

**REPORT TO:** Cabinet

**MEETING DATE:** 22 January 2019

**BY:** Depute Chief Executive (Resources & People Services)

**SUBJECT:** Budget Development 2019

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**1. PURPOSE**

- 1.1 To present to Cabinet an update on matters affecting development of budgets including the draft budget proposals prepared on behalf of the Administration.

**2. RECOMMENDATIONS**

- 2.1 Cabinet is asked to approve the draft budget proposals as contained within the report appendices noting the intention of the Council Leader to invite further discussion with other political groups via Group Leaders between now and the formal budget setting meeting of Council on 12 February.
- 2.2 To request that any formal amendments to the draft proposals be submitted in accordance with the timeline agreed by Council on 11 December 2018.

**3. BACKGROUND**

- 3.1 At meetings of the Council held on 30 October and 11 December 2018, information was provided in relation to likely forward financial prospects and the 5 year Financial Strategy incorporating the new Capital Strategy was formally approved.
- 3.2 A new framework governing development of budgets was also approved that would require the Administration to bring forward to Cabinet a balanced draft budget proposal reflecting the most up to date information on the Local Government Finance Settlement.
- 3.3 In November, the Council launched a public budget consultation process for General Services that formally closed on 24 December 2018. The process consisted of a combination of two Focus Groups which focussed on 'Appetite for Change / Doing things Differently' and was supported by an online survey together which generated feedback from around 450 individuals. A summary review of the consultation findings is attached as **Appendix 1** to this report. A

more comprehensive analysis and review has been prepared and has been lodged in the Members Library Service.

- 3.4 In accordance with normal practice, a statutory consultation with rent payers has recently been undertaken by the Head of Development. The views of more than 1,200 respondents have been secured. The summary findings from the consultation process are contained within **Appendix 2** and as with the General Fund consultation, further details are available within the full report lodged in the Members Library Service.

### **Local Government Settlement**

- 3.5 On 12 December 2018, the COSLA President received written notification from the Cabinet Secretary for Finance of the likely financial settlement it would receive from Scottish Government. The corresponding Finance Circular and **draft** individual Council settlement allocations were received from the Scottish Government on 17 December 2018. The settlement offer is based upon a set of Scottish Government Draft Budget Proposals that have yet to secure formal approval through the Scottish Parliamentary process and are therefore still subject to change. Based upon our best interpretation of the settlement offer at the time of writing, the most significant national features are as follows:

#### **Local Government Settlement - Scotland**

- One year financial settlement covering 2019/20 only;
- Cash year on year increase in revenue budget (including Revenue Support Grant and Specific Grants) of £163 million;
- Settlement incorporates additional funding for new policy obligations amounting to £400 million;
  - £234 million Early Learning & Childcare 1140 hours
  - £120 million investment in Integration
  - £30 million FPNC under 65's
  - £10 million Carers Act
  - £3 million implementation of Barclay review
  - £3 million access to Free Sanitary Products in Public Places
- Overall cash reduction to core Revenue Budget of £237 million (2.4%)
- The settlement offer does not specify any sanctions for non-conformance but still incorporates a number of expectations and requirement to:
  - Maintain Pupil Teacher Ratio at a national level,
  - Secure places for all Probationer Teachers who require one,

- Restrict any increase on Council Tax to a maximum of 3%.
- In terms of capital, the previous reduction in capital funding of £150m applied in 2016/17 has now been reinstated. An additional £25 million specific grant funding for the delivery of Early Years (1140 hours) has been included as well as an additional £50 million to support Town Centre to stimulate regeneration and sustainability of town centres, the distribution of which is still to be agreed.

### **Local Government Settlement East Lothian Council**

- Provisional estimated reduction in Revenue Support Grant of £1.917m. (1.2%) This reduction includes the additional funding which we have received for new obligations of £2.3m, including Health & Social Care (£2.0m) and additional funding to support the Carers Act (£0.2m), all of which come with increased investment obligations. Taking this into account, the core revenue funding has been reduced by £4.2 million (2.5%).
- Increase in specific grants of £5.476m, most of which relates to previously announced (May 2018) funding in relation to the delivery of 1140 hours.
- Given the wider uncertainty around the local government settlement including; one year financial settlement, greater fiscal flexibility of Scottish Government, wider economic environment particularly in relation to the UK's withdrawal from the EU and national political uncertainty around support for the Scottish Budget; officers have retained the working assumption in relation to Revenue Support Grant funding to reflect 'flat cash' for years 2 and 3.
- Despite pay negotiations for 2018/19 still on-going, pay assumptions reflecting the current 'offer', which if implemented would include the period until 2020/21, has been reflected within the 3 year budget. A further 2% has been reflected for all pay bargaining groups in 2021/22.
- Taking all of this into consideration, the Council faces an estimated funding gap across the next 3 financial years of £7.9m in 2019/20, rising to £12.0m in 2021/22.
- In terms of capital, the overall capital grant remains broadly in line with planning assumptions although some grant funding has been provided re-profiled to reflect expenditure plans relating to Flooding programmes.

### **DRAFT Administration Budget Proposals**

- 3.6 Draft revenue and capital budget proposals for both General Services and the Housing Revenue Account have been prepared on behalf of the Administration and are attached within **Appendix 3** (General Services Revenue), **Appendix 4** (General Services Capital) and **Appendix 5** (Housing Revenue Account – Revenue and Capital).
- 3.7 It is important to note that because the Scottish Government's draft national budget will not be finalised until 21 February 2019, there is still a possibility that the settlement offer made to Local Government could change. Reflecting upon the same process last year, national political negotiation and intervention resulted in a positive financial adjustment to the initially proposed grant

settlement offer. Once again, there has been some speculation that something similar may occur for 2019-20 and in preparing their draft proposals, the Administration has built in additional anticipated grant support on a similar scale to that received at the same stage last year. Should the final level of grant support become known between now and the formal budget setting meeting in February, it may be necessary to review some of the specific proposals identified within the Administration Draft Budgets. It should also be noted that despite best efforts, the relatively late notification and subsequent clarification of the settlement offer have meant that it has not yet been possible for the Administration to bring forward a balanced budget for all 3 years. Certain proposals built into the proposed General Services Draft Budget are more general and still require further review and potentially moderation before they could be presented to Council as part of a formal budget proposal.

### **Next Steps – Budget Amendment Process**

3.8 Subject to approval of the draft Administration budget proposals within this report by Cabinet, the framework to manage any budget amendments which may arise between approval and Council budget setting meeting on 12 February was agreed by Council in December and as a reminder is set out below:

- An amendment must be presented to Council in the form of an alternative budget proposal. The amendment must be deemed competent, both in its ability to be delivered as well as ensuring that it can still deliver a balanced budget.
- Political Group Leaders should during this period work with Finance around any suggested budget changes which may be reflected within any final proposed amendments, with any final amendments to be considered by Council to be submitted through Group Leaders to the Chief Financial Officer (delegated to the Service Manager, Business Finance) no later than **Friday 1 February 2019**.

## **4. POLICY IMPLICATIONS**

4.1 The Draft proposals have been prepared in accordance with the new Financial Strategy approved by Council on 11 December 2018.

4.2 There are no direct policy implications associated with approval of these draft budget proposals but clearly should they be supported by Council in February, individual elements within the proposals may lead to policy changes.

## **5. INTEGRATED IMPACT ASSESSMENT**

5.1 The subjects contained within this report are currently being progressed through the Integrated Impact Assessment process.

## 6. RESOURCE IMPLICATIONS

- 6.1 Financial – the proposals contained within this report have been prepared within the context of the Council’s approved Financial Strategy. Although potentially the proposals will have significant financial implications, given this report simply seeks to secure approval of a set of draft budget proposals on behalf of the Administration, there are currently no direct financial implications arising.
- 6.2 Personnel - none at this stage
- 6.3 Other – none at this stage

## 7. BACKGROUND PAPERS

- 7.1 Financial Prospects 2019/20 and beyond – Report to Council 30 October 2018
- 7.2 Council Financial Strategy 2019-24 – Report to Council 11 December 2018
- 7.3 Public Budget Consultation – General Services – Members Library Service
- 7.4 Public Budget Consultation – Rent Consultation – Members Library Service
- 7.5 SPICE Briefing on Local Government Finance, Draft Budget 2019-20 and provisional allocations to local authorities can be found per the attached link.

<https://sp-bpr-en-prod-cdnep.azureedge.net/published/2018/12/19/Local-Government-Finance--Budget-2019-20-and-provisional-allocations-to-local-authorities/SB%2018-90.pdf>

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<b>DATE</b>	17 January 2019



## Appendix 1 - Summary of Analysis of General Services Budget Consultation Exercises: December 2018

### 1. Background

- 1.1 The Council ran an online budget consultation on the 2019/20 budget during December 2018.
- 1.2 We received a total of 458 responses (compared to 920 in 2017).
- 1.3 We asked respondents to list their top 7 priority services. Last year we asked for the top 5 priorities so the composite rank totals are higher this year, but the ranking of the services is almost identical (see **Annexe 1**). The top five priority services are:
  1. School & early years (4.70)
  2. Services to protect children from harm and support families (3.48)
  3. Support for vulnerable adults (3.23)
  4. Maintenance of roads, pavements and lighting (2.98)
  5. Waste and recycling services (2.82)
- 1.4 We asked respondents to score 7 hard choice savings from least to most acceptable on a scale of 1-6. The 7 choices have been given a 'mean' score – total score given to each divided by the number of people who responded to that question.
- 1.5 As is shown in **Annexe 2** and the table below the options that received most support/ least resistance are:
  - Rationalise & review Council assets / office provision
  - Introduce charges for uplifts for disposal of bulky items.
- 1.6 The options which are most resisted / received least support are:
  - Commercialisation of Outdoor Learning
  - Charging for garden waste collection.

