

**REPORT TO:** East Lothian Council

**MEETING DATE:** 10 December 2024

**BY:** Executive Director for Council Resources

**SUBJECT:** Quarter 2 Financial Review 2024/25

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## **1 PURPOSE**

- 1.1 To provide an update on the in-year financial position at the end of September 2024.

## **2 RECOMMENDATIONS**

- 2.1 The Council is recommended to:
- Note the outcome of the Quarter 2 financial performance against approved budgets and the underlying financial pressures faced by the Council.
  - Note the additional funding received from the Scottish Government to meet specific policy initiatives.
  - Note the range of ongoing intervention measures approved by Council.
  - 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.
  - Note the update on the Capital budget and Prudential and Treasury Indicators.

## **3 BACKGROUND**

- 3.1 The Council continues to operate in the most difficult financial climate with increasing demand and cost pressures which are resulting in significant

financial pressures. The most significant of these relate to pressures relate to demand-led service areas particularly within Health and Social Care Services delegated to the IJB, Children's Services, and Homelessness. In addition, there remain pressures arising from the timing and delivery of planned financial savings.

- 3.2 As a reminder, the Quarter 1 report to Council noted a 2024/25 pressure of £8.8 million, and after the application of planned reserves the unplanned overspend was forecast to be £4 million. The Council continues to face a high number of significant financial and other risks, which may materialise over the remainder of the financial year, including grant funding for teacher numbers which could result in a pressure of up to £1.5 million. These significant risk areas will continue to be closely monitored.
- 3.3 Given the severity of the in-year financial position along with the risks to future financial sustainability, the Council approved a series of mitigation measures at the June 2024 meeting which the CMT is responsible for applying to manage the in-year financial pressures.
- 3.4 The significance of these pressures continues to be reflected in the Corporate Risk Register where "Managing the Financial Environment" remains the highest ever score risk being managed by the Council and continues to represent the key corporate priority risk.
- 3.5 Within this context, the Finance Service will continue to work with colleagues across services to manage expenditure commitments in 2024/25 and the future implications going forward.

### **General Services Revenue Summary – Quarter 2**

- 3.6 An analysis of the financial position across service groups is set out in **Appendix 1** with further details in the paragraphs below.
- 3.7 At Quarter 2, before applying planned use of reserves and significant one-off mitigations, there is a slight reduction in the overspend in the previous forecast (Quarter 1 £8.8 million), with a forecast overspend at Quarter 2 now reported to be £8.5 million.
- 3.8 The reported financial position for Quarter 2 assumes that the cost of the pay award for all staff above 3.2% will be funded by the Scottish Government.
- 3.9 Within the agreed budget for 2024/25, the Council has planned used of general fund reserves of £1.830 million, and planned use of earmarked reserves totalling £1.540 million.
- 3.10 The planned use of earmarked reserves for one-off funding totals £1.540 million split as follows:
  - Planned use of Transformation Fund and other ring-fenced funds, £1.435 million

- Planned use of Health and Social Care (IJB delegated services), £105,000 – this figure has been agreed with the IJB Chief Financial Officer.
- 3.11 The Council has received a VAT rebate of £1.4 million in relation to sports and leisure non-business going back several years. This claim was lodged in 2011 and was dependent on the completion of several court cases before being confirmed. This is a one-off benefit which will reduce the in-year budget pressure on a non-recurring basis.
- 3.12 Taking the planned use of reserves into account, the unplanned use of reserves is £3.7 million (Quarter 1 - £4.0 million).
- 3.13 The main pressures are:
- IJB Projected overspend, £2.8 million –the forecast overspend is due to pressures in Commissioned Care Services, specifically External Care Homes and Support Services, as well as delays to delivering some of the planned savings within the timescales reflected in the budget. The forecast overspend is around £400,000 less than the Quarter 1 projection due to some reduction in commissioned care commitments, staffing vacancies and the earlier closure of the Abbey. Active consideration of measures to mitigate the remaining financial pressures are ongoing. The forecast overspend includes the elements relating to IJB budgets which it may be necessary for the Council to meet through additional contributions, if the overspend cannot be mitigated. In light of the IJB's decision to commit all of its remaining reserves to non-delegated Council services, this remains a very significant risk to the Council's financial position.
  - Children's Services projected overspend, £2.6 million – relating to external residential pressures. Work is ongoing to identify options in East Lothian for clients in external settings who could be brought back safely to the area. This projected overspend is £800,000 higher than Quarter 1 due to an increased number of residential care packages and increases in care requirements of some existing clients in residential settings.
  - Savings assessed as unachievable in 2024/25, £2 million – this is a slight improvement from the Quarter 1 position (£2.1 million), see further information on progress on delivering efficiencies.
- 3.14 A large proportion of these pressures will be recurring beyond this financial year.
- 3.15 These pressures have been partially offset by:
- The VAT rebate, £1.4 million, noted in section 3.11.
  - Council tax income, £320,000 higher than forecast – this is due to an increasing in dwellings.

