimise any potential adverse impact of unforeseen change.

2. Delivery of Planned Efficiencies/Transformation Change Programme

The planned delivery of wider efficiency programme has been embedded within the current financial strategy over recent years, which has seen an overall reduction in the cost base of Council services, whilst at the same time maintaining high quality service provision.

The identification and deliverability of recurring savings remains critical to deliver a 3 year balanced budget model, with the need to drive forward an enhanced programme of transformational change to ensure delivery of all planned budget efficiencies.

3. 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 specifically 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.

In recent years, there has been significant reform to all public sector pension schemes including the Local Government Pension Scheme, and Teachers Pension Scheme in Scotland, both of which have seen new arrangements being implemented during 2015.

All public sector pension schemes are subject to on-going scheme valuations to establish the financial sustainability of the schemes to ensure that they meet their future liabilities.

- The Council is a member of the Lothian Pension Scheme which administers the Local Government Pension Scheme for the Lothian region. The Council previously agreed to participate in a formal Contribution Stability Mechanism which has allowed the Fund to move towards 100% funding while at the same time remaining affordable for employers. This will see overall the Council's total employer's contribution rate frozen at existing levels over the first two years of the financial planning period; however it is now anticipated that an increase in employer contributions will be required in the final year, 2018/19.

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- The reformed Teachers Pension Scheme valuation has resulted in an increase in employer pension contributions of 2.4%. The new contribution rate was phased in from September 2015 placing an increased cost pressure upon the Council both for the part year in 2015/16 and now in full year terms from 2016/17 onwards.

Effective from April 2016, the UK Government have introduced a Single Tier State Pension, which means that everyone in receipt of pension will receive a flat rate amount for their state pension. As a consequence of this policy change, there will be no second state pension, and any 'contracting out' will cease. All public sector pension schemes in Scotland currently 'contract out' of the second state pensions and as such pay reduced employee and employer National Insurance rates. The implementation of the new single tier state pension policy will mean from April 2016 both employees and employers will no longer receive the previous National Insurance rebate. The cost of this policy change to the Council is just under £2.4M for the year, all of which has to be met from within its own resources.

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 of Council employees. The Council decided to defer the new auto-enrolment provisions until October 2017 and it is anticipated that this is likely to increase scheme membership and therefore cost.

4. Accelerating Growth and Enabling Infrastructure

The Council now has an approved Draft Local Development Plan (LDP) which requires the building of an additional 10,050 homes in East Lothian by 2024. When approved, the additional enabling infrastructure costs that fall to the council will need to be built into future financial plans.

The Council is also a formal partner to an Edinburgh and South East City Region Deal bid that has been submitted to both UK and Scottish Governments and if successful, subject to affordability, the detailed structure of any such deal will need to be incorporated within our existing financial plans

Reserves

Holding an adequate level of reserves to meet unexpected 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 earlier.

To strike this balance, the Council must take a view on what the reserves are likely to be at the start of the 2016/17 financial year, any plans that have already been made to use reserves and how much should be held to meet any risks that might 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.

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Council has been already advised through the various quarterly finance reports that the General Services reserves (excluding HRA reserves) available going into 2015/16 was £18.048 million. The split of these is detailed below;

	<u>Current Position 1 April 2015</u>
<u>General Services Reserves</u>	<u>£'000</u>
Required to support future budgets	1,950
Civil Emergency	2,000
Cost Reduction Fund	3,082
Earmarked Reserves	
• DSM (Devolved School Management)	261
• MELDAP/DAAT	363
• Other reserves	331
Insurance Fund	1,395
Gen Services Capital Fund	8,666
Sub-total General Services Reserves	<u>18,048</u>

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.

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 or other unforeseen event, such as the severe weather experienced in various seasons over recent years. This should be retained at a level of £2 million.

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 previously established a Cost Reduction Fund. The balance on this Fund currently stands at £3.082 million and, in recent years, has been used primarily to meet the costs of employee contract severance payments. There is likely to be further use of this during 2015/16, and beyond, as the Council manages a Change Programme that will seek to reduce our staff and other cost base to match its reduced financial resources. Given the scale of the changes facing the Council and the costs associated with making these changes I am recommending that the Cost Reduction Fund should be retained.

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As with recent financial strategies, a preferred and more sustainable direction would be to place less reliance upon the use of reserves to balance future revenue budgets. Taking into account budgetary performance during the current year, we estimate that an additional £3m in reserves will be available going into 2016/17. The political groups have been informed of this and have used these funds in planning their 2016-19 budgets. Should any further reserves become available at the end of the 2015/16 financial year, I am recommending that these are transferred to either the existing Cost Reduction Fund or to the Capital Fund.

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 best 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 2018/19 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 2018/19.

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. Notwithstanding the completion and publication of the Chancellor's 4 year UK Comprehensive Spending Review (CSR) in November, the Scottish Government has provided grant figures for only a single year. The key financial assumption being made by the Council for Year 2 and Year 3 is that net grant will remain at the Year 1 level however; the risk of it being even lower than this is high. If any significant changes to the anticipated grant figures become known, the Medium Term Financial Position will need to be reviewed.

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

- Cash and real terms reductions in the income it will receive from Scottish Government;
- A more complex conditional grant settlement that requires delivery of a range of Scottish Government policy objectives and carries a potentially significant sanction regime;
- Meeting our obligations from new and emerging legislative requirements e.g. Children and Young Persons Act; provision of Free School Meals and impending legislation affecting carers; responding to the challenges arising from recent and proposed UK benefit reforms;

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- Increasing population and other demographic changes e.g. increased numbers of young and old, early years care/school rolls/elderly care;
- General price/inflationary pressures;
- Upward pressure on staff costs – particularly after a significant period of pay restraint and uncertain future pay settlements, but also arising from the likelihood of unfunded superannuation cost increases;
- New statutory arrangements relating to the provision of Integrated Health and Social Care services;
- Financial implications associated with the infrastructure requirements flowing from both the LDP and any proposed City Deal;
- Political change/uncertainty – within the forthcoming 18 months, there will be elections for both Scottish Parliament and Local Government and a referendum on membership of the European Union.

Taking into account the cash terms reduction in Scottish Government Grant, the latest estimate of overall funding available to support council services i.e. after all corporate commitments, new burdens and other presentational changes are taken into account, is forecast to reduce within the first two financial years of the strategy period with a subsequent slight increase in year 3 (2018/19). This funding is required to deliver a wide range of new legislative burdens and policy commitments including Free School Meals and Children's and Young People's Act, Teacher Promises and Social Care/Integration Fund as well as provide for contractual commitments including pay and pension contributions. Taking these inescapable commitments into account, in overall terms we have a significant real terms reduction in the resources being made available to deliver Council services.

Despite these very challenging economic conditions, the Council has its own ambitious 5 year Council Plan approved in 2012 but reviewed and updated in October 2014 and, in conjunction with Community Planning Partners, has committed to a new Single Outcome Agreement (SOA) in 2013.

It is therefore clear that the Council is financially challenged such that it must reduce expenditure commitments or increase income, or some combination of both. A significant share of any funding shortfall is likely to have to be met through continued application of cost containment and cost avoidance measures. As far as possible, the Council is seeking to contain costs by becoming more efficient, which would help minimise the effect on services provided. This includes the Council paying due regard to the statutory obligations of the Equality Act 2010. Understanding the impact of financial decisions on all those within the community will help to ensure that decisions about future provision of services meet the needs of the community effectively.

Medium Term Financial Position – Housing Revenue Account

It has been more than ten years since the achievement of a zero net HRA debt position in 2004/05 – mostly as a result of council house sale receipts in the

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property boom. Since then, there has been a significant increase in HRA capital spend as both the modernisation and affordable house building programmes have been expanded – and as a consequence, the share of spending on debt charges has also increased. 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 relative degree of certainty, that it can self-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 continue to focus upon the following;

- Ensuring that the HRA can sustainably support the required housing capital programme associated with building new Council Houses and modernising existing homes, working alongside wider RSL partners to deliver the affordable housing needs across East Lothian in line with the objectives of the Council's Local Housing Strategy;
- Moving towards a position whereby the HRA is self-financing a larger proportion of its capital expenditure – typically by direct funding rather than borrowing;
- Continuing to meet on-going statutory requirements, including; Scottish Housing Quality Standards and EESSH (Energy Efficiency Standard in Social Housing);
- Ensuring that the properties and neighbourhoods continue to be attractive to existing and prospective tenants;
- Responding to the challenges arising from recent and proposed UK benefit reforms;
- Delivering the efficiencies required across the housing management and repairs service;
- Reducing rent arrears;
- Ensuring that the Council stays within the recommended upper limit for the ratio of debt charges to income 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 £1.0million. 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.

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Risk Assessment

In setting a 3 year financial plan, the Council must take into account the risks that may impact upon successfully delivering the financial strategy. A summary of the main risks to the budget are listed in Annexe 1 attached 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 seek to manage actually materialise.

Summary

The Council continues to face much uncertainty, 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. 2016/17 signals the start of a major new partnership with regard to the provision of Integrated Health and Social Care that will hopefully have a positive effect on service delivery but will also require a new joint approach to risk sharing.

However, I remain confident that by continuing to follow the direction set in this strategy, and by collectively delivering the planned service changes, 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 continue to focus upon;

- Delivering an enhanced 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;
- Generating additional income and ensuring that, where the Council has decided to charge, there is full cost recovery;
- Progressing partnership working where there are proven efficiency and or service gains;
- Continuing to manage the General Services Loans Fund balance ensuring affordability across the three years of the Strategy.

Jim Lamond
Head of Council Resources
04/02/2016

ANNEXE 1: FINANCIAL STRATEGY RISKS

Risk	Action	Mitigation Method
Future Scottish Government funding settlement awards are less than anticipated	Mitigate	<ol style="list-style-type: none"> 1) Monitor developments arising from UK Government and Scottish Government fiscal strategies 2) Identify a programme of medium to longer term financial savings
Planned 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) Accelerate the programme of planned savings as part of a comprehensive change programme. 3) Participate in national efficiency initiatives 4) Compare efficiency with comparable organisations 5) 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
Unforeseen events occur that were not 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) Closely monitor service expenditure, and implement an appropriate recovery plan 3) Maintain a minimum level of reserves to provide funding to meet costs arising from such an event

ANNEXE 1: FINANCIAL STRATEGY RISKS

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) Consider and review recurring impact on future year's budget 3) 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) Closely monitor service expenditure, and implement an appropriate recovery plan 3) 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: 9 February 2016

BY: Depute Chief Executive (Resources and People Services)

SUBJECT: Council Tax 2016/17

1 PURPOSE

- 1.1 To set the Council Tax charges for the 2016/17 financial year.

2 RECOMMENDATIONS

- 2.1 The Council is recommended to approve:
- The Council Tax charges for the 2016/17 financial year as listed at Section 3.5.
 - The continuation of the Council Tax second home discount at 10%.

3 BACKGROUND

- 3.1 The Council is required by law to set its Council Tax annually for the year ahead. In previous years, 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 Since 2007/08, the funding provided to Local Government has been set within a national settlement concordat that has seen Council Tax levels frozen. The 2016/17 local government finance settlement on offer remains conditional upon the delivery of a package of measures, within which **all** commitments must be met, including the maintenance of a Council tax freeze in 2016/17. Given this, and in setting the Council tax levels for 2016/17, it remains important for the Council to consider the following areas:

- The conditions of the grant offer made by the Deputy First Minister, including the financial sanctions should the Council not agree to support the settlement and specified commitments on 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.

3.3 More detail around the settlement and its conditions are set out in the previous paper to Council which sets out the Financial Strategy. Any council that does not formally agree to all of the measures will not receive their share of £408M nationally, which for East Lothian Council, would mean a loss of £7.8M. The effect of this lower grant award would require a compensating Council Tax increase of nearly 17%.

3.4 All Councils intending to take up the settlement on offer are required to confirm their acceptance in writing no later than **Tuesday 9 February 2016**. Both political groups, as part of the 2016/17 budget preparations, have confirmed that they intend to take up the offer of grant funding made by the Cabinet Secretary and also therefore to apply a Council Tax freeze for 2016/17.

Council Tax Charges

3.5 The charges which will apply for 2016/17 are as follows:

Band	Band Value (£)	Fraction of Band D	Charge for the full year 2016/17 (£)
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

- 3.6 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

- 3.7 In previous years the Council has offered an early payment to taxpayers who settle their Council Tax bill in full, in advance of 1st April in any financial year. In 2015/16 East Lothian was the only Council in Scotland to offer this discount. Given the current economic circumstances and with prevailing low interest rates, I have recommended to both political groups that this discount should be removed, which would generate an additional £30k in Council Tax yield.

Empty Dwellings and Second Homes Discount

- 3.8 Since 2005, the Council has been able to vary the discount awarded to empty dwellings and second homes. In October 2012, the Local Government (Unoccupied Properties etc.) (Scotland) Act 2012 was passed. The Act is aimed at encouraging owners of empty domestic properties to bring them back into productive use – primarily by diluting the tax support available to owners. As part of the Act, Councils now 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.

- 3.9 On 17th December 2013, the Council agreed to:

- Remove the 10% Council Tax discount on certain long term empty properties
- Apply additional Council Tax charges on certain long term empty homes in stages as follows:
 - 50% after 24 months
 - 100% after 36 months

- 3.10 Members should note that, with effect from 1st April 2016, the Council will increase the level of Council Tax payable by 100% on certain properties which have been empty continuously since 1st April 2013.

- 3.11 In relation to second homes discount, it is recommended that the discount continues at 10% which is the minimum discount that can be applied.

- 3.12 Details of current rates payable on empty properties are shown at **Appendix 1**.

Council Tax Reduction Scheme

- 3.13 Members will be aware that from 1st April 2013, the previous Council Tax Benefit Scheme was replaced by the Council Tax Reduction Scheme.

The funds for the scheme were removed from the budget of the Department for Work and Pensions and added to the budget of the devolved administrations, with a reduction of 10% in the overall level of funding.

- 3.14 An overall budget of £5.490m has continued to be reflected as appropriate to maintain the current Council Tax Reduction Scheme. This has been funded by a combination of Scottish Government grant of £5.276M, with the balance of £0.214M to be met from within council resources.
- 3.15 Members should note that the introduction of these changes and the delegation of the scheme 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. Councils now bear an element of financial risk where claims for Council Tax Reduction increase, either due to general economic conditions or because of an increasing population within East Lothian.

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 The Council's budget proposals including the setting of Council Tax 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. It is recommended that the EQIA is considered as an ongoing process as part of the development and delivery of Council budgets.

6 RESOURCE IMPLICATIONS

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

7 BACKGROUND PAPERS

- 7.1 Council 17th December 2013 – Council Tax Discount on Long Term Empty Homes 2014/15
- 7.2 Council 9 February 2016 – “Council Financial Strategy 2016/17 to 2018/19”

AUTHOR'S NAME	Jim Lamond
DESIGNATION	Head of Council Resources
CONTACT INFO	jlamond@eastlothian.gov.uk
DATE	4 February 2016

Appendix 1

East Lothian Council Empty Property Guide from 1st April 2014							
	From empty date up to 6 months	From 7 to 12 months	From 13 months to 24 months		From 25 months to 36 months	From 37 months to 48 months	49 months onwards
Unoccupied and unfurnished	Exemption	50 % discount	Standard charge		50% premium	100% premium	
Unoccupied and unfurnished plus eligible for exclusion from increase (for sale or let within first 12 months)	Exemption	50 % discount	10 % discount		50% premium	100% premium	
Unoccupied and unfurnished plus eligible for exclusion from increase (for sale or let at start of month 17)	Exemption	50 % discount	Standard charge	10 % discount	50% premium	100% premium	
Unoccupied and unfurnished plus eligible for exclusion from increase (for sale or let at start of month 21)	Exemption	50 % discount	Standard charge	10 % discount	50% premium	100% premium	
Unoccupied and furnished	10 % discount		Standard charge		50% premium	100% premium	
Unoccupied and furnished plus eligible for exclusion from increase (for sale or let within first 12 months)	10 % discount		10 % discount		50% premium	100% premium	
Unoccupied and furnished plus eligible for exclusion from increase (for sale or let at start of month 17)	10 % discount		Standard charge	10 % discount	50% premium	100% premium	
Unoccupied and furnished plus eligible for exclusion from increase (for sale or let at start of month 21)	10 % discount		Standard charge	10 % discount	50% premium	100% premium	
Second Home	10 % discount						
Uninhabitable due to major repairs	Exemption		10% discount				
Unoccupied and permanent/temporary exemption (e.g. prohibited by law, repossessed, difficult to let separately etc.)	Exemption for as long as circumstances stay the same. After that, unoccupied and unfurnished or unoccupied and furnished applies (e.g. 50% discount or 10 % discount)						
Purpose built holiday homes and second homes of people living in job-related accommodation	50 % discount						

REPORT TO: East Lothian Council

MEETING DATE: 9 February 2016

BY: Depute Chief Executive (Partnerships and Community Services)

SUBJECT: Proposals to Increase Council House Rents – Consultation Exercise

1 PURPOSE

- 1.1 To outline the results of the consultation exercise on the proposals to increase Council House Rents in 2016/17.
- 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 continued 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 long-standing Project Group comprising of Council staff from Community Housing, Revenues and Finance, the Cabinet Spokesperson for Housing & Environment, as well as members of ELTRP reconvened in September 2015 to discuss and agree the approach for the consultation on the 2016/17 proposed increase.

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. It was agreed that tenants would also have the opportunity to complete their questionnaire online. They could comment in other ways too, i.e. via free phone, email or by writing in
- designed a customer friendly consultation letter, which included key information to tenants on what their rent pays for and also on a proposal to consider a potential rent increase of 5%
- agreed the timeline for the consultation.

3.5 All of the above measures continue to build upon similar successful exercises over the last few years.

Consultation Outcome

3.6 The vast majority of the feedback was received through the questionnaire, 11 of which were completed online, one short of the online returns in the previous year.

3.7 A total of 1,192 completed questionnaires (including seven responses from local Tenants and Residents Groups) were received. This represents a return rate of 14% of all letters issued (compared to a 12.2% return rate last year). ELTRP also responded by providing a written report with their feedback.

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

- 95% of those who responded were happy with the level of consultation and information they get about the annual rent increase
- 93% said that they think the rent they pay is good value for money
- 79% said they think the Council are proposing a fair increase of 5%
- 93% agree with the Council's commitment to build new houses to help address the housing shortage in East Lothian

- 97% agree that the Council should continue to modernise its existing stock (e.g. new kitchens/bathrooms/rewiring/improving energy efficiency).
- 3.9 There was one further question where tenants were asked if they agree that their rent should pay for key areas such as (1) service delivery such as repairs and housing management, (2) modernisation of council houses, (3) delivery of new affordable houses, and (4) energy efficiency measures.
- 522 tenants made a comment, of which 454 supported all of these key areas. Some respondents gave emphasis to particular areas. For example, 26 stated modernisation, 18 stated repairs and housing management, 16 new affordable housing and 15 said energy efficiency.
- 3.10 Tenants were also given the opportunity to give any other comments at the end of the questionnaire. Most comments were about modernisation, positive comments about the Council, the repairs service and allocation of housing.
- 3.11 In addition East Lothian Tenants and Residents Panel made a written response to the consultation after consulting and gathering the views of their Executive Committee Members who are Council tenants.
- 3.12 ELTRP EC members' views were broadly in line with the responses above. Some members did not think it was fair to raise rents by 5% as the proposed increase is not in line with increases in salaries and pensions. Reference was also made to welfare reform and the impacts on the most vulnerable tenants.
- 3.13 Some suggestions were made for future improvements to the consultation process and these will be considered and worked through with the project group.
- 3.14 A summary of all the responses received from tenants who completed the questionnaire is shown in Appendix 1.