## ‘Hard choices’ ranking and scoring

	Option	Mean score	% Total 6, 5 & 4	% Total 1, 2 & 3	No answer
1	Rationalise & review Council assets / office provision	5.26	74%	17.49%	8.52%
2	Introduce charges for uplifts for disposal of bulky items	4.0	58.73%	35.15%	6.11%
3	Reduce the frequency of uplifting garden Waste to a monthly collection	3.97	58.95%	36.68%	4.37%
4	Removal of Taxi Card scheme	3.58	46.95%	43.23%	9.83%
5	(Cut) grant support to local businesses	3.49	45.41%	44.13%	10.26%
6	Commercialisation of Outdoor Learning	3.12	40.17%	50.22%	9.61%
7	Charge for garden waste collection	2.82	31.88%	57.64%	10.48%

- 1.7 Where we can make a comparison with last year’s survey the options received slightly lower levels of support.
- 1.8 The Courier led with a story about the garden waste charge option and I expect that will have fired up some opponents of this proposal, which will have had some impact on the responses.
- 1.9 It is clear from many of the comments made by respondents that there is some confusion around what is meant by ‘commercialisation of Outdoor Learning’ with many people suggesting this covered lessons on environmental issues rather than the provision of services provided by the outdoor learning service.
- 1.10 Finally, we asked about support for higher levels of Council Tax (see **Annexe 3**).
- 55.24% of respondents said they would be prepared to support a 5% increase (59.8% in 2017) and 43.45% (38.5% in 2017) said they would not support a 5% increase
  - Only 17.25% said they would support a 10% increase (20.2% in 2017).



## ANNEXE 1: Prioritisation of Services (458 responses)

	<b>Top Priority</b>	<b>2018 Composite Rank (Top 7)</b>	<b>2017 Composite Rank (Top 5)</b>
Schools & Early Years	<b>46.51%</b>	<b>4.70</b>	<b>3.40</b>
Services to protect children from harm and to support families	<b>12.23%</b>	<b>3.49</b>	<b>2.22</b>
Support for vulnerable adults, including frail / elderly people to allow them to remain in their own home	<b>6.77%</b>	<b>3.24</b>	<b>1.80</b>
Maintenance of roads, pavement and lighting	<b>8.95%</b>	<b>2.97</b>	<b>1.52</b>
Waste and recycling services	<b>6.99%</b>	<b>2.82</b>	<b>1.12</b>
Homelessness Services	<b>3.93%</b>	<b>1.51</b>	<b>0.87</b>
Street Cleaning	<b>1.53%</b>	<b>1.48</b>	<b>N/A</b>
Maintenance of parks, gardens and open spaces	<b>1.75%</b>	<b>1.31</b>	<b>0.64</b>
Libraries	<b>3.93%</b>	<b>1.29</b>	<b>0.60</b>
Community centres / village halls	<b>1.97%</b>	<b>1.23</b>	<b>0.64</b>
Swimming pools / leisure centres	<b>0.44%</b>	<b>1.16</b>	<b>0.64</b>
Support for business and economic growth	<b>1.53%</b>	<b>0.84</b>	<b>0.50</b>
Subsidised public transport	<b>1.09%</b>	<b>0.69</b>	<b>0.37</b>
Arts/ cultural activities and events	<b>0.22%</b>	<b>0.35</b>	<b>N/A</b>
Museums/ heritage activities and events	<b>0.22%</b>	<b>0.29</b>	<b>N/A</b>
Museums / Arts / cultural activities / heritage activities and events	<b>N/A</b>	<b>N/A</b>	<b>0.23</b>

**ANNEXE 2: Hard Choices Options Scoring (458 responses)**

	<b>1 = Least accept able</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6 = Most accept able</b>	<b>No ans wer</b>	<b>Mea n Sco re</b>
1. Rationalise & review Council assets / office provision	4.59% 21	5.48 % 25	7.42 % 34	12.4 5% 57	14.1 9% 65	47.36% 217	8.52 % 39	5.26
2a. Reduce the frequency of uplifting garden waste to a monthly collection	14.19% 65	10.7 0% 49	11.7 9% 54	13.1 0% 60	18.1 2% 83	27.73% 127	4.37 % 20	3.97
2b. Charge for providing the garden waste service	31.44% 144	14.8 5% 68	11.3 5% 52	11.3 5% 52	10.9 2% 50	9.61% 44	10.4 8% 48	2.82
3. Grant support to local businesses	11.14% 51	14.6 5% 68	18.3 4% 84	20.5 2% 94	13.3 2% 61	11.57% 53	10.2 6% 47	3.40
4. Commercialisation of Outdoor Learning	23.58% 108	12.2 3% 56	14.4 1% 66	19.4 3% 89	11.3 5% 52	9.39% 43	9.61 % 44	3.12
5. Removal of Taxi Card Scheme	13.97% 64	14.1 9% 65	15.0 7% 69	16.1 6% 74	13.7 6% 63	17.03% 78	9.83 % 45	3.58
6. Introduce charging for uplifts for disposal of bulky items	12.66% 58	11.1 4% 51	11.3 5% 52	14.1 9% 65	16.8 1% 77	27.73% 127	6.11 % 28	4.00

**ANNEXE 3: Council Tax Increase Options (458 responses)**

	<b>2018</b>	<b>2017</b>	<b>2018</b>	<b>2017</b>
	<b>Prepared to support up to 5% increase</b>	<b>Prepared to support up to 5% increase</b>	<b>Prepared to support up to 10% increase</b>	<b>Prepared to support up to 10% increase</b>
<b>Agree</b>	55.24% (253)	59.8% (550)	17.25% (79)	20.2% (186)
<b>Disagree</b>	43.45% (199)	38.5% (354)	81.66% (374)	77% (708)
<b>No answer</b>	1.31% (6)	1.7% (16)	1.09% (5)	2.8% (26)

Paolo Vestri  
Service Manager – Corporate Policy & Improvement



## **Appendix 2 – Summary of HRA Rent Budget Consultation**

### **1 PURPOSE**

- 1.1 To outline the results of the consultation exercise on the proposals to increase the Council House Rents in 2019/20.
- 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 longstanding Project Group comprising of Council staff from Community Housing, Revenues and Finance, the Cabinet Spokesperson for Housing, as well as members of ELTRP reconvened in September 2018 to discuss and agree the approach for the consultation on the 2019/20 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% and:
  - 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, 5 of which were completed online, a reduction from the previous year when 11 were received.
- 3.7 A total of 1,262 completed questionnaires (including 3 responses from local Tenants and Residents Associations) were received. This represents a return rate of 14.74% of all letters issued (compared to a 12% 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 (95% in previous year)
  - 92% said that they think the rent they pay is good value for money (91% in previous year)
  - 78% said they think the Council are proposing a fair increase of 5% (79% in previous year)
  - 95% agree with the Council's commitment to build new houses to help address the housing shortage in East Lothian (94% in previous year)
  - 98% agree that the Council should continue to modernise its existing stock (e.g. new kitchens/bathrooms/rewiring/improving energy efficiency/major structural work) (same percentage as previous year).
- 3.9 We asked tenants a slightly different question this year about if they agree that their rent should pay for delivering the housing service to tenants and 98% agreed.

We also gave tenants the opportunity to tell us what they would like us to do more of and what we can do better. Over 400 comments were received which consisted of general comments as well as suggestions about services. The top three areas which comments related to were repairs, modernisation and rent issues.

- 3.10 East Lothian Tenants and Residents Panel made a written response to the consultation after holding a consultation event in December 2018 to inform ELC tenants and gather additional views regarding the potential rent increase.
- 3.11 ELTRP reported that the majority of attendees have already returned their questionnaire and as a result there was very limited additional feedback during the consultation session.
- 3.12 A number of suggestions were made for future improvements to the consultation process and these will be considered and worked through with the project group.
- 3.13 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 INTEGRATED IMPACT ASSESSMENT**

- 5.1 The subject of this report has been through the Integrated Impact Assessment process. Those tenants who may experience financial difficulty as a result of the proposed increase have been signposted to the Council's Benefits and Welfare Rights teams.

