

REPORT TO: East Lothian Council

MEETING DATE: 27 June 2023

BY: Executive Director for Council Resources

SUBJECT: Financial Review 2022/23

1 PURPOSE

- 1.1 To provide an update on the **DRAFT** financial position for the year ending 31 March 2023.

2 RECOMMENDATIONS

- 2.1 The Council is recommended to:
- Note the 2022/23 financial performance against approved budgets and the underlying financial pressure faced by the Council.
 - Note the progress in delivering the approved 2022/23 budget reductions.
 - Note the additional funding received from the Scottish Government in the 2022/23 financial year.
 - Note the application of the loans fund repayment holiday in 2022/23, to mitigate the in-year overspend.
 - Note the update on key developments since the Quarter 3 report.
 - Note that financial review reports will continue to be reported to Council for scrutiny until the financial position improves.
 - Note the update on the wider financial environment and current risks.
 - Agree to provide a “letter of guarantee” to support Council relevant group partners in line with previous years’ assurance.

3 BACKGROUND

- 3.1 During 2022/23 Council has considered a number of reports setting out the enhanced challenges of managing an increasingly complex, acute and growing range of financial pressures and associated risks. Given the collective scale of these challenges, in November 2022, a special Council meeting was called to discuss the resulting impact, projected in-year overspend and plans to respond to this. At this meeting, Council agreed to a range of cost control measures aimed at mitigating the full impact of these wider financial pressures.
- 3.2 A number of subsequent reports have been presented to Council and Cabinet since then, and these have continued to highlight the significance and increasingly challenging financial landscape. This has also been reflected in the corporate risk register where '*Managing the Financial Environment*' remains the highest ever scoring risk being managed by the Council and continues to represent the key corporate priority risk. This scoring currently remains unchanged.
- 3.3 The most recent report setting out the position at Quarter 3 was presented to Council on 28 February 2023. That report noted a forecast overspend of £16.8 million for the year, of which over £12 million would be recurring.
- 3.4 The main reasons for the unplanned pressure included unfunded pay pressures, utility and inflationary pressures and pressures within Children's Services.
- 3.5 This report sets out the financial results for the 2022/23 financial year across all service areas. These results remain in **DRAFT** pending the finalisation of the 2022/23 audit.

Unaudited Accounts – 2022/23

- 3.6 The draft accounts covering the financial year 2022/23 are in the process of being finalised for publication at the end of this month. The process for considering the annual accounts process is set out below:
- In accordance with requirements, the Chief Financial Officer will be responsible for ensuring the draft accounts are submitted for audit prior to the statutory deadline of 30 June 2023. The draft accounts will be submitted formally to Members' Library Service following submission to audit;
 - The audit will be undertaken between June and September 2023;
 - Aligned to statutory requirements, the draft accounts will be available for public inspection during the first 3 weeks of July 2023;
 - Officers will provide a briefing for Elected Members during August to support a wider understanding of the annual accounts and key issues contained within them;

- In August 2023, the draft accounts will be presented to Council for consideration in order to support formal requirements to enable members to scrutinise the unaudited accounts by 31 August 2023.
 - The audited accounts will be formally considered by Audit & Governance Committee end of September 2023.
- 3.7 The accounts and financial results will remain in draft pending the completion of the audit. Members will be kept fully apprised of any material changes that may arise during the course of the audit.

General Services Revenue Summary – 31 March 2023

- 3.8 An analysis of the financial position across service groups is set out in **Appendix 1** with further details in the paragraphs below.
- 3.9 A number of budgets have changed to reflect necessary accounting adjustments to ensure that the surplus or deficit on service areas reflects only costs that are chargeable direct to the taxpayer. The most significant of these adjustments relates to IAS19 Pension requirements.
- 3.10 In summary, before applying use of reserves and other mitigations, there was an overspend of £16.154 million (5.6%). This total includes one-off costs to be funded from earmarked reserves of £3.496 million. This means that there was a recurring in-year pressure of £12,537 million (4.3%). The main reasons for this overspend were:
- Unfunded Pay - £1.882 million
 - General Inflation - £500,000
 - Utility inflation - £1.218 million
 - One-off use of reserves to fund recurring budget pressures - £8.690 million
- 3.11 The Council has been able to partly offset the financial pressure in-year by applying additional savings and mitigations most of which are non-recurring. These include:
- Savings from two additional days of school strike action - £340,000
 - Additional Funding for Teachers Pay - £779,000
 - Mitigation Measures - £8.150 million, comprising:
 - Use of Loans Fund repayment holiday flexibility - £6.4 million
 - 1140 Hours surplus flexibility to fund associated costs - £1.750 million
 - Other service underspends - £777,000
- 3.12 The application of these one-off funds reduces the overspend to £5.986 million (2.1%). This will be funded by reserves as set out in **Appendix 1**.