- Staffing underspends, £3 million – this is the net position after adjusting for the £2 million staff turnover savings and is due to vacancies. This position assumes that all costs associated with the pay award above 3.2% will be funded by the Scottish Government.
- 3.16 There remains a potential for increased underspends within Pre-School in Education Services. Finance have identified areas where spend to date is low compared to the current full-year projections. Finance is continuing to work with colleagues within Education to review and verify the financial information. This could potentially generate further savings in excess of £1 million that have not been reflected in the forecast position noted in this report.

### Risks

- 3.17 There are several risks that may impact the financial position:
- Pay awards for 2024/25 have now been agreed with Trade Unions across all negotiating bodies. The current projections assume that all costs above 3.2% will be funded by the Scottish Government. Funding has now been confirmed for teachers' pensions, and probationer teachers and taken in totality are in line with modelling expectations. Additional Scottish Government for remaining additional pay costs have not yet been confirmed at Council level. Every additional 1% of non-funded pay will increase cost pressures to the Council by around £2 million.
  - Population growth and demographic change in East Lothian continue to pose significant ongoing challenges which are likely to remain and increase over the longer term based on current projections.
  - The forecast assumes £2.9 million of teacher funding that has not yet been confirmed by the Scottish Government. This consists of £2.9 million specific grant which is linked to maintaining teacher numbers. At this stage there has been no agreement between COSLA and the Scottish Government on the conditions relating to the grant being paid.
  - There remains a high risk that further children will need to be placed in external residential settings and should these materialise the pressure in Children's Services will increase.
  - There remains an increasing demand for homeless services and use of B&B accommodation, if this continues to grow then pressures in Homelessness will increase.
  - The forecast overspend assumes some slippage in the delivery of agreed savings, however there is a residual risk to the delivery of the remaining savings, with further information set out in section 3.20.
  - The 2023/24 accounts remain subject to audit, and any material changes to the outturn position could impact on the availability of reserves to support financial resilience.

- Severe weather over autumn and winter could increase costs for the Council, particularly in Infrastructure Services.

#### Approved Mitigations

3.18 At the 25 June 2024 Council meeting, the Council approved the following control measures which the Corporate Management Team is responsible for applying, they are:

- Recruitment – posts will only be filled if there would be an obvious detrimental impact on the three agreed short-term Council Plan priorities from not doing so and sign-off has been given by CMT and EMT. This may result in ongoing disruptions to service delivery and closure of Council facilities, and bi-weekly recruitment will continue.
- All Council managers must operate within approved budget levels, preserving underspends where possible.
- Where a service is overspent or at risk of overspending, urgent financial recovery actions will be required to bring spending in line with approved budget levels.
- Use of agency staff should be kept to a minimum and should be kept under close review.
- Council officers will continue to work with partner bodies including the IJB to explore all options to try and mitigate overspends and ensure spending remains aligned to approved budgets.
- In-year financial review papers will continue to be reported to Council rather than Cabinet.

3.19 Furthermore, in line with the Council's financial management procedures, financial recovery plans have been requested for areas that are overspending. These recovery plans and wider control measures will remain under close review and scrutiny throughout the financial year by the Executive Management Team. It is recognised that these control measures whilst necessary, must be aligned to the longer-term strategic direction of the organisation and therefore must remain under review.

#### 2024/25 Efficiencies

3.20 At this stage, £3.555 million of the approved efficiencies have been achieved, £2.4 million are assessed as achievable but further work is required to realise the saving, and £1.95 million are assessed as achievable but not in the current year. **Appendix 2** sets out the position in more detail. The savings that are achievable in time but will not deliver savings this year are:

- Review of Adaptations, £275,000 – this saving cannot be delivered. A service review of Private Sector Housing Grant is being undertaken to identify options to deliver the savings from 2025/26.

