

REPORT TO: Cabinet

MEETING DATE: 26 January 2022

BY: Executive Director for Council Resources

SUBJECT: Budget Development 2022-2027

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 To note the current position relating to the national Local Government Finance Settlement and the implications for East Lothian Council.
- 2.2 To approve the draft budget proposals as contained within the report appendices.
- 2.3 To request that any formal amendments to the draft proposals be submitted in accordance with the timeline set out in para 3.15 of this report.

3 BACKGROUND

- 3.1 At meetings of the Council held on 16 November 2021 and 14 December 2021, information was provided in relation to the future financial prospects for the Council and the 5 year Financial Strategy incorporating the Capital Strategy was formally approved.
- 3.2 The 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 available.

Local Government Settlement

3.3 The Scottish Government published its draft budget on 9 December, with individual Local Authority allocations received in draft on 20 December 2021, publishing local authority grant allocations for **2022-23 only**. The details and complicated nature of the national settlement cannot be understated, with the complexity heightened in recent years due to significant in-year national funding some of which has been provided on a non-recurring basis, continuation of one-year funding settlements, and changes to national funding streams. National funding currently makes up in excess of 70% of the Council's overall general services revenue funding, therefore given the scale, any variation to grant funding levels can significantly impact on the level of resources available for the Council to deliver essential local services. In addition, the Scottish Government provides national funding to support the delivery of capital investment programmes.

3.4 The national settlement will remain in draft pending clearance through the Parliamentary process with indicative timings set out by COSLA below. Members will be kept updated should there be any changes to the draft settlement conditions during this Parliamentary process.

- Stage 1 Last week in January 2022
- Stage 2 First week in February 2022
- Stage 3 After February 2022 recess

3.5 Key components of the Finance settlement for Local Government and the implications for the Council are set out below:

National Settlement

- The draft Scottish Government Budget and related Local Government Finance Settlement have been provided covering 2022-23 financial year only;
- Total distributed national revenue funding of £11,375.8 million made up from the following:
 - £7,820.7 million (General Revenue Funding) – Note 1
 - £2,766.0 million (Non Domestic Rates) – Note 1
 - £773.9 million (Specific Grants) – Note 2
 - £10.2 million (85% Floor) – Note 3
 - £5.0 million (National Redress Scheme) – Note 4
- Note 1 – General Revenue Funding + Share of Non Domestic Rates Pool provide funding to deliver local services;
- Note 2 – Specific Grants funding can only be used to support policy intent and include delivery of Early Learning & Childcare expansion;
- Note 3 – Self-financing mechanism included within the national settlement to ensure no Local Authority gains / loses more than 85% of previous year allocation;

- Note 4 – Historical Child Abuse Scheme and national top slice agreed by COSLA Leaders.
- Total capital funding of £679.6 million made by from the following:
 - General Capital Grant £540.5 million
 - Specific Capital Grant £123.8 million – Note 1
 - Distributed to SPT £15.3 million – Note 2
- Note 1 – Includes national funding of £23.9 million to support Cycling, Walking & Safer Streets;
- Note 2 – Top sliced from Local Government Settlement.
- Additional revenue funding to support new national policy commitments has been provided within the settlement details of which are set out below:
 - £145 million to support additional teachers and support staff including the requirement to maintain the national pupil teacher ratio, and ensure places are provided for all Probationer Teaches who require one;
 - Providing a further £353.9 million to support Health and Social Care Services. This additional funding is in addition to new recurring funding provided to the Integrated Joint Board (IJB) in 2021-22. This funding must be passed to the IJB in full, and is to be used to support the following areas:
 - £174.5 million to support adult social care pay
 - £20.4 million to support Carers
 - £15 million uplift to free personal and nursing care rates
 - £124 million to support care at home investment
 - £20 million for interim care (non-recurring)
 - £5.3 million for Assessors to support Barclay implementation costs
- In addition, the national settlement contains a commitment to provide additional funding to support a range of additional policy commitments where funding is yet to be distributed including:
 - Funding to maintain 100 day national commitments including the removal of core curriculum and music tuition charges and expansion of free school meals provision;
 - £68.2 million to support Child Bridging Payments;
 - £200 million to support pay and sustainability of social care services
- A reduction of £15 million in Specific Grant funding to support the revenue roll out of the expansion of Early Learning and Childcare;

- Additional £62.5 million included within the general capital funding to support the following areas:
 - £30 million for Free School Meals (not yet distributed)
 - £20 million for Local Bridge Maintenance Fund
 - £11 million for Flood Prevention (total national funding of £63 million)
 - £1.6 million for Coastal Protection (not yet distributed)

- In addition, the national settlement letter sets out the following additional elements as part of the settlement:
 - Removal of Council Tax cap with Councils expected to take full account of local needs and impacts on household budgets of the decisions they make;
 - Encouragement to consider General Reserve balances and ensure that they are making an efficient use of public funds;
 - Commitment to review 'Ring-fenced funding streams' as part of forthcoming Spending Review;
 - Extension to apply national fiscal flexibilities on the application of capital receipts for a further year to 2022-23.

East Lothian Position

General Services Revenue Budget

- A total cash increase in Revenue Support Grant of £6.886 million which is made up from the following:
 - Core Revenue Support Grant (GRG + NDR) has reduced by £0.734 million (0.4%);
 - An additional £3.216 million has been provided to support the delivery of new policy commitments in Education referenced above as part of a national £145 million funding;
 - An additional £4.364 million has been provided to support the delivery of new policy commitments in Health and Social Care referenced above, which must be passed to the Integrated Joint Board (IJB) in full aligned to the national settlement commitments;
 - £0.04 million has been received to support the delivery of Barclay implementation roll out.

- The settlement does not include any new additional funding to support a wide range of national commitments, cost and inflationary pressures including:

- Public sector pay (estimated to be circa £10.6 million over the next 3 years for East Lothian, the outcome of which remains subject to national pay negotiations);
 - Increased employers national insurance funding aligned to UK Government social care tax (estimated nationally to be circa £70 million and £0.990 million for East Lothian);
 - Additional funding to support changes to Council Tax Reduction scheme and its administration (estimated nationally to be circa £20 million);
 - Demographic growth, inflationary costs, delivery of climate change requirements or COVID recovery (for East Lothian this is estimated to be in excess of £20 million over the next 3 years).
- A reduction of £1.2m specific grant funding to support the continued delivery of the expansion of early learning and childcare.

General Services Capital Budget

- Increase in General Capital Grant of £0.135 million to receive a General Capital Grant funding of £8.139 million (currently under 9% of total annual capital budget of circa £90 million per annum);
- Specific grant funding of £0.472 million to support Cycling, Walking and Safer Streets;
- Current commitment to fund 80% of national Flood Prevention Scheme funding, recognising that a national review remains ongoing due to the significance and scale of funding pressures (previously reported to COSLA in excess of £188 million).
- No specific funding has yet been distributed to support enhanced capital infrastructure needed to support the full policy roll out of free school meals to all P1-P7. National discussions have indicated that the scale of this is significantly in excess of national funding announced within the draft settlement.