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

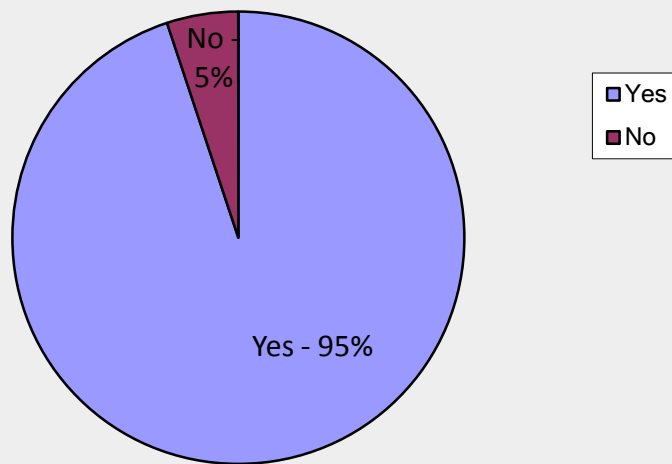
7.1 Appendix 1 – Summary of responses received during the Rent Increase Consultation Exercise 2016/17.

AUTHOR'S NAME	Tom Shearer
DESIGNATION	Head of Communities and Partnerships
CONTACT INFO	James Coutts – Ext 7483.
DATE	4 February 2016

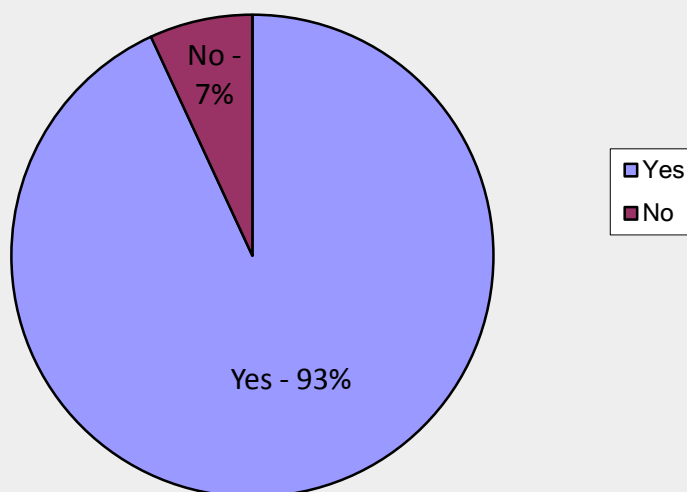
Appendix 1 – Summary Report on Rent Consultation 2015

In November 2015 we wrote to all our tenants and sent them a consultation questionnaire. This gave tenants an opportunity to let us know their views on the rent consultation and also the proposed rent increase of 5%. Shown below is a summary of all the responses received from tenants.

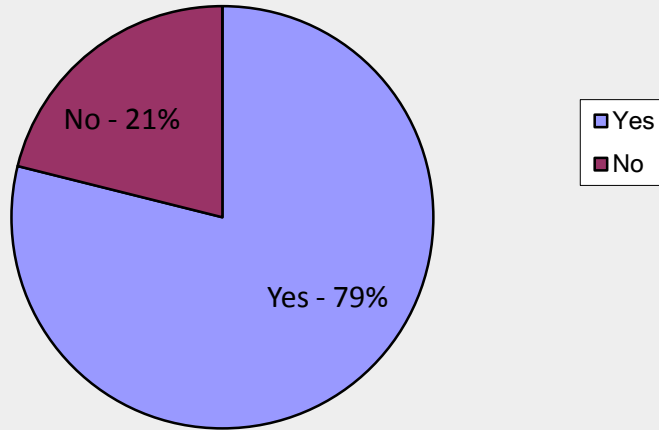
Question 1. Are you happy with the level of consultation and information you get about the annual rent increase?



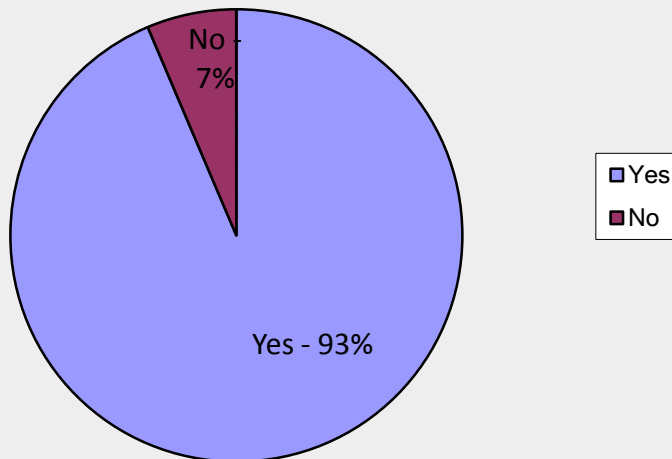
Question 2. Do you think the rent you pay is good value for money?



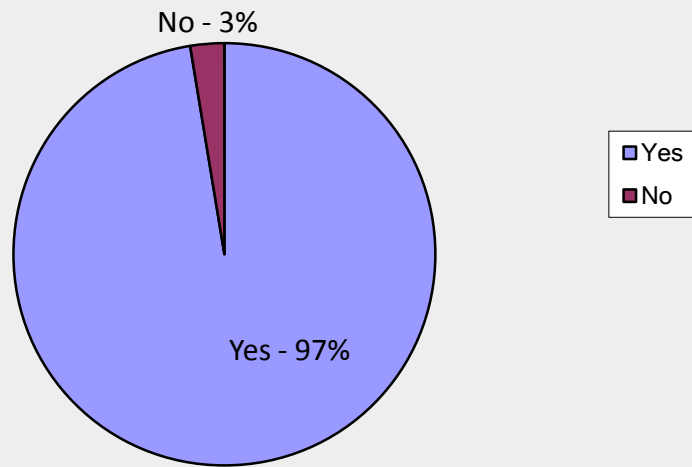
Question 3. By increasing rent the Council continues to deliver existing services invest in our stock and deliver new houses. Do you think that the proposal to increase rents by 5% is fair?



Question 4. Do you agree with the Council's commitment to build new houses to help address the housing shortage in East Lothian?



Question 5. Do you agree that the council should continue to modernise its existing stock (e.g. new kitchens/bathrooms/rewiring/improving energy efficiency)?

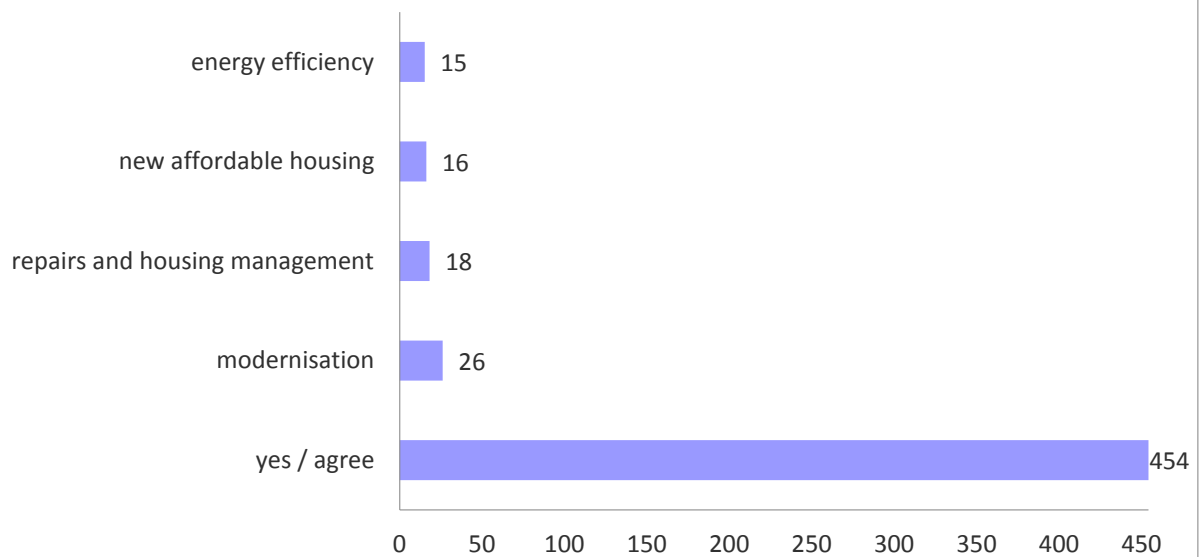


Question 6

We asked tenants if they agreed that their rent should be used to pay for the following key areas: 1) service delivery such as repairs and housing management 2) modernisation of council houses 3) delivery of new affordable houses 4) energy efficiency measures.

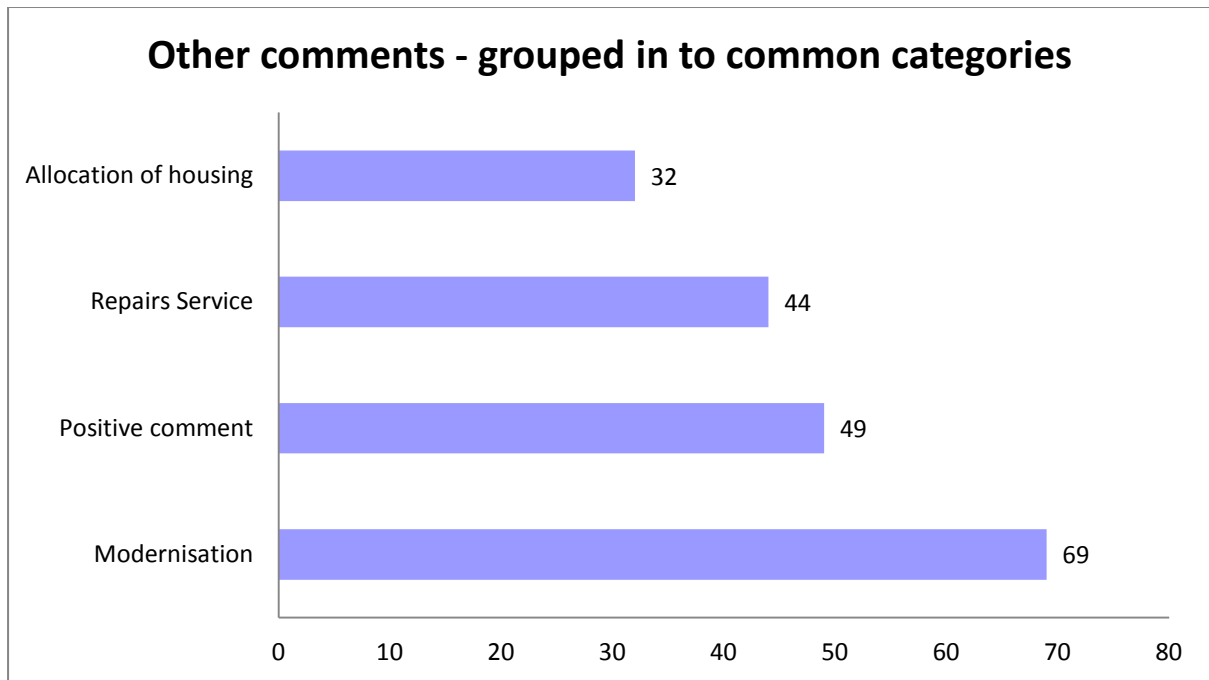
If they did not agree, we gave them the opportunity to tell us what they thought is not important or what they thought was missing. Below is summary of the comments that were made.

Comments made - grouped in to common categories



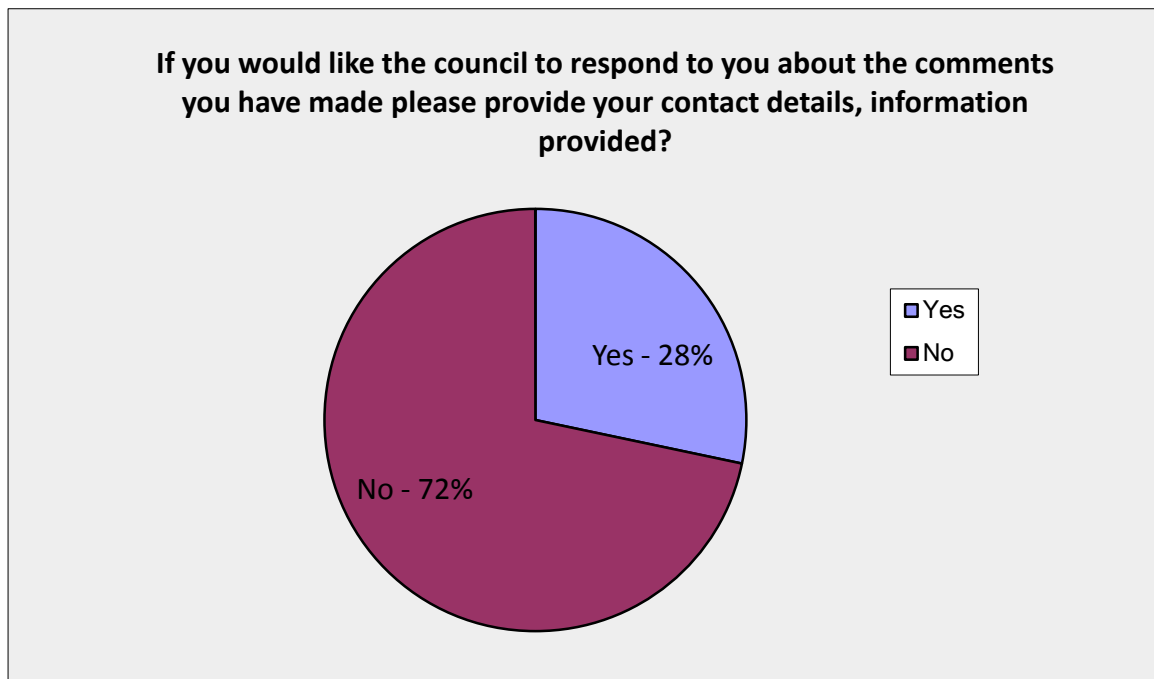
Question 7

We also gave tenants the opportunity to make any other comments and we have summarised these below. A total of 454 comments were made with the top four categories shown below.



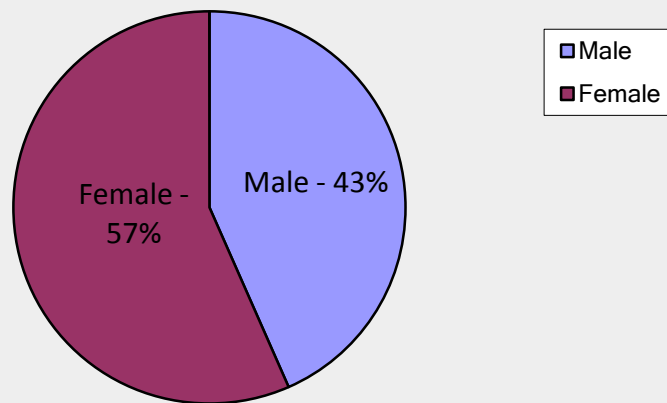
Question 8

As part of improving the consultation process we also asked tenants if they wanted us to respond to them direct about comments they had made on their consultation questionnaire. Shown below is the percentage of tenants who wanted some feedback and we are in the process of making contact with these tenants.

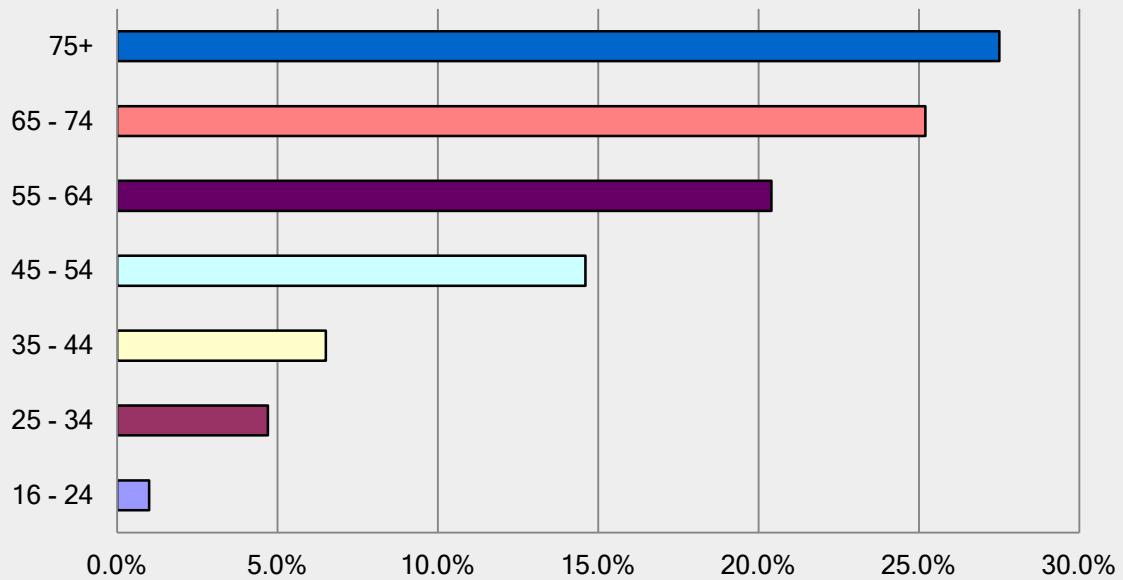


To help us ensure that we capture as wide a range of views as possible from customers and comply with the council's equality monitoring requirements we asked tenants a number of questions.

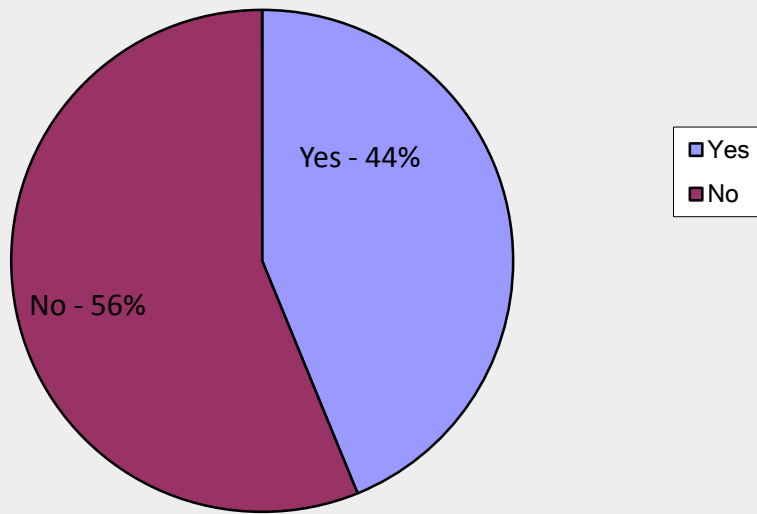
Question 9. To help us ensure we capture as wide a range of views as possible from customers and comply with the council's equality monitoring requirements please complete the following questions. Are you?