Douglas Proudfoot - Head of Development

James Coutts – Service Manager Community Housing & Homelessness





## Budget 2019-2022

	2019/20 Budget			2020/21 Budget			2021/22 Budget		
	2018/19 Base Budget £'000	Changes £'000	Total Budget £'000	2019/20 Base Budget £'000	Changes £'000	Total Budget £'000	2020/21 Base Budget £'000	Changes £'000	Total Budget £'000
<b>CORPORATE INCOME</b>									
Revenue Support Grant	(169,285)	(1,083)	(170,368)	(170,368)	-	(170,368)	(170,368)	-	(170,368)
National Non-domestic Rates Grant									
Specific Grants	(3,927)	(5,476)	(9,403)	(9,403)	(4,455)	(13,858)	(13,858)	265	(13,593)
Council Tax	(56,690)	(2,596)	(59,286)	(59,286)	(4,416)	(63,702)	(63,702)	(4,708)	(68,410)
Social Care Fund	(6,240)	-	(6,240)	(6,240)	-	(6,240)	(6,240)	-	(6,240)
Renewable Energy/Loan Interest	(71)	-	(71)	(71)	-	(71)	(71)	-	(71)
Transfer to/(from) Reserves	(2,140)	(860)	(3,000)	(3,000)	3,000	-	-	-	-
Transfer to/(from) HRA Surpluses	-	-	-	-	-	-	-	-	-
<b>EXPENDITURE LIMIT</b>	<b>(238,353)</b>	<b>(10,015)</b>	<b>(248,368)</b>	<b>(248,368)</b>	<b>(5,871)</b>	<b>(254,239)</b>	<b>(254,239)</b>	<b>(4,443)</b>	<b>(258,682)</b>
<b>LESS CORPORATE COMMITMENTS</b>									
Valuation Board Requisition	636	-	636	636	(6)	630	630	-	630
Council Tax Reduction Scheme	5,000	100	5,100	5,100	-	5,100	5,100	-	5,100
Asset Management	(4,345)	-	(4,345)	(4,345)	-	(4,345)	(4,345)	-	(4,345)
Debt Charges	19,711	264	19,975	19,975	721	20,696	20,696	1,388	22,084
Transformational Change Programme / New ways of working	(255)	(345)	(600)	(600)	(547)	(1,147)	(1,147)	(650)	(1,797)
Staffing / Vacancy Management / Senior Management Review	-	-	-	-	(231)	(231)	(231)	-	(231)
Pension Deficit	503	-	503	503	-	503	503	-	503
External Audit	312	15	327	327	-	327	327	-	327
Criminal Justice Social Work Funding	1,129	-	1,129	1,129	-	1,129	1,129	-	1,129
Apprenticeship Levy	508	23	531	531	17	548	548	17	565
Housing Benefit Loss/Discretionary Payments	1,380	-	1,380	1,380	-	1,380	1,380	-	1,380
	<b>24,579</b>	<b>57</b>	<b>24,636</b>	<b>24,636</b>	<b>(46)</b>	<b>24,590</b>	<b>24,590</b>	<b>755</b>	<b>25,345</b>
<b>FUNDING FOR COUNCIL SERVICES</b>	<b>(213,774)</b>	<b>(9,958)</b>	<b>(223,732)</b>	<b>(223,732)</b>	<b>(5,917)</b>	<b>(229,649)</b>	<b>(229,649)</b>	<b>(3,688)</b>	<b>(233,337)</b>
<b>SERVICE PLANNED EXPENDITURE</b>									
<b>Resources &amp; People Services</b>									
<b>Education</b>									
Pre-school Education & Childcare	7,209	4,608	11,817	11,817	4,479	16,296	16,296	1,318	17,614
Additional Support for Learning	7,789	175	7,964	7,964	109	8,073	8,073	24	8,097
Schools - Primary	36,850	1,241	38,091	38,091	1,698	39,789	39,789	513	40,302
Schools - Secondary	39,118	1,318	40,436	40,436	1,728	42,164	42,164	988	43,152
Schools Support Services	3,547	(33)	3,514	3,514	60	3,574	3,574	75	3,649
<b>Education total</b>	<b>94,513</b>	<b>7,309</b>	<b>101,822</b>	<b>101,822</b>	<b>8,074</b>	<b>109,896</b>	<b>109,896</b>	<b>2,918</b>	<b>112,814</b>
<b>Council Resources</b>									
Financial Services	1,650	23	1,673	1,673	54	1,727	1,727	39	1,766
Revenues & Benefits	1,923	(128)	1,795	1,795	70	1,865	1,865	51	1,916
IT Services	2,012	111	2,123	2,123	51	2,174	2,174	48	2,222
Legal & Procurement	539	7	546	546	16	562	562	12	574
Human Resources & Payroll	1,506	(218)	1,288	1,288	37	1,325	1,325	27	1,352
Licensing, Admin & Democratic Services	3,434	24	3,458	3,458	106	3,564	3,564	73	3,637
<b>Council Resources total</b>	<b>11,065</b>	<b>(181)</b>	<b>10,884</b>	<b>10,884</b>	<b>334</b>	<b>11,218</b>	<b>11,218</b>	<b>250</b>	<b>11,468</b>
<b>Resources &amp; People Services total</b>	<b>105,578</b>	<b>7,128</b>	<b>112,706</b>	<b>112,706</b>	<b>8,408</b>	<b>121,114</b>	<b>121,114</b>	<b>3,168</b>	<b>124,282</b>
<b>Health &amp; Social Care Partnership</b>									
Adult Wellbeing	50,720	1,722	52,442	52,442	-	52,442	52,442	-	52,442
Children's Wellbeing	13,884	672	14,556	14,556	190	14,746	14,746	139	14,885
<b>Sub-total</b>	<b>64,605</b>	<b>2,394</b>	<b>66,999</b>	<b>66,999</b>	<b>190</b>	<b>67,189</b>	<b>67,189</b>	<b>139</b>	<b>67,328</b>

**Budget 2019-2022**

	2019/20 Budget			2020/21 Budget			2021/22 Budget		
	2018/19 Base Budget £'000	Changes £'000	Total Budget £'000	2019/20 Base Budget £'000	Changes £'000	Total Budget £'000	2020/21 Base Budget £'000	Changes £'000	Total Budget £'000
<b>Partnerships &amp; Community Services</b>									
<b>Development</b>									
Planning	1,116	(19)	1,097	1,097	54	1,151	1,151	39	1,190
Economic Development & Strategic Investment	1,820	(94)	1,726	1,726	2	1,728	1,728	(12)	1,716
Community Housing	1,979	4	1,983	1,983	20	2,003	2,003	15	2,018
Property Maintenance Trading Activity	(763)	(50)	(813)	(813)	(50)	(863)	(863)	-	(863)
<b>Development total</b>	<b>4,151</b>	<b>(159)</b>	<b>3,992</b>	<b>3,992</b>	<b>26</b>	<b>4,018</b>	<b>4,018</b>	<b>42</b>	<b>4,060</b>
<b>Infrastructure</b>									
Facility Support Services	3,362	168	3,530	3,530	81	3,611	3,611	80	3,691
Facility Trading Activity	(205)	(16)	(221)	(221)	(16)	(237)	(237)	-	(237)
Landscape & Countryside Management	5,458	(68)	5,390	5,390	121	5,511	5,511	101	5,612
Asset Planning & Engineering	2,346	164	2,510	2,510	106	2,616	2,616	82	2,698
Roads Network & Flood Protection	4,428	141	4,569	4,569	83	4,652	4,652	67	4,719
Roads Trading Activity	(763)	35	(728)	(728)	28	(700)	(700)	35	(665)
Transportation	1,163	(43)	1,120	1,120	23	1,143	1,143	18	1,161
Waste Services	7,309	226	7,535	7,535	229	7,764	7,764	157	7,921
Healthy Living	3,429	(84)	3,345	3,345	42	3,387	3,387	37	3,424
<b>Infrastructure total</b>	<b>26,527</b>	<b>523</b>	<b>27,050</b>	<b>27,050</b>	<b>697</b>	<b>27,747</b>	<b>27,747</b>	<b>577</b>	<b>28,324</b>
<b>Communities &amp; Partnerships</b>									
Corporate Policy & Improvement	996	123	1,119	1,119	26	1,145	1,145	19	1,164
Community & Area Partnerships	7,799	(80)	7,719	7,719	(56)	7,663	7,663	91	7,754
Arts Development	689	2	691	691	15	706	706	11	717
Customer Services Group	3,429	27	3,456	3,456	102	3,558	3,558	73	3,631
<b>Communities &amp; Partnerships total</b>	<b>12,913</b>	<b>72</b>	<b>12,985</b>	<b>12,985</b>	<b>87</b>	<b>13,072</b>	<b>13,072</b>	<b>194</b>	<b>13,266</b>
<b>Partnerships &amp; Community Services total</b>	<b>43,591</b>	<b>436</b>	<b>44,027</b>	<b>44,027</b>	<b>810</b>	<b>44,837</b>	<b>44,837</b>	<b>813</b>	<b>45,650</b>
<b>TOTAL SERVICE EXPENDITURE</b>	<b>213,774</b>	<b>9,958</b>	<b>223,732</b>	<b>223,732</b>	<b>9,408</b>	<b>233,140</b>	<b>233,140</b>	<b>4,120</b>	<b>237,260</b>
<b>Budget Deficit/(Surplus)</b>	(0)	-	(0)	(0)	3,491	3,491	3,491	432	3,923
Funding (Surplus) / Shortfall			<u>(0)</u>			<u>3,491</u>			<u>3,923</u>
Band D Council Tax									
<b>% increase / (decrease) in Band D</b>			<u>3.0%</u>			<u>5.0%</u>			<u>5.0%</u>