3.6 Reflecting the national settlement details within update budget models, all elected members have been provided with the following information:

- Briefing setting out the implications from the national settlement on updated budget models;
- Draft updated budgets covering the period agreed within the Financial Strategy for all budgets including:
 - General Services Revenue Budget (2022 – 2025)
 - General Services Capital Budget (2022 – 2027)
 - HRA Budget (2022 – 2027)

- General Services budget gap of circa £5.1 million for 2022-23 rising to £9.4 million by 2024-25. Removing the existing planned use of reserves, and indicative Council Tax increase in year 1 this would rise to a budget gap of £11.4 million in 2022-23 to in excess of £16 million by 2024-25.

National Lobbying

3.7 COSLA has embarked on a strong lobbying campaign to support / protect national local services. In addition, COSLA Leaders unanimously have written a strong letter of representation to the First Minister and Cabinet Secretary for Finance and Economy reiterating their deep concern about the level of resources allocated to Local Government, and the impact of the draft settlement will have on local communities. Their letter sets out the settlement represents a significant real terms cut of £371 million in core funding, and specifically reiterates that the settlement needs to include:

- Additional funding to support the increased burden on National Insurance contributions (estimated at around £70 million nationally);
- Funding for additional cost of the Council Tax Reduction programme (estimated at around £20 million nationally);
- Full funding for the expansion of Early Learning and Childcare policy (which has been reduced by £15 million nationally).

3.8 The letter also calls for an urgent meeting with the First Minister and Cabinet Secretary to discuss the national settlement for local government. At the time of writing this report this meeting is still to take place.

DRAFT Administration Budget Proposals – Key Assumptions

3.9 Whilst recognising that that national settlement remains in DRAFT, the Administration budget proposals have been developed on a number of key assumptions which are set out below:

- The 2022-23 funding from the Scottish Government will increase to include the additional cost of National Insurance contribution increase. This remains a key area of discussion nationally. Should this funding not be forthcoming through the budget process further options must be considered.
- In the absence of anything being declared beyond the first year, the RSG has been projected as ‘flat cash’ across the remaining 2 years with the following variant set out below. As highlighted in previous financial reports to Council, this position may be considered at best ‘optimistic’, with continued restraints on public funding and any uplift in funding being used to support the delivery of national policy commitments.

- It has been assumed that the additional recurring investment required to support investment in social care will be met in full by additional Scottish Government funding each year.
- An amount equivalent to a 2% annual increase has been provided for all pay bargaining groups in each of the 3 years. Recognising that national discussions remain on-going to secure a national pay settlement for Teachers for 2021-22, no national pay deals has been reached for the years covering the budget period the outcome of which remains subject to national negotiation.
- A Council Tax increase of 3% for 2022-23 is being proposed, with indicative rises of 5% in the following 2 years. This remains consistent with the settlement letter which states that Councils are expected to take full account of local needs and impacts on household budgets of the decisions they make.
- Further additional Loans Fund flexibility of £1 million has been applied in 2022-23 with a further £3 million in 2023-24. The ability to apply this in 2023-24 will be subject to review, including the successful outcome of national fiscal flexibility discussions.
- The application of a further £4.345 million of reserves in 2022-23, taking the total use of reserves planned to £7.190 million. This remains consistent with the Scottish Government settlement, and the Council's approved Reserves Strategy taking the minimum level of uncommitted reserves the Council holds to 2% minimum target. Officers are continuing to review the current reserve commitments aligned to the 2021-22 financial review, noting that relative to planned commitments, the Council's General 'uncommitted' reserve holdings remain at a very low level.
- The draft budget for 2022-23 includes a corporate savings target of £1.163 million, which remains equivalent to a 0.5% efficiency target across services. Should this position remain through the formal budget process, there will be a need to formally identify more detail on the proposals to ensure future deliverability during 2022-23.
- In recognition that the national settlement has been provided for one year only, indicative savings targets setting out the scale of savings has been provided for year 2 and 3. Should this position remain through the formal budget process, there will be a need to formally identify more detailed proposals to ensure future deliverability.
- Capital grant is estimated to remain broadly in line with previous planning assumptions and has been flat lined in each of the years. Some projects remain dependent on confirmation of Scottish Government specific grant funding, most significantly relating to Flood Prevention Schemes. These are significant in value, and should this anticipated level of funding not be forthcoming

consideration will need to be given to making further adjustments consistent with the approved capital limits set within the Financial Strategy.

- 3.10 Whilst recognising the rationale supporting these assumptions and the need for vital additional investment to support essential local services, the reality may be very different. During 2022-23, the Council has reflected new expenditure pressure in excess of £17.8 million within both corporate and service areas which will need to be managed. Removing expenditure aligned to new policy initiatives within the national settlement (circa £7.5 million), this still leave a very significant funding gap in excess of £10 million in 2022-23. Should this level of national funding continue going forward, the scale and significance of the potential savings required will require some very difficult decisions on what services can be provided and supported within available resources. Critical to supporting this will be the outcome of the review of the budget development framework which was approved by Council in November 2021. This will give consideration to the budget framework to support the development of future budget proposals and associated budget governance.
- 3.11 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 1** (General Services Revenue), **Appendix 2** (General Services Capital) and **Appendix 3** (Housing Revenue Account – Revenue and Capital).
- 3.12 As set out within the Financial Strategy report to Council on 14 December 2021, there remains a statutory requirement to consult on any proposed rent increase. In line with the Council approval, any political group wishing to consider an increase to rent levels from April 2022, was required to declare intent by Friday 14 January 2022 in order that this can inform a decision to undertake a public consultation. I can confirm that all Political Groups have responded, indicating their intent to maintain rent at current 2021-22 levels, and as such no formal consultation is required. In line with the approved budget framework, all political groups retain the ability to submit a formal amendment to the HRA Budget, recognising that rent levels for 2022-23 will be maintained at current levels.

Next Steps

- 3.13 In keeping with the Council approved budget framework, budget amendments to the Administration draft budget proposals will be considered by Council at its meeting on **1 March 2022**. Every effort will be taken to meet these dates to ensure compliance with statutory requirements relating to rent and council tax notification and billing.
- 3.14 Given the national settlement remains in draft through the Parliamentary process, any changes to the national settlement which may arise during this process will be communicated to all Political Group Leaders.

- 3.15 In line with the approved budget framework to manage any budget amendments which may arise between approval and the formal budget setting meetings - key dates and processes are set out below:

Budget Amendments

- 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 officials around any suggested budget changes which may be reflected within any final proposed amendments.
- Any final amendments to be considered by Council must be submitted through Group Leaders to the Head of Finance no later than close of play **Monday 21 February 2022.**

2021-22 Financial Position

- 3.16 The Council has already received a number of financial reports on the challenging in-year financial position, and a high level update was reported to Council in December. A further report setting out the in-year financial position will be provided to Council in February 2022.