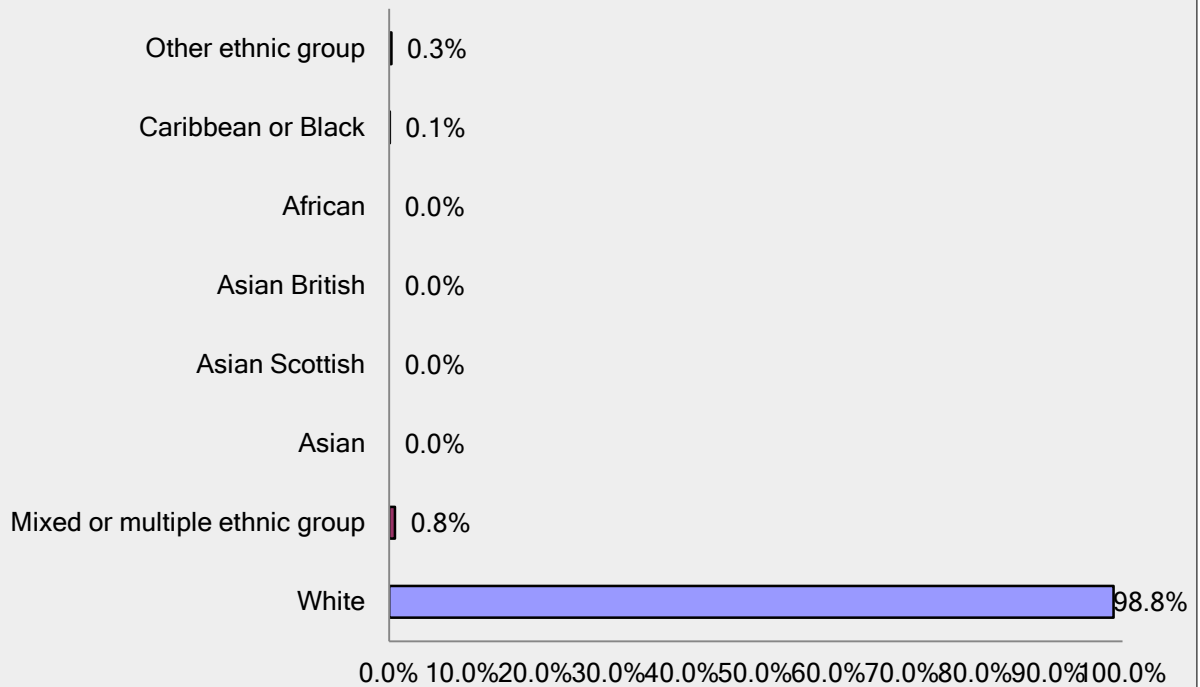
Question 10. Please tell us what age category you are in



Question 11. Do you consider yourself to have a disability?



Question 12. Please tell us what your Ethnic Origin is?



ADMINISTRATION RENT PROPOSALS

2016/17 – 2020/21

ADMINISTRATION - HRA BUDGET PROPOSALS 2016-2021

	2015/16 Budget	2016/17 Budget	2017/18 Budget	2018/19 Budget	2019/20 Budget	2020/21 Budget	
Rent Increase	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	
BUDGET							
	£000	£000	£000	£000	£000	£000	
Income							
House Rents	(24,659)	(25,610)	(27,255)	(29,018)	(30,895)	(32,716)	
Garage Rents	(403)	(430)	(452)	(475)	(499)	(524)	
Services/Service Charges	(509)	(459)	(483)	(509)	(535)	(563)	
Other Income	(134)	(136)	(137)	(138)	(140)	(141)	
Interest	(33)	(61)	(40)	(15)	(13)	(13)	
Total Income	(25,739)	(26,696)	(28,367)	(30,155)	(32,082)	(33,957)	
Expenditure							
Employee Costs	2,097	2,868	2,897	2,937	2,977	3,007	
Repair Costs	8,161	8,243	8,325	8,408	8,492	8,577	
Void Rents	436	468	503	541	581	621	
Bad Debt Provision	527	610	704	837	992	1,147	
Operating Payments	1,272	1,336	1,349	1,362	1,376	1,376	
Transfer Payments	578	584	590	596	602	608	
Internal Recharges	3,303	2,432	2,456	2,481	2,506	2,531	
Debt Charges	8,895	9,750	10,585	11,923	12,733	13,446	
Total Expenditure	25,269	26,291	27,409	29,085	30,259	31,313	
Management of Balances							
Opening (Surplus) / Deficit	(1,884)	(6,105)	(1,815)	(1,278)	(1,348)	(1,171)	
Capital from current revenue	-	3,200	500	1,000	2,000	2,800	
(Surplus)/ Deficit for Year	(470)	(405)	(958)	(1,070)	(1,823)	(2,644)	
Transfer to General Services	995	1,495	995	-	-	-	
Closing (Surplus) / Deficit	(1,359)	(1,815)	(1,278)	(1,348)	(1,171)	(1,015)	
Capital Expenditure							Cummulative spend 2016/17 to 2020/21
Modernisation/Extensions	10,678	10,933	11,937	12,045	12,753	12,881	60,549
New Affordable Housing	14,094	10,881	13,283	11,069	8,909	4,139	48,282
Mortgage to Rent	678	695	713	731	749	768	3,655
Total	25,450	22,509	25,933	23,845	22,411	17,788	112,486

ADMINISTRATION - HRA BUDGET PROPOSALS 2016-2021

	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
	£000	£000	£000	£000	£000	£000
HRA Income						
House Rents						
Rent income adjustments relating to rent increases, house building and RTB sales	(772)	(1,467)	(1,645)	(1,763)	(1,877)	(1,821)
<i>Changes as result of RTB sales and rent increases</i>						
Garage Rents						
Rent income adjustments relating to rent increases	(26)	(20)	(22)	(23)	(24)	(25)
<i>Changes as result of rent inceases</i>						
Service Charges						
Income adjustments relating to service charge adjustments	68	(23)	(24)	(25)	(27)	(28)
<i>Changes as result of recharge adjustments</i>						
Other Income						
Homeless Rents	(1)	(1)	(1)	(1)	(1)	(1)
Interest						
Interest on accumulated balances	18	(28)	21	25	2	-
<i>Internal interest received</i>						
TOTAL	(713)	(1,540)	(1,671)	(1,788)	(1,927)	(1,875)
HRA Expenditure						
Staffing						
General Inflation Increase	20	28	29	29	29	30
<i>Increase in line with assessed inflation rate</i>						
Increase in LGPS Contribution Rates	56	-	-	11	11	11
<i>Increase in contribution rates from 20.4% to 20.9% from April 2018</i>						
<i>Increase in LGPS pensionable contributions</i>	1	-	-	-	-	-
Introduction of Single Tier State Pension	-	33	-	-	-	-
<i>Increase in employer NIC charges as result of introduction of single tier state pension</i>						
	77	61	29	40	40	41
Repairs						
General Inflation Increase	81	82	82	83	84	85
<i>Increase in line with assessed inflation rate</i>						
	81	82	82	83	84	85
Void Rents						
Rent adjustments relating to RTB sales and rent increases	28	32	35	38	40	40
<i>Changes as result of RTB sales and rent inceases</i>						
	28	32	35	38	40	40

ADMINISTRATION - HRA BUDGET PROPOSALS 2016-2021

	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
	£000	£000	£000	£000	£000	£000
Bad Debts						
Rent adjustments relating to RTB sales and rent increases <i>Changes as result of RTB sales and rent inceases</i>	75	83	94	133	116	155
	75	83	94	133	116	155
Operating Expenses						
General Inflation Increase <i>Increase in line with assessed inflation rate</i>	13	13	13	13	14	-
	13	13	13	13	14	-
Transfer payments						
General Inflation Increase <i>Increase in line with assessed inflation rate</i>	6	6	6	6	6	6
	6	6	6	6	6	6
Internal Recharges						
General Inflation Increase <i>Increase in line with assessed inflation rate</i>	33	24	24	25	25	25
	33	24	24	25	25	25
Debt Charges						
Debt Charges <i>In year changes in debt repayments</i>	249	855	835	1,338	810	713
	249	855	835	1,338	810	713
Transfer to General Services						
Change in transfer to General Services	-	500	(500)	(995)	-	-
TOTAL	(151)	116	(1,053)	(1,107)	(792)	(810)

SNP GROUP RENT PROPOSALS

2016/17 – 2020/21

SNP - HRA BUDGET PROPOSALS 2016-2021

	2015/16 Budget	2016/17 Budget	2017/18 Budget	2018/19 Budget	2019/20 Budget	2020/21 Budget	
Rent Increase	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	
BUDGET							
	£000	£000	£000	£000	£000	£000	
Income							
House Rents	(24,659)	(25,610)	(27,255)	(29,018)	(30,895)	(32,716)	
Garage Rents	(403)	(430)	(452)	(475)	(499)	(524)	
Services/Service Charges	(509)	(459)	(483)	(509)	(535)	(563)	
Other Income	(134)	(136)	(137)	(138)	(140)	(141)	
Interest	(33)	(61)	(38)	(16)	(21)	(23)	
Total Income	(25,739)	(26,696)	(28,365)	(30,156)	(32,090)	(33,967)	
Expenditure							
Employee Costs	2,097	3,168	3,200	3,243	3,286	3,319	
Repair Costs	8,161	8,243	8,325	8,408	8,492	8,577	
Void Rents	436	468	503	541	581	621	
Bad Debt Provision	527	610	704	837	992	1,147	
Operating Payments	1,272	1,336	1,349	1,362	1,376	1,376	
Transfer Payments	578	584	590	596	602	608	
Internal Recharges	3,303	2,432	2,456	2,481	2,506	2,531	
Debt Charges	8,895	9,527	10,314	11,660	12,522	13,275	
Total Expenditure	25,269	26,368	27,441	29,128	30,357	31,454	
Management of Balances							
Opening (Surplus) / Deficit	(1,884)	(6,105)	(1,438)	(1,862)	(2,390)	(2,223)	
Capital from current revenue	-	4,000	500	500	1,900	2,500	
(Surplus)/ Deficit for Year	(470)	(328)	(924)	(1,028)	(1,733)	(2,513)	
Transfer to General Services	995	995	-	-	-	-	
Closing (Surplus) / Deficit	(1,359)	(1,438)	(1,862)	(2,390)	(2,223)	(2,236)	
Capital Expenditure							Cummulative spend 2016/17 to 2020/21
Modernisation	10,678	10,933	11,937	12,045	12,753	12,881	60,549
New Council Housing	14,094	10,881	13,283	11,069	8,909	4,139	48,282
Mortgage to Rent	678	695	713	731	749	768	3,655
Total	25,450	22,509	25,933	23,845	22,411	17,788	112,486

SNP - HRA BUDGET PROPOSALS 2016-2021

	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
	£000	£000	£000	£000	£000	£000
HRA Income						
House Rents						
Rent income adjustments relating to rent increases, house building and RTB sales	(772)	(1,467)	(1,645)	(1,763)	(1,877)	(1,821)
<i>Changes as result of RTB sales and rent increases</i>						
Garage Rents						
Rent income adjustments relating to rent increases	(26)	(20)	(22)	(23)	(24)	(25)
<i>Changes as result of rent inceases</i>						
Service Charges						
Income from communal stair cleaning recharge	-	-	-	-	-	-
Income adjustments relating to service charge adjustments	68	(23)	(24)	(25)	(27)	(28)
<i>Changes as result of recharge adjustments</i>						
Other Income						
Homeless Rents	(1)	(1)	(1)	(1)	(1)	(1)
Interest						
Interest on accumulated balances	18	(28)	23	22	(5)	(2)
<i>Internal interest received</i>						
TOTAL	(713)	(1,540)	(1,669)	(1,791)	(1,934)	(1,877)
HRA Expenditure						
Staffing						
General Inflation Increase	20	28	32	32	32	33
<i>Increase in line with assessed inflation rate</i>						
Increase in LGPS Contribution Rates	56	-	-	11	11	11
<i>Increase in contribution rates from 20.4% to 20.9% from April 2018</i>						
<i>Increase in LGPS pensionable contributions</i>	1	-	-	-	-	-
Employment of Housing Inspectors	-	300	-	-	-	-
<i>Additional housing inspectors across East Lothian</i>						
Introduction of Single Tier State Pension	-	33	-	-	-	-
<i>Increase in employer NIC charges as result of introduction of single tier state pension</i>						
	77	361	32	43	43	44
Repairs						
Cost of communal stair cleaning - funded from service charge	-	-	-	-	-	-
General Inflation Increase	81	82	82	83	84	85
<i>Increase in line with assessed inflation rate</i>						
	81	82	82	83	84	85
Void Rents						
Rent adjustments relating to RTB sales and rent increases	28	32	35	38	40	40
<i>Changes as result of RTB sales and rent inceases</i>						
	28	32	35	38	40	40

SNP - HRA BUDGET PROPOSALS 2016-2021

	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
	£000	£000	£000	£000	£000	£000
Bad Debts						
Rent adjustments relating to RTB sales and rent increases <i>Changes as result of RTB sales and rent inceases</i>	75	83	94	133	116	155
	75	83	94	133	116	155
Operating Expenses						
General Inflation Increase <i>Increase in line with assessed inflation rate</i>	13	13	13	13	14	-
	13	13	13	13	14	-
Transfer payments						
General Inflation Increase <i>Increase in line with assessed inflation rate</i>	6	6	6	6	6	6
	6	6	6	6	6	6
Internal Recharges						
General Inflation Increase <i>Increase in line with assessed inflation rate</i>	33	24	24	25	25	25
	33	24	24	25	25	25
Debt Charges						
Debt Charges <i>In year changes in debt repayments</i>	475	632	787	1,346	862	753
	475	632	787	1,346	862	753
Transfer to General Services						
Change in transfer to General Services	-	-	(995)	-	-	-
TOTAL	69	(307)	(1,591)	(104)	(744)	(769)

ADMINISTRATION BUDGET PROPOSALS

2016/17 – 2018/19

ADMINISTRATION - GENERAL SERVICES BUDGET PROPOSALS

Budget 2016-2019

	2016/17 Budget			2017/18 Budget			2018/19 Budget		
	2015/16 Base Budget £'000	Changes £'000	Total Budget £'000	2016/17 Base Budget £'000	Changes £'000	Total Budget £'000	2017/18 Base Budget £'000	Changes £'000	Total Budget £'000
CORPORATE INCOME									
Revenue Support Grant	(173,482)	4,424	(169,058)	(169,058)	-	(169,058)	(169,058)	-	(169,058)
National Non-domestic Rates Grant	(47,980)	(1,059)	(49,039)	(49,039)	(2,423)	(51,462)	(51,462)	(2,519)	(53,981)
Council Tax	-	(4,370)	(4,370)	(4,370)	-	(4,370)	(4,370)	-	(4,370)
Integration Fund	(143)	72	(71)	(71)	-	(71)	(71)	-	(71)
Renewable Energy/Loan Interest	(350)	(2,650)	(3,000)	(3,000)	2,315	(685)	(685)	685	-
Transfer to/(from) Reserves	(995)	(500)	(1,495)	(1,495)	500	(995)	(995)	995	-
Transfer to/(from) HRA Surpluses									
EXPENDITURE LIMIT	(222,950)	(4,083)	(227,033)	(227,033)	392	(226,641)	(226,641)	(839)	(227,480)
LESS CORPORATE COMMITMENTS									
Valuation Board Requisition	669	-	669	669	-	669	669	-	669
Council Tax Reduction Scheme	5,490	-	5,490	5,490	-	5,490	5,490	-	5,490
Asset Management	(4,462)	(55)	(4,517)	(4,517)	-	(4,517)	(4,517)	-	(4,517)
Debt Charges	19,058	(386)	18,672	18,672	789	19,461	19,461	1,067	20,528
Transformational Change Programme	-	-	-	-	-	-	-	(900)	(900)
Pension Deficit	503	-	503	503	-	503	503	-	503
External Audit	280	-	280	280	-	280	280	-	280
Housing Benefit Loss/Discretionary Payments	898	-	898	898	-	898	898	-	898
	22,436	(441)	21,995	21,995	789	22,784	22,784	167	22,951
FUNDING FOR COUNCIL SERVICES	(200,514)	(4,524)	(205,038)	(205,038)	1,181	(203,857)	(203,857)	(672)	(204,529)
SERVICE PLANNED EXPENDITURE									
Resources & People Services									
Pre-school Education & Childcare	6,400	18	6,418	6,418	(8)	6,410	6,410	10	6,420
Additional Support for Learning	7,840	86	7,926	7,926	(54)	7,872	7,872	(36)	7,836
Schools - Primary	32,642	1,426	34,068	34,068	688	34,756	34,756	800	35,556
Schools - Secondary	36,627	841	37,468	37,468	238	37,706	37,706	557	38,263
Schools Support Services	2,680	89	2,769	2,769	21	2,790	2,790	21	2,811
Financial Services	1,424	14	1,438	1,438	(22)	1,416	1,416	24	1,440
Revenues & Benefits	1,577	7	1,584	1,584	(14)	1,570	1,570	3	1,573
IT Services	1,731	24	1,755	1,755	182	1,937	1,937	23	1,960
Legal & Procurement	612	13	625	625	(10)	615	615	8	623
Human Resources & Payroll	1,280	2	1,282	1,282	(24)	1,258	1,258	17	1,275