Description	2019/20			2020/21			2021/22		
	Budget Change £000	Efficiency Measures/Savings/In creased Income £000	Total Change £000	Budget Change £000	Efficiency Measures/Savings/In creased Income £000	Total Change £000	Budget Change £000	Efficiency Measures/Savings/In creased Income £000	Total Change £000
Interest and Principal repayments Reflecting the annual cost of historic and new capital projects	264	-	264	721	-	721	1,388	-	1,388
<b>Debt Charges total</b>	<b>264</b>	<b>-</b>	<b>264</b>	<b>721</b>	<b>-</b>	<b>721</b>	<b>1,388</b>	<b>-</b>	<b>1,388</b>
<b>External Audit</b>			-			-			-
Change in external audit requirements	15	-	15	-	-	-	-	-	-
<b>External Audit total</b>	<b>15</b>	<b>-</b>	<b>15</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Apprenticeship Levy</b>									
Increase linked to assumed pay increases	23	-	23	17	-	17	17	-	17
<b>Apprenticeship Levy total</b>	<b>23</b>	<b>-</b>	<b>23</b>	<b>17</b>	<b>-</b>	<b>17</b>	<b>17</b>	<b>-</b>	<b>17</b>
<b>SERVICE PLANNED EXPENDITURE</b>									
<b>RESOURCES AND PEOPLE SERVICES</b>									
<b>Pre-School Education &amp; Childcare</b>									
Increases in Pay Costs <i>Effect of assumed pay increase.</i>	24	-	24	21	-	21	15	-	15
Performance Factor <i>To be achieved through a range of actions including management of vacancy and / or service redesign etc</i>	-	(10)	(10)	-	-	-	-	-	-
Buysmart Reviews <i>Review of Framework spend across all areas</i>	-	(5)	(5)	-	-	-	-	-	-
Vacancy Management <i>Vacancy Management</i>	-	(6)	(6)	-	-	-	-	-	-
Increase in LGPS Contribution Rates <i>Increase in contribution rates, 20.4% to 20.9% from April 2018, 21.4% from April 2019 and 21.9% from April 2020</i>	4	-	4	3	-	3	3	-	3
Review of Nursery Staffing Provision <i>Review of wider nursery staffing provision</i>	-	(350)	(350)	-	-	-	-	-	-
1140 Hours <i>1140 Hours</i>	5,451	-	5,451	4,455	-	4,455	1,300	-	1,300
Pre-school provision <i>Review the provision of pre-school provision</i>	-	(500)	(500)	-	-	-	-	-	-
<b>Pre-School Education &amp; Childcare total</b>	<b>5,479</b>	<b>(871)</b>	<b>4,608</b>	<b>4,479</b>	<b>-</b>	<b>4,479</b>	<b>1,318</b>	<b>-</b>	<b>1,318</b>
<b>Additional Support for Learning</b>									
Increases in Pay Costs <i>Effect of assumed pay increase.</i>	32	-	32	29	-	29	20	-	20
Performance Factor <i>To be achieved through a range of actions including management of vacancy and / or service redesign etc</i>	-	(8)	(8)	-	-	-	-	-	-
Buysmart Reviews <i>Review of Framework spend across all areas</i>	-	(4)	(4)	-	-	-	-	-	-
Vacancy Management <i>Vacancy Management</i>	-	(1)	(1)	-	-	-	-	-	-
Increase in LGPS Contribution Rates <i>Increase in contribution rates, 20.4% to 20.9% from April 2018, 21.4% from April 2019 and 21.9% from April 2020</i>	6	-	6	5	-	5	4	-	4
ASL Provision - Meadowpark	150	-	150	75	-	75	-	-	-

Description	2019/20			2020/21			2021/22		
	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>Revenue costs associated with capital redurbishment at Meadownpark</i>									
<b>Additional Support for Learning total</b>	<b>188</b>	<b>(13)</b>	<b>175</b>	<b>109</b>	<b>-</b>	<b>109</b>	<b>24</b>	<b>-</b>	<b>24</b>
<b>Schools - Primary</b>									
Increases in Pay Costs <i>Effect of assumed pay increase.</i>	990	-	990	879	-	879	624	-	624
Performance Factor <i>To be achieved through a range of actions including management of vacancy and / or service redesign etc</i>	-	(300)	(300)	-	-	-	-	-	-
Buysmart Reviews <i>Review of Framework spend across all areas</i>	-	(10)	(10)	-	-	-	-	-	-
Vacancy Management <i>Vacancy Management</i>	-	(76)	(76)	-	-	-	-	-	-
Increase in LGPS Contribution Rates <i>Increase in contribution rates, 20.4% to 20.9% from April 2018, 21.4% from April 2019 and 21.9% from April 2020</i>	202	-	202	143	-	143	137	-	137
Increase in NDR charges <i>Increase in poundage rates from April 2018</i>	42	-	42	51	-	51	52	-	52
Facility Services Charges <i>Increases in Facilities Charges in line with salary increases</i> <i>Effect of increase in Scottish Living Wage to £8.93</i>	61	-	61	46	-	46	45	-	45
Waste Recharges <i>Increase in Waste Recharges</i>	7	-	7	7	-	7	7	-	7
Increase in Electricity Charges <i>Increase in Electricity Charges</i>	-	-	-	14	-	14	14	-	14
Increase in Gas Charges <i>Increase in Gas Charges</i>	12	-	12	11	-	11	11	-	11
Additional Support to Schools <i>Review provision of additional support to schools</i>	-	(40)	(40)	-	-	-	-	-	-
Primary pupil roll increase <i>Estimated financial effect of the expected increase in the Primary Roll up to 9556 by September 2021 in line with updated projections</i>	195	-	195	340	-	340	287	-	287
Reduction in PEF <i>Reduction in Pupil Equity Funding received from 17/18</i>	-	-	-	-	-	-	(1,253)	-	(1,253)
Expansion of School Estate <i>Additional revenue costs of primary school extensions and new builds</i>	158	-	158	207	-	207	589	-	589
<b>Schools - Primary total</b>	<b>1,667</b>	<b>(426)</b>	<b>1,241</b>	<b>1,698</b>	<b>-</b>	<b>1,698</b>	<b>513</b>	<b>-</b>	<b>513</b>
<b>Schools - Secondary</b>									
Increases in Pay Costs <i>Effect of assumed pay increase.</i>	793	-	793	711	-	711	509	-	509
Performance Factor <i>To be achieved through a range of actions including management of vacancy and /</i>	-	(225)	(225)	-	-	-	-	-	-
Buysmart Reviews <i>Review of Framework spend across all areas</i>	-	(10)	(10)	-	-	-	-	-	-
Vacancy Management <i>Vacancy Management</i>	-	(30)	(30)	-	-	-	-	-	-
Increase in LGPS Contribution Rates <i>Increase in contribution rates, 20.4% to 20.9% from April 2018, 21.4% from April 2019 and 21.9% from April 2020</i>	142	-	142	99	-	99	97	-	97
Increase in NDR charges <i>Increase in poundage rates from April 2018</i>	31	-	31	38	-	38	1	-	1
PPP Contract <i>Increase in PPP contract charges for Education facilities</i>	150	-	150	276	-	276	284	-	284

Description	2019/20			2020/21			2021/22		
	Budget Change £000	Efficiency Measures/Savings/In creased Income £000	Total Change £000	Budget Change £000	Efficiency Measures/Savings/In creased Income £000	Total Change £000	Budget Change £000	Efficiency Measures/Savings/In creased Income £000	Total Change £000
Increase in Electricity Charges <i>Increase in Electricity Charges</i>	-	-	-	14	-	14	14	-	14
Increase in Gas Charges <i>Increase in Gas Charges</i>	8	-	8	8	-	8	8	-	8
Waste Recharges <i>Increase in Waste Recharges</i>	3	-	3	3	-	3	3	-	3
Winter Leavers <i>Reduce the budget to reflect winter leavers</i>	-	(17)	(17)	-	-	-	-	-	-
Physical Education <i>Review the provision of PE including the utilisation of specialist</i>	-	(12)	(12)	-	-	-	-	-	-
School Based Technicians <i>Service Review of School Based Technician Services</i>	-	(16)	(16)	-	-	-	-	-	-
Secondary School Extensions <i>Additional costs relating to planned extensions to Secondary schools</i>	82	-	82	57	-	57	28	-	28
Increase in PEF <i>Increase in Pupil Equity Funding received from 17/18</i>	-	-	-	-	-	-	(312)	-	(312)
Facility Services Charges <i>Increases in Facilities Charges in line with salary increases</i>	35	-	35	22	-	22	21	-	21
Improving options in the Senior Phase across the Authority <i>Use of IT to enhance/support delivery of curriculum in the senior phase (S4-S6). Subject to changes in Scottish Government policy re teacher/pupil ratio</i>	-	-	-	-	-	-	-	(160)	(160)
Increase in school roll <i>Increase in secondary school roll up to 6476 by September 2021 in line with updated projections</i>	384	-	384	500	-	500	495	-	495
<b>Schools - Secondary total</b>	<b>1,628</b>	<b>(310)</b>	<b>1,318</b>	<b>1,728</b>	<b>-</b>	<b>1,728</b>	<b>1,148</b>	<b>(160)</b>	<b>988</b>
<b>Schools Support Services</b>									
Increases in Pay Costs <i>Effect of assumed pay increase.</i>	32	-	32	29	-	29	21	-	21
Performance Factor <i>To be achieved through a range of actions including management of vacancy and /</i>	-	(20)	(20)	-	-	-	-	-	-
Vacancy Management <i>Vacancy Management</i>	-	(16)	(16)	-	-	-	-	-	-
Scholar Contract <i>Review of contract</i>	-	(12)	(12)	-	-	-	-	-	-
IT <i>TIC</i>	100	-	100	10	-	10	10	-	10
SEEMIS <i>Increase in SEEMIS costs</i>	24	-	24	15	-	15	1	-	1
Increase in NDR charges <i>Increase in poundage rates from April 2018</i>	3	-	3	1	-	1	39	-	39
Curriculum for Excellence <i>Reduce Curriculum for Excellence</i>	-	(14)	(14)	-	-	-	-	-	-
Buysmart Reviews <i>Review of Framework spend across all areas</i>	-	(3)	(3)	-	-	-	-	-	-
Graduate Funding <i>Removal of funding provided to support Graduates</i>	-	(100)	(100)	-	-	-	-	-	-
East Lothian Works <i>Service Review with East Lothian Works</i>	-	(33)	(33)	-	-	-	-	-	-
Increase in LGPS Contribution Rates <i>Increase in contribution rates, 20.4% to 20.9% from April 2018, 21.4% from April 2019 and 21.9% from April 2020</i>	6	-	6	5	-	5	4	-	4
<b>Schools Support Services total</b>	<b>165</b>	<b>(198)</b>	<b>(33)</b>	<b>60</b>	<b>-</b>	<b>60</b>	<b>75</b>	<b>-</b>	<b>75</b>