- 3.13 The Council has and continues to face a wide range of external financial pressures and these have continued to be reported to Council. These include: high inflation and contractual costs; funding for public sector pay awards; high interest rates; and significant increased demand for Council services aligned to cost of living pressures and a growing population. Many Council services are continuing to face significant financial challenges in meeting these collective demands, and these have been set out in previous financial reports including: Children's Services, commissioned services within the Health and Social Care Partnership and continued pressure on Housing related services including Homelessness and managing the demands aligned to the wider national resettlement schemes.

Many of these demands will remain key areas of risk during 2023/24 and will remain under close monitoring.

2022/23 Efficiencies

- 3.14 All of the £393,000 planned efficiencies in 2022/23 have been achieved and this is set out in **Appendix 2.**

Additional Scottish Government Funding

- 3.15 Since Quarter 3 there has been net additional funding totalling £150,000, from the Scottish Government. This is highlighted in Appendix 3 alongside the full detail of additional funding provided during 2022. This includes Child Bridging Payments (£0.024m), teachers' pay (£0.629m) and the correction of a Scottish Government funding allocation error for the Teacher Induction Scheme (-£0.503m). The majority of these funding streams are to support existing commitments or specific policy objectives so they cannot help alleviate wider pressures on the Council's financial position.

Council Tax

- 3.16 Overall, Council Tax was £696,000 lower than approved budget. This was due to a combination of factors including lower than projected house completions and changes arising from re-banding rates. In-year collection rates have remained high, although this continues to be an area of risk in light of the ongoing cost of living crisis and pressure on household finances. A large proportion of this forecast has been taken into consideration as part of the 2023/24 updated budget.

Integrated Joint Board

- 3.17 The IJB has delegated authority over the majority of the Health and Social Care budget along with a small number of other budgets within Community Housing, the Housing Revenue Account and Housing Capital. The management of these resources remains in line with the scheme of integration and wider overall IJB resources. The IJB delivered an underspend of £282,000 which has been transferred to the IJB reserve with £62,000 earmarked for carers and £220,000 allocated to IJB General Reserves.

Council's Group Components

- 3.18 In previous years, a 'letter of guarantee' was provided to both Enjoy and Brunton Theatre Trust in closing off their final accounts. The "guarantee" whilst not prescriptive in respect of quantum, gave both organisations positive assurance that the Council would work proactively with them to manage cash flow and fulfil their obligations should the need arise.
- 3.19 It is recommended that a similar 'letter of guarantee' is supported to Enjoy Leisure as part of the 2022/23 accounts closedown.
- 3.20 Members will be aware that there remains ongoing issues associated with Brunton Theatre and the ability to operate the building. Given the significance of these issues, it is not recommended that a 'letter of guarantee' as set out in previous years is provided to Brunton Theatre Trust (BTT) auditors, given the lack of clarity around the immediate and future operational delivery of services. The Council will continue to liaise with BTT external auditors and BTT during the course of the 2022/23 audit.

General Services Capital Summary

- 3.21 **Appendix 4** sets out the expenditure to 31 March 2023 with spend of £84.341 million against an updated budget of £111.310 million. The borrowing requirement is £37.867 million.
- 3.22 A significant proportion of this underspend has already been re-profiled as part of the work on the 2023/24 capital plan and will be utilised in future years. Where appropriate, this is matched against anticipated income in line with individual project requirements.
- 3.23 A summary of the key movements and associated risks are shown below:
- IT and Fleet – supply chain and lead in times has been volatile during the year with orders having to be placed earlier to tie in delivery of goods with service needs. Late in 2022/23 a number of IT items and Fleet items were delivered earlier than indicated, resulting in spend greater than projected in Quarter 3.
 - Roads, Lighting & related assets – the timing of the second instalment for the East Linton Rail Infrastructure was invoiced in March 2023, resulting in a significant forward budget reprofile from 2023/24.
 - Education – most of these projects have been reprofiled as part of the 2023/24 budget.
 - Other property assets
 - Cockenzie – following a successful bid to the UK Government for funding, the Levelling Up project has been separated into a specific line for reporting. The link road through the site has been designed with procurement and construction re-profiled to future years.