ADMINISTRATION - GENERAL SERVICES BUDGET PROPOSALS

Budget 2016-2019

	2016/17 Budget			2017/18 Budget			2018/19 Budget		
	2015/16 Base Budget £'000	Changes £'000	Total Budget £'000	2016/17 Base Budget £'000	Changes £'000	Total Budget £'000	2017/18 Base Budget £'000	Changes £'000	Total Budget £'000
Licensing, Admin & Democratic Services	1,914	19	1,933	1,933	(21)	1,912	1,912	27	1,939
Sub-total	94,727	2,539	97,266	97,266	976	98,242	98,242	1,454	99,696
Health & Social Care Partnership									
Adult Wellbeing	45,873	1,995	47,868	47,868	(1,469)	46,399	46,399	(1,093)	45,306
Children's Wellbeing	12,664	282	12,946	12,946	(74)	12,872	12,872	(7)	12,865
Sub-total	58,537	2,277	60,814	60,814	(1,543)	59,271	59,271	(1,100)	58,171
Partnerships & Community Services									
Planning	2,452	2	2,454	2,454	(35)	2,419	2,419	22	2,441
Economic Development & Strategic Investment	3,167	22	3,189	3,189	(22)	3,167	3,167	17	3,184
Asset Planning & Engineering	2,418	(127)	2,291	2,291	(86)	2,205	2,205	20	2,225
Property Maintenance	(565)	(98)	(663)	(663)	(150)	(813)	(813)	-	(813)
Facility Support Services	3,353	68	3,421	3,421	(38)	3,383	3,383	(86)	3,297
Landscape & Countryside Management	5,012	(239)	4,773	4,773	(26)	4,747	4,747	96	4,843
Roads, Transportation & Waste Services	13,132	126	13,258	13,258	(88)	13,170	13,170	94	13,264
Healthy Living	3,959	(87)	3,872	3,872	(105)	3,767	3,767	19	3,786
Community Housing	1,991	(165)	1,826	1,826	(9)	1,817	1,817	15	1,832
Corporate Policy & Improvement	1,347	(27)	1,320	1,320	(10)	1,310	1,310	15	1,325
Community Partnerships	3,392	610	4,002	4,002	3	4,005	4,005	4	4,009
Arts, Museums & Music	1,183	(54)	1,129	1,129	(16)	1,113	1,113	13	1,126
Community Development	2,673	27	2,700	2,700	(22)	2,678	2,678	31	2,709
Customer Services, Libraries & Safer Communities	3,736	(350)	3,386	3,386	(10)	3,376	3,376	58	3,434
Sub-total	47,250	(292)	46,958	46,958	(614)	46,344	46,344	318	46,662
TOTAL SERVICE EXPENDITURE	200,514	4,524	205,038	205,038	(1,181)	203,857	203,857	672	204,529

ADMINISTRATION - GENERAL SERVICES BUDGET PROPOSALS

BUDGET CHANGES

Description	2016/17			2017/18			2018/19		
	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	4,424	-	4,424	-	-	-	-	-	-
<i>Change in RSG awarded by Scottish Government</i>	4,424	-	4,424	-	-	-	-	-	-
Council Tax									
Change in number of chargeable properties	(1,029)	-	(1,029)	(2,423)	-	(2,423)	(2,519)	-	(2,519)
<i>Additional properties incorporated into the new years' tax bases / and increase in Council Tax by 3% in 2017/18 and 2018/19</i>	(30)	-	(30)	-	-	-	-	-	-
Removal of Council Tax Discount	(1,059)	-	(1,059)	(2,423)	-	(2,423)	(2,519)	-	(2,519)
<i>Removal of council tax discount policy</i>									
Renewable Energy/Loan Interest									
PV installations - feed in tariff income	72	-	72	-	-	-	-	-	-
<i>Income from renewable energy generation</i>	72	-	72	-	-	-	-	-	-
Integration Fund									
Income from NHS Lothian to support investment in social care	(4,370)	-	(4,370)	-	-	-	-	-	-
	(4,370)	-	(4,370)	-	-	-	-	-	-
Transfer to/(from) Reserves									
General Fund Balances	350	-	350	-	-	-	-	-	-
<i>Support for Area Partnerships</i>	(3,000)	-	(3,000)	2,315	-	2,315	685	-	685
General Fund Balances	(2,650)	-	(2,650)	2,315	-	2,315	685	-	685
<i>Use of Planned Reserves</i>									
Transfer to/(from) HRA Surpluses									
HRA Surplus Transfer	(500)	-	(500)	500	-	500	995	-	995
<i>Change in use of HRA balances</i>	(500)	-	(500)	500	-	500	995	-	995
CORPORATE COMMITMENTS									
Asset Management									
Accounting Entries - asset management	(55)	-	(55)	-	-	-	-	-	-
	(55)	-	(55)	-	-	-	-	-	-
Transformational Change									
Efficiencies generated through a programme of transformational change	-	-	-	-	-	-	-	(900)	(900)
	-	-	-	-	-	-	-	(900)	(900)
Debt Charges									
Interest and Principal repayments	(386)	-	(386)	789	-	789	1,067	-	1,067
<i>Reflecting the annual cost of historic and new capital projects</i>	(386)	-	(386)	789	-	789	1,067	-	1,067
RESOURCES AND PEOPLE SERVICES									
Pre-School Education & Childcare									
Increases in Pay Costs	12	-	12	8	-	8	8	-	8
<i>Effect of assumed pay increase.</i>	-	-	-	-	-	-	2	-	2
Increase in LGPS Contribution Rates	-	-	-	-	-	-	-	-	-
<i>Increase in contribution rates from 20.4% to 20.9% from April 2018</i>	13	-	13	-	-	-	-	-	-
Introduction of Single Tier State Pension	-	(5)	(5)	-	(10)	(10)	-	-	-
<i>Increase in employer NIC charges as result of introduction of single tier state pension</i>	-	(5)	(5)	-	(6)	(6)	-	-	-
Efficient Workforce Management	-	(5)	(5)	-	(6)	(6)	-	-	-
<i>Group savings target to be met from service redesign, strict management of vacancy staffing and agency costs.</i>	3	-	3	-	-	-	-	-	-
Buy Smart Reviews	-	(5)	(5)	-	(6)	(6)	-	-	-
<i>Buy Smart Review of supplies & services - leading to either reduced purchasing, ensuring contracts set up and used or buying to an alternative standard.</i>	3	-	3	-	-	-	-	-	-
Teachers Pensions	3	-	3	-	-	-	-	-	-
<i>Additional costs relating to the increase in Teachers pensions as a result of 2014 actuarial valuation - to be implemented from September 2015</i>	28	(10)	18	8	(16)	(8)	10	-	10
Additional Support for Learning									
Increases in Pay Costs	18	-	18	12	-	12	12	-	12

ADMINISTRATION - GENERAL SERVICES BUDGET PROPOSALS

BUDGET CHANGES

Description	2016/17			2017/18			2018/19		
	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
<i>Effect of assumed pay increase.</i>									
Increase in LGPS Contribution Rates <i>Increase in contribution rates from 20.4% to 20.9% from April 2018</i>	-	-	-	-	-	-	2	-	2
Introduction of Single Tier State Pension <i>Increase in employer NIC charges as result of introduction of single tier state pension</i>	20	-	20	-	-	-	-	-	-
School Based Therapeutic Counselling Services <i>Extension of current programme</i>	50	-	50	50	-	50	50	-	50
External Residential Placements <i>External Provision Long-term planning Review</i>	-	-	-	-	(100)	(100)	-	(100)	(100)
Efficient Workforce Management <i>Group savings target to be met from service redesign, strict management of vacancy staffing and agency costs.</i>	-	(4)	(4)	-	(10)	(10)	-	-	-
Teachers Pensions <i>Additional costs relating to the increase in Teachers pensions as a result of 2014 actuarial valuation - to be implemented from September 2015</i>	7	-	7	-	-	-	-	-	-
Buy Smart Reviews <i>Buy Smart Review of supplies & services - leading to either reduced purchasing, ensuring contracts set up and used or buying to an alternative standard.</i>	-	(5)	(5)	-	(6)	(6)	-	-	-
	95	(9)	86	62	(116)	(54)	64	(100)	(36)
Schools - Primary									
Increases in Pay Costs <i>Effect of assumed pay increase.</i>	335	-	335	307	-	307	311	-	311
Increase in LGPS Contribution Rates <i>Increase in contribution rates from 20.4% to 20.9% from April 2018</i>	-	-	-	-	-	-	15	-	15
Delivery of school meals <i>Review of contract charge arrangements for the delivery of school meals</i>	-	(200)	(200)	-	-	-	-	-	-
Introduction of Single Tier State Pension <i>Increase in employer NIC charges as result of introduction of single tier state pension</i>	643	-	643	-	-	-	-	-	-
Single Tier State Pension - Facility Services Charges <i>Effect of increased employer NIC charges on Facilities Charges</i>	22	-	22	-	-	-	-	-	-
Increase in NDR charges <i>Reflecting reconfiguration of existing NDR base and increase in poundage rates beyond 2016/17</i>	134	-	134	-	-	-	-	-	-
Facility Services Charges <i>Realignment of Facilities Charges to reflect service redesign and salary increases</i>	50	-	50	34	-	34	34	-	34
New/Additional Primary School Space <i>(Pinkie/Windygoul etc)</i>	50	-	50	-	-	-	-	-	-
Living Wage <i>Effect of £8.33 minimum hourly rate on Facilities Charges</i>	33	-	33	-	-	-	-	-	-
Primary pupil roll increase <i>Estimated financial effect of the expected increase in the Primary Roll up to 9023 by September 2018</i>	274	-	274	366	-	366	440	-	440
DSM Review <i>Review of DSM scheme</i>	-	(100)	(100)	-	-	-	-	-	-
Buy Smart Reviews <i>Buy Smart Review of supplies & services - leading to either reduced purchasing, ensuring contracts set up and used or buying to an alternative standard.</i>	-	(16)	(16)	-	(19)	(19)	-	-	-
Teachers Pensions <i>Additional costs relating to the increase in Teachers pensions as a result of 2014 actuarial valuation - to be implemented from September 2015</i>	201	-	201	-	-	-	-	-	-
	1,742	(316)	1,426	707	(19)	688	800	-	800
Schools - Secondary									
Increases in Pay Costs <i>Effect of assumed pay increase.</i>	253	-	253	249	-	249	251	-	251
Increase in LGPS Contribution Rates <i>Increase in contribution rates from 20.4% to 20.9% from April 2018</i>	-	-	-	-	-	-	12	-	12
Introduction of Single Tier State Pension <i>Increase in employer NIC charges as result of introduction of single tier state pension</i>	481	-	481	-	-	-	-	-	-
Single Tier State Pension - Facility Services Charges <i>Effect of increased employer NIC charges on Facilities Charges</i>	3	-	3	-	-	-	-	-	-
Increase in NDR charges <i>Increase in poundage rates beyond 2016/17</i>	42	-	42	-	-	-	-	-	-
PPP Contract <i>Increase in PPP contract charges for Education facilities</i>	56	-	56	73	-	73	90	-	90

ADMINISTRATION - GENERAL SERVICES BUDGET PROPOSALS

BUDGET CHANGES

Description	2016/17			2017/18			2018/19		
	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
Facility Services Charges	6	-	6	4	-	4	4	-	4
<i>Increases in Facilities Charges in line with salary increases</i>									
<i>Improving options in the Senior Phase across the Authority</i>	-	-	-	-	(107)	(107)	-	(53)	(53)
<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>									
<i>Increase in school roll</i>	-	-	-	40	-	40	253	-	253
<i>Increase in secondary school roll up to 5869 by September 2018</i>									
<i>DSM Review/Secondary Roll Changes</i>	-	(180)	(180)	-	-	-	-	-	-
<i>Implementation of a DSM review alongside effect of the expected reduction in the secondary roll to 5504 by September 2016</i>									
<i>Buy Smart Reviews</i>	-	(18)	(18)	-	(21)	(21)	-	-	-
<i>Buy Smart Review of supplies & services - leading to either reduced purchasing, ensuring contracts set up and used or buying to an alternative standard.</i>									
<i>Teachers Pensions</i>	198	-	198	-	-	-	-	-	-
<i>Additional costs relating to the increase in Teachers pensions as a result of 2014 actuarial valuation - to be implemented from September 2015</i>									
	1,039	(198)	841	366	(128)	238	610	(53)	557
Schools Support Services									
<i>Increases in Pay Costs</i>	24	-	24	16	-	16	16	-	16
<i>Effect of assumed pay increase.</i>									
<i>Increase in LGPS Contribution Rates</i>	-	-	-	-	-	-	5	-	5
<i>Increase in contribution rates from 20.4% to 20.9% from April 2018</i>									
<i>Introduction of Single Tier State Pension</i>	21	-	21	-	-	-	-	-	-
<i>Increase in employer NIC charges as result of introduction of single tier state pension</i>									
<i>Revenue costs associated with the Construction Academy</i>	67	-	67	33	-	33	-	-	-
<i>Revenue costs associated with Construction Academy from August 2016</i>									
<i>Efficient Workforce Management</i>	-	(11)	(11)	-	(13)	(13)	-	-	-
<i>Group savings target to be met from service redesign, strict management of vacancy staffing and agency costs.</i>									
<i>Buy Smart Reviews</i>	-	(15)	(15)	-	(15)	(15)	-	-	-
<i>Buy Smart Review of supplies & services - leading to either reduced purchasing, ensuring contracts set up and used or buying to an alternative standard.</i>									
<i>Teachers Pensions</i>	3	-	3	-	-	-	-	-	-
<i>Additional costs relating to the increase in Teachers pensions as a result of 2014 actuarial valuation - to be implemented from September 2015</i>									
	115	(26)	89	49	(28)	21	21	-	21
Financial Services									
<i>Increases in Pay Costs</i>	26	-	26	17	-	17	17	-	17
<i>Effect of assumed pay increase.</i>									
<i>Increase in LGPS Contribution Rates</i>	-	-	-	-	-	-	7	-	7
<i>Increase in contribution rates from 20.4% to 20.9% from April 2018</i>									
<i>Introduction of Single Tier State Pension</i>	26	-	26	-	-	-	-	-	-
<i>Increase in employer NIC charges as result of introduction of single tier state pension</i>									
<i>Buy Smart Reviews</i>	-	(15)	(15)	-	(15)	(15)	-	-	-
<i>Buy Smart Review of supplies & services - leading to either reduced purchasing, ensuring contracts set up and used or buying to an alternative standard.</i>									
<i>Efficient Workforce Management</i>	-	(23)	(23)	-	(24)	(24)	-	-	-
<i>Group savings target to be met from service redesign, strict management of vacancy staffing and agency costs.</i>									
	52	(38)	14	17	(39)	(22)	24	-	24
Revenues & Benefits									
<i>Increases in Pay Costs</i>	32	-	32	21	-	21	21	-	21
<i>Effect of assumed pay increase.</i>									
<i>Increase in LGPS Contribution Rates</i>	-	-	-	-	-	-	8	-	8
<i>Increase in contribution rates from 20.4% to 20.9% from April 2018</i>									
<i>Introduction of Single Tier State Pension</i>	37	-	37	-	-	-	-	-	-
<i>Increase in employer NIC charges as result of introduction of single tier state pension</i>									
<i>Council Tax e-billing</i>	-	(11)	(11)	-	(9)	(9)	-	(8)	(8)
<i>Migration to e-billing of Council Tax</i>									
<i>Sheriff Officer</i>	-	(46)	(46)	-	-	-	-	-	-
<i>Review of Sheriff Officer Contract</i>									
<i>Efficiency Workforce Management - Benefits Service</i>	-	-	-	-	-	-	-	(18)	(18)
<i>Group savings target to be met from service redesign, strict management of variable staffing and agency costs.</i>									
<i>DWP Admin Subsidy Grant</i>	20	-	20	-	-	-	-	-	-

ADMINISTRATION - GENERAL SERVICES BUDGET PROPOSALS

BUDGET CHANGES

Description	2016/17			2017/18			2018/19		
	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
<i>Reduction in DWP Admin Subsidy Grant</i>									
Buy Smart Reviews <i>Buy Smart 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 vacancy staffing and agency costs.</i>	-	(15)	(15)	-	(16)	(16)	-	-	-
	89	(82)	7	21	(35)	(14)	29	(26)	3
Information Technology									
Increases in Pay Costs <i>Effect of assumed pay increase</i>	25	-	25	17	-	17	17	-	17
Increase in LGPS Contribution Rates <i>Increase in contribution rates from 20.4% to 20.9% from April 2018</i>	-	-	-	-	-	-	6	-	6
Introduction of Single Tier State Pension <i>Increase in employer NIC charges as result of introduction of single tier state pension</i>	33	-	33	-	-	-	-	-	-
Change in Licence Agreement to support Microsoft Office <i>Current Microsoft licence agreement ends in 2017</i>	-	-	-	200	-	200	-	-	-
Efficient Workforce Management <i>Group savings target to be met from service redesign, strict management of vacancy staffing and agency costs.</i>	-	(19)	(19)	-	(20)	(20)	-	-	-
Buy Smart Reviews <i>Buy Smart 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)	-	-	-
	58	(34)	24	217	(35)	182	23	-	23
Legal & Procurement									
Increases in Pay Costs <i>Effect of assumed pay increase</i>	10	-	10	6	-	6	6	-	6
Increase in LGPS Contribution Rates <i>Increase in contribution rates from 20.4% to 20.9% from April 2018</i>	-	-	-	-	-	-	2	-	2
Introduction of Single Tier State Pension <i>Increase in employer NIC charges as result of introduction of single tier state pension</i>	13	-	13	-	-	-	-	-	-
Increase in Scotland Excel Contract Fees <i>Increase in fees paid to Scotland Excel by 9.4% from April 2016</i>	6	-	6	-	-	-	-	-	-
Efficient Workforce Management <i>Group savings target to be met from service redesign, strict management of vacancy staffing and agency costs.</i>	-	(11)	(11)	-	(11)	(11)	-	-	-
Buy Smart Reviews <i>Buy Smart 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)	-	-	-
	29	(16)	13	6	(16)	(10)	8	-	8
Human Resources & Payroll									
Increases in Pay Costs <i>Effect of assumed pay increase.</i>	18	-	18	12	-	12	12	-	12
Increase in LGPS Contribution Rates <i>Increase in contribution rates from 20.4% to 20.9% from April 2018</i>	-	-	-	-	-	-	5	-	5
Introduction of Single Tier State Pension <i>Increase in employer NIC charges as result of introduction of single tier state pension</i>	19	-	19	-	-	-	-	-	-
Buy Smart Reviews <i>Buy Smart 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 vacancy staffing and agency costs.</i>	-	(20)	(20)	-	(21)	(21)	-	-	-
	37	(35)	2	12	(36)	(24)	17	-	17
Licensing, Admin & Democratic Services									
Increases in Pay Costs <i>Effect of assumed pay increase.</i>	29	-	29	19	-	19	20	-	20
Increase in LGPS Contribution Rates <i>Increase in contribution rates from 20.4% to 20.9% from April 2018</i>	-	-	-	-	-	-	7	-	7
Introduction of Single Tier State Pension <i>Increase in employer NIC charges as result of introduction of single tier state pension</i>	28	-	28	-	-	-	-	-	-
Licensing Fees	-	(2)	(2)	-	(2)	(2)	-	-	-