4 POLICY IMPLICATIONS

- 4.1 The Draft proposals have been prepared in accordance with the new Financial Strategy approved by Council on 14 December 2021.
- 4.2 There are no direct policy implications associated with approval of these draft budget proposals but clearly should they be supported by Council on 1 March 2022, individual elements within the proposals may lead to policy changes.

5 INTEGRATED IMPACT ASSESSMENT

- 5.1 The subject of this report has been considered and given there is no direct change in policy direction, there is no immediate requirement to undertake any further impact assessment.

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 Update – Item 3 - Report to Council 16 November 2021

7.2 Council Financial Strategy 2022-27 – Report to Council 14 December 2021

AUTHOR'S NAME	Sarah Fortune
DESIGNATION	Executive Director for Council Resources
CONTACT INFO	sfortune@eastlothian.gov.uk
DATE	21 January 2022

Financial Services	1,743	84	1,827	1,827	77	1,904	1,904	88	1,992
Revenues & Benefits	2,227	34	2,261	2,261	30	2,291	2,291	66	2,357
Procurement	256	93	349	349	7	356	356	10	366
Finance total	4,226	211	4,437	4,437	114	4,551	4,551	164	4,715
Corporate Services									
IT Services	2,512	685	3,197	3,197	212	3,409	3,409	126	3,535
Legal	334	9	343	343	10	353	353	11	364
People & Governance	4,986	425	5,411	5,411	(104)	5,307	5,307	152	5,459
Communications	436	(2)	434	434	7	441	441	10	451
Council Resources total	8,268	1,117	9,385	9,385	125	9,510	9,510	299	9,809
Council Resources total	12,494	1,328	13,822	13,822	239	14,061	14,061	463	14,524
Health & Social Care Partnership									
Adult Wellbeing	58,205	4,364	62,569	62,569	1,235	63,804	63,804	1,499	65,303
Sub-total	58,205	4,364	62,569	62,569	1,235	63,804	63,804	1,499	65,303
Place									
Development									
Planning	1,164	54	1,218	1,218	53	1,271	1,271	55	1,326
Economic Development	1,531	(582)	949	949	(32)	917	917	20	937
Development total	2,695	(528)	2,167	2,167	21	2,188	2,188	75	2,263
Housing									
Housing & Strategic Regeneration	247	7	254	254	14	268	268	16	284
Community Housing	2,359	47	2,406	2,406	42	2,448	2,448	47	2,495
Property Maintenance Trading Activity	(863)	-	(863)	(863)	-	(863)	(863)	-	(863)
Housing total	1,743	54	1,797	1,797	56	1,853	1,853	63	1,916
Infrastructure									
Facility Support Services	3,759	104	3,863	3,863	83	3,946	3,946	90	4,036
Facility Trading Activity	(276)	-	(276)	(276)	-	(276)	(276)	-	(276)
Landscape & Countryside Management	5,458	209	5,667	5,667	153	5,820	5,820	166	5,986
Asset Maintenance & Engineering Services	3,308	66	3,374	3,374	58	3,432	3,432	118	3,550
Asset Management & Capital Planning	(515)	40	(475)	(475)	37	(438)	(438)	43	(395)
Roads Network & Flood Protection	4,799	28	4,827	4,827	40	4,867	4,867	48	4,915
Roads Trading Activity	(562)	-	(562)	(562)	-	(562)	(562)	-	(562)
Transportation	1,227	357	1,584	1,584	85	1,669	1,669	88	1,757
Waste Services	9,356	394	9,750	9,750	214	9,964	9,964	207	10,171
Active Business Unit	3,634	95	3,729	3,729	189	3,918	3,918	174	4,092
Infrastructure total	30,188	1,293	31,481	31,481	859	32,340	32,340	934	33,274
Communities & Partnerships									
Corporate Policy & Improvement	822	15	837	837	14	851	851	18	869
Connected Communities	6,292	102	6,394	6,394	12	6,406	6,406	97	6,503
Protective Services	1,876	39	1,915	1,915	41	1,956	1,956	49	2,005
Customer Services Group	3,726	199	3,925	3,925	161	4,086	4,086	168	4,254
Communities & Partnerships total	12,716	355	13,071	13,071	228	13,299	13,299	332	13,631
Place total	47,342	1,174	48,516	48,516	1,164	49,680	49,680	1,404	51,084
TOTAL SERVICE EXPENDITURE	260,020	12,065	272,085	272,085	8,411	280,496	280,496	11,076	291,572

Budget Deficit/(Surplus)	-	-	-	-	-
Funding (Surplus) / Shortfall		<u>-</u>		<u>-</u>	<u>-</u>
Band D Council Tax					
% increase / (decrease) in Band D		<u>3.00%</u>		<u>5.00%</u>	<u>5.00%</u>

Ban Band D Multiplier	Impact of 3% Council Tax			2022/23 Council Tax
	Increase	% Increase	Increase	
A 240/360	26.05	3.00%		894.46
B 280/360	30.39	3.00%		1,043.54
C 320/360	34.74	3.00%		1,192.61
D 360/360	39.08	3.00%		1,341.69
E 473/360	51.34	3.00%		1,762.84
F 585/360	63.50	3.00%		2,180.25
G 705/360	76.53	3.00%		2,627.47
H 882/360	95.74	3.00%		3,287.15

* Note the Council operates Joint Billing alongside Scottish Water

Description	2022/23			2023/24			2023/24		
	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 costs relative to increase in Council Tax yield</i>	289	-	289	302	-	302	318	-	318
Council Tax Reduction Scheme total	289	-	289	302	-	302	318	-	318
Council Tax Earmarked for Affordable Homes <i>Council Tax earmarked for affordable homes</i>	160	-	160	47	-	47	49	-	49
Council Tax Earmarked for Affordable Homes	160	-	160	47	-	47	49	-	49
Review of Council Assets <i>Efficiency to be met through review and rationalisation of Council assets</i>	-	(150)	(150)	-	(850)	(850)	-	-	-
Review of Council Assets total	-	(150)	(150)	-	(850)	(850)	-	-	-
Management of Staffing Budgets <i>Efficiency to be met through enhanced vacancy management, deletion of posts, service reviews and wider review / modernisation of staff terms and conditions</i>	-	-	-	-	(175)	(175)	-	-	-
Management of Staffing Budgets	-	-	-	-	(175)	(175)	-	-	-
Debt Charges									
Changes in debt charges made to the General Fund <i>Change reflects alignment with capital investment plans and reflects the on-going review of the Council's Loans Fund</i>	250	-	250	500	-	500	-	-	-
Fiscal Flexibilities <i>Change reflects anticipated benefit from Loans Fund repayment holiday in line with anticipated SG Guidance on Fiscal Flexibility</i>	6,259	-	6,259	(2,000)	-	(2,000)	3,000	-	3,000
Debt Charges total	6,509	-	6,509	(1,500)	-	(1,500)	3,000	-	3,000
Review of Service Provision Review of Service Provision <i>Efficiencies to be generated through a wide review aligned to the financial strategy and include: review of service delivery models; enhanced programme of transformational change; new ways of working; exploring further options for partnership working; exploring further options to maximise and generate income.</i>	-	(1,196)	(1,196)	-	(5,125)	(5,125)	-	(6,093)	(6,093)
Service Reduction Total	-	(1,196)	(1,196)	-	(5,125)	(5,125)	-	(6,093)	(6,093)
Apprenticeship Levy Increase linked to assumed pay increases based on 0.5% of annual payroll	88	-	88	14	-	14	14	-	14
Apprenticeship Levy total	88	-	88	14	-	14	14	-	14
Housing Benefit Loss Change in subsidy rules and increase in B&B charges	50	-	50	50	-	50	-	-	-
Housing Benefit Loss total	50	-	50	50	-	50	-	-	-