- A1/QMU Junction - delays on site with targeted completion in early summer 2023.
- 3.24 Capital income applied during 2022/23 was £46.474 million, broken down as follows:
- Developer Contributions - £8.161 million
 - 1140 Hours Grant Income - £7.862 million
 - Town Centre Regeneration Grant - £973,000
 - Other Funding Sources - £11.320 million, this includes:
 - Non section 75 Developer Contributions
 - Transport Scotland
 - Sport Scotland
 - Cycling Scotland
 - Sustrans
 - Scottish Government General Capital Grant - £18.158 million
- 3.25 Supply chains have seen improvements in some areas; however, there is still significant volatility and this remains a key element for capital monitoring, spend projections and overall capital plan affordability.
- 3.26 The current capital programme remains aligned to the Local Development Plan requirements and remains ambitious. A number of projects have moved from the design and planning stage to construction over the last 12 months.
- 3.27 External market conditions remain very challenging, with wider supply chain issues, inflationary pressures and wider external risks including interest rate increases on borrowing. This wider external focus is placing significant additional financial challenges on the current approved capital programme and borrowing levels and the financial impact and risk on future capital projects will remain a key area of focus.
- 3.28 Whilst recognising the ambitious plan, there remains significant external challenges due to current market conditions and wider inflationary pressures. These are collectively placing significant and increased financial risk to the deliverability and affordability of the current capital plan. The impact of these risks remains under close review with further updates to be provided during this year.

Housing Revenue Account Summary

- 3.29 The HRA delivered a budget surplus of £4.652 million against a planned surplus of £1.686 million. The increase in the surplus related to the application of a capital grant relating to local government pay, with this subsequently adjusted as a Movement in Reserves. The increased

surplus allowed for a higher than planned CFCR. The movements related to the grant for local government pay resulted in an overall neutral impact on the HRA. Voids remain high and work is ongoing to remedy. **Appendix 5** sets out the revenue spend for the year.

- 3.30 The HRA General Reserve as at 31 March 2023 reduced from £1.748 million to £1,487 million reflecting the application of the capital grant and aligning the opening balance in 2023/24 with the opening balance in the approved five-year budget starting from 2023/24.
- 3.31 Looking ahead, in order to meet the two key tests in the financial strategy, a £1 million minimum HRA balance and a debt to income ratio below 40%, adhering to the 5% rent strategy is essential in order to maintain the proposed capital investment in modernising properties and building new council houses.
- 3.32 Capital spend at year-end was just over £40 million in line with forecasts at Quarter 3. Further detail is provided in **Appendix 6**.
- 3.33 There remain challenges in delivering the programme due shortage of labour resources, uncertainty in the housing market due to the current economic situation and challenges in awarding and mobilisation of contracts.

Conclusion

- 3.34 The Council continues to operate in an extremely challenging, complex and ever-changing financial environment. Within General Services revenue, there is an overspend of more than £16 million, before applying mitigations, within which, there is a recurring pressure in excess of £12 million. In addition, there remains a growing range of pressures which are challenging the affordability of the capital programme and associated cost of borrowing.
- 3.35 Many of these pressures will be recurring, and the collective scale of financial risks and challenges facing the Council remains at an unprecedented level.
- 3.36 The Council will continue to harness all opportunities arising from the current environment and how it can sustain the delivery of vital services to the community, and more effectively manage wider assets. Nevertheless, the number of concurrent risks, and associated financial impact remains at a significantly heightened scale and will require some difficult decisions in the months and years ahead to ensure ongoing financial sustainability.

4 POLICY IMPLICATIONS

- 4.1 There are no direct policy implications associated with this report, although, ongoing monitoring and reporting of the Councils financial performance is a key part of the approved Financial Strategy.