ADMINISTRATION - GENERAL SERVICES BUDGET PROPOSALS

BUDGET CHANGES

Description	2016/17			2017/18			2018/19		
	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
<i>Increase in Civic Government application fee charges in line with October 2008 Cabinet Report</i>									
Efficient Workforce Management <i>Group savings target to be met from service redesign, strict management of vacancy staffing and agency costs.</i>	-	(16)	(16)	-	(18)	(18)	-	-	-
Buy Smart Reviews <i>Buy Smart 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)	-	-	-
	57	(38)	19	19	(40)	(21)	27	-	27
HEALTH & SOCIAL CARE PARTNERSHIP									
Adult Wellbeing									
Increases in Pay Costs <i>Effect of assumed pay increase.</i>	215	-	215	145	-	145	147	-	147
Increase in LGPS Contribution Rates <i>Increase in contribution rates from 20.4% to 20.9% from April 2018</i>	-	-	-	-	-	-	54	-	54
Introduction of Single Tier State Pension	223	-	223	-	-	-	-	-	-
Single Tier State Pension - Facility Services Charges	6	-	6	-	-	-	-	-	-
Facility Services Charges <i>Increases in Facilities Charges in line with salary increases</i>	9	-	9	6	-	6	6	-	6
Living Wage <i>Reflecting increase in Living Wage to £8.33 for Facilities Management charges</i>	11	-	11	-	-	-	-	-	-
Additional Investment - social care <i>Additional investment to support social care services including; delivery of the Living Wage within the social care sector; direct payments; new legislative commitments arising from Carers Bill responsibilities; EU ruling regarding travel time to work; existing demographic service pressures</i>	1,741	-	1,741	-	-	-	-	-	-
Additional Investment - Integration <i>Additional investment to deliver increased capacity within the social care sector, including making progress on charging thresholds for non-residential services to address poverty</i>	2,115	-	2,115	-	-	-	-	-	-
Day Centre Funding/Registration <i>Strategic Development of the service</i>	50	-	50	25	-	25	25	-	25
Integration of Health and Social Care <i>Including; review, redesign and tender of commissioning services and delivering models of care; savings and efficiencies generated through joint working etc</i>	-	(2,280)	(2,280)	-	(1,600)	(1,600)	-	(1,300)	(1,300)
Service Charges <i>Increase in existing charges</i>	-	(25)	(25)	-	(25)	(25)	-	(25)	(25)
Buy Smart Reviews <i>Buy Smart 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)	-	-	-
Make greater use of Sheltered Housing <i>Make greater use of Sheltered Housing to provide higher levels of community support and reduce numbers of purchased care home beds</i>	-	(50)	(50)	-	-	-	-	-	-
	4,370	(2,375)	1,995	176	(1,645)	(1,469)	232	(1,325)	(1,093)
Children's Wellbeing									
Increases in Pay Costs <i>Effect of assumed pay increase.</i>	100	-	100	67	-	67	68	-	68
Increase in LGPS Contribution Rates <i>Anticipated increase in contribution rates from 20.4% to 20.9% from April 2018</i>	-	-	-	-	-	-	25	-	25
Introduction of Single Tier State Pension <i>Increase in employer NIC charges as result of introduction of single tier state pension</i>	122	-	122	-	-	-	-	-	-
Buy Smart Reviews <i>Buy Smart Review of supplies & services - leading to either reduced purchasing, ensuring contracts set up and used or buying to an alternative standard.</i>	-	(24)	(24)	-	(37)	(37)	-	-	-
Student Placement <i>Increase in number of student placements</i>	-	(4)	(4)	-	(4)	(4)	-	-	-
Kinship Care Allowances <i>Increase in Kinship Care allowances to be implemented from October 2015</i>	88	-	88	-	-	-	-	-	-
External Placements <i>External Provision Long-term Care Planning Review</i>	-	-	-	-	(100)	(100)	-	(100)	(100)
	310	(28)	282	67	(141)	(74)	93	(100)	(7)
PARTNERSHIPS & COMMUNITY SERVICES									
Planning									
Increases in Pay Costs <i>Effect of assumed pay increase.</i>	40	-	40	27	-	27	27	-	27
Increase in LGPS Contribution Rates <i>Increase in contribution rates from 20.4% to 20.9% form April 2018</i>	-	-	-	-	-	-	10	-	10

ADMINISTRATION - GENERAL SERVICES BUDGET PROPOSALS

BUDGET CHANGES

Description	2016/17			2017/18			2018/19		
	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
Introduction of Single Tier State Pension <i>Increase in employer NIC charges as result of introduction of single tier state pension</i>	42	-	42	-	-	-	-	-	-
Planning Fees <i>Increase in fees</i>	-	(42)	(42)	-	(35)	(35)	-	(15)	(15)
Environmental Health Sampling <i>Renegotiation of environmental health sampling & testing contract</i>	-	(20)	(20)	-	-	-	-	-	-
Efficient Workforce Management <i>Group savings target to be met from service redesign, strict management of vacancy staffing and agency costs.</i>	-	(18)	(18)	-	(27)	(27)	-	-	-
	82	(80)	2	27	(62)	(35)	37	(15)	22
Economic Development & Strategic Investment									
Increases in Pay Costs <i>Effect of assumed pay increase.</i>	19	-	19	13	-	13	13	-	13
Increase in LGPS Contribution Rates <i>Increase in contribution rates from 20.4% to 20.9% from April 2018</i>	-	-	-	-	-	-	4	-	4
Introduction of Single Tier State Pension <i>Increase in employer NIC charges as result of introduction of single tier state pension</i>	30	-	30	-	-	-	-	-	-
Efficient Workforce Management <i>Group savings target to be met from service redesign, strict management of vacancy staffing and agency costs.</i>	-	(17)	(17)	-	(26)	(26)	-	-	-
Buy Smart Reviews <i>Buy Smart Review of supplies & services - leading to either reduced purchasing, ensuring contracts set up and used or buying to an alternative standard.</i>	-	(10)	(10)	-	(9)	(9)	-	-	-
	49	(27)	22	13	(35)	(22)	17	-	17
Asset Planning & Engineering									
Increases in Pay Costs <i>Effect of assumed pay increase.</i>	42	-	42	28	-	28	29	-	29
Building Warrant Fees <i>Increase in Building Warrant Income</i>	-	(145)	(145)	-	(20)	(20)	-	(20)	(20)
Increase in LGPS Contribution Rates <i>Increase in contribution rates from 20.4% to 20.9% from April 2018</i>	-	-	-	-	-	-	11	-	11
Introduction of Single Tier State Pension <i>Increase in employer NIC charges as result of introduction of single tier state pension</i>	52	-	52	-	-	-	-	-	-
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)	-	-	-
Buy Smart Reviews <i>Buy Smart Review of supplies & services - leading to either reduced purchasing, ensuring contracts set up and used or buying to an alternative standard.</i>	-	(16)	(16)	-	(17)	(17)	-	-	-
Efficient Workforce Management/Property Services Service Review <i>Group savings target to be met from service redesign, strict management of vacancy staffing and agency costs.</i>	-	(40)	(40)	-	(57)	(57)	-	-	-
	94	(221)	(127)	28	(114)	(86)	40	(20)	20
Property Maintenance									
Buy Smart Reviews <i>Buy Smart Review of supplies & services - leading to either reduced purchasing, ensuring contracts set up and used or buying to an alternative standard.</i>	-	(50)	(50)	-	(50)	(50)	-	-	-
Increase in Pay Costs <i>Effect of assumed pay increase.</i>	20	-	20	-	-	-	-	-	-
Efficient Workforce Management/Property Services Service Review <i>Group savings target to be met from service redesign, strict management of vacancy staffing, agency costs and increased productivity</i>	-	(68)	(68)	-	(100)	(100)	-	-	-
	20	(118)	(98)	-	(150)	(150)	-	-	-
Facility Support Services									
Increases in Pay Costs <i>Effect of assumed pay increase.</i>	23	-	23	16	-	16	16	-	16
Increase in LGPS Contribution Rates <i>Increase in contribution rates from 20.4% to 20.9% from April 2018</i>	-	-	-	-	-	-	24	-	24
Introduction of Single Tier State Pension <i>Increase in employer NIC charges as result of introduction of single tier state pension</i>	16	-	16	-	-	-	-	-	-
Increase in NDR charges <i>Increase in poundage rates from April 2016</i>	55	-	55	-	-	-	-	-	-
Living Wage <i>Effect of £8.33 minimum hourly rate on Shared Accommodation/Public Convenience budgets</i>	21	-	21	-	-	-	-	-	-
Public Conveniences	-	-	-	-	-	-	-	(126)	(126)

ADMINISTRATION - GENERAL SERVICES BUDGET PROPOSALS

BUDGET CHANGES

Description	2016/17			2017/18			2018/19		
	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
<i>Review of public convenience provision</i>									
Void Cleans	-	(10)	(10)	-	-	-	-	-	-
<i>Increase number of void cleans</i>									
Efficient Workforce Management	-	(18)	(18)	-	(33)	(33)	-	-	-
<i>Group savings target to be met from service redesign of Janitorial and Cleaning services, strict management of vacancy staffing and agency costs.</i>									
Buy Smart Reviews	-	(19)	(19)	-	(21)	(21)	-	-	-
<i>Buy Smart Review of supplies & services - leading to either reduced purchasing, ensuring contracts set up and used or buying to an alternative standard.</i>									
	115	(47)	68	16	(54)	(38)	40	(126)	(86)
Landscape & Countryside Management									
Increases in Pay Costs	76	-	76	51	-	51	52	-	52
<i>Effect of assumed pay increase.</i>									
Increase in LGPS Contribution Rates	-	-	-	-	-	-	19	-	19
<i>Increase in contribution rates from 20.4% to 20.9% from April 2018</i>									
Additional income	-	-	-	-	(30)	(30)	-	-	-
<i>Increase fees and charges</i>									
Fuel Costs	-	(50)	(50)	25	-	25	25	-	25
<i>Reduction in Fuel costs due to falling oil prices</i>									
Introduction of Single Tier State Pension	87	-	87	-	-	-	-	-	-
<i>Increase in employer NIC charges as result of introduction of single tier state pension</i>									
Increase in NDR charges	-	-	-	-	-	-	-	-	-
<i>Increase in poundage rates from April 2016</i>									
Coastal Car Parks	-	(300)	(300)	-	-	-	-	-	-
<i>Capital spend funded from revenue income stream</i>									
Uprating of Income	-	(4)	(4)	-	-	-	-	-	-
<i>Uprating of income for Burial/Lair Charges</i>									
Efficient Workforce Management	-	(30)	(30)	-	(51)	(51)	-	-	-
<i>Group savings target to be met from service redesign, strict management of vacancy staffing and agency costs.</i>									
Teachers Pensions	1	-	1	-	-	-	-	-	-
<i>Additional costs relating to the increase in Teachers pensions as a result of 2014 actuarial valuation - to be implemented from September 2015</i>									
Buy Smart Reviews	-	(19)	(19)	-	(21)	(21)	-	-	-
<i>Buy Smart Review of supplies & services - leading to either reduced purchasing, ensuring contracts set up and used or buying to an alternative standard.</i>									
	164	(403)	(239)	76	(102)	(26)	96	-	96
Roads, Transportation & Waste Services									
Increases in Pay Costs	101	-	101	68	-	68	69	-	69
<i>Effect of assumed pay increase.</i>									
Increase in LGPS Contribution Rates	-	-	-	-	-	-	25	-	25
<i>Increase in contribution rates from 20.4% to 20.9% from April 2018</i>									
Introduction of Single Tier State Pension	115	-	115	-	-	-	-	-	-
<i>Increase in employer NIC charges as result of introduction of single tier state pension</i>									
Increase in Transportation Contract Charges for Waste Services	40	-	40	-	-	-	-	-	-
<i>Additional costs associated with increase in waste services contract charges</i>									
Increase in Recycling Contract Charges for Waste Services	24	-	24	-	-	-	-	-	-
<i>Additional costs associated with increase in kerbside recycling contract</i>									
Fuel Costs	-	(40)	(40)	-	-	-	-	-	-
<i>Reduction in Fuel costs due to falling oil prices</i>									
Roads Lighting	-	(15)	(15)	-	(15)	(15)	-	-	-
<i>Savings associated with replacement of lanterns with LED units</i>									
Income Generation	-	(10)	(10)	-	(10)	(10)	-	-	-
<i>Increase in Trade Waste Charges</i>									
Buy Smart Reviews	-	(24)	(24)	-	(31)	(31)	-	-	-
<i>Buy Smart 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	-	(65)	(65)	-	(100)	(100)	-	-	-
<i>Group savings target to be met from service redesign, strict management of vacancy staffing, agency costs and increased productivity</i>									
	280	(154)	126	68	(156)	(88)	94	-	94
Healthy Living									
Increases in Pay Costs	16	-	16	11	-	11	11	-	11
<i>Effect of assumed pay increase.</i>									
Increase in LGPS Contribution Rates	-	-	-	-	-	-	-	-	-

ADMINISTRATION - GENERAL SERVICES BUDGET PROPOSALS

BUDGET CHANGES

Description	2016/17			2017/18			2018/19		
	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
<i>Increase in contribution rates from 20.4% to 20.9% from April 2018</i>									
Introduction of Single Tier State Pension <i>Increase in employer NIC charges as result of introduction of single tier state pension</i>	19	-	19	-	-	-	4	-	4
Increase in NDR charges <i>Increase in poundage rates from April 2016</i>	7	-	7	-	-	-	-	-	-
PPP Contract <i>Increase in PPP contract charges for Mercat Gait above assessed inflation rate</i>	-	-	-	3	-	3	4	-	4
Buy Smart Reviews <i>Buy Smart Review of supplies & services - leading to either reduced purchasing, ensuring contracts set up and used or buying to an alternative standard.</i>	-	(29)	(29)	-	(24)	(24)	-	-	-
Enjoy Contract Payments <i>Reduction in contract payment to Enjoy</i>	-	(100)	(100)	-	(95)	(95)	-	-	-
	42	(129)	(87)	14	(119)	(105)	19	-	19
Community Housing									
Increases in Pay Costs <i>Effect of assumed pay increase.</i>	17	-	17	11	-	11	11	-	11
Increase in LGPS Contribution Rates <i>Increase in contribution rates from 20.4% to 20.9% from April 2018</i>	-	-	-	-	-	-	4	-	4
<i>Increase in LGPS pensionable contributions</i>	-	-	-	-	-	-	-	-	-
Introduction of Single Tier State Pension <i>Increase in employer NIC charges as result of introduction of single tier state pension</i>	13	-	13	-	-	-	-	-	-
Increased Charges <i>Increased charges for homelessness services in line with January 2014 Cabinet report</i>	-	(10)	(10)	-	-	-	-	-	-
Buy Smart Reviews <i>Buy Smart Review of supplies & services - leading to either reduced purchasing, ensuring contracts set up and used or buying to an alternative standard.</i>	-	(44)	(44)	-	(6)	(6)	-	-	-
Efficient Workforce Management <i>Group savings target to be met from service redesign, strict management of vacancy staffing and agency costs.</i>	-	(41)	(41)	-	(14)	(14)	-	-	-
Private Sector Housing Grant <i>Reduction in budget</i>	-	(100)	(100)	-	-	-	-	-	-
	30	(195)	(165)	11	(20)	(9)	15	-	15
Corporate Policy & Improvement									
Increases in Pay Costs <i>Effect of assumed 1.5% increase.</i>	16	-	16	11	-	11	11	-	11
Introduction of Single Tier State Pension <i>Increase in employer NIC charges as result of introduction of single tier state pension</i>	15	-	15	-	-	-	-	-	-
Additional Income <i>Additional income generated through review of existing services</i>	-	(43)	(43)	-	-	-	-	-	-
Increase in LGPS Contribution Rates <i>Increase in contribution rates from 20.4% to 20.9% from April 2018</i>	-	-	-	-	-	-	4	-	4
Efficient Workforce Management <i>Group savings target to be met from service redesign, strict management of vacancy staffing and agency costs.</i>	-	(15)	(15)	-	(21)	(21)	-	-	-
	31	(58)	(27)	11	(21)	(10)	15	-	15
Community Partnerships									
Increases in Pay Costs <i>Effect of assumed 1.5% increase.</i>	4	-	4	3	-	3	3	-	3
Increase in LGPS Contribution Rates <i>Increase in contribution rates from 20.4% to 20.9% from April 2018</i>	-	-	-	-	-	-	-	-	-
Local Area Management <i>Additional Funds to support Educational Initiatives</i>	600	-	600	-	-	-	1	-	1
Local Area Management <i>Transfer of budgets to Area Management and commissioning of services within local areas</i>	-	-	-	-	-	-	-	-	-
Introduction of Single Tier State Pension <i>Increase in employer NIC charges as result of introduction of single tier state pension</i>	6	-	6	-	-	-	-	-	-
Local Area Management <i>Removal of reserves support to Local Area Management</i>	-	(350)	(350)	-	-	-	-	-	-
Local Area Management <i>Support to Local Area Management</i>	350	-	350	-	-	-	-	-	-
	960	(350)	610	3	-	3	4	-	4

ADMINISTRATION - GENERAL SERVICES BUDGET PROPOSALS

BUDGET CHANGES

Description	2016/17			2017/18			2018/19		
	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
Arts, Museums & Music									
Increases in Pay Costs <i>Effect of assumed pay increase.</i>	15	-	15	10	-	10	10	-	10
Increase in LGPS Contribution Rates <i>Increase in contribution rates from 20.4% to 20.9% from April 2018</i> <i>Increase in LGPS pensionable contributions</i>	-	-	-	-	-	-	3	-	3
Introduction of Single Tier State Pension <i>Increase in employer NIC charges as result of introduction of single tier state pension</i>	13	-	13	-	-	-	-	-	-
Teachers Pensions <i>Additional costs relating to the increase in Teachers pensions as a result of 2014 actuarial valuation - to be implemented from September 2015</i>	8	-	8	-	-	-	-	-	-
Facility Services Charges <i>Increases in Facilities Charges in line with salary increases</i>	1	-	1	-	-	-	-	-	-
Efficient Workforce Management <i>Group savings target to be met from service redesign, strict management of vacancy staffing and agency costs.</i>	-	(91)	(91)	-	(26)	(26)	-	-	-
	37	(91)	(54)	10	(26)	(16)	13	-	13
Community Development									
Increases in Pay Costs <i>Effect of assumed pay increase.</i>	24	-	24	17	-	17	17	-	17
Increase in LGPS Contribution Rates <i>Increase in contribution rates from 20.4% to 20.9% from April 2018</i> <i>Increase in LGPS pensionable contributions</i>	-	-	-	-	-	-	6	-	6
Introduction of Single Tier State Pension <i>Increase in employer NIC charges as result of introduction of single tier state pension</i>	21	-	21	-	-	-	-	-	-
Single Tier State Pension - Facility Services Charges <i>Effect of increased employer NIC charges on Facilities Charges</i>	3	-	3	-	-	-	-	-	-
PPP Contract <i>Increase in PPP contract charges for Community Learning Centre/Musselburgh East Community Association.</i>	-	-	-	2	-	2	3	-	3
Facility Services Charges <i>Increases in Facilities Charges in line with salary increases</i>	7	-	7	4	-	4	5	-	5
Living Wage <i>Effect of £8.33 minimum hourly rate on Facilities Charges</i>	6	-	6	-	-	-	-	-	-
Buy Smart Reviews <i>Buy Smart Review of supplies & services - leading to either reduced purchasing, ensuring contracts set up and used or buying to an alternative standard.</i>	-	(11)	(11)	-	(23)	(23)	-	-	-
Efficient Workforce Management <i>Group savings target to be met from service redesign, strict management of vacancy staffing and agency costs.</i>	-	(23)	(23)	-	(22)	(22)	-	-	-
	61	(34)	27	23	(45)	(22)	31	-	31
Customer Services									
Increases in Pay Costs <i>Effect of assumed pay increase.</i>	61	-	61	41	-	41	42	-	42
Increase in LGPS Contribution Rates <i>Increase in contribution rates from 20.4% to 20.9% from April 2018</i>	-	-	-	-	-	-	15	-	15
Police Scotland Funding <i>Reduction of Police Scotland funding with additional investment in Safer Communities</i>	-	(400)	(400)	-	-	-	-	-	-
Reprovision of Mobile Library Service <i>Review of current service delivery of mobile library service, including partnership working with neighbouring authorities</i>	-	(30)	(30)	-	-	-	-	-	-
Facility Services Charges <i>Increases in Facilities Charges in line with salary increases</i>	2	-	2	1	-	1	1	-	1
Introduction of Single Tier State Pension <i>Increase in employer NIC charges as result of introduction of single tier state pension</i>	61	-	61	-	-	-	-	-	-
Living Wage <i>Effect of £8.33 minimum hourly rate on Facilities Charges</i>	6	-	6	-	-	-	-	-	-
Review of Income & Charging <i>Changes to Mobile Alarms Charges in line with January 2014 Cabinet report</i>	-	(10)	(10)	-	-	-	-	-	-
Efficient Workforce Management <i>Group savings target to be met from service redesign, strict management of vacancy staffing and agency costs.</i>	-	(29)	(29)	-	(41)	(41)	-	-	-