Description	2022/23			2023/24			2023/24		
	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 COMMITMENTS TOTAL	7,096	(1,346)	5,750	(1,087)	(6,150)	(7,237)	3,381	(6,093)	(2,712)
EXPENDITURE LIMIT	(10,719)	(1,346)	(12,065)	(2,261)	(6,150)	(8,411)	(4,983)	(6,093)	(11,076)
SERVICE PLANNED EXPENDITURE									
EDUCATION & CHILDREN'S SERVICES									
Children's Services									
Increases in Pay Costs <i>Effect of assumed pay increase.</i>	311	-	311	175	-	175	182	-	182
Increase in Utility Charges <i>Increase in Utility Charges</i>	4	-	4	4	-	4	4	-	4
Recurring pressures due to COVID <i>Ongoing impact of support packages required during the pandemic including external fostering</i>	23	-	23	-	-	-	-	-	-
CHILDREN'S TOTAL	338	-	338	179	-	179	186	-	186
Inclusion and Wellbeing									
Increases in Pay Costs <i>Effect of assumed pay increase.</i>	33	-	33	26	-	26	28	-	28
Increase in ASL requirements aligned to increase in Pupil School Roll <i>Increased costs aligned to Pupil School Roll growth</i>	156	-	156	186	-	186	230	-	230
Increase in ASL support <i>Increased in ASL support from August 2022</i>	163	-	163	82	-	82	-	-	-
Expansion of School Estate <i>Additional revenue costs of extensions and new builds</i>	22	-	22	295	-	295	278	-	278
Contract Transport <i>Increased cost of providing transport</i>	60	-	60	60	-	60	60	-	60
Additional Support for Learning total	434	-	434	649	-	649	596	-	596
Pre-School Education & Childcare									
Increases in Pay Costs <i>Effect of assumed pay increase.</i>	34	-	34	23	-	23	28	-	28
Increase in Utility Charges <i>Increase in Utility Charges</i>	1	-	1	1	-	1	1	-	1
1140 Hours <i>1140 Hours reduced funding</i>	(1,208)	-	(1,208)	-	-	-	-	-	-
Pre-School Education & Childcare total	(1,173)	-	(1,173)	24	-	24	29	-	29
Schools - Primary									
Increases in Pay Costs <i>Effect of assumed pay increase.</i>	1,219	-	1,219	905	-	905	978	-	978
Increase in Utility Charges	93	-	93	66	-	66	71	-	71

Description	2022/23			2023/24			2023/24		
	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 Utility Charges</i>									
Increase in Waste Charges <i>Increase in Waste Charges</i>	13	-	13	9	-	9	10	-	10
Pupil School Roll increase Estimated increase in Primary School Rolls	353	-	353	460	-	460	505	-	505
Expansion of School Estate <i>Additional revenue costs of primary school extensions and new builds</i>	725	-	725	362	-	362	1,409	-	1,409
Facility Services Charges <i>Increases in Facilities Charges in line with salary increases</i>	77	-	77	77	-	77	77	-	77
School Meals <i>Increase in cost of school meals in year with future years subject to an annual inflationary increase or uprating in line with relevant benchmarking</i>	(9)	-	(9)	(9)	-	(9)	(9)	-	(9)
Amenity Services Charges <i>Increase in Groundcare charges</i>	4	-	4	3	-	3	3	-	3
Contract Transport <i>Increased cost of providing transport</i>	33	-	33	33	-	33	33	-	33
Schools - Primary total	2,508	-	2,508	1,906	-	1,906	3,077	-	3,077
Schools - Secondary									
Increases in Pay Costs <i>Effect of assumed pay increase.</i>	931	-	931	703	-	703	728	-	728
Increase in Utility Charges <i>Increase in Utility Charges</i>	90	-	90	64	-	64	69	-	69
Increase in Waste Charges <i>Increase in Waste Charges</i>	6	-	6	4	-	4	4	-	4
Pupil School Roll increase Increase in Secondary School Rolls	552	-	552	364	-	364	330	-	330
Expansion of School Estate <i>Additional revenue costs of secondary school extensions and new builds</i>	363	-	363	1,330	-	1,330	2,326	-	2,326
Increase in NDR charges <i>Assumed increase in poundage rates from April 2022</i>	-	-	-	-	-	-	-	-	-
School Meals <i>Increase in cost of school meals in year with future years subject to an annual inflationary increase or uprating in line with relevant benchmarking</i>	(11)	-	(11)	(11)	-	(11)	(11)	-	(11)
Facility Services Charges <i>Increases in Facilities Charges in line with salary increases</i>	12	-	12	12	-	12	12	-	12
Reduction in PEF <i>Increase in Pupil Equity Funding in line with existing Scottish Government commitment</i>	-	-	-	-	-	-	-	-	-
PPP Contract <i>Increase in PPP contract charges for Education facilities</i>	846	-	846	366	-	366	372	-	372
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)
Recurring pressures due to COVID <i>Ongoing impact of PPP Cleaning costs due to the pandemic</i>	152	-	152	5	-	5	5	-	5
Contract Transport	75	-	75	75	-	75	75	-	75

Description	2022/23			2023/24			2023/24		
	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>Increased cost of providing transport</i>									
Schools - Secondary total	3,016	-	3,016	2,912	-	2,912	3,910	(160)	3,750
Schools Support Services									
Increases in Pay Costs <i>Effect of assumed pay increase.</i>	34	-	34	30	-	30	33	-	33
SEEMIS <i>Increase in SEEMIS costs</i>	7	-	7	5	-	5	3	-	3
Expansion of School Estate <i>Additional revenue costs due to capital work</i>	-	-	-	37	-	37	-	-	-
Schools Support Services total	41	-	41	72	-	72	36	-	36
East Lothian Works									
Increases in Pay Costs <i>Effect of assumed pay increase.</i>	35	-	35	31	-	31	36	-	36
Increase in NDR charges <i>Assumed increase in poundage rates from April 2022</i>	-	-	-	-	-	-	-	-	-
East Lothian Works total	35	-	35	31	-	31	36	-	36
EDUCATION TOTAL	4,861	-	4,861	5,594	-	5,594	7,684	(160)	7,524
COUNCIL RESOURCES									
Financial Services									
Increases in Pay Costs <i>Effect of assumed pay increase.</i>	84	-	84	77	-	77	88	-	88
Financial Services total	84	-	84	77	-	77	88	-	88
Revenues & Benefits									
Increases in Pay Costs <i>Effect of assumed pay increase.</i>	74	-	74	60	-	60	71	-	71
IT Systems Costs <i>Increase in IT requirements for the Capita System</i>	-	-	-	(25)	-	(25)	-	-	-
Scottish Welfare Fund <i>Increase in budget</i>	86	-	86	-	-	-	-	-	-
Council Tax Statutory Fees <i>Increase in budget</i>	(126)	-	(126)	(5)	-	(5)	(5)	-	(5)
Revenues & Benefits total	34	-	34	30	-	30	66	-	66
Procurement									
Increases in Pay Costs <i>Effect of assumed pay increase.</i>	93	-	93	7	-	7	10	-	10
Procurement Total	93	-	93	7	-	7	10	-	10