5 INTEGRATED IMPACT ASSESSMENT

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

6 RESOURCE IMPLICATIONS

6.1 Financial – as described above and in the supporting appendices

6.2 Personnel - none

6.3 Other – none

7 BACKGROUND PAPERS

7.1 Council – 1 March 2022 – Item 1 – Budget Development including setting of Council Tax and Council Rent for 2022/23

7.2 Council – 1 March 2022 – Item 2 – Budget Proposals on General Service – Amendment Submitted by the Labour Administration

7.3 Cabinet – 13 September 2022 (Meeting delayed until 27 September 2022) – Item 1 – Quarter 1 Financial Review 2022/23

7.4 Council – 25 October 2022 – Item 4 – Finance Update

7.5 Council – 22 November 2022 – Item 1- Finance Update

7.6 Council – 13 December 2022 – Item 4 – Financial and Capital Strategies

7.7 Council – 28 February 2023 – Item 3 – Finance Update

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Appendix 1
 East Lothian Council
 Budget Monitoring 2022/23 - Year-end

Service	Head of Service	Business Unit	Out-turn			2022/23 Budget Variance (Surplus) / Deficit	2022/23 Budget Variance
			2022/23 Actual	2022/23 Budget	2022/23 Budget Variance (Surplus) / Deficit		
			£'000	£'000	£'000		%
Education & Children's	Children's	Performance & Service Delivery	1,202	1,294	-92		-7.1%
Education & Children's	Children's	Management	6,325	5,073	1,252		24.7%
Education & Children's	Children's	Assessment HUB and Early Interventions	2,735	2,600	135		5.2%
Education & Children's	Children's	Long Term Social Work Supervisory Groups	2,231	2,397	-166		-6.9%
Education & Children's	Children's	TAC, Disability & Resources	6,221	6,607	-386		-5.8%
Education & Children's	Children's	Disability Short Breaks	654	689	-35		-5.1%
EDUCATION & CHILDREN'S	CHILDREN'S TOTAL		19,368	18,660	708		3.8%
Education & Children's	Education	Additional Support for Learning	11,544	11,561	-17		-0.1%
Education & Children's	Education	Pre-school Education & Childcare	14,253	16,993	-2,740		-16.1%
Education & Children's	Education	Schools - Primary	49,892	49,881	11		0.0%
Education & Children's	Education	Schools - Secondary	46,337	46,900	-563		-1.2%
Education & Children's	Education	Schools - Support Services	6,743	5,162	1,581		30.6%
Education & Children's	Education	East Lothian Works	1,980	1,358	622		45.8%
EDUCATION & CHILDREN'S	EDUCATION TOTAL		130,749	131,855	-1,106		-0.8%
EDUCATION & CHILDREN'S TOTAL			150,117	150,515	-398		-0.3%
Council Resources	Finance	Financial Services	2,708	3,670	-962		-26.2%
Council Resources	Finance	Revenues & Benefits	7,321	7,190	131		1.8%
Council Resources	Finance	Procurement	347	364	-17		-4.7%
COUNCIL RESOURCES	FINANCE TOTAL		10,376	11,224	-848		-7.6%
Council Resources	Corporate	IT Services	3,216	3,074	142		4.6%
Council Resources	Corporate	People & Council Support	3,493	3,335	158		4.7%
Council Resources	Corporate	Governance	2,090	2,346	-256		-10.9%
Council Resources	Corporate	Communications	428	447	-19		-4.3%
COUNCIL RESOURCES	CORPORATE TOTAL		9,227	9,202	25		0.3%
COUNCIL RESOURCES TOTAL			19,603	20,426	-823		-4.0%