- Charging for Garden Waste Collection, £57,000 – due to the timing of the introduction of the service, July 2024, a full year of income will not be achieved in 2024/25. Based on uptake, the full income target will be met in 2025/26.
  - Review of Management of Sports Facilities, £187,000 – work is ongoing to deliver this saving, but the timing means it will only be fully delivered in 2024/25.
  - Asset Review, £1 million – work is ongoing and in time savings that meet the target are expected to be delivered.
  - Income generation, £500,000 – it is not anticipated that this will be achieved during 2024/25; however, work is progressing to develop proposals, and should they be implemented then income will be generated in future years.
- 3.21 In addition to the above, there is an ongoing pressure of £300,000 linked to the non-delivery of a saving planned for 2023/24, to review public holidays. This remains under review.

#### Council Tax

- 3.22 At this stage, there is a forecast surplus in the Council Tax budget of £320,000. This is due to an increase in the number of dwellings at the start of the financial year.
- 3.23 The forecast also assumes a number of dwellings will be completed during the financial year and any changes to that will have an impact on the position.

#### Additional Scottish Government Funding

- 3.24 Since Council approved the 2024/25 budget in February 2023, there has been additional funding of £7.118 million from the Scottish Government. This is set out in more detail in **Appendix 3**.
- 3.25 Of the additional funding received, approximately £5m has been transferred to the IJB to fund the delivery of policy commitments within Health and Social Care. These funding streams are to support existing commitments or specific national policy objectives so they cannot help to offset wider pressures on the Council's financial position.
- 3.26 In addition, we have recently received notification that the Scottish Government has announced additional funding of £20 million for 2024/25 to support the Scottish Welfare Fund. We have yet to receive confirmation of the confirmed allocation for this Council, but this will help to alleviate the wider pressures being faced within the Scottish Welfare Fund. Alongside this, the revenues team has been working to help increase Pension Credit take up across East Lothian and enable those with eligibility to access the valuable Winter Fuel Payment this year.

#### Integrated Joint Board

- 3.27 The IJB has delegated authority over most 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.
- 3.28 At this stage, there is a £2.8 million pressure forecast for the IJB. The main reason for the pressure is forecast overspend on Adult Social Work and Learning Disability commissioned services, as well as delays to the delivery of agreed savings. These are demand led areas of service.
- 3.29 In addition to the wider financial recovery plans, the IJB Chief Officer has established a group to review progress with the service recovery plan and consider options to mitigate these pressures and reduce costs across the wider IJB operations. The Finance Service participates in supporting this work.
- 3.30 The £2.8 million forecast overspend represents a significant risk to the Council if the IJB is unable to offset these pressures from its own resources.

#### Financial Sustainability

- 3.31 The scale of the financial challenges facing the Council are unprecedented and present a significant threat to the Council being able to protect vital services and ensuring ongoing financial sustainability. These pressures are aligned to significantly increased cost of delivering services, growing demands aligned to population growth, and continued reductions and direction in national funding. The scale of the external pressures is now at a level that outwith significant additional core funding the Council will not be able to continue to meet all existing commitments within available resources.
- 3.32 If the forecast overspend does materialise as projected, this will require the Council to meet this from reserves. As a reminder the Council has a minimum level of unearmarked general reserves, and any allocation to draw further from reserves will place this below the minimum agreed level and will require other earmarked reserves to be repurposed to replenish this. This presents a significant risk to the Council's capacity to enable change and reshape service delivery to deliver planned savings.
- 3.33 The national settlement remains aligned to the delivery of wider national policy commitments and settlement conditions which means there is limited options available to redirect funding streams without an impact on the specific policy delivery.
- 3.34 Alongside these national commitments, East Lothian remains one of the fastest growing councils in Scotland with population growth continuing to increase year on year. The ongoing costs and demands of supporting this growth alongside wider challenges remain significant. Without changes in how the Council delivers services and prioritises investment, the financial position will become unsustainable.