ADMINISTRATION - GENERAL SERVICES BUDGET PROPOSALS

BUDGET CHANGES

Description	2016/17			2017/18			2018/19		
	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
Buy Smart Reviews <i>Buy Smart Review of supplies & services - leading to either reduced purchasing, ensuring contracts set up and used or buying to an alternative standard.</i>	-	(11)	(11)	-	(11)	(11)	-	-	-
	130	(480)	(350)	42	(52)	(10)	58	-	58

ADMINISTRATION - GENERAL SERVICES BUDGET PROPOSALS

2016-2019

Gross General Fund Capital Spend	Revised	2016/17			3 year Cumulative
	2015/16	2016/17	2017/18	2018/19	2016/17 - 2018/19
	£000	£000	£000	£000	£000
Fa'side Tranent - New residential home and day centre	110	0	0	0	0
Residential Care Homes Provision, Esk Green/Abbey subject to Older People Review	0	0	0	1,000	1,000
Haddington Town House - Steeple Work	13	0	0	0	0
Torness Strategic Coordination Centre	500	0	0	0	0
Property Renewals	1,154	900	900	900	2,700
Capital Plan Fees/Internal Recharges	1,370	1,370	1,370	1,370	4,110
John Gray Centre Haddington	79	0	0	0	0
Prestongrange Museum	0	0	140	500	640
Port Seton Sports Hall	0	300	830	20	1,150
Whitecraig Community Centre	0	440	652	20	1,112
North Berwick Museum - refurbishment	0	40	0	0	40
North Berwick Community Centre - Lift	9	0	0	0	0
Community Intervention	200	200	200	200	600
Red School Prestonpans	5	285	10	0	295
Support for Business - Land Acquisition/Infrastructure/Broadband	173	200	200	200	600
Support for Business - Mid Road Industrial Estate	1,269	20	0	0	20
Town Centre Re-Generation/Growing our Economy	350	481	500	500	1,481
Acquisition of St. Josephs	2,075	0	0	0	0
Dunbar - Lochend Campus/Additional Classrooms	1,200	156	20	0	176
Sandersons Wynd PS - additional Classrooms	359	6	0	0	6
Dunbar Grammar	49	1,126	5,813	3,241	10,180
Musselburgh Secondary Education Provision	0	0	0	500	500
North Berwick High School Extension	0	0	0	100	100
Ross High School Extension	0	0	0	50	50
Secondary School Communication Provision	1,023	18	0	0	18
Dirleton Classroom Extension	4	0	0	0	0
Macmerry PS Extension	3	0	0	0	0
Letham Primary (temp prov'n Knox Academy)	0	131	0	0	131
Letham Primary	0	100	7,000	1,837	8,937
Pinkie St Peter's PS Extension	3,013	74	0	0	74
Law Primary School	218	3,875	3,034	2,468	9,377
Windygoul PS - Permanent Additional Classrooms	2,781	57	0	0	57
Wallyford PS - Temp Units	235	30	0	0	30
Wallyford PS	50	450	9,500	6,050	16,000
Replacement Vehicles	2,383	1,744	1,350	1,350	4,444
Synthetic pitches	492	83	75	75	233
Pavilions	0	592	0	0	592
East Lothian Legacy Project - Meadowmill Alterations	59	0	0	0	0
Sports Centres - refurbishment & equipment	371	200	200	200	600
Expansion of 3G pitch provision	76	0	0	0	0
IT Program (corporate and schools)	1,423	1,375	1,250	1,250	3,875

ADMINISTRATION - GENERAL SERVICES BUDGET PROPOSALS

2016-2019

Gross General Fund Capital Spend	Revised	2016/17	2017/18	2018/19	3 year Cumulative
	2015/16	2016/17	2017/18	2018/19	2016/17 - 2018/19
	£000	£000	£000	£000	£000
Core Path Plan Implementation	100	50	50	50	150
Polson Park restoration	0	0	0	100	100
Machinery & Equipment - replacement	149	40	40	140	220
Cemeteries - Extensions/Allotments	0	887	10	30	927
Coastal Car Parks/Toilets	510	150	150	150	450
Peppercraig Depot Haddington	7	24	0	0	24
Coastal Protection/Flood	2	198	1,550	623	2,371
Promenade Improvements - Fisherrow	0	44	0	0	44
Pencaitland Footpaths	177	0	0	0	0
Cycling Walking Safer Streets (Ring-fenced grant funded)	151	112	151	151	414
East Linton Rail Stop/Infrastructure	400	0	0	1,000	1,000
Roads	5,389	5,400	5,250	5,500	16,150
Parking Improvements / North Berwick phase 1	571	300	150	150	600
Purchase of New Bins/Food Waste Collection	314	90	90	90	270
Free School Meals	200	0	0	0	0
Early years provision	550	450	0	0	450
Construction Academy	0	300	0	0	300
New ways of working	0	414	594	0	1,008
Prestonpans Shared Facility	0	93	0	0	93
Carberry Landfill Gas management	0	250	0	0	250
Meadowmill operational Depot	0	0	1,000	0	1,000
Accelerating Growth - Enabling Infrastructure	0	0	2,000	3,000	5,000
Town Centre Toilets re-furbishment/New Provision	0	100	100	100	300
East Saltoun School/Community Hall	0	400	0	0	400
Gross Expenditure	29,566	23,555	44,179	32,915	100,649

SNP GROUP BUDGET PROPOSALS

2016/17 – 2018/19

Budget 2016-2019

	2016/17 Budget			2017/18 Budget			2018/19 Budget		
	2015/16 Base Budget £'000	Changes £'000	Total Budget £'000	2016/17 Base Budget £'000	Changes £'000	Total Budget £'000	2017/18 Base Budget £'000	Changes £'000	Total Budget £'000
CORPORATE INCOME									
Revenue Support Grant (includes S.G. funding to support Council Tax Freeze)	(173,482)	4,424	(169,058)	(169,058)	-	(169,058)	(169,058)	-	(169,058)
National Non-domestic Rates Grant									
Council Tax Base	(47,980)	(1,059)	(49,039)	(49,039)	(928)	(49,967)	(49,967)	(927)	(50,894)
Council Tax 3% increase Years 2 and 3	-	-	-	-	(1,495)	(1,495)	(1,495)	(1,592)	(3,087)
Integration Fund	-	(4,370)	(4,370)	(4,370)	-	(4,370)	(4,370)	-	(4,370)
Renewable Energy/Loan Interest	(143)	72	(71)	(71)	-	(71)	(71)	-	(71)
Transfer to/(from) Reserves	(350)	(4,870)	(5,220)	(5,220)	4,746	(474)	(474)	1,553	1,079
Transfer to/(from) HRA Surpluses	(995)	-	(995)	(995)	995	-	-	-	-
EXPENDITURE LIMIT	(222,950)	(5,803)	(228,753)	(228,753)	3,318	(225,435)	(225,435)	(966)	(226,401)
LESS CORPORATE COMMITMENTS									
Valuation Board Requisition	669	-	669	669	-	669	669	-	669
Council Tax Reduction Scheme	5,490	-	5,490	5,490	-	5,490	5,490	-	5,490
Asset Management	(4,462)	(55)	(4,517)	(4,517)	-	(4,517)	(4,517)	-	(4,517)
Partnership Working / Transformational Change	-	(1,150)	(1,150)	(1,150)	(1,300)	(2,450)	(2,450)	(1,600)	(4,050)
Vacancies and VERS Cost / (Savings)	-	875	875	875	(3,375)	(2,500)	(2,500)	-	(2,500)
Debt Charges	19,058	(418)	18,640	18,640	732	19,372	19,372	1,099	20,471
Pension Deficit	503	-	503	503	-	503	503	-	503
External Audit	280	-	280	280	-	280	280	-	280
Housing Benefit Loss/Discretionary Payments	898	-	898	898	-	898	898	-	898
	22,436	(748)	21,688	21,688	(3,943)	17,745	17,745	(501)	17,244
FUNDING FOR COUNCIL SERVICES	(200,514)	(6,551)	(207,065)	(207,065)	(625)	(207,690)	(207,690)	(1,467)	(209,157)
SERVICE PLANNED EXPENDITURE									
Resources & People Services									
Pre-school Education & Childcare	6,400	63	6,463	6,463	2	6,465	6,465	4	6,469
Additional Support for Learning	7,840	190	8,030	8,030	56	8,086	8,086	58	8,144
Schools - Primary	32,642	1,626	34,268	34,268	688	34,956	34,956	781	35,737
Schools - Secondary	36,627	1,333	37,960	37,960	292	38,252	38,252	589	38,841
Schools Support Services	2,680	100	2,780	2,780	34	2,814	2,814	6	2,820
Financial Services	1,424	37	1,461	1,461	2	1,463	1,463	9	1,472
Revenues & Benefits	1,577	22	1,599	1,599	2	1,601	1,601	11	1,612

SNP - GENERAL SERVICES BUDGET PROPOSALS

Budget 2016-2019

	2016/17 Budget			2017/18 Budget			2018/19 Budget		
	2015/16 Base Budget	Changes	Total Budget	2016/17 Base Budget	Changes	Total Budget	2017/18 Base Budget	Changes	Total Budget
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
IT Services	1,731	43	1,774	1,774	202	1,976	1,976	8	1,984
Legal & Procurement	612	24	636	636	1	637	637	3	640
Human Resources & Payroll	1,280	22	1,302	1,302	(3)	1,299	1,299	2	1,301
Licensing, Admin & Democratic Services	1,914	35	1,949	1,949	(3)	1,946	1,946	7	1,953
Sub-total	94,727	3,495	98,222	98,222	1,273	99,495	99,495	1,478	100,973
Health & Social Care Partnership									
Adult Wellbeing	45,873	2,400	48,273	48,273	(494)	47,779	47,779	(188)	47,591
Children's Wellbeing	12,664	286	12,950	12,950	130	13,080	13,080	169	13,249
Sub-total	58,537	2,686	61,223	61,223	(364)	60,859	60,859	(19)	60,840
Partnerships & Community Services									
Planning	2,452	20	2,472	2,472	(8)	2,464	2,464	22	2,486
Economic Development & Strategic Investment	3,167	134	3,301	3,301	69	3,370	3,370	103	3,473
Asset Planning & Engineering	2,418	(87)	2,331	2,331	(29)	2,302	2,302	(17)	2,285
Property Maintenance	(565)	(30)	(595)	(595)	(50)	(645)	(645)	(50)	(695)
Facility Support Services	3,353	26	3,379	3,379	(101)	3,278	3,278	19	3,297
Landscape & Countryside Management	5,012	91	5,103	5,103	(59)	5,044	5,044	52	5,096
Roads, Transportation & Waste Services	13,132	63	13,195	13,195	12	13,207	13,207	(62)	13,145
Healthy Living	3,959	(42)	3,917	3,917	(130)	3,787	3,787	(135)	3,652
Community Housing	1,991	(106)	1,885	1,885	(15)	1,870	1,870	(11)	1,859
Corporate Policy & Improvement	1,347	(28)	1,319	1,319	11	1,330	1,330	15	1,345
Community Partnerships	3,392	155	3,547	3,547	3	3,550	3,550	4	3,554
Arts, Museums & Music	1,183	37	1,220	1,220	(30)	1,190	1,190	13	1,203
Community Development	2,673	(29)	2,644	2,644	-	2,644	2,644	8	2,652
Customer Services, Libraries & Safer Communities	3,736	166	3,902	3,902	43	3,945	3,945	47	3,992
Sub-total	47,250	370	47,620	47,620	(284)	47,336	47,336	8	47,344
TOTAL SERVICE EXPENDITURE	200,514	6,551	207,065	207,065	625	207,690	207,690	1,467	209,157

SNP - GENERAL SERVICES BUDGET PROPOSALS

BUDGET CHANGES

Description	2016/17			2017/18			2018/19		
	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	4,424	0	4,424	0	0	0	0	0	0
<i>Change in RSG awarded by Scottish Government</i>									
	4,424	0	4,424	0	0	0	0	0	0
Council Tax									
Change in number of chargeable properties	(1,029)	0	(1,029)	(928)	0	(928)	(927)	0	(927)
<i>Additional properties incorporated into the new years' tax bases</i>									
Inflationary Increase	0	0	0	(1,495)	0	(1,495)	(1,592)	0	(1,592)
<i>3% Increase in financial years 17/18 and 18/19</i>									
Removal of Council Tax Discount	(30)	0	(30)	0	0	0	0	0	0
<i>Removal of council tax discount policy</i>									
	(1,059)	0	(1,059)	(2,423)	0	(2,423)	(2,519)	0	(2,519)
Integration Fund									
Income from NHS Lothian to support investment in social care	(4,370)	0	(4,370)			0	0	0	0
	(4,370)	0	(4,370)	0	0	0	0	0	0
Renewable Energy/Loan Interest									
PV installations - feed in tariff income	72	0	72	0	0	0	0	0	0
<i>Income from renewable energy generation</i>									
	72	0	72	0	0	0	0	0	0
Transfer to/(from) Reserves									
General Fund Balances	350	0	350	0	0	0	0	0	0
<i>Support for Area Partnerships</i>									
General Fund Balances	(5,220)	0	(5,220)	5,220	(474)	4,746	449	1,104	1,553
<i>Use of Planned Reserves</i>									
	(4,870)	0	(4,870)	5,220	(474)	4,746	449	1,104	1,553
Transfer to/(from) HRA Surpluses									
HRA Surplus Transfer	0	0	0	995	0	995	0	0	0
<i>Change in use of HRA balances</i>									
	0	0	0	995	0	995	0	0	0
CORPORATE COMMITMENTS									
PARTNERSHIP WORKING									
Savings from partnership / collaborative working / transformational change		(1,150)	(1,150)		(1,300)	(1,300)		(1,600)	(1,600)
	0	(1,150)	(1,150)	0	(1,300)	(1,300)	0	(1,600)	(1,600)
VERS									
Cost of VERS	3,000	0	3,000	(3,000)	0	(3,000)	0	0	0
Salary savings from VERS	(1,125)	0	(1,125)	(375)	0	(375)	0	0	0
Removal of Vacant Posts									
Removal vacancies up to £1 million	(1,000)	0	(1,000)	0	0	0	0	0	0
	875	0	875	(3,375)	0	(3,375)	0	0	0
Asset Management									
Accounting Entries - asset management	(55)	0	(55)	0	0	0	0	0	0
	(55)	0	(55)	0	0	0	0	0	0
Debt Charges									
Interest and Principal repayments	(418)		(418)	732		732	1,099	0	1,099
<i>Reflecting the annual cost of historic and new capital projects</i>									
	(418)	0	(418)	732	0	732	1,099	0	1,099
RESOURCES AND PEOPLE SERVICES									
Pre-School Education & Childcare									
Increases in Pay Costs	12	0	12	8	0	8	8	0	8
<i>Effect of assumed pay increase.</i>									
Children & Young People Bill	0	0	0	0	0	0	0	0	0
<i>Additional funding provided by Scottish Government to meet costs of increase in childcare hours/Full costs subject to assessment</i>									
Increase in LGPS Contribution Rates	0	0	0	0	0	0	2	0	2
<i>Increase in contribution rates from 20.4% to 20.9% from April 2018</i>									
Additional Pre-school investment - Support from the Start	40	0	40	0	0	0	0	0	0
<i>Project funding</i>									
Introduction of Single Tier State Pension	13	0	13	0	0	0	0	0	0
<i>Increase in employer NIC charges as result of introduction of single tier state pension</i>									
Efficient Workforce Management		0	0	0	0	0	0	0	0

SNP - GENERAL SERVICES BUDGET PROPOSALS

BUDGET CHANGES

Description	2016/17			2017/18			2018/19		
	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
<i>Group savings target to be met from service redesign, strict management of variable staffing and agency costs.</i>									
Buy Smart Reviews <i>Buy Smart Review of supplies & services - leading to either reduced purchasing, ensuring contracts set up and used or buying to an alternative standard.</i>	0	(5)	(5)	0	(6)	(6)	0	(6)	(6)
Teachers Pensions <i>Additional costs relating to the increase in Teachers pensions as a result of 2014 actuarial valuation - to be implemented from September 2015</i>	3	0	3	0	0	0	0	0	0
	68	(5)	63	8	(6)	2	10	(6)	4
Additional Support for Learning									
Increases in Pay Costs <i>Effect of assumed pay increase.</i>	18	0	18	12	0	12	12	0	12
Increase in LGPS Contribution Rates <i>Increase in contribution rates from 20.4% to 20.9% from April 2018</i>	0	0	0	0	0	0	2	0	2
Introduction of Single Tier State Pension <i>Increase in employer NIC charges as result of introduction of single tier state pension</i>	20	0	20	0	0	0	0	0	0
Social Emotional Behaviour Needs Investment <i>Additional investment to support SEBN</i>	100	0	100		0	0	0	0	0
School Based Therapeutic Counselling Services <i>Extension of current programme</i>	50	0	50	50	0	50	50	0	50
Teachers Pensions <i>Additional costs relating to the increase in Teachers pensions as a result of 2014 actuarial valuation - to be implemented from September 2015</i>	7	0	7	0	0	0	0	0	0
Buy Smart Reviews <i>Buy Smart Review of supplies & services - leading to either reduced purchasing, ensuring contracts set up and used or buying to an alternative standard.</i>	0	(5)	(5)	0	(6)	(6)	0	(6)	(6)
	195	(5)	190	62	(6)	56	64	(6)	58
Schools - Primary									
Increases in Pay Costs <i>Effect of assumed pay increase.</i>	335	0	335	307	0	307	311	0	311
Increase in LGPS Contribution Rates <i>Increase in contribution rates from 20.4% to 20.9% from April 2018</i>	0	0	0	0	0	0	15	0	15
Introduction of Single Tier State Pension <i>Increase in employer NIC charges as result of introduction of single tier state pension</i>	643	0	643	0	0	0	0	0	0
Single Tier State Pension - Facility Services Charges <i>Effect of increased employer NIC charges on Facilities Charges</i>	22	0	22	0	0	0	0	0	0
Increase in NDR charges <i>Reflecting reconfiguration of existing NDR base and increase in poundage rates beyond 2016/17</i>	134	0	134	0	0	0	0	0	0
Facility Services Charges <i>Realignment of Facilities Charges to reflect service redesign and salary increases</i>	50	0	50	34	0	34	34	0	34
New/Additional Primary School Space <i>(Pinkie/Windygoul etc)</i>	50	0	50	0	0	0	0	0	0
Living Wage <i>Effect of £8.33 minimum hourly rate on Facilities Charges</i>	33	0	33	0	0	0	0	0	0
Primary pupil roll increase <i>Estimated financial effect of the expected increase in the Primary Roll up to 9023 by September 2018</i>	274	0	274	366	0	366	440	0	440
DSM Review <i>Review of DSM scheme</i>	0	(100)	(100)	0	0	0	0	0	0
Local Investment in Education <i>Additional £100K new monies for each school cluster for the delivery of educational priorities.</i>	0	0	0	0	0	0	0	0	0
Buy Smart Reviews <i>Buy Smart Review of supplies & services - leading to either reduced purchasing, ensuring contracts set up and used or buying to an alternative standard.</i>	0	(16)	(16)	0	(19)	(19)	0	(19)	(19)
Teachers Pensions <i>Additional costs relating to the increase in Teachers pensions as a result of 2014 actuarial valuation - to be implemented from September 2015</i>	201	0	201	0	0	0	0	0	0
	1,742	(116)	1,626	707	(19)	688	800	(19)	781
Schools - Secondary									
Increases in Pay Costs <i>Effect of assumed pay increase.</i>	253	0	253	249	0	249	251	0	251
Increase in LGPS Contribution Rates <i>Increase in contribution rates from 20.4% to 20.9% from April 2018</i>	0	0	0	0	0	0	12	0	12
Introduction of Single Tier State Pension	481	0	481	0	0	0	0	0	0