Health & Social Care Partnership	Head of Operations	Adult SW	40,986	41,781	-795		-1.9%
Health & Social Care Partnership	Head of Operations	Acute & Ongoing Care	9,606	8,702	904		10.4%
Health & Social Care Partnership	Head of Operations	Rehabilitation	2,189	1,697	492		29.0%
Health & Social Care Partnership	Head of Operations	Adult Statutory Services	3,020	2,587	433		16.7%
Health & Social Care Partnership	Head of Operations	Statutory Services	2,272	2,360	-88		-3.7%
Health & Social Care Partnership	Head of Operations	Head of Operations	5,153	6,080	-927		-15.2%
Health & Social Care Partnership	Head of Operations	Business & Performance IJB	3,140	3,159	-19		-0.6%
HEALTH & SOCIAL CARE PARTNERSHIP	IJB TOTAL		66,366	66,366	0		0.0%
Health & Social Care Partnership	Head of Operations	Business & Performance Non-IJB	853	540	313		58.0%
HEALTH & SOCIAL CARE PARTNERSHIP	Non-IJB TOTAL		853	540	313		58.0%
HEALTH & SOCIAL CARE PARTNERSHIP TOTAL			67,219	66,906	313		0.5%
Place	Development	Planning	1,391	1,634	-243		-14.9%
Place	Development	Economic Development	1,711	1,696	15		0.9%
PLACE	DEVELOPMENT TOTAL		3,102	3,330	-228		-6.8%
Place	Housing	Housing, Strategy & Development	157	289	-132		-45.7%
Place	Housing	Property Maintenance Trading Account	-382	-926	544		-58.7%
Place	Housing	Community Housing	3,084	2,442	642		26.3%
PLACE	HOUSING TOTAL		2,859	1,805	1,054		58.4%
Place	Infrastructure	Facility Support Services	3,827	3,869	-42		-1.1%
Place	Infrastructure	Facility Trading Activity	-230	-327	97		-29.7%
Place	Infrastructure	Asset Maint & Engineering Services	3,140	3,433	-293		-8.5%
Place	Infrastructure	Asset Management & Capital Planning	-870	-462	-408		88.3%
Place	Infrastructure	Landscape & Countryside Management	5,936	5,819	117		2.0%
Place	Infrastructure	Roads Network	4,565	5,269	-704		-13.4%
Place	Infrastructure	Roads Trading Activity	-73	-666	593		-89.0%
Place	Infrastructure	Transportation	1,670	1,584	86		5.4%
Place	Infrastructure	Waste Services	9,310	9,738	-428		-4.4%
Place	Infrastructure	Active Business Unit	3,855	3,723	132		3.5%
PLACE	INFRASTRUCTURE TOTAL		31,130	31,980	-850		-2.7%
Place	Communities & Partnerships	Corporate Policy & Improvement	1,864	1,934	-70		-3.6%
Place	Communities & Partnerships	Connected Communities	6,237	6,553	-316		-4.8%
Place	Communities & Partnerships	Protective Services	2,029	1,988	41		2.1%
Place	Communities & Partnerships	Customer Services Group	4,174	4,295	-121		-2.8%
PLACE	COMMUNITIES & PARTNERSHIPS TOTAL		14,304	14,770	-466		-3.2%
PLACE TOTAL			51,395	51,885	-490		0.0%
SERVICE TOTAL			288,334	289,732	-1,398		-0.5%
CORPORATE MANAGEMENT TOTAL			-282,348	-289,732	7,384		-2.5%
TOTAL			5,986	0	5,986		2.1%
Movement in Reserves							
General Services Overspend			5,986				
HRA Transfer to support National Pay funding grant			-2,307				
Increase in earmarked reserve affordable housing			-408				
Increase in Capital Receipts			-10,004				
HRA			261				
Total Movement in Reserves			-6,472				
Usable Reserves							
Opening Usable Reserves			-38,720				
Movement in Reserves			-6,472				
Closing Usable Reserves			-45,192				