Description	2022/23			2023/24			2023/24		
	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
FINANCE TOTAL	211	-	211	114	-	114	164	-	164
Information Technology									
Increases in Pay Costs <i>Effect of assumed pay increase.</i>	51	-	51	42	-	42	51	-	51
IT Digital Strategy & System Costs <i>Investment in Digital Strategy & IT infrastructure</i>	634	-	634	170	-	170	75	-	75
Information Technology total	685	-	685	212	-	212	126	-	126
Legal									
Increases in Pay Costs <i>Effect of assumed pay increase.</i>	9	-	9	10	-	10	11	-	11
Legal total	9	-	9	10	-	10	11	-	11
People & Governance									
Increases in Pay Costs <i>Effect of assumed pay increase.</i>	158	-	158	109	-	109	132	-	132
Income <i>3% uplift on existing income</i>	-	(10)	(10)	-	-	-	-	-	-
Local Election May 2022 Costs <i>Cost of administering local elections in May 2022</i>	230	-	230	(230)	-	(230)	-	-	-
Hybrid Committee System <i>Implementation of Hybrid Committee System running costs</i>	30	-	30	-	-	-	-	-	-
Councillors Remuneration <i>Assumed annual increase in Councillors remuneration in line with national agreement</i>	17	-	17	17	-	17	20	-	20
People & Governance total	435	(10)	425	(104)	-	(104)	152	-	152
Communications									
Increases in Pay Costs <i>Effect of assumed pay increase.</i>	8	-	8	7	-	7	10	-	10
Digital Change <i>Move Living Magazine to online platform</i>	-	(10)	(10)	-	-	-	-	-	-
Communications total	8	(10)	(2)	7	-	7	10	-	10
CORPORATE SERVICES TOTAL	1,137	(20)	1,117	125	-	125	299	-	299
HEALTH & SOCIAL CARE PARTNERSHIP									
Adult Wellbeing									
Increases in Pay Costs <i>Effect of assumed pay increase.</i>	478	-	478	380	-	380	460	-	460
Increase in Utility Charges <i>Increase in Utility Charges</i>	20	-	20	15	-	15	16	-	16
Increase in Waste Charges <i>Increase in Waste Charges</i>	2	-	2	1	-	1	1	-	1
Increase in Vehicle Fuel	4	-	4	2	-	2	1	-	1

Description	2022/23			2023/24			2023/24		
	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 Vehicle Fuel</i>									
Increase in External Care Provision Costs <i>To deliver a wide range of priorities including: Living Wage, Sleepovers, NCHC and Care at Home increases.</i>	1,578	-	1,578	1,203	-	1,203	1,244	-	1,244
Facility Services Charges <i>Increases in Facilities Charges in line with salary increases</i>	38	-	38	26	-	26	27	-	27
Investment in Mental Health Services <i>Additional costs to support Mental Health Services</i>	37	-	37	106	-	106	-	-	-
Systems Upgrade Costs <i>Mosaic Upgrade Costs</i>	3	-	3	138	-	138	-	-	-
Integration of Health and Social Care <i>Including: review and redesign models of care; savings and efficiencies generated through joint working, shifting the balance of and uplift in fees and charges</i>	-	-	-	-	(250)	(250)	-	(250)	(250)
Increase in Health & Social Care Aligned to SG Funding <i>Increase aligned to increase provided by Scottish Government draft settlement</i>	2,204	-	2,204	(386)	-	(386)	-	-	-
HEALTH & SOCIAL CARE PARTNERSHIP TOTAL	4,364	-	4,364	1,485	(250)	1,235	1,749	(250)	1,499
PLACE									
Planning									
Increases in Pay Costs <i>Effect of assumed pay increase.</i>	54	-	54	53	-	53	55	-	55
Planning total	54	-	54	53	-	53	55	-	55
Economic Development									
Increases in Pay Costs <i>Effect of assumed pay increase.</i>	18	-	18	18	-	18	20	-	20
Business Recovery Investment Fund <i>In response to the pandemic, to aid recovery in our economy, to identify needs and priorities and opportunities to deliver strategic and sustainable economic development across East Lothian; to intervene in Town Centres, in the rural economy and in food and drink, leisure and tourism; to promote new and existing local businesses, innovation and research. To revise the existing ED and Tourism strategies and structures and partnerships as necessary to develop and enhance skills and create employment in East Lothian</i>	(600)	-	(600)	-	-	-	-	-	-
Scottish Open <i>Hosting Scottish Open</i>	-	-	-	(50)	-	(50)	-	-	-
Economic Development	(582)	-	(582)	(32)	-	(32)	20	-	20
DEVELOPMENT TOTAL	(528)	-	(528)	21	-	21	75	-	75
Housing & Strategic Regeneration									
Increases in Pay Costs <i>Effect of assumed pay increase.</i>	15	-	15	14	-	14	16	-	16
HEEPS <i>Develop in-house capacity to deliver HEEPS</i>	-	(8)	(8)	-	-	-	-	-	-