Description	2019/20			2020/21			2021/22		
	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
<b>Financial Services</b>									
Increases in Pay Costs <i>Effect of assumed pay increase.</i>	52	-	52	47	-	47	33	-	33
Performance Factor <i>To be achieved through a range of actions including management of vacancy and / or service redesign etc</i>	-	(17)	(17)	-	-	-	-	-	-
Buysmart Reviews <i>Review of Framework spend across all areas</i>	-	(3)	(3)	-	-	-	-	-	-
Vacancy Management <i>Vacancy Management</i>	-	(14)	(14)	-	-	-	-	-	-
Increase in LGPS Contribution Rates <i>Increase in contribution rates, 20.4% to 20.9% from April 2018, 21.4% from April 2019 and 21.9% from April 2020</i>	10	-	10	7	-	7	6	-	6
Income Generation <i>Review recharge to Trusts</i>	-	(5)	(5)	-	-	-	-	-	-
<b>Financial Services total</b>	<b>62</b>	<b>(39)</b>	<b>23</b>	<b>54</b>	<b>-</b>	<b>54</b>	<b>39</b>	<b>-</b>	<b>39</b>
<b>Revenues &amp; Benefits</b>									
Increases in Pay Costs <i>Effect of assumed pay increase.</i>	68	-	68	60	-	60	43	-	43
Performance Factor <i>To be achieved through a range of actions including management of vacancy and / or service redesign etc</i>	-	(21)	(21)	-	-	-	-	-	-
Buysmart Reviews <i>Review of Framework spend across all areas</i>	-	(3)	(3)	-	-	-	-	-	-
Vacancy Management <i>Vacancy Management</i>	-	(20)	(20)	-	-	-	-	-	-
Increase in LGPS Contribution Rates <i>Increase in contribution rates, 20.4% to 20.9% from April 2018, 21.4% from April 2019 and 21.9% from April 2020</i>	13	-	13	10	-	10	8	-	8
Senior Management Saving <i>Senior Management Saving</i>	-	(105)	(105)	-	-	-	-	-	-
Investment to mitigate the loss of DWP Admin Subsidy <i>Additional investment to mitigate the loss of DWP Admin Subsidy</i>	-	(60)	(60)	-	-	-	-	-	-
<b>Revenues &amp; Benefits total</b>	<b>81</b>	<b>(209)</b>	<b>(128)</b>	<b>70</b>	<b>-</b>	<b>70</b>	<b>51</b>	<b>-</b>	<b>51</b>
<b>Information Technology</b>									
Increases in Pay Costs <i>Effect of assumed pay increase</i>	45	-	45	40	-	40	28	-	28
Performance Factor <i>To be achieved through a range of actions including management of vacancy and / or service redesign etc</i>	-	(15)	(15)	-	-	-	-	-	-
Sale of IT equipment <i>Sale of IT equipment following IT refresh programme</i>	-	(10)	(10)	-	(10)	(10)	-	-	-
Vacancy Management <i>Vacancy Management</i>	-	(14)	(14)	-	-	-	-	-	-
Increase in LGPS Contribution Rates <i>Increase in contribution rates, 20.4% to 20.9% from April 2018, 21.4% from April 2019 and 21.9% from April 2020</i>	9	-	9	6	-	6	5	-	5
New IT System Costs / Support for Digital <i>Investment in IT infrastructure</i>	140	-	140	15	-	15	15	-	15
Internal Recharge <i>Increase Capital recharge to accurately reflect staff time</i>	-	(44)	(44)	-	-	-	-	-	-





Description	2019/20			2020/21			2021/22		
	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
<b>Adult Wellbeing</b>									
Criminal Justice <i>Additional Expenditure to match Offender Services funding</i>	172	-	172	-	-	-	-	-	-
Criminal Justice Social Work Funding <i>CJA Funding through Offender Services Budget from April 2018</i>	-	(172)	(172)	-	-	-	-	-	-
Additional investment - Health & Social Care <i>To deliver a wide range of priorities including; Living Wage, Sleepovers, NCHC, Non National Care Home Contract, Care at Home increases and pay award</i>	2,210	-	2,210	-	-	-	-	-	-
Integration of Health and Social Care <i>Including: review and redesign models of care; savings and efficiencies generated through joint working and shifting the balance of care</i>	-	(488)	(488)	-	-	-	-	-	-
<b>Adult Wellbeing total</b>	<b>2,382</b>	<b>(660)</b>	<b>1,722</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Children's Wellbeing</b>									
Increases in Pay Costs <i>Effect of assumed pay increase.</i>	182	-	182	163	-	163	116	-	116
Performance Factor <i>To be achieved through a range of actions including management of vacancy and /</i>	-	(60)	(60)	-	-	-	-	-	-
Buysmart Reviews <i>Review of Framework spend across all areas</i>	-	(4)	(4)	-	-	-	-	-	-
Vacancy Management <i>Vacancy Management</i>	-	(62)	(62)	-	-	-	-	-	-
Increase in LGPS Contribution Rates <i>Increase in contribution rates, 20.4% to 20.9% from April 2018, 21.4% from April 2019 and 21.9% from April 2020</i>	36	-	36	26	-	26	22	-	22
Supported Accommodation <i>Housing Support Costs</i>	37	-	37	-	-	-	-	-	-
Use of technology <i>Use video link for some external reviews</i>	-	(2)	(2)	-	-	-	-	-	-
Pre-paid cards <i>Introduction of pre-paid cards for young people</i>	-	(20)	(20)	-	-	-	-	-	-
Increase in Electricity Charges <i>Increase in Electricity Charges</i>	-	-	-	1	-	1	1	-	1
Residential Placement <i>Sell one residential placement at Lothian Villa</i>	156	-	156	-	-	-	-	-	-
Additional Investment <i>Additional investment designed to support a range of pressures including existing demographic, services pressures, investment in operational staff and the delivery of new legislative requirements</i>	409	-	409	-	-	-	-	-	-
<b>Children's Wellbeing total</b>	<b>820</b>	<b>(148)</b>	<b>672</b>	<b>190</b>	<b>-</b>	<b>190</b>	<b>139</b>	<b>-</b>	<b>139</b>
<b>PARTNERSHIPS &amp; COMMUNITY SERVICES</b>									
<b>Planning</b>									
Increases in Pay Costs <i>Effect of assumed pay increase.</i>	52	-	52	47	-	47	33	-	33
Performance Factor <i>To be achieved through a range of actions including management of vacancy and / or service redesign etc</i>	-	(19)	(19)	-	-	-	-	-	-
Buysmart Reviews <i>Review of Framework spend across all areas</i>	-	(3)	(3)	-	-	-	-	-	-
Vacancy Management	-	(29)	(29)	-	-	-	-	-	-