Appendix 2

East Lothian Council

2022/23 Budget Efficiencies - Year-end

Service	2022/23		
	Achieved	Amber	High
	£'000	£'000	£'000
Education	0	0	0
Finance	0	0	0
Corporate Services	20	0	0
H&SCP	0	0	0
Housing	8	0	0
Communities	30	0	0
Infrastructure	185	0	0
Corporate Management	150	0	0
Total	393	0	0
	100.00%	0.00%	0.00%

393

Appendix 3

East Lothian Council

Budget Monitoring 2022/23 - Additional Funding from the Scottish Government

	£million
2022/23 GRG (per Budget Amendment)	195.103
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Additional Funding - GRG	
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Universal Free School Meals (future years TBC)	0.947
Free School Meals School Holiday Support (future years TBC)	0.303
Additional Investment in H&SC (share of £200m)	3.841
Scottish Child Bridging Payments	0.646
Summer Holiday Provision for Primary School Children	0.161
Whole Family Wellbeing Funding	0.579
Local Heat and Energy Efficiency Strategy	0.075
Balance of the 2021/22 Teachers Pay Award	0.627
£150 Cost of Living Support - 90% of allocation	4.339
Local Government Pay Offer	2.679
£150 Cost of Living Support - Final 10%	0.497
Green Growth Accelerator Funding	0.026
Scottish Child Bridging Payments	0.433
Adult Disability Payment	0.054
DHP Benefit Cap and Admin	0.053
Educational Psychologists	0.008
Council Tax Reduction	0.029
Additional Teacher Induction Scheme	0.499
Self Isolation Assistance Service	0.013
Child Bridging Payments	0.024
Teachers Induction Scheme	-0.503
Teachers Pay	0.629
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Total Additional Funding	15.959
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Revised GRG	211.062
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Appendix 4
 East Lothian Council
 General Services Capital Budget Monitoring Summary 2022-23
 Year-end

	Annual (In-Year)					
	Approved Budget 2022/23	Updated Budget 2022/23	Actual 2022/23	Updated Budget-Actual Variance 2022/23 (Surplus) / Deficit	Previously reported Outturn to Council (P9/Q3)	Reprofiled during 2023/24 budget process
	£'000	£'000	£'000	£'000	£'000	£'000
Expenditure						
Community Projects						
Community Intervention	375	375	239	(136)	260	
Community Intervention Fund - Pump Tracks	125	125	-	(125)	25	100
Bleachingfield Centre Remodelling Works	90	90	-	(90)	-	90
Dunbar Conservation Area Regeneration Scheme (CARS)	196	286	-	(286)	15	208
Support for Business	1,544	2,258	2,029	(229)	2,258	-
CCTV	150	378	131	(247)	200	128
Town Centre Regeneration	823	1,275	1,148	(128)	1,500	
Total Community Projects	3,303	4,787	3,546	(1,240)	4,258	526
Town Centre Regeneration Grant	(823)	(1,275)	(973)	303	(1,500)	
Other Funding Sources	(236)	(236)	-	236	(28)	(174)
Total Income: Community Projects	(1,059)	(1,511)	(973)	539	(1,528)	(174)
ICT						
IT Programme & Digital Opportunities	2,100	2,100	2,342	242	1,720	
Total ICT	2,100	2,100	2,342	242	1,720	-
Other Funding Sources	-	-	(14)	(14)	(120)	
Total Income: ICT	-	-	(14)	(14)	(120)	-
Fleet						
Amenties - Machinery & Equipment - replacement	230	230	184	(46)	230	
Vehicles	5,041	5,554	3,210	(2,344)	3,594	2,554
Total Fleet	5,271	5,784	3,394	(2,390)	3,823	2,554
Other Funding Sources	-	-	-	-	-	
Total Income: Fleet	-	-	-	-	-	-
Open Space						
3G Pitch Carpet Replacement Programme	500	500	475	(25)	500	
Cemeteries (Burial Grounds)	439	939	60	(879)	100	621
River Tyne / Haddington Flood Protection scheme	300	315	-	(315)	10	290