Description	2022/23			2023/24			2023/24		
	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
Increases in Pay Costs <i>Effect of assumed pay increase.</i>	202	-	202	118	-	118	143	-	143
Increase in Utility Charges <i>Increase in Utility Charges</i>	4	-	4	3	-	3	4	-	4
Increase in Waste Charges <i>Increase in Waste Charges</i>	3	-	3	2	-	2	2	-	2
Depot Replacement <i>Additional revenue costs relating to Depot Replacement</i>	9	-	9	-	-	-	-	-	-
Increase in Skips Charges <i>Increase in Skip Charges</i>	15	-	15	12	-	12	10	-	10
Increase in Vehicle Fuel <i>Increase in Vehicle Fuel</i>	42	-	42	25	-	25	14	-	14
Increase in Grounds Maintenance Charges <i>Increase in Grounds Maintenance Charges</i>	(15)	-	(15)	(10)	-	(10)	(10)	-	(10)
Income Generation - new opportunities <i>Explore new opportunities for income maximisation from Land Management</i>	-	(5)	(5)	-	-	-	-	-	-
Plant Nursery <i>Increase in costs</i>	4	-	4	3	-	3	3	-	3
Service Review <i>Full Year Impact of Service Review Savings</i>	-	(43)	(43)	-	-	-	-	-	-
Income <i>3% uplift on existing income</i>	-	(7)	(7)	-	-	-	-	-	-
Landscape & Countryside Management total	264	(55)	209	153	-	153	166	-	166
Roads Network									
Increases in Pay Costs <i>Effect of assumed pay increase.</i>	41	-	41	38	-	38	46	-	46
Increase in Grounds Maintenance Charges <i>Increase in Grounds Maintenance Charges</i>	3	-	3	2	-	2	2	-	2
Income <i>3% uplift on existing income</i>	-	(6)	(6)	-	-	-	-	-	-
Electric Vehicles <i>Introduce charging for electric vehicles in line with national benchmarking and guidance</i>	-	(10)	(10)	-	-	-	-	-	-
Roads Network total	44	(16)	28	40	-	40	48	-	48
Roads Trading									
Increases in Pay Costs <i>Effect of assumed pay increase.</i>	50	-	50	44	-	44	56	-	56
Trading Account Recharges <i>Reflecting increase in costs</i>	(91)	-	(91)	(69)	-	(69)	(70)	-	(70)
Increase in Vehicle Fuel <i>Increase in Vehicle Fuel</i>	41	-	41	25	-	25	14	-	14
Roads Trading total	-	-	-	-	-	-	-	-	-
Transportation									
Increases in Pay Costs	39	-	39	28	-	28	33	-	33

Description	2022/23			2023/24			2023/24		
	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 Vehicle Fuel <i>Increase in Vehicle Fuel</i>	17	-	17	10	-	10	5	-	5
Increase in Utility Charges <i>Increase in Utility Charges</i>	2	-	2	1	-	1	2	-	2
Loss of Lothian Bus Dividend <i>Lothian Bus dividend no longer being paid</i>	206	-	206	-	-	-	-	-	-
Public Transport <i>Contract Indexation</i>	24	-	24	25	-	25	26	-	26
VPMU <i>Materials and Services Indexation</i>	69	-	69	21	-	21	22	-	22
Transportation total	357	-	357	85	-	85	88	-	88
Waste Services									
Increases in Pay Costs <i>Effect of assumed pay increase.</i>	150	-	150	59	-	59	61	-	61
Increase in Utility Charges <i>Increase in Utility Charges</i>	3	-	3	3	-	3	3	-	3
Increase in Waste Charges <i>Increase in Waste Charges</i>	(28)	-	(28)	(19)	-	(19)	(20)	-	(20)
Increase in Vehicle Fuel <i>Increase in Vehicle Fuel</i>	64	-	64	38	-	38	21	-	21
Revenue Savings from Procurement of Waste Vehicles <i>Alignment to purchase of waste vehicles</i>	-	(94)	(94)	-	-	-	-	-	-
Waste Disposal <i>Increase in tonnage and indexation costs</i>	299	-	299	133	-	133	142	-	142
Waste Services total	488	(94)	394	214	-	214	207	-	207
Active Business Unit									
Increases in Pay Costs <i>Effect of assumed pay increase.</i>	33	-	33	23	-	23	29	-	29
Increase in Utility Charges <i>Increase in Utility Charges</i>	16	-	16	11	-	11	12	-	12
Expansion of Sports Facilities <i>Additional revenue costs due to capital work</i>	20	-	20	143	-	143	121	-	121
Increase in Grounds Maintenance Charges <i>Increase in Grounds Maintenance Charges</i>	6	-	6	4	-	4	4	-	4
PPP Contract <i>Increase in PPP contract charges for Mercat Gait</i>	20	-	20	8	-	8	8	-	8
Active Business Unit total	95	-	95	189	-	189	174	-	174
INFRASTRUCTURE TOTAL	1,458	(165)	1,293	859	-	859	934	-	934
Corporate Policy & Improvement									
Increases in Pay Costs <i>Effect of assumed pay increase.</i>	15	-	15	14	-	14	18	-	18

Description	2022/23			2023/24			2023/24		
	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 Policy & Improvement total	15	-	15	14	-	14	18	-	18
Connected Communities									
Increases in Pay Costs <i>Effect of assumed pay increase.</i>	72	-	72	50	-	50	64	-	64
Increase in Utility Charges <i>Increase in Utility Charges</i>	20	-	20	14	-	14	15	-	15
Increase in Waste Charges <i>Increase in Waste Charges</i>	2	-	2	1	-	1	1	-	1
Facility Services Charges <i>Increases in Facilities Charges in line with salary increases</i>	11	-	11	11	-	11	11	-	11
Village Halls <i>Transfer ownership of Village Halls to Community</i>	-	-	-	-	(70)	(70)	-	-	-
PPP Contract <i>Increase in PPP contract charges for Musselburgh CLC</i>	15	-	15	6	-	6	6	-	6
Partnership Funding <i>East Lothian Advice Services new contract cost saving</i>	-	(18)	(18)	-	-	-	-	-	-
Connected Communities total	120	(18)	102	82	(70)	12	97	-	97
Protective Services									
Increases in Pay Costs <i>Effect of assumed pay increase.</i>	46	-	46	41	-	41	49	-	49
Review of Service Provision <i>Service review, savings from subscriptions and mileage reductions</i>	-	(7)	(7)	-	-	-	-	-	-
Protective Services Total	46	(7)	39	41	-	41	49	-	49
Customer Services									
Increases in Pay Costs <i>Effect of assumed pay increase.</i>	140	-	140	91	-	91	109	-	109
Increase in Utility Charges <i>Increase in Utility Charges</i>	4	-	4	3	-	3	3	-	3
Increase in Waste Charges <i>Increase in Waste Charges</i>	-	(2)	(2)	-	-	-	-	-	-
Facility Services Charges <i>Increases in Facilities Charges in line with salary increases</i>	1	-	1	1	-	1	1	-	1
Expansion of Customer Facilities <i>Additional revenue costs due to capital work</i>	59	-	59	66	-	66	55	-	55
Income <i>3% uplift on existing income</i>	-	(3)	(3)	-	-	-	-	-	-
Customer Services total	204	(5)	199	161	-	161	168	-	168
COMMUNITIES TOTAL	385	(30)	355	298	(70)	228	332	-	332
SERVICES TOTAL	12,288	(223)	12,065	8,731	(320)	8,411	11,486	(410)	11,076
TOTAL	1,569	(1,569)	-	6,470	(6,470)	-	6,503	(6,503)	-