Description	2019/20			2020/21			2021/22		
	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
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>	-	(30)	(30)	-	(30)	(30)	-	-	-
Income Generation - new opportunities <i>Explore new opportunities for income maximisation</i>	-	(20)	(20)	-	(20)	(20)	-	-	-
<b>Property Maintenance Trading total</b>	-	<b>(50)</b>	<b>(50)</b>	-	<b>(50)</b>	<b>(50)</b>	-	-	-
<b>Facility Support Services</b>									
Increases in Pay Costs <i>Effect of assumed pay increase.</i>	9	-	9	8	-	8	6	-	6
Performance Factor <i>To be achieved through a range of actions including management of vacancy and / or service redesign etc</i>	-	(8)	(8)	-	-	-	-	-	-
Increase in LGPS Contribution Rates <i>Increase in contribution rates, 20.4% to 20.9% from April 2018, 21.4% from April 2019</i>	2	-	2	1	-	1	1	-	1
Vacancy Management <i>Vacancy Management</i>		(5)	(5)			-			-
Buysmart Reviews <i>Review of Framework spend across all areas</i>		(3)	(3)			-			-
Increase in NDR charges <i>Increase in poundage rates from April 2018</i>	24	-	24	26	-	26	27	-	27
Increase in Electricity Charges <i>Increase in Electricity Charges</i>	-	-	-	17	-	17	18	-	18
Increase in Waste charges <i>Increase in Waste Charges</i>	1	-	1	2	-	2	2	-	2
Increase in Gas Charges <i>Increase in Gas Charges</i>	4	-	4	3	-	3	3	-	3
Facility Services Charges <i>Increases in Facilities Charges in line with salary increases</i>	33	-	33	24	-	24	23	-	23
Rent Increase <i>Increased annual rent for Randall House from October 2018</i>	37	-	37	-	-	-	-	-	-
Public Conveniences <i>Review of public convenience provision</i>	74	-	74	-	-	-	-	-	-
<b>Facility Support Services total</b>	<b>184</b>	<b>(16)</b>	<b>168</b>	<b>81</b>	<b>-</b>	<b>81</b>	<b>80</b>	<b>-</b>	<b>80</b>
<b>Facility Trading</b>									
School Meals <i>Increase in cost of school meals in year with future years subject to an annual</i>	-	(16)	(16)	-	(16)	(16)	-	-	-
<b>Facility Trading total</b>	<b>-</b>	<b>(16)</b>	<b>(16)</b>	<b>-</b>	<b>(16)</b>	<b>(16)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Landscape &amp; Countryside Management</b>									
Increases in Pay Costs <i>Effect of assumed pay increase.</i>	138	-	138	124	-	124	88	-	88
Performance Factor <i>To be achieved through a range of actions including management of vacancy and / or service redesign etc</i>	-	(45)	(45)	-	-	-	-	-	-
Buysmart Reviews <i>Review of Framework spend across all areas</i>	-	(5)	(5)	-	-	-	-	-	-
Vacancy Management <i>Vacancy Management</i>	-	(46)	(46)	-	-	-	-	-	-
Increase in LGPS Contribution Rates <i>Increase in contribution rates, 20.4% to 20.9% from April 2018, 21.4% from April 2019 and 21.9% from April 2020</i>	26	-	26	20	-	20	16	-	16
Depot Replacement <i>Additional revenue costs relating to Depot Replacement</i>	14	-	14	-	-	-	-	-	-

Description	2019/20			2020/21			2021/22		
	Budget Change £000	Efficiency Measures/Savings/In creased Income £000	Total Change £000	Budget Change £000	Efficiency Measures/Savings/In creased Income £000	Total Change £000	Budget Change £000	Efficiency Measures/Savings/In creased Income £000	Total Change £000
Service Review <i>Service review of Sports, Countryside, Leisure &amp; Amenity Services</i>	-	(96)	(96)	-	-	-	-	-	-
Increase in NDR charges <i>Increase in poundage rates from April 2018</i>	2	-	2	2	-	2	2	-	2
Increase in Electricity Charges <i>Increase in Electricity Charges</i>	-	-	-	1	-	1	1	-	1
Increase in Waste charges <i>Increase in Waste Charges</i>	1	-	1	1	-	1	1	-	1
Income Generation - new opportunities <i>Explore new opportunities for income maximisation</i>	-	(20)	(20)	-	(20)	(20)	-	-	-
Income <i>3% uplift on existing income</i>	(7)	-	(7)	(7)	-	(7)	(7)	-	(7)
Commercial Income <i>Play area installation for private developers</i>	-	(30)	(30)	-	-	-	-	-	-
<b>Landscape &amp; Countryside Management total</b>	<b>174</b>	<b>(242)</b>	<b>(68)</b>	<b>141</b>	<b>(20)</b>	<b>121</b>	<b>101</b>	<b>-</b>	<b>101</b>
<b>Roads Network</b>									
Increases in Pay Costs <i>Effect of assumed pay increase.</i>	55	-	55	49	-	49	35	-	35
Performance Factor <i>To be achieved through a range of actions including management of vacancy and / or service redesign etc</i>	-	(16)	(16)	-	-	-	-	-	-
Vacancy Management <i>Vacancy Management</i>	-	(12)	(12)	-	-	-	-	-	-
Buysmart Reviews <i>Review of Framework spend across all areas</i>	-	(3)	(3)	-	-	-	-	-	-
Income <i>3% uplift on existing income</i>	(5)	-	(5)	(5)	-	(5)	(6)	-	(6)
Electricity <i>Increased Electricity costs</i>	96	-	96	20	-	20	21	-	21
Increase in NDR charges <i>Increase in poundage rates from April 2018</i>	3	-	3	4	-	4	4	-	4
Increase in Vehicle Fuel <i>Increase in Vehicle Fuel</i>	12	-	12	7	-	7	7	-	7
Increase in LGPS Contribution Rates <i>Increase in contribution rates, 20.4% to 20.9% from April 2018, 21.4% from April 2019 and 21.9% from April 2020</i>	11	-	11	8	-	8	6	-	6
<b>Roads Network total</b>	<b>172</b>	<b>(31)</b>	<b>141</b>	<b>83</b>	<b>-</b>	<b>83</b>	<b>67</b>	<b>-</b>	<b>67</b>
<b>Roads Trading</b>									
Increases in Pay Costs <i>Effect of assumed pay increase.</i>	46	-	46	41	-	41	29	-	29
Income Generation - new opportunities <i>Explore new opportunities for income maximisation</i>	-	(20)	(20)	-	(20)	(20)	-	-	-
Increase in LGPS Contribution Rates <i>Increase in contribution rates, 20.4% to 20.9% from April 2018, 21.4% from April 2019 and 21.9% from April 2020</i>	9	-	9	7	-	7	6	-	6
<b>Roads Trading total</b>	<b>55</b>	<b>(20)</b>	<b>35</b>	<b>48</b>	<b>(20)</b>	<b>28</b>	<b>35</b>	<b>-</b>	<b>35</b>
<b>Transportation</b>									
Increases in Pay Costs <i>Effect of assumed pay increase.</i>	20	-	20	17	-	17	12	-	12
Performance Factor	-	(13)	(13)	-	-	-	-	-	-

Description	2019/20			2020/21			2021/22		
	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>To be achieved through a range of actions including management of vacancy and / or service redesign etc</i>									
Electricity <i>Increased Electricity costs</i>	-	-	-	1	-	1	1	-	1
Vacancy Management <i>Vacancy Management</i>	-	(7)	(7)	-	-	-	-	-	-
Increase in Vehicle Fuel <i>Increase in Vehicle Fuel</i>	6	-	6	2	-	2	3	-	3
Buysmart Reviews <i>Review of Framework spend across all areas</i>	-	(3)	(3)	-	-	-	-	-	-
Council Fleet <i>Review use of Council Fleet</i>	-	(50)	(50)	-	-	-	-	-	-
Increase in LGPS Contribution Rates <i>Increase in contribution rates, 20.4% to 20.9% from April 2018, 21.4% from April 2019 and 21.9% from April 2020</i>	4	-	4	3	-	3	2	-	2
<b>Transportation total</b>	<b>30</b>	<b>(73)</b>	<b>(43)</b>	<b>23</b>	<b>-</b>	<b>23</b>	<b>18</b>	<b>-</b>	<b>18</b>
<b>Waste Services</b>									
Increases in Pay Costs <i>Effect of assumed pay increase.</i>	63	-	63	56	-	56	40	-	40
Performance Factor <i>To be achieved through a range of actions including management of vacancy and / or service redesign etc</i>	-	(25)	(25)	-	-	-	-	-	-
Vacancy Management <i>Vacancy Management</i>	-	(23)	(23)	-	-	-	-	-	-
Buysmart Reviews <i>Review of Framework spend across all areas</i>	-	(5)	(5)	-	-	-	-	-	-
Increase in LGPS Contribution Rates <i>Increase in contribution rates, 20.4% to 20.9% from April 2018, 21.4% from April 2019 and 21.9% from April 2020</i>	12	-	12	9	-	9	8	-	8
Electricity <i>Increased Electricity costs</i>	-	-	-	1	-	1	1	-	1
Increase in NDR charges <i>Increase in poundage rates from April 2018</i>	3	-	3	3	-	3	3	-	3
Increase in Vehicle Fuel <i>Increase in Vehicle Fuel</i>	51	-	51	10	-	10	10	-	10
Waste Disposal <i>Increase in tonnage and indexation costs</i>	150	-	150	150	-	150	95	-	95
<b>Waste Services total</b>	<b>279</b>	<b>(53)</b>	<b>226</b>	<b>229</b>	<b>-</b>	<b>229</b>	<b>157</b>	<b>-</b>	<b>157</b>
<b>Healthy Living</b>									
Increases in Pay Costs <i>Effect of assumed pay increase.</i>	23	-	23	21	-	21	15	-	15
Performance Factor <i>To be achieved through a range of actions including management of vacancy and / or service redesign etc</i>	-	(11)	(11)	-	-	-	-	-	-
Buysmart Reviews <i>Review of Framework spend across all areas</i>	-	(3)	(3)	-	-	-	-	-	-
Vacancy Management <i>Vacancy Management</i>	-	(8)	(8)	-	-	-	-	-	-
Increase in LGPS Contribution Rates <i>Increase in contribution rates, 20.4% to 20.9% from April 2018, 21.4% from April 2019 and 21.9% from April 2020</i>	5	-	5	3	-	3	3	-	3
Increase in NDR charges	3	-	3	3	-	3	3	-	3