Coastal / Flood Protection schemes - Musselburgh	1,642	1,912	734	(1,178)	750	1,083
Coastal Car Park Toilets	14	81	48	(34)	112	
Core Path Plan	50	59	63	4	50	
Mains Farm Town Park & Pavilion	12	38	17	(21)	38	
Nature Restoration	-	43	51	8	50	
Replacement Play Equipment	100	100	94	(6)	108	
Polson Park	160	160	-	(160)	-	160
Sports and Recreation LDP	1,361	1,361	696	(666)	703	210
Waste - New Bins	172	172	164	(8)	168	
Waste - Machinery & Equipment - replacement	40	40	44	4	44	
Total Open Space	4,791	5,720	2,446	(3,275)	2,633	2,363
Developer Contribution	(361)	(361)	(110)	252	(125)	
Other Funding Sources	(1,011)	(1,020)	(841)	179	(806)	(210)
Total Income: Open Space	(1,372)	(1,382)	(951)	431	(931)	(210)
Roads, Lighting and related assets						
Cycling Walking Safer Streets	472	502	318	(184)	721	
East Linton Rail Stop / Infrastructure	1,520	3,038	2,973	(65)	1,520	1,538
Parking Improvements	110	230	112	(118)	134	96
Roads	6,700	6,993	7,180	187	6,637	
Roads - externally funded projects	1,729	1,729	1,616	(113)	1,729	
Drem - Gullane Path	30	30	25	(5)	30	
Total Roads, Lighting and related assets	10,561	12,522	12,223	(298)	10,770	1,634
Developer Contribution	(69)	(69)	(343)	(274)	(69)	
Other Funding Sources	(2,162)	(2,192)	(1,616)	576	(2,411)	
Total Income: Roads, Lighting and related assets	(2,231)	(2,261)	(1,959)	302	(2,480)	-
Property - Education						
Aberlady Primary - extension	1,698	2,413	36	(2,378)	70	2,326
Blindwells Primary - new school	3,227	3,216	704	(2,512)	744	2,472
Craighall Primary - New School	4,298	4,292	688	(3,604)	727	3,564
Dunbar Grammar - extension	-	-	-	-	-	-
Dunbar Primary - John Muir Campus - Early Learning and 1140	-	24	23	(1)	24	
East Linton Primary - extension including Early Learning and 1140	324	524	-	(524)	-	(450)
Elphinstone Primary - extension	77	77	-	(77)	-	
Gullane Primary - extension including Early Learning and 1140	-	702	394	(309)	450	
Haddington School (Infants & St. Mary)	26	51	-	(51)	-	
Kingsmeadow Primary	26	51	-	(51)	-	
Law Primary - extension including Early Learning and 1140	2,890	3,415	3,352	(63)	3,415	(37)
Letham Primary - New School	-	120	8	(112)	10	
Musselburgh Grammar - upgrades	284	412	317	(96)	300	
North Berwick High School - Extension	1,445	3,083	2,137	(946)	3,467	
Ormiston Primary - extension	374	1,012	1,319	307	1,353	
Pinkie St Peter's Primary - sports hall extension	1,454	2,087	1,239	(848)	2,087	776
Pinkie St Peter's Primary - extension including Early Learning and 1140	2,970	3,596	3,039	(557)	2,596	381
Preston Lodge High School - extension (phase 1)	248	248	-	(248)	30	201
Prestonpans Primary - upgrades	3	3	-	(3)	-	
Ross High School - extension	1,273	1,377	1,826	450	1,873	
School Estate - Curriculum Upgrades	330	653	-	(653)	-	653
School Kitchens - 1140 Upgrades	-	-	19	19	2	
St Gabriel's Primary - extension including Early Learning and 1140	648	742	837	96	959	
Wallyford Primary - New School	-	59	10	(49)	10	
Wallyford Learning Campus	18,545	19,801	21,475	1,673	22,800	(2,854)
West Barns Primary - extension including Early Learning and 1140	1,590	1,794	1,673	(121)	2,315	
Whitecraig Primary - new school including Early Learning and 1140	185	309	382	73	309	
Windygoul Primary - Early learning and 1140 extension	1,063	1,010	17	(994)	10	1,000
Windygoul Primary - extension	900	900	839	(61)	840	
Total Property - Education	44,035	52,125	40,365	(11,760)	44,426	8,188
Developer Contribution	(10,760)	(12,863)	(7,708)	-	(9,660)	(3,974)