East Lothian Council
Capital Budget 2022/23 to 2026/27 - Administration Draft

Expenditure	Year 1	Year 2	Year 3	Year 4	Year 5	5 Year Total	External	GCG funding/ Borrowing
	2022/23	2023/24	2024/25	2025/26	2026/27		Funding	Requirement
	£000	£000	£000	£000	£000	£000	£000	£000
Community Projects								
Community Intervention	500	500	500	500	300	2,300	-	2,300
Bleachingfield Centre Remodelling Works	90	-	-	-	-	90	(90)	-
Dunbar Conservation Area Regeneration Scheme (CARS)	196	179	162	65	-	603	(342)	260
East Saltoun Community Hall	-	400	-	-	-	400	-	400
Support for Business	1,544	35	-	-	-	1,579	-	1,579
CCTV	150	43	-	-	-	193	-	193
Town Centre Regeneration	823	-	-	-	-	823	(823)	-
Total Community Projects	3,303	1,157	662	565	300	5,987	(1,255)	4,732
ICT								
IT Programme (including Education)	2,100	2,200	2,200	2,200	2,300	11,000	-	11,000
Total ICT	2,100	2,200	2,200	2,200	2,300	11,000	-	11,000
Fleet								
Amenties - Machinery & Equipment - replacement	230	276	300	162	154	1,122	-	1,122
Vehicles	5,041	1,315	741	2,826	3,459	13,382	(3,142)	10,240
Total Fleet	5,271	1,591	1,041	2,989	3,612	14,505	(3,142)	11,362
Open Space								
3G Pitch Carpet Replacement Programme	500	500	500	-	-	1,500	(332)	1,168
Cemeteries (Burial Grounds)	439	-	-	-	-	439	-	439
Coastal / Flood Protection schemes - Haddington	300	500	500	500	500	2,300	(1,600)	700
Coastal / Flood Protection schemes - Musselburgh	1,642	12,349	13,751	10,807	440	38,990	(29,878)	9,112
Coastal Car Park Toilets	14	-	-	-	-	14	-	14
Core Path Plan	50	50	50	50	50	250	-	250
Mains Farm Town Park & Pavilion	12	-	-	-	-	12	-	12
Polson Park	138	-	-	-	-	138	-	138
Replacement Play Equipment	100	100	100	100	100	500	-	500
Sports and Recreation LDP:	1,361	2,835	3,611	2,290	1,072	11,169	(8,769)	2,400
Waste - New Bins	172	160	160	160	160	812	-	812
Waste - Machinery & Equipment - replacement	40	40	40	40	40	200	-	200
Total Open Space	4,769	16,534	18,713	13,947	2,362	56,324	(40,580)	15,744
Roads, Lighting and related assets								
Cycling Walking Safer Streets	472	147	147	147	147	1,060	(1,060)	-
East Linton Rail Stop / Infrastructure	1,520	-	-	-	-	1,520	-	1,520
Parking Improvements	110	175	-	-	-	285	-	285
Roads	6,700	6,735	5,500	5,500	5,500	29,935	-	29,935
Roads - externally funded projects	1,759	4,251	21,261	2,929	2,988	33,188	(33,188)	-
Total Roads, Lighting and related assets	10,561	11,308	26,908	8,576	8,635	65,988	(34,248)	31,740
Property - Education								
Aberlady Primary - extension	1,698	37	-	-	-	1,734	(217)	1,517
Blindwells Primary - new school	3,227	12,299	4,968	284	-	20,777	(8,245)	12,532
Craighall Primary - New School	4,298	10,067	3,683	252	-	18,300	(8,010)	10,290
Dunbar Grammar - extension	-	-	-	-	-	-	(575)	(575)
East Linton Primary - extension including Early Learning and 1140	324	-	-	-	-	324	(316)	8
East Linton Primary - new school	-	10,978	-	-	-	10,978	-	10,978
Elphinstone Primary - extension	77	375	528	13	-	993	(490)	503
Gullane Primary - extension including Early Learning and 1140	-	-	-	-	-	-	(1,250)	(1,250)
Haddington School (Infants & St. Mary)	26	-	-	-	-	26	(26)	-
Kingsmeadow Primary	26	-	-	-	-	26	(26)	-
Knox Academy - extension	-	-	-	-	612	612	(612)	-
Law Primary - extension including Early Learning and 1140	2,890	54	-	-	-	2,944	(3,071)	(127)
Letham Primary - Extension	-	-	-	-	157	157	(2,408)	(2,251)
Longniddry Primary - extension	-	295	2,629	910	51	3,886	(3,595)	291
Macmerry Primary - extension	157	1,161	802	28	-	2,148	(940)	1,208
Musselburgh Grammar - upgrades	284	11	-	-	-	295	-	295
North Berwick High School - Extension	1,445	72	13	-	-	1,530	(1,530)	-
Ormiston Primary - extension	374	30	-	-	-	404	-	404
Pinkie St Peter's Primary - sports hall extension	1,454	34	-	-	-	1,488	(770)	717
Pinkie St Peter's Primary - extension including Early Learning and 1140	2,970	65	-	-	-	3,035	(3,035)	0
Preston Lodge High School - extension (phase 1)	248	2,409	1,708	4,861	1,870	11,096	(6,316)	4,780
Prestonpans Primary - upgrades	3	237	6	-	-	246	(235)	11
Ross High School - extension	1,273	152	-	-	-	1,424	(3,123)	(1,699)
School Estate - Curriculum Upgrades	330	330	-	-	-	660	-	660
St Gabriel's Primary - extension including Early Learning and 1140	648	21	-	-	-	669	(613)	56
Wallyford Primary - New School	-	-	-	-	-	-	(282)	(282)
Wallyford Primary - New School (Phase 2)	-	-	-	445	6,468	6,913	(1,208)	5,705
Wallyford Learning Campus	18,545	8,519	600	-	-	27,664	(7,099)	20,565
West Barns Primary - extension including Early Learning and 1140	1,590	40	-	-	-	1,630	(1,498)	132
Whitecraig Primary - new school including Early Learning and 1140	185	8,427	5,105	192	-	13,909	(7,448)	6,461
Windygoul Primary - Early learning and 1140 extension	1,063	759	27	-	-	1,849	(1,116)	733
Windygoul Primary - extension	900	-	-	-	-	900	-	900
Total Property - Education	44,035	56,371	20,068	6,985	9,158	136,617	(64,054)	72,564