Description	2019/20			2020/21			2021/22		
	Budget Change £000	Efficiency Measures/Savings/In creased Income £000	Total Change £000	Budget Change £000	Efficiency Measures/Savings/In creased Income £000	Total Change £000	Budget Change £000	Efficiency Measures/Savings/In creased Income £000	Total Change £000
<i>Increase in poundage rates from April 2017</i>									
Electricity <i>Increased Electricity costs</i>	-	-	-	4	-	4	4	-	4
FES Contract <i>Increase in FES Contract</i>	50	-	50	-	-	-	-	-	-
PPP Contract <i>Increase in PPP contract charges for Mercat Gait above assessed inflation rate</i>	7	-	7	11	-	11	12	-	12
Enjoy Contract Payments <i>Reduction in contract payment to Enjoy</i>	-	(150)	(150)	-	-	-	-	-	-
<b>Healthy Living total</b>	<b>88</b>	<b>(172)</b>	<b>(84)</b>	<b>42</b>	<b>-</b>	<b>42</b>	<b>37</b>	<b>-</b>	<b>37</b>
<b>Community Housing</b>									
Increases in Pay Costs <i>Effect of assumed pay increase.</i>	20	-	20	17	-	17	13	-	13
Performance Factor <i>To be achieved through a range of actions including management of vacancy and / or service redesign etc</i>	-	(10)	(10)	-	-	-	-	-	-
Buysmart Reviews <i>Review of Framework spend across all areas</i>	-	(3)	(3)	-	-	-	-	-	-
Vacancy Management <i>Vacancy Management</i>	-	(7)	(7)	-	-	-	-	-	-
Increase in LGPS Contribution Rates <i>Increase in contribution rates, 20.4% to 20.9% from April 2018, 21.4% from April 2019 and 21.9% from April 2020</i>	4	-	4	3	-	3	2	-	2
<b>Community Housing total</b>	<b>24</b>	<b>(20)</b>	<b>4</b>	<b>20</b>	<b>-</b>	<b>20</b>	<b>15</b>	<b>-</b>	<b>15</b>
<b>Corporate Policy &amp; Improvement</b>									
Increases in Pay Costs <i>Effect of assumed pay increase.</i>	25	-	25	22	-	22	16	-	16
Performance Factor <i>To be achieved through a range of actions including management of vacancy and / or service redesign etc</i>	-	(12)	(12)	-	-	-	-	-	-
Vacancy Management <i>Vacancy Management</i>	-	(9)	(9)	-	-	-	-	-	-
Additional Investment <i>Investment to support Transformation and Digital agenda</i>	160	(50)	110	-	-	-	-	-	-
CRM System <i>Additional Costs of CRM System</i>	12	-	12	-	-	-	-	-	-
Buysmart Reviews <i>Review of Framework spend across all areas</i>	-	(3)	(3)	-	-	-	-	-	-
Musselburgh Racecourse <i>Remove marketing payment</i>	-	(5)	(5)	-	-	-	-	-	-
Increase in LGPS Contribution Rates <i>Increase in contribution rates, 20.4% to 20.9% from April 2018, 21.4% from April 2019 and 21.9% from April 2020</i>	5	-	5	4	-	4	3	-	3
<b>Corporate Policy &amp; Improvement total</b>	<b>202</b>	<b>(79)</b>	<b>123</b>	<b>26</b>	<b>-</b>	<b>26</b>	<b>19</b>	<b>-</b>	<b>19</b>
<b>Community &amp; Area Partnerships</b>									
Increases in Pay Costs <i>Effect of assumed pay increase.</i>	84	-	84	77	-	77	54	-	54
Performance Factor <i>To be achieved through a range of actions including management of vacancy and / or service redesign etc</i>	-	(31)	(31)	-	-	-	-	-	-
Vacancy Management	-	(31)	(31)	-	-	-	-	-	-

Description	2019/20			2020/21			2021/22		
	Budget Change £000	Efficiency Measures/Savings/In creased Income £000	Total Change £000	Budget Change £000	Efficiency Measures/Savings/In creased Income £000	Total Change £000	Budget Change £000	Efficiency Measures/Savings/In creased Income £000	Total Change £000
<i>Vacancy Management</i>									
Buysmart Reviews <i>Review of Framework spend across all areas</i>	-	(5)	(5)	-	-	-	-	-	-
Increase in LGPS Contribution Rates <i>Increase in contribution rates, 20.4% to 20.9% from April 2018, 21.4% from April 2019 and 21.9% from April 2020</i>	17	-	17	12	-	12	10	-	10
PPP Contract <i>Increase in PPP contract charges for Community Learning Centre/Musselburgh East Community Association.</i>	5	-	5	9	-	9	9	-	9
Facility Services Charges <i>Increases in Facilities Charges in line with salary increases</i>	10	-	10	7	-	7	7	-	7
New Whitecraig Community Centre <i>Additional revenue costs relating to new Community Centre</i>	40	-	40	-	-	-	-	-	-
Port Seton Community Centre Extension <i>Additional revenue costs relating to Community Centre extension</i>	23	-	23	-	-	-	-	-	-
Electricity <i>Increased Electricity costs</i>	-	-	-	4	-	4	4	-	4
Increase in Waste charges <i>Increase in Waste Charges</i>	1	-	1	1	-	1	1	-	1
Increase in Gas Charges <i>Increase in Gas Charges</i>	3	-	3	2	-	2	2	-	2
Increase in NDR charges <i>Increase in poundage rates from April 2018</i>	4	-	4	4	-	4	4	-	4
Village Halls <i>Transfer ownership of Village Halls to Community</i>	-	-	-	-	(70)	(70)	-	-	-
Service Review <i>Service review of Community Learning &amp; Development</i>	-	(200)	(200)	-	-	-	-	-	-
Partnership Funding <i>Review and reduction of partnership funding grants</i>	-	-	-	-	(102)	(102)	-	-	-
<b>Community &amp; Area Partnerships total</b>	<b>187</b>	<b>(267)</b>	<b>(80)</b>	<b>116</b>	<b>(172)</b>	<b>(56)</b>	<b>91</b>	<b>-</b>	<b>91</b>
<b>Arts Development</b>									
Increases in Pay Costs <i>Effect of assumed pay increase.</i>	14	-	14	13	-	13	9	-	9
Performance Factor <i>To be achieved through a range of actions including management of vacancy and / or service redesign etc</i>	-	(7)	(7)	-	-	-	-	-	-
Vacancy Management <i>Vacancy Management</i>	-	(5)	(5)	-	-	-	-	-	-
Buysmart Reviews <i>Review of Framework spend across all areas</i>	-	(3)	(3)	-	-	-	-	-	-
Increase in LGPS Contribution Rates <i>Increase in contribution rates, 20.4% to 20.9% from April 2018, 21.4% from April 2019 and 21.9% from April 2020</i>	3	-	3	2	-	2	2	-	2
<b>Arts Development total</b>	<b>17</b>	<b>(15)</b>	<b>2</b>	<b>15</b>	<b>-</b>	<b>15</b>	<b>11</b>	<b>-</b>	<b>11</b>
<b>Customer Services</b>									
Increases in Pay Costs <i>Effect of assumed pay increase.</i>	94	-	94	86	-	86	60	-	60
Performance Factor <i>To be achieved through a range of actions including management of vacancy and / or service redesign etc</i>	-	(31)	(31)	-	-	-	-	-	-
Buysmart Reviews <i>Review of Framework spend across all areas</i>	-	(3)	(3)	-	-	-	-	-	-

Description	2019/20			2020/21			2021/22		
	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
Vacancy Management <i>Vacancy Management</i>	-	(33)	(33)	-	-	-	-	-	-
Increase in LGPS Contribution Rates <i>Increase in contribution rates, 20.4% to 20.9% from April 2018, 21.4% from April 2019 and 21.9% from April 2020</i>	19	-	19	14	-	14	11	-	11
Library Books <i>Reduce purchase of Library Books</i>	-	(20)	(20)	-	-	-	-	-	-
Increase in NDR charges <i>Increase in poundage rates from April 2018</i>	2	-	2	2	-	2	2	-	2
Electricity <i>Increased Electricity costs</i>	-	-	-	1	-	1	1	-	1
Income <i>3% uplift on existing income</i>	(3)	-	(3)	(3)	-	(3)	(3)	-	(3)
Facility Services Charges <i>Increases in Facilities Charges in line with salary increases</i>	2	-	2	2	-	2	2	-	2
<b>Customer Services total</b>	<b>114</b>	<b>(87)</b>	<b>27</b>	<b>102</b>	<b>-</b>	<b>102</b>	<b>73</b>	<b>-</b>	<b>73</b>
<b>TOTAL</b>	<b>14,670</b>	<b>(4,712)</b>	<b>9,958</b>	<b>9,755</b>	<b>(347)</b>	<b>9,408</b>	<b>4,290</b>	<b>(170)</b>	<b>4,120</b>