Appendix 4
 East Lothian Council
 General Services Capital Budget Monitoring Summary 2022-23
 Year-end

	Annual (In-Year)					
	Approved Budget 2022/23	Updated Budget 2022/23	Actual 2022/23	Updated Budget-Actual Variance 2022/23 (Surplus) / Deficit	Previously reported Outturn to Council (P9/Q3)	Reprofiled during 2023/24 budget process
	£'000	£'000	£'000	£'000	£'000	£'000
Expenditure						
1140 Grant Income	(8,190)	(8,498)	(7,862)	-	(7,888)	(1,332)
Other Funding Sources	-	-	-	-	-	-
Total Income: Property - Education	(18,950)	(21,361)	(15,570)	-	(17,548)	(5,306)
Property - Other						
Accelerating Growth	11,696	14,702	11,585	(3,116)	14,438	
- Cockenzie	3,000	3,000	386	(2,614)	980	2,070
- Levelling Up Project Cockenzie	-	-	59	59	-	-
- Blindwells	91	273	45	(229)	158	115
- Innovation Hub	1,006	1,330	697	(633)	800	0
- A1/QMU Junction	7,599	10,098	10,399	301	12,500	(2,402)
Brunton Hall - Improved Community Access	200	200	27	(173)	50	200
Court Accommodation - incl. SPOC	1,749	1,749	-	(1,749)	-	1,749
Haddington Corn Exchange - upgrades	16	16	-	(16)	-	-
Haddington Town House - Refurbishment and Rewire	300	417	417	0	417	-
Meadowmill - New Depot	-	25	27	2	27	-
New ways of working Programme	1,995	1,995	1,312	(683)	973	381
Prestonrange Museum	2,279	2,484	679	(1,805)	1,004	1,460
Property Renewals	3,000	3,000	3,074	74	3,099	-
Replacement Childrens House	802	802	-	(802)	-	802
Sports Centres	200	372	372	-	372	-
Tynebank Resource Centre	-	-	8	8	8	-
Water meter size reduction	14	14	-	(14)	-	-
Whitecraig Community Centre	-	49	0	(49)	49	-
Total Property - Other	22,251	25,825	17,502	(8,324)	20,437	4,376
Developer Contribution	-	-	-	-	-	-
Other Funding Sources	(5,993)	(7,379)	(8,414)	(1,035)	(8,660)	(1,125)
Total Income: Property - Other	(5,993)	(7,379)	(8,414)	(1,035)	(8,660)	(1,125)
Total Property Spend - Education and Other	66,286	77,950	57,867	(20,084)	64,863	12,563
Total Income: Property - Education and Other	(24,943)	(28,740)	(23,984)	(1,035)	(26,208)	(6,431)
Capital Plan Fees	2,447	2,447	2,088	(359)	2,447	-
PPP Projects	-	-	436	436	-	-
Total Gross Expenditure	94,759	111,310	84,341	(26,969)	90,514	19,641
Other Funding Sources	-	-	(436)	(436)	-	-
Total Income:PPP Projects	-	-	(436)	(436)	-	-
Income						
Developer Contribution	(11,190)	(13,293)	(8,161)	5,132	(9,853)	(3,974)
1140 Grant Income	(8,190)	(8,498)	(7,862)	636	(7,888)	(1,332)
Town Centre Regeneration Grant	(823)	(1,275)	(973)	303	(1,500)	-
Other Funding Sources	(9,401)	(10,827)	(11,320)	(493)	(12,025)	(1,509)
Scottish Government General Capital Grant	(9,044)	(9,422)	(18,158)	(8,736)	(18,158)	-
Total Income	(38,648)	(43,316)	(46,474)	(3,158)	(49,424)	(6,815)
Borrowing Requirement	56,110	67,994	37,867	(30,126)	41,090	12,826

Appendix 5
East Lothian Council
Budget Monitoring HRA 2022/23 - Year-end

	2022/23 Budget	2022/23 Actual	2022/23 Budget Variance (Surplus) / Deficit
	£'000	£'000	£'000
Total Income	-34,711	-37,720	-3,009
Total Expenditure	33,025	33,068	43
(Surplus) / Deficit for Year	-1,686	-4,652	-2,966

	2022/23 Budget	2022/23 Actual
	£'000	£'000
Management of Balances		
Opening (Surplus) / Deficit	-1,748	-1,748
CFCR	1,500	2,196
Capital Grant	0	2,718
(Surplus) / Deficit for Year	-1,686	-4,652
Closing (Surplus) / Deficit	-1,934	-1,486

Appendix 6
East Lothian Council
Budget Monitoring HRA Capital 2022/23 - Year-end

	2022/23 Budget	2022/23 Actual	2022/23 Budget Variance (Surplus) / Deficit
	£'000	£'000	£'000
Modernisation	14,421	13,222	-1,199
New Council Housing	26,068	25,560	-508
Fees	1,410	1,568	158
Mortgage to Rent	280	0	-280
TOTAL	42,179	40,350	-1,829

Funded By:

	2022/23 Budget	2022/23 Actual	2022/23 Budget Variance (Surplus) / Deficit
	£'000	£'000	£'000
Grants	-6,500	-13,197	-6,697
Grants MTR	-196	0	196
CFCR	-1,500	-2,196	-696
Capital Grant	0	-2,718	-2,718
Borrowing	-33,983	-22,239	11,744
TOTAL	-42,179	-40,350	1,829