Appendix 2

Expenditure	Year 1	Year 2	Year 3	Year 4	Year 5	5 Year Total	External	GCG funding/ Borrowing
	2022/23	2023/24	2024/25	2025/26	2026/27		Funding	Requirement
	£000	£000	£000	£000	£000	£000	£000	£000
Property - Other								
Accelerating Growth	11,696	4,668	-	-	-	16,364	(10,692)	5,672
Brunton Hall - Improved Community Access	200	1,530	-	-	-	1,730	-	1,730
Court Accommodation - incl. SPOC	1,749	248	11	-	-	2,007	(226)	1,781
Haddington Corn Exchange - Upgrades	16	-	-	-	-	16	-	16
Haddington Town House - Refurbishment and Rewire	300	14	-	-	-	314	-	314
New ways of working Programme	1,995	954	988	9	-	3,946	-	3,946
Prestongrange Museum	2,279	36	-	-	-	2,315	(429)	1,886
Property Renewals	3,000	2,000	1,950	2,000	2,000	10,950	-	10,950
Replacement Childrens House	802	803	24	-	-	1,630	-	1,630
Residential Care Homes Provision, subject to Older People Review	-	-	1,000	-	-	1,000	-	1,000
Sports Centres	200	240	240	240	240	1,160	-	1,160
Water meter size reduction	14	-	-	-	-	14	-	14
Total Property - Other	22,251	10,492	4,213	2,249	2,240	41,446	(11,347)	30,099
Capital Plan Fees	2,447	2,494	2,544	2,595	2,647	12,727	-	12,727
Total Gross Expenditure	94,737	102,147	76,349	40,107	31,254	344,594	-	189,969
Total Income	(38,648)	(38,542)	(56,421)	(35,239)	(25,770)	(194,619)	(154,625)	(39,994)
Net Borrowing Requirement	56,088	63,605	19,929	4,869	5,485	149,975	-	149,975

ADMINISTRATION CABINET - HRA BUDGET PROPOSALS 2022/23 TO 2026/27

	2021/22 Budget	2022/23 Budget	2023/24 Budget	2024/25 Budget	2025/26 Budget	2026/27 Budget
--	-------------------	-------------------	-------------------	-------------------	-------------------	-------------------

Rent Increase	0.00%	0.00%	5.00%	5.00%	5.00%	5.00%
New Homes	74	202	105	142	188	70

BUDGET	£000	£000	£000	£000	£000	£000
Income						
House Rents	(33,063)	(33,195)	(35,724)	(38,087)	(40,692)	(43,696)
Garage Rents	(673)	(669)	(702)	(738)	(774)	(813)
Services/Service Charges	(640)	(627)	(640)	(652)	(665)	(679)
Other Income	(214)	(214)	(216)	(179)	(183)	(186)
Interest	(51)	(6)	(6)	(6)	(6)	(6)
Total Income	(34,641)	(34,711)	(37,288)	(39,662)	(42,321)	(45,380)
Expenditure						
Employee Costs	2,732	2,934	2,995	3,057	3,121	3,187
Repair Costs	10,974	10,989	11,287	11,593	11,867	12,104
Void Rents	688	661	711	758	810	870
Garage Void Rents	140	142	145	148	151	154
Bad Debt Provision	614	332	357	381	407	437
Operating Payments	1,342	1,469	1,416	1,394	1,412	1,440
Transfer Payments	513	540	551	562	573	585
Internal Recharges	4,308	4,363	4,460	4,537	4,638	4,718
Debt Charges	11,091	11,550	12,757	13,614	15,017	16,598
Total Expenditure	32,402	32,981	34,679	36,045	37,995	40,092
Management of Balances						
Opening (Surplus) / Deficit	(1,705)	(1,444)	(1,675)	(1,784)	(2,401)	(2,727)
Capital from current revenue	2,500	1,500	2,500	3,000	4,000	5,000
(Surplus)/ Deficit for Year	(2,239)	(1,731)	(2,609)	(3,617)	(4,326)	(5,288)
Closing (Surplus) / Deficit	(1,444)	(1,675)	(1,784)	(2,401)	(2,727)	(3,015)

Capital Expenditure	£000	£000	£000	£000	£000	£000
Modernisation/Extensions	15,888	14,421	13,385	13,237	13,237	13,237
New Affordable Housing	12,031	26,068	16,374	27,024	25,359	21,900
Fees	1,477	1,410	1,438	1,467	1,496	1,500
Mortgage to Rent	280	280	280	280	280	280
Total	29,676	42,179	31,477	42,008	40,372	36,917

5 Year Total

£000
67,517
116,725
7,311
1,400
192,953

Debt to Income Ratio	32.0%	33.3%	34.2%	34.3%	35.5%	36.6%
----------------------	-------	-------	-------	-------	-------	-------

ADMINISTRATION CABINET - HRA BUDGET PROPOSALS 2022/23 TO 2026/27

	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
	£000	£000	£000	£000	£000	£000
HRA Income						
House Rents						
Rent income adjustments relating to rent increases and new council house additions <i>Changes as result of rent increases and new council housing additions</i>	(375)	(132)	(2,529)	(2,363)	(2,605)	(3,003)
Garage Rents						
Rent income adjustments relating to rent increases <i>Changes as result of rent inceases</i>	(5)	4	(33)	(35)	(37)	(39)
Service Charges						
Income adjustments relating to service charge adjustments <i>Changes as result of recharge adjustments</i>	(16)	13	(13)	(13)	(13)	(13)
Other Income						
Homeless Rents, Renewable Energy Income, Refugee Support-Home Office Funding (funding for this ends in 2023/24)	(43)	(0)	(2)	37	(4)	(4)
Interest						
Interest on accumulated balances <i>Internal interest received</i>	(1)	45	-	-	-	-
TOTAL	(440)	(70)	(2,577)	(2,374)	(2,659)	(3,059)
HRA Expenditure						
Staffing						
General Inflation Increase <i>Increase in line with assessed inflation rate. This includes additional posts in Year 1 for the Rapid Rehousing Transition programme, the impact of the additional pay award above the 2% budgeted in 2021/22 and the impact of the new 1.25% Social care tax being intoruced in 2022/23..</i>	75	344	206	62	64	66
Orchard System Project Team <i>Orchard System Review project team, incl pay award,superann recharged to capital - due to be completed by the end of 2023/24.</i>	(36)	(142)	(145)	-		
	39	202	61	62	64	66
Repairs						
General Inflation Increase <i>Increase in line with assessed inflation rate</i>	423	15	297	306	274	237
	423	15	297	306	274	237
Void Rents						
Rent adjustments relating rent increases and new council house additions <i>Changes as result of rent increases and new council housing additions</i>	36	(25)	53	50	55	63
	36	(25)	53	50	55	63
Bad Debts						
Rent adjustments relating rent increases and new council house additions <i>Changes as result of rent increases and new council housing additions</i>	29	(282)	25	24	26	30
	29	(282)	25	24	26	30
Operating Expenses						
General Inflation increase <i>Increase in line with assessed inflation rate. Includes the costs for replacement housing management system in 2022/23. Costs for exisitng system will reduce from 2023/24 as system is wound down.</i>	95	127	(54)	(21)	17	28
	95	127	(54)	(21)	17	28
Transfer Payments						
General Inflation increase <i>Increase in line with assessed inflation rate</i>	13	27	11	11	11	11
	13	27	11	11	11	11
Internal Recharges						
General Inflation Increase <i>Increase in line with assessed inflation rate</i>	588	55	97	77	101	80
Service Review <i>Additional staffing costs relating to service review</i>	-	-	-	-		
	588	55	97	77	101	80
Debt Charges						
Debt Charges <i>In year changes in debt repayments</i>	214	459	1,207	857	1,403	1,581
	214	459	1,207	857	1,403	1,581
TOTAL	997	508	(878)	(1,008)	(708)	(962)