SNP - GENERAL SERVICES BUDGET PROPOSALS

BUDGET CHANGES

Description	2016/17			2017/18			2018/19		
	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
<i>Increase in employer NIC charges as result of introduction of single tier state pension</i>									
Single Tier State Pension - Facility Services Charges	3	0	3	0	0	0	0	0	0
<i>Effect of increased employer NIC charges on Facilities Charges</i>									
Increase in NDR charges	42	0	42	0	0	0	0	0	0
<i>Increase in poundage rates beyond 2016/17</i>									
PPP Contract	56	0	56	73	0	73	90	0	90
<i>Increase in PPP contract charges for Education facilities</i>									
Facility Services Charges	6	0	6	4	0	4	4	0	4
<i>Increases in Facilities Charges in line with salary increases</i>									
Local Investment in Education									
<i>Additional £100K new monies for each school cluster for the delivery of educational priorities.</i>									
Musselburgh	100	0	100	0	0	0	0	0	0
Prestonpans	100	0	100	0	0	0	0	0	0
Tranent	100	0	100	0	0	0	0	0	0
Haddington	100	0	100	0	0	0	0	0	0
North Berwick	100	0	100	0	0	0	0	0	0
Dunbar	100	0	100	0	0	0	0	0	0
Improving options in the Senior Phase across the Authority	0	(107)	(107)	0	(53)	(53)	0	0	0
<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>									
Increase in school roll	0	0	0	40	0	40	253	0	253
<i>Increase in secondary school roll up to 5869 by September 2018</i>									
DSM Review/Secondary Roll Changes	0	(180)	(180)	0	0	0	0	0	0
<i>Implementation of a DSM review alongside effect of the expected reduction in the secondary roll to 5504 by September 2016</i>									
Buy Smart Reviews	0	(19)	(19)	0	(21)	(21)	0	(21)	(21)
<i>Buy Smart Review of supplies & services - leading to either reduced purchasing, ensuring contracts set up and used or buying to an alternative standard.</i>									
Teachers Pensions	198	0	198	0	0	0	0	0	0
<i>Additional costs relating to the increase in Teachers pensions as a result of 2014 actuarial valuation - to be implemented from September 2015</i>									
	1,639	(306)	1,333	366	(74)	292	610	(21)	589
Schools Support Services									
Increases in Pay Costs	24	0	24	16	0	16	16	0	16
<i>Effect of assumed pay increase.</i>									
Increase in LGPS Contribution Rates	0	0	0	0	0	0	5	0	5
<i>Increase in contribution rates from 20.4% to 20.9% from April 2018</i>									
Introduction of Single Tier State Pension	21	0	21	0	0	0	0	0	0
<i>Increase in employer NIC charges as result of introduction of single tier state pension</i>									
Revenue costs associated with the Construction Academy	67	0	67	33	0	33	0	0	0
<i>Revenue costs associated with Construction Academy from August 2016</i>									
Buy Smart Reviews	0	(15)	(15)	0	(15)	(15)	0	(15)	(15)
<i>Buy Smart Review of supplies & services - leading to either reduced purchasing, ensuring contracts set up and used or buying to an alternative standard.</i>									
Teachers Pensions	3	0	3	0	0	0	0	0	0
<i>Additional costs relating to the increase in Teachers pensions as a result of 2014 actuarial valuation - to be implemented from September 2015</i>									
	115	(15)	100	49	(15)	34	21	(15)	6
Financial Services									
Increases in Pay Costs	26	0	26	17	0	17	17	0	17
<i>Effect of assumed pay increase.</i>									
Increase in LGPS Contribution Rates	0	0	0	0	0	0	7	0	7
<i>Increase in contribution rates from 20.4% to 20.9% from April 2018</i>									
Introduction of Single Tier State Pension	26	0	26	0	0	0	0	0	0
<i>Increase in employer NIC charges as result of introduction of single tier state pension</i>									
Buy Smart Reviews	0	(15)	(15)	0	(15)	(15)	0	(15)	(15)
<i>Buy Smart Review of supplies & services - leading to either reduced purchasing, ensuring contracts set up and used or buying to an alternative standard.</i>									
	52	(15)	37	17	(15)	2	24	(15)	9
Revenues & Benefits									
Increases in Pay Costs	32	0	32	21	0	21	21	0	21
<i>Effect of assumed pay increase.</i>									
Increase in LGPS Contribution Rates	0	0	0	0	0	0	8	0	8
<i>Increase in contribution rates from 20.4% to 20.9% from April 2018</i>									

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Introduction of Single Tier State Pension <i>Increase in employer NIC charges as result of introduction of single tier state pension</i>	37	0	37	0	0	0	0	0	0
Council Tax e-billing <i>Migration to e-billing of Council Tax</i>	0	(11)	(11)	0	(9)	(9)	0	(8)	(8)
Sheriff Officer <i>Review of Sheriff Officer Contract</i>	0	(46)	(46)	0	0	0	0	0	0
DWP Admin Subsidy Grant <i>Reduction in DWP Admin Subsidy Grant</i>	20	0	20	0	0	0	0	0	0
Buy Smart Reviews <i>Buy Smart Review of supplies & services - leading to either reduced purchasing, ensuring contracts set up and used or buying to an alternative standard.</i>	0	(10)	(10)	0	(10)	(10)	0	(10)	(10)
	89	(67)	22	21	(19)	2	29	(18)	11
Information Technology									
Increases in Pay Costs <i>Effect of assumed pay increase</i>	25	0	25	17	0	17	17	0	17
Increase in LGPS Contribution Rates <i>Increase in contribution rates from 20.4% to 20.9% from April 2018</i>	0	0	0	0	0	0	6	0	6
Introduction of Single Tier State Pension <i>Increase in employer NIC charges as result of introduction of single tier state pension</i>	33	0	33	0	0	0	0	0	0
Change in Licence Agreement to support Microsoft Office <i>Current Microsoft licence agreement ends in 2017</i>	0	0	0	200	0	200	0	0	0
Buy Smart Reviews <i>Buy Smart Review of supplies & services - leading to either reduced purchasing, ensuring contracts set up and used or buying to an alternative standard.</i>	0	(15)	(15)	0	(15)	(15)	0	(15)	(15)
	58	(15)	43	217	(15)	202	23	(15)	8
Legal & Procurement									
Increases in Pay Costs <i>Effect of assumed pay increase</i>	10	0	10	6	0	6	6	0	6
Increase in LGPS Contribution Rates <i>Increase in contribution rates from 20.4% to 20.9% from April 2018</i>	0	0	0	0	0	0	2	0	2
Introduction of Single Tier State Pension <i>Increase in employer NIC charges as result of introduction of single tier state pension</i>	13	0	13	0	0	0	0	0	0
Increase in Scotland Excel Contract Fees <i>Increase in fees paid to Scotland Excel by 9.4% from April 2016</i>	6	0	6	0	0	0	0	0	0
Buy Smart Reviews <i>Buy Smart Review of supplies & services - leading to either reduced purchasing, ensuring contracts set up and used or buying to an alternative standard.</i>	0	(5)	(5)	0	(5)	(5)	0	(5)	(5)
	29	(5)	24	6	(5)	1	8	(5)	3
Human Resources & Payroll									
Increases in Pay Costs <i>Effect of assumed pay increase.</i>	18	0	18	12	0	12	12	0	12
Increase in LGPS Contribution Rates <i>Increase in contribution rates from 20.4% to 20.9% from April 2018</i>	0	0	0	0	0	0	5	0	5
Introduction of Single Tier State Pension <i>Increase in employer NIC charges as result of introduction of single tier state pension</i>	19	0	19	0	0	0	0	0	0
Buy Smart Reviews <i>Buy Smart Review of supplies & services - leading to either reduced purchasing, ensuring contracts set up and used or buying to an alternative standard.</i>	0	(15)	(15)	0	(15)	(15)	0	(15)	(15)
	37	(15)	22	12	(15)	(3)	17	(15)	2
Licensing, Admin & Democratic Services									
Increases in Pay Costs <i>Effect of assumed pay increase.</i>	29	0	29	19	0	19	20	0	20
Increase in LGPS Contribution Rates <i>Increase in contribution rates from 20.4% to 20.9% from April 2018</i>	0	0	0	0	0	0	7	0	7
Introduction of Single Tier State Pension <i>Increase in employer NIC charges as result of introduction of single tier state pension</i>	28	0	28	0	0	0	0	0	0
Licensing Fees <i>Increase in Civic Government application fee charges in line with October 2008 Cabinet Report</i>	0	(2)	(2)	0	(2)	(2)	0	0	0
Buy Smart Reviews <i>Buy Smart Review of supplies & services - leading to either reduced purchasing, ensuring contracts set up and used or buying to an alternative standard.</i>	0	(20)	(20)	0	(20)	(20)	0	(20)	(20)
	57	(22)	35	19	(22)	(3)	27	(20)	7

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HEALTH & SOCIAL CARE PARTNERSHIP									
Adult Wellbeing									
Increases in Pay Costs <i>Effect of assumed pay increase.</i>	215	0	215	145	0	145	147	0	147
Increase in LGPS Contribution Rates <i>Increase in contribution rates from 20.4% to 20.9% from April 2018</i>	0	0	0	0	0	0	54	0	54
Travel Time in Home Care <i>E.U. ruling regarding travel time in work rotas</i>	300	0	300	0	0	0	0	0	0
Living Wage Social Care Sector <i>Increase in the living wage within the social care sector. Implementation 1st April 2016</i>	500	0	500	0	0	0	0	0	0
Direct payments <i>uplift in direct payments as a result of the Living Wage</i>	200	0	200	0	0	0	0	0	0
Additional Investment <i>Developing emergency Respite Services</i>	200	0	200	0	0	0	0	0	0
Introduction of Single Tier State Pension <i>Increase in employer NIC charges as result of introduction of single tier state pension</i>	223	0	223	0	0	0	0	0	0
Single Tier State Pension - Facility Services Charges <i>Effect of increased employer NIC charges on Facilities Charges</i>	6	0	6	0	0	0	0	0	0
Health and Social Care integration <i>Including review, redesign and retender of commissioning services and delivering models of care: savings and efficiencies generated through joint working etc.</i>		(1,001)	(1,001)	0	(700)	(700)	0	(400)	(400)
Demographic Change <i>Additional investment to support demographic pressures within the Adult Wellbeing</i>	412	0	412	0	0	0	0	0	0
Carers Bill <i>New Carers Bill responsibilities</i>	320	0	320	0	0	0	0	0	0
Facility Services Charges <i>Increases in Facilities Charges in line with salary increases</i>	9	0	9	6	0	6	6	0	6
Additional Occupational Therapists <i>Employment of additional Occupational Therapists to guarantee assessment times.</i>	300	0	300	0	0	0	0	0	0
Additional Investment <i>Additional Investment to deliver increased capacity within the social Care sector</i>	700	0	700	0	0	0	0	0	0
Living Wage <i>Effect of £8.33 minimum hourly rate on Facilities Charges</i>	11	0	11	0	0	0	0	0	0
Review of Charging Thresholds - Non residential <i>Review of all non-residential services to address poverty. Increase in thresholds. Including removal of proposed increase year 1.</i>	0	0	0	50	0	50	0	0	0
Increase in residential service charges <i>Increase in existing residential service charge</i>	0	(25)	(25)	0	0	0	0	0	0
Day Centre Funding/Registration <i>Strategic Development of the service</i>	50	0	50	25	0	25	25	0	25
Day Centre Transport <i>Additional funding to support transportation of clients</i>	50	0	50	0	0	0	0	0	0
Buy Smart Reviews <i>Buy Smart Review of supplies & services - leading to either reduced purchasing, ensuring contracts set up and used or buying to an alternative standard.</i>	0	(20)	(20)	0	(20)	(20)	0	(20)	(20)
Make greater use of Sheltered Housing <i>Make greater use of Sheltered Housing to provide higher levels of community support and reduce numbers of purchased care home beds</i>	0	(50)	(50)	0	0	0	0	0	0
	3,496	(1,096)	2,400	226	(720)	(494)	232	(420)	(188)
Children's Wellbeing									
Increases in Pay Costs <i>Effect of assumed pay increase.</i>	100	0	100	67	0	67	68	0	68
Increase in LGPS Contribution Rates <i>Anticipated increase in contribution rates from 20.4% to 20.9% from April 2018</i>	0	0	0	0	0	0	25	0	25
Introduction of Single Tier State Pension <i>Increase in employer NIC charges as result of introduction of single tier state pension</i>	122	0	122	0	0	0	0	0	0
Buy Smart Reviews <i>Buy Smart Review of supplies & services - leading to either reduced purchasing, ensuring contracts set up and used or buying to an alternative standard.</i>	0	(24)	(24)	0	(37)	(37)	0	(24)	(24)
Additional Investment - Foster Carers <i>Additional investment to build capacity in foster care recruitment and retention</i>	0	0	0	100	0	100	100	0	100
Kinship Care Allowances <i>Increase in Kinship Care allowances to be implemented from October 2015</i>	88	0	88	0	0	0	0	0	0
	310	(24)	286	167	(37)	130	193	(24)	169

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PARTNERSHIPS & COMMUNITY SERVICES									
Planning									
Increases in Pay Costs <i>Effect of assumed pay increase.</i>	40	0	40	27	0	27	27	0	27
Increase in LGPS Contribution Rates <i>Increase in contribution rates from 20.4% to 20.9% from April 2018</i>	0	0	0	0	0	0	10	0	10
Introduction of Single Tier State Pension <i>Increase in employer NIC charges as result of introduction of single tier state pension</i>	42	0	42	0	0	0	0	0	0
Planning Fees <i>Increase in planning fee income in line with increased housing development growth</i>	0	(42)	(42)	0	(35)	(35)	0	(15)	(15)
Environmental Health sampling and testing contract renegotiation of sampling and testing contract	0	(20)	(20)	0	0	0	0	0	0
	82	(62)	20	27	(35)	(8)	37	(15)	22
Economic Development & Strategic Investment									
Increases in Pay Costs <i>Effect of assumed pay increase.</i>	19	0	19	13	0	13	13	0	13
Increase in LGPS Contribution Rates <i>Increase in contribution rates from 20.4% to 20.9% from April 2018</i>	0	0	0	0	0	0	4	0	4
Introduction of Single Tier State Pension <i>Increase in employer NIC charges as result of introduction of single tier state pension</i>	30	0	30	0	0	0	0	0	0
Town Centre Managers <i>Support for Area Partnerships to focus on efforts on regeneration across the six major East Lothian Towns. Increase Area Managers from 4 to 6</i>	100	0	100	0	0	0	0	0	0
High Street Rent Incentivisation Scheme <i>Apprenticeships/Training</i>	10	0	10	15	0	15	20	0	20
Recharge of Staff <i>Recharge of Team manager costs to East Lothian Investments in recognition of work undertaken</i>	0	(15)	(15)	0	0	0	0	0	0
Wood Commission <i>Additional staff to support young people in achieving positive destinations</i>	0	0	0	50	0	50	75	0	75
Buy Smart Reviews <i>Buy Smart Review of supplies & services - leading to either reduced purchasing, ensuring contracts set up and used or buying to an alternative standard.</i>	0	(10)	(10)	0	(9)	(9)	0	(9)	(9)
	159	(25)	134	78	(9)	69	112	(9)	103
Asset Planning & Engineering									
Increases in Pay Costs <i>Effect of assumed pay increase.</i>	42	0	42	28	0	28	29	0	29
Increase in LGPS Contribution Rates <i>Increase in contribution rates from 20.4% to 20.9% from April 2018</i>	0	0	0	0	0	0	11	0	11
Introduction of Single Tier State Pension <i>Increase in employer NIC charges as result of introduction of single tier state pension</i>	52	0	52	0	0	0	0	0	0
Increase in Building Warrant Income <i>Increase in Building Warrant fee income based on increased activity and rate.</i>	0	(145)	(145)	0	(20)	(20)	0	(20)	(20)
Increase in rents for Industrial Rents <i>Rents will increase in line with rent reviews/Increase to match existing actual income</i>	0	(20)	(20)	0	(20)	(20)	0	(20)	(20)
Buy Smart Reviews <i>Buy Smart Review of supplies & services - leading to either reduced purchasing, ensuring contracts set up and used or buying to an alternative standard.</i>	0	(16)	(16)	0	(17)	(17)	0	(17)	(17)
	94	(181)	(87)	28	(57)	(29)	40	(57)	(17)
Property Maintenance									
Buy Smart Reviews <i>Buy Smart Review of supplies & services - leading to either reduced purchasing, ensuring contracts set up and used or buying to an alternative standard.</i>	0	(50)	(50)	0	(50)	(50)	0	(50)	(50)
Increase in Pay Costs <i>Effect of assumed pay increase.</i>	20	0	20	0	0	0	0	0	0
	20	(50)	(30)	0	(50)	(50)	0	(50)	(50)
Facility Support Services									
Increases in Pay Costs <i>Effect of assumed pay increase.</i>	23	0	23	16	0	16	16	0	16
Increase in LGPS Contribution Rates <i>Increase in contribution rates from 20.4% to 20.9% from April 2018</i>	0	0	0	0	0	0	24	0	24
Introduction of Single Tier State Pension <i>Increase in employer NIC charges as result of introduction of single tier state pension</i>	16	0	16	0	0	0	0	0	0
Increase in void cleans	0	(10)	(10)	0	0	0	0	0	0
Increase in NDR charges	55	0	55	0	0	0	0	0	0