Roads - externally funded projects	1,195	267		783	1,009	2,975	<b>5,034</b>
Ross High School - extension	300	5,815	4,095	130			<b>10,041</b>
Sports and Recreation LDP	-					7,085	<b>7,085</b>
Sports Centres	200	200	200	200	200	200	<b>1,000</b>
St Gabriel's Primary - extension including Early Learning and 1140	5	58	725	10	-	-	<b>793</b>
Support for Business / Town Centre Regeneration	108	561	1,593	32			<b>2,185</b>
Synthetic pitches	181	19					<b>19</b>
Tranent Early Learning Centre 1140	-	262	2,233	1,445	50		<b>3,990</b>
Vehicles	1,348	1,850	1,850	1,850	1,350	1,350	<b>8,250</b>
Wallyford Primary - New School	13,140	300					<b>300</b>
Wallyford Primary (Phase 2) - New School	-						<b>-</b>
Waste - New Bins	137	150	160	155	140	120	<b>725</b>
Waste - Machinery & Equipment - replacement	15	40	40	40	40		<b>160</b>
West Barns Primary - extension including Early Learning and 1140	-	175	925	447	20	-	<b>1,567</b>
Whitecraig Community Centre	959	483	21				<b>504</b>
Whitecraig Primary - extension including Early Learning and 1140	-	324	4,778	1,790	92	-	<b>6,985</b>
Windygoul Primary	-				770	4,984	<b>5,754</b>

<b>Total Expenditure</b>	<b>48,004</b>	<b>71,860</b>	<b>67,384</b>	<b>58,050</b>	<b>51,857</b>	<b>297,155</b>
<b>Total Income</b>	<b>-36,347</b>	<b>-38,232</b>	<b>-31,811</b>	<b>-39,936</b>	<b>-30,435</b>	<b>-176,761</b>
<b>Net Expenditure</b>	<b>11,657</b>	<b>33,629</b>	<b>35,573</b>	<b>18,114</b>	<b>21,422</b>	<b>120,394</b>

## ADMINISTRATION - HRA BUDGET PROPOSALS 2019/20-2023/24

	2018/19 Budget	2019/20 Budget	2020/21 Budget	2021/22 Budget	2022/23 Budget	2023/24 Budget	
<b>Rent Increase</b>	<b>5.00%</b>	<b>5.00%</b>	<b>5.00%</b>	<b>5.00%</b>	<b>5.00%</b>	<b>5.00%</b>	
<b>BUDGET</b>							
	£000	£000	£000	£000	£000	£000	
<b>Income</b>							
House Rents (Incl External Rent)	(28,384)	(30,341)	(32,568)	(34,942)	(37,418)	(39,759)	
Garage Rents	(606)	(636)	(668)	(701)	(736)	(773)	
Services/Service Charges	(577)	(642)	(674)	(706)	(739)	(775)	
Other Income	(137)	(188)	(192)	(195)	(198)	(201)	
Interest	(25)	(55)	(56)	(46)	(30)	(18)	
<b>Total Income</b>	<b>(29,729)</b>	<b>(31,862)</b>	<b>(34,158)</b>	<b>(36,590)</b>	<b>(39,122)</b>	<b>(41,526)</b>	
<b>Expenditure</b>							
Employee Costs	3,032	3,257	3,488	3,580	3,579	3,651	
Repair Costs	8,996	9,176	9,360	9,547	9,738	9,933	
Void Rents (Incl Garage Void)	711	749	793	837	884	934	
Bad Debt Provision	810	585	630	675	722	772	
Operating Payments	1,116	1,116	1,116	1,116	1,116	1,116	
Transfer Payments	584	500	500	500	500	500	
Internal Recharges	2,716	3,020	3,219	3,243	3,235	3,300	
Debt Charges	9,756	10,928	12,166	13,463	15,046	16,587	
<b>Total Expenditure</b>	<b>27,721</b>	<b>29,331</b>	<b>31,272</b>	<b>32,961</b>	<b>34,820</b>	<b>36,793</b>	
<b>Management of Balances</b>							
Opening (Surplus) / Deficit	(5,395)	(5,703)	(5,434)	(3,771)	(2,200)	(1,411)	
Capital from current revenue	1,700	2,800	4,550	5,200	5,090	4,400	
(Surplus)/ Deficit for Year	(2,008)	(2,531)	(2,886)	(3,629)	(4,302)	(4,733)	
<b>Closing (Surplus) / Deficit</b>	<b>(5,703)</b>	<b>(5,434)</b>	<b>(3,771)</b>	<b>(2,200)</b>	<b>(1,411)</b>	<b>(1,744)</b>	
<b>Capital Expenditure</b>							
Modernisation/Extensions	11,297	11,998	11,998	11,998	11,998	11,998	59,990
Council Housing	11,010	18,657	17,147	20,990	21,043	17,580	95,417
Housing Opportunities Fund	0	0	0	0	0	4,000	4,000
Fees	1,288	1,395	1,514	1,477	1,410	1,438	7,234
Mortgage to Rent	769	840	840	840	840	840	4,200
<b>Total</b>	<b>24,364</b>	<b>32,890</b>	<b>31,499</b>	<b>35,305</b>	<b>35,291</b>	<b>35,856</b>	<b>170,841</b>
<b>Debt to Income</b>	<b>-32.8%</b>	<b>-34.3%</b>	<b>-35.6%</b>	<b>-36.8%</b>	<b>-38.5%</b>	<b>-39.9%</b>	

Cumulative  
spend 2019/10 to  
2023/24

**ADMINISTRATION - HRA BUDGET PROPOSALS 2018-2023**

	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
	£000	£000	£000	£000	£000	£000
<b>HRA Income</b>						
<b>House Rents</b>						
Rent income adjustments relating to rent increases, house building and RTB sales	(1,957)	(1,902)	(2,227)	(2,374)	(2,476)	(2,341)
<i>Changes as result of RTB sales and rent increases</i>						
Rent income from External Customers		(55)	(55)	(55)	(55)	(55)
<b>Garage Rents</b>						
Rent income adjustments relating to rent increases	(30)	(30)	(32)	(33)	(35)	(37)
<i>Changes as result of rent inceases</i>						
<b>Service Charges</b>						
Income adjustments relating to service charge adjustments	(58)	(30)	(32)	(32)	(33)	(35)
<i>Changes as result of recharge adjustments</i>						
<b>Other Income</b>						
Homeless Rents	(1)	(51)	(4)	(3)	(3)	(3)
<b>Interest</b>						
Interest on accumulated balances	26	(30)	(1)	10	16	12
<i>Internal interest received</i>						
<b>TOTAL</b>	<b>(2,020)</b>	<b>(2,098)</b>	<b>(2,351)</b>	<b>(2,487)</b>	<b>(2,586)</b>	<b>(2,459)</b>
<b>HRA Expenditure</b>						
<b>Staffing</b>						
General Inflation Increase	93	91	98	105	72	72
<i>Increase in line with assessed inflation rate</i>						
Increment Costs		50	52	53		
<i>Increment and NI increased costs</i>						
Increase in LGPS Contribution Rates	11	11	8	7		
<i>Increase in contribution rates from 20.4% to 20.9% from April 2018, 21.4% from April 2019 and 21.9% from April 2020</i>						
Orchard System Project Team	-	73	73	(73)	(73)	-
<i>Orchard System Review project team, incl pay award, superann and increments 19/20</i>						
	104	225	231	92	(1)	72
<b>Repairs</b>						
General Inflation Increase	258	180	184	187	191	195
<i>Increase in line with assessed inflation rate</i>						
	258	180	184	187	191	195
<b>Void Rents</b>						
Rent adjustments relating to RTB sales and rent increases	33	38	44	44	47	50
<i>Changes as result of RTB sales and rent inceases</i>						
	33	38	44	44	47	50

**ADMINISTRATION - HRA BUDGET PROPOSALS 2018-2023**

	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
	£000	£000	£000	£000	£000	£000
<b>Bad Debts</b>						
Rent adjustments relating to RTB sales and rent increases <i>Changes as result of RTB sales and rent inceases</i>	55	(225)	45	45	47	50
	55	(225)	45	45	47	50
<b>Operating Expenses</b>						
General Inflation Increase <i>Contribution to Lothian &amp; Borders Police for Musselburgh Police Team</i>	-	-	-	-	-	-
Grounds Maintenance work - new estates <i>Savings arising from review of insurance</i>	-	-	-	-	-	-
Low cost home ownership <i>Consultant cost to explore new models to support low cost home ownership</i>	(150)	-	-	-	-	-
	(150)	-	-	-	-	-
<b>Transfer payments</b>						
General Inflation Increase <i>Increase in line with assessed inflation rate</i>	-	-	-	-	-	-
	-	-	-	-	-	-
<b>Internal Recharges</b>						
General Inflation Increase <i>Increase in line with assessed inflation rate</i>	26	81	91	97	65	65
Restructure of Procurement <i>Contribution to two Procurement Officers</i>	-	120	-	-	-	-
Orchard System Project Team <i>Recharge team to Capital</i>	-	73	73	(73)	(73)	-
Housing Strategy & Devt Service Review  <i>50% of full year recharge following Service Review in 19/20</i>	-	30	35	-	-	-
	26	304	199	24	(8)	65
<b>Debt Charges</b>						
Debt Charges <i>In year changes in debt repayments</i>	241	1,172	1,238	1,297	1,583	1,541
	241	1,172	1,238	1,297	1,583	1,541
<b>Transfer to General Services</b>						
Change in transfer to General Services	(995)	-	-	-	-	-
<b>TOTAL</b>	(2,448)	(404)	(410)	(798)	(727)	(486)