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Increase in poundage rates from April 2016									
Service Review Facilities Management	0	0		0	(96)	(96)	0	0	0
Reduction in overtime/Review of terms and conditions									
Living Wage	21	0	21	0	0	0	0	0	0
Effect of £8.33 minimum hourly rate on Shared Accommodation/Public Convenience budgets									
Reduce Office cleaning	0	(60)	(60)		0	0	0	0	0
Buy Smart Reviews	0	(19)	(19)	0	(21)	(21)	0	(21)	(21)
Buy Smart Review of supplies & services - leading to either reduced purchasing, ensuring contracts set up and used or buying to an alternative standard.									
	115	(89)	26	16	(117)	(101)	40	(21)	19
Landscape & Countryside Management									
Increases in Pay Costs	76	0	76	51	0	51	52	0	52
Effect of assumed pay increase.									
Increase in LGPS Contribution Rates	0	0	0	0	0	0	19	0	19
Increase in contribution rates from 20.4% to 20.9% from April 2018									
Introduction of Single Tier State Pension	87	0	87	0	0	0	0	0	0
Increase in employer NIC charges as result of introduction of single tier state pension									
REMOVAL OF COASTAL CAR PARKING CHARGES	0	0	0	0	0	0	0	0	0
remove coastal car parking charges									
Increase Fees and Charges	0	0	0	0	(30)	(30)	0	0	0
Various increases									
Fuel Costs	0	(50)	(50)	0	0	0	0	0	0
Reduction in Fuel costs due to falling oil prices									
Up rating of Income	0	(4)	(4)	0	0	0	0	0	0
Up rating of income for Burial/Lair Charges									
Reneqotation of Staff Travel Scheme									
Teachers Pensions	1	0	1	0	0	0	0	0	0
Additional costs relating to the increase in Teachers pensions as a result of 2014 actuarial valuation - to be implemented from September 2015									
Buy Smart Reviews	0	(19)	(19)	0	(80)	(80)	0	(19)	(19)
Buy Smart Review of supplies & services - leading to either reduced purchasing, ensuring contracts set up and used or buying to an alternative standard.									
	164	(73)	91	51	(110)	(59)	71	(19)	52
Roads, Transportation & Waste Services									
Increases in Pay Costs	101	0	101	68	0	68	69	0	69
Effect of assumed pay increase.									
Increase in LGPS Contribution Rates	0	0		0	0	0	25	0	25
Increase in contribution rates from 20.4% to 20.9% from April 2018									
Introduction of Single Tier State Pension	115	0	115	0	0	0	0	0	0
Increase in employer NIC charges as result of introduction of single tier state pension									
Increase in Transportation Contract Charges for Waste Services	40	0	40	0	0	0	0	0	0
Additional costs associated with increase in waste services contract charges									
Increase in Recycling Contract Charges for Waste Services	24	0	24	0	0	0	0	0	0
Additional costs associated with increase in kerbside recycling contract									
Employment of Wardens by ELC	0	0	0	100	0	100	100	0	100
Expansion of community wardens to enforce traffic regulations									
Parking Charges Income	0	0	0	(100)	0	(100)	(100)	0	(100)
Income from fines (non coastal car parking)									
Roads Lighting	0	(15)	(15)	0	(15)	(15)	0	(15)	(15)
Savings associated with replacement of lanterns with LED units									
Income Generation	0	(10)	(10)	0	(10)	(10)	0	(10)	(10)
Increase in Trade Waste Charges									
Specialist uplift Service - introduce charging for fast track service	0	(50)	(50)	0	(50)	(50)	0	0	0
Retention of free service but Introduction of charging for optional fast track specialist uplift service									
Specialist uplift Service - cost of service provision	0	50	50	0	50	50	0	0	0
Costs of introducing fast-track specialist uplift service									
Buy Smart Reviews	0	(24)	(24)	0	(31)	(31)	0	(31)	(31)
Buy Smart Review of supplies & services - leading to either reduced purchasing, ensuring contracts set up and used or buying to an alternative standard.									
Removal of waste vehicle	0	(18)	(18)	0	0	0	0	0	0
removal of 1 x 26t. from fleet.									
Contract savings on disposal of waste	0	(150)	(150)	0	0	0	0	0	0

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Collaborative Roads Working <i>Savings arising from current Joint working arrangements</i>	0	0	0	0	0	0	0	(100)	(100)
	280	(217)	63	68	(56)	12	94	(156)	(62)
Healthy Living									
Increases in Pay Costs <i>Effect of assumed pay increase.</i>	16	0	16	11	0	11	11	0	11
Increase in LGPS Contribution Rates <i>Increase in contribution rates from 20.4% to 20.9% from April 2018</i>	0	0	0	0	0	0	4	0	4
Introduction of Single Tier State Pension <i>Increase in employer NIC charges as result of introduction of single tier state pension</i>	19	0	19	0	0	0	0	0	0
Increase in NDR charges <i>Increase in poundage rates from April 2016</i>	7	0	7	0	0	0	0	0	0
PPP Contract <i>Increase in PPP contract charges for Mercat Gait above assessed inflation rate</i>	0	0	0	3	0	3	4	0	4
Investment in Community use of Pinkie and Middleshot square 3G pitches <i>Support for local sportspeople</i>	50	0	50	0	0	0	0	0	0
Buy Smart Reviews <i>Buy Smart Review of supplies & services - leading to either reduced purchasing, ensuring contracts set up and used or buying to an alternative standard.</i>	0	(14)	(14)	0	(24)	(24)	0	(24)	(24)
Enjoy Contract Payments <i>Reduction in contract payment to Enjoy</i>	0	(120)	(120)	0	(120)	(120)	0	(130)	(130)
	92	(134)	(42)	14	(144)	(130)	19	(154)	(135)
Community Housing									
Increases in Pay Costs <i>Effect of assumed pay increase.</i>	17	0	17	11	0	11	11	0	11
Increase in LGPS Contribution Rates <i>Increase in contribution rates from 20.4% to 20.9% from April 2018</i>	0	0	0	0	0	0	4	0	4
Introduction of Single Tier State Pension <i>Increase in employer NIC charges as result of introduction of single tier state pension</i>	13	0	13	0	0	0	0	0	0
Increased Charges <i>Increased charges for homelessness services in line with January 2014 Cabinet report</i>	0	(10)	(10)	0	0	0	0	0	0
Buy Smart Reviews <i>Buy Smart Review of supplies & services - leading to either reduced purchasing, ensuring contracts set up and used or buying to an alternative standard.</i>	0	(26)	(26)	0	(26)	(26)	0	(26)	(26)
Private Sector Housing Grant <i>Reduction in budget</i>	0	(100)	(100)	0	0	0	0	0	0
	30	(136)	(106)	11	(26)	(15)	15	(26)	(11)
Corporate Policy & Improvement									
Increases in Pay Costs <i>Effect of assumed 1.5% increase.</i>	16	0	16	11	0	11	11	0	11
Introduction of Single Tier State Pension <i>Increase in employer NIC charges as result of introduction of single tier state pension</i>	15	0	15	0	0	0	0	0	0
Increase in LGPS Contribution Rates <i>Increase in contribution rates from 20.4% to 20.9% from April 2018</i>	0	0	0	0	0	0	4	0	4
Additional Income Emergency planning <i>additional income - Emergency planning officer</i>	0	(35)	(35)	0	0	0	0	0	0
Removal of Council Living Publication <i>No issues to be published</i>	0	(24)	(24)	0	0	0	0	0	0
	31	(59)	(28)	11	0	11	15	0	15
Community Partnerships									
Increases in Pay Costs <i>Effect of assumed 1.5% increase.</i>	4	0	4	3	0	3	3	0	3
Increase in LGPS Contribution Rates <i>Increase in contribution rates from 20.4% to 20.9% from April 2018</i>	0	0	0	0	0	0	1	0	1
Partnership funding Awards - local areas <i>Officer recommended local awards to be agreed with Local Area Partnerships. No impact on budget.</i>	1,000	0	1,000	0	0	0	0	0	0
	(1,000)	0	(1,000)	0	0	0	0	0	0
Town Centre Regeneration <i>project funding to support delivery of capital investment in Area Partnership Areas</i>	60	0	60	0	0	0	0	0	0
Additional Investment in Town Community Councils									
<i>Musselburgh and Inveresk Community Council</i>	5	0	5	0	0	0	0	0	0
<i>Prestonpans Community Council</i>	5	0	5	0	0	0	0	0	0
<i>Tranent and Elphinstone Community Council</i>	5	0	5	0	0	0	0	0	0

SNP - GENERAL SERVICES BUDGET PROPOSALS

BUDGET CHANGES

Description	2016/17			2017/18			2018/19		
	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
<i>Haddington Community Council</i>	5	0	5	0	0	0	0	0	0
<i>North Berwick Community Council</i>	5	0	5	0	0	0	0	0	0
<i>Dunbar Community Council</i>	5	0	5	0	0	0	0	0	0
Transfer of ownership / lease of former Pinkie clinic to Musselburgh Windsor Football Club <i>Running costs to be met by the club. Grant to assist.</i>	5	0	5	0	0	0	0	0	0
East Lothian Food Bank <i>Investment now included in base budget</i>	50	0	50	0	0	0	0	0	0
Introduction of Single Tier State Pension <i>Increase in employer NIC charges as result of introduction of single tier state pension</i>	6	0	6	0	0	0	0	0	0
Local Area Management <i>£350K of funding built into base budget</i>	0	0	0	0	0	0	0	0	0
	155	0	155	3	0	3	4	0	4
Arts, Museums & Music									
Increases in Pay Costs <i>Effect of assumed pay increase.</i>	15	0	15	10	0	10	10	0	10
Increase in LGPS Contribution Rates <i>Increase in contribution rates from 20.4% to 20.9% from April 2018</i> <i>Increase in LGPS pensionable contributions</i>	0	0	0	0	0	0	3	0	3
Introduction of Single Tier State Pension <i>Increase in employer NIC charges as result of introduction of single tier state pension</i>	13	0	13	0	0	0	0	0	0
Venues 1 and 2 Brunton Hall NDR <i>NDR savings- transfer of venues 1 and 2 to Trust</i>	0	0	0	0	(40)	(40)	0	0	0
Teachers Pensions <i>Additional costs relating to the increase in Teachers pensions as a result of 2014 actuarial valuation - to be implemented from September 2015</i>	8	0	8	0	0	0	0	0	0
Facility Services Charges <i>Increases in Facilities Charges in line with salary increases</i>	1	0	1	0	0	0	0	0	0
	37	0	37	10	(40)	(30)	13	0	13
Community Development									
Increases in Pay Costs <i>Effect of assumed pay increase.</i>	24	0	24	17	0	17	17	0	17
Increase in LGPS Contribution Rates <i>Increase in contribution rates from 20.4% to 20.9% from April 2018</i>	0	0	0	0	0	0	6	0	6
Introduction of Single Tier State Pension <i>Increase in employer NIC charges as result of introduction of single tier state pension</i>	21	0	21	0	0	0	0	0	0
Single Tier State Pension - Facility Services Charges <i>Effect of increased employer NIC charges on Facilities Charges</i>	3	0	3	0	0	0	0	0	0
Alternative model of Community Learning Development Service delivery <i>Use of Area Partnership managers in the alternative model of service delivery</i>	0	(79)	(79)	0	0	0	0	0	0
PPP Contract <i>Increase in PPP contract charges for Community Learning Centre/Musselburgh East Community Association.</i>	0	0	0	2	0	2	3	0	3
Facility Services Charges <i>Increases in Facilities Charges in line with salary increases</i>	7	0	7	4	0	4	5	0	5
Living Wage <i>Effect of £8.33 minimum hourly rate on Facilities Charges</i>	6	0	6	0	0	0	0	0	0
Buy Smart Reviews <i>Buy Smart Review of supplies & services - leading to either reduced purchasing, ensuring contracts set up and used or buying to an alternative standard.</i>	0	(11)	(11)	0	(23)	(23)	0	(23)	(23)
	61	(90)	(29)	23	(23)	0	31	(23)	8
Customer Services									
Increases in Pay Costs <i>Effect of assumed pay increase.</i>	61	0	61	41	0	41	42	0	42
Increase in LGPS Contribution Rates <i>Increase in contribution rates from 20.4% to 20.9% from April 2018</i>	0	0	0	0	0	0	15	0	15
Facility Services Charges <i>Increases in Facilities Charges in line with salary increases</i>	2	0	2	1	0	1	1	0	1
Introduction of Single Tier State Pension <i>Increase in employer NIC charges as result of introduction of single tier state pension</i>	61	0	61	0	0	0	0	0	0
Living Wage <i>Effect of £8.33 minimum hourly rate on Facilities Charges</i>	6	0	6	0	0	0	0	0	0
Review of cash collection at council offices <i>Direct all payees to D/D, online phone or post office</i>	0	0	0	0	(38)	(38)	0	0	0

SNP - GENERAL SERVICES BUDGET PROPOSALS

BUDGET CHANGES

Description	2016/17			2017/18			2018/19		
	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
Investment in Library Service	50	0	50	50	0	50	0	0	0
<i>Additional investment in Library Service including the continuation of the mobile library</i>									
Buy Smart Reviews	0	(14)	(14)	0	(11)	(11)	0	(11)	(11)
<i>Buy Smart Review of supplies & services - leading to either reduced purchasing, ensuring contracts set up and used or buying to an alternative standard.</i>			0						
	180	(14)	166	92	(49)	43	58	(11)	47

SNP - GENERAL SERVICES BUDGET PROPOSALS

2016-2019

Gross General Fund Capital Spend	Revised	2016/17			3 year Cummulative
	2015/16 £000	2016/17 £000	2017/18 £000	2018/19 £000	2016/17 to 2018/19 £000
Abbey, North Berwick Care Home refurbishment	0	0	0	500	500
Fa'side Tranent - New residential home and day centre	110	0	0	0	0
Musselburgh Care Home	0	0	0	1,672	1,672
Haddington Day Centre	0	0	0	444	444
Haddington Town House - Steeple Work	13	0	0	0	0
Torness Strategic Coordination Centre	500	0	0	0	0
Property Renewals	1,154	900	900	900	2,700
Capital Plan Fees/Internal Recharges	1,370	1,370	1,370	1,370	4,110
John Gray Centre Haddington	79	0	0	0	0
Prestongrange Museum	0	0	140	500	640
Port Seton Sports Hall	0	0	100	300	400
Whitecraig Community Centre	0	0	100	440	540
North Berwick Museum - refurbishment	0	40	0	0	40
North Berwick Community Centre - Lift	9	0	0	0	0
Community Intervention	200	0	0	0	0
Red School Prestonpans	5	285	10	0	295
Support for Business - Land Acquisition/Infrastructure/Broadband	173	0	0	0	0
Support for Business - Mid Road Industrial Estate	1,269	20	0	0	20
Town Centre Regeneration - budget delegated to Area Partnerships	350	0	0	0	0
Musselburgh Town Centre Regeneration	0	100	300	0	400
Tranent Town Centre Regeneration	0	100	300	0	400
Prestonpans Town Centre Regeneration	0	100	300	0	400
Haddington Town Centre Regeneration	0	100	300	0	400
North Berwick Town Centre Regeneration	0	100	300	0	400
Dunbar Town Centre Regeneration	0	100	300	0	400
Acquisition of St. Josephs	2,075	0	0	0	0
Dunbar - Lochend Campus/Additional Classrooms	1,200	156	20	0	176
Sandersons Wynd PS - additional Classrooms	359	6	0	0	6
Dunbar Grammar	49	1,126	5,813	3,241	10,180
Musselburgh Secondary Education Provision	0	0	0	500	500
North Berwick High School Extension	0	0	0	100	100
Ross High School Extension	0	0	0	50	50
Secondary School Communication Provision	1,023	18	0	0	18
Dirleton Classroom Extension	4	0	0	0	0
Macmerry PS Extension	3	0	0	0	0
Letham Primary (temp prov'n Knox academy)	0	131	0	0	131
Letham Primary	0	100	7,000	1,837	8,937
Pinkie St Peter's PS Extension	3,013	74	0	0	74
Law Primary School	218	3,875	3,034	2,468	9,377
Windygoul PS - Permanent Additional Classrooms	2,781	57	0	0	57
Wallyford PS - Temp Units	235	30	0	0	30

SNP - GENERAL SERVICES BUDGET PROPOSALS

Gross General Fund Capital Spend	Revised	3 year Cummulative			
	2015/16 £000	2016/17 £000	2017/18 £000	2018/19 £000	2016/17 to 2018/19 £000
Wallyford PS	50	450	9,500	6,050	16,000
Replacement Vehicles	2,383	1,000	1,000	1,000	3,000
Replacement Mobile Library Van	0	75	0	0	75
Synthetic pitches	492	83	75	75	233
Pavilions	0	592	0	0	592
East Lothian Legacy Project - Meadowmill Alterations	59	0	0	0	0
Sports Centres - refurbishment & equipment	371	200	200	200	600
Expansion of 3G pitch provision	76	0	0	0	0
IT Program (corporate and schools)	1,423	1,375	1,250	1,250	3,875
Core Path Plan Implementation	100	0	0	0	0
Polson Park restoration	0	0	0	250	250
Machinery & Equipment - replacement	149	40	40	140	220
Cemeteries - Extensions/Allotments	0	887	10	30	927
Allotments	0	30	30	30	90
Coastal Car Parks/Toilets	510	150	150	150	450
Pepperraig Depot Haddington	7	24	0	0	24
Coastal Protection/Flood	2	198	1,550	623	2,371
Promenade Improvements - Fisherrow	0	44	0	0	44
Pencaitland Footpaths	177	0	0	0	0
Cycling Walking Safer Streets (Ring-fenced grant funded)	151	112	151	151	414
East Linton Rail Stop/Infrastructure	400	0	0	0	0
Roads	5,389	6,000	6,000	6,000	18,000
Parking Improvements	571	300	150	150	600
Purchase of New Bins/Food Waste Collection	314	90	90	90	270
Free School Meals	200	0	0	0	0
Early years provision	550	450	0	0	450
Construction Academy	0	300	0	0	300
New ways of working	0	414	594	0	1,008
Prestonpans Shared Facility	0	93	0	0	93
Carberry Landfill Gas management	0	250	0	0	250
Meadowmill operational Depot	0	0	1,000	0	1,000
Accelerating Growth - Enabling Infrastructure	0	0	2,000	3,000	5,000
Cycling Super Highways	0	50	50	50	150
Aberlady Toilets	0	30	0	0	30
Levenhall Links - Visitor Centre / changing facility / Road Improvements	0	100	250	50	400
Town Centre Wi-fi Roll-out	0	50	50	50	150
Gross Expenditure	29,566	22,175	44,427	33,661	100,263