## **General Services Capital Summary – Quarter 2**

- 3.35 **Appendix 4** shows the approved and updated 2024/25 budgets and expenditure to 30 June 2024, showing spend of £38 million relative to the updated gross expenditure budget of £118 million.
- 3.36 Latest projections indicate expenditure of around £113 million by the end of the financial year. This forecast reflects a range of assumptions that are subject to change and may therefore have an impact on the actual position achieved at the end of the financial year. Whilst recognising the significance of the capital programme, there remains a wide range of external pressures which place significant pressure on wider affordability limits.
- 3.37 In addition to the normal RAG flags, a P flag has been included to identify projects where the variance is due to a change in spend profile, related to project progress.
- 3.38 Notable increases in projections relate to:
- Blindwells, Craighall and Whitecraig primary schools - construction work is ongoing and are on programme with expected construction completion in 2025/26. Due to the increased spend in 2023/24 and the reprofiling of budget into that financial year, the projected out-turn for 2024/25 is in line with the Hub construction cash flow estimate. This means a lesser budget requirement in future years compared to the 5-year approved programme; however, due to the timing of developer contributions associated with these projects, there is a pressure on the in-year borrowing requirement.
  - Cockenzie and Levelling Up – the change in projection matches the anticipated cash flow from the main contractor over 2024/25 and 2025/26.
- 3.39 The capital plan remains under close monitoring and review in conjunction with relevant managers.
- 3.40 The projection for developer contributions, early learning 1140 grant and other funding sources are directly linked to the projections of the projects they support. The town centre regeneration grant for 2024/25 was confirmed at a level much lower than the indicative multi-year allocation under the Place Based Investment Programme. Funding for Nature Restoration has also been reduced. There continues to be ongoing risks around the timing and realisation of planned developer contributions that is demonstrated by the increase in in-year borrowing requirements and this position will continue to be closely monitored.
- 3.41 Although the projected expenditure increased by £600,000, due to the timing of external funding, the in-year borrowing requirement projection has increased by £4.5 million.

## **Treasury Update**



- 3.42 In accordance with the updated Prudential and Treasury codes of practice, in addition to the mid-year and year end reporting on Treasury activity and reporting of Prudential and Treasury indicators to Audit and Governance Committee, quarterly reporting on Treasury activity is required.
- 3.43 During the second quarter of the financial year, the following external borrowing was undertaken:

<b>Lender</b>	<b>Principal £000</b>	<b>Type</b>	<b>Interest Rate %</b>	<b>Loan Term (Years)</b>
PWLB	15,000	Equal Instalments of Principal (EIP)	4.37	11
PWLB	10,000	Equal Instalments of Principal (EIP)	3.97	11
PWLB	15,000	Equal Instalments of Principal (EIP)	4.83	2.5
<b>Total</b>	<b>35,000</b>			

The following external borrowing was repaid during this timeframe.

<b>Lender</b>	<b>Principal £000</b>	<b>Type</b>	<b>Interest Rate %</b>	<b>Loan Term (Years)</b>	<b>Date Repaid</b>
PWLB	3,500	Fixed Rate Maturity	4.37	11	21/09/24
PWLB	3,500	Fixed Rate Maturity	3.97	11	24/09/24
PWLB	639	Fixed Rate Maturity	4.83	2.5	28/09/24
<b>Total</b>	<b>7,639</b>				

- 3.44 It is important to note that the borrowing requirement as reported in the General Services and Housing Revenue Account (HRA) capital monitoring is borrowing from the loans fund. The capital-financing requirement (CFR) shown in **Appendix 5** under items 1.2 and 1.3 is the financing still required after relevant grants and receipts have been applied, to fund the capital programme. This is known as the borrowing requirement. Loans Fund borrowing is then funded by external borrowing and the use of working capital. As this utilises the cash balances held by the Council, cash flow monitoring is an important part of the Treasury function and is a factor in

determining the timing of external borrowing. Actual external debt is shown in item 2.3 and the Loans Fund debt is shown in item 3.

3.45 The Prudential, Treasury Management and Loans Fund indicators are set out in **Appendix 5**. For context, the 2023/24 Actual and 2024/25 Budget as per the approved Treasury Strategy as well as the projections for 2024/25 based on the Quarter 2 position for General Services and HRA capital are shown.

3.46 Key points to note from the figures in the Appendix:

- The budget figures for 2024/25 were set based on in-year 2023/24 capital projections. The actual outturn was lower meaning the starting point for 2024/25 was also lower. General Services capital spend projection at Quarter 2 is lower than budget as is the Capital Financing Requirement (CFR). HRA capital spend projection at Quarter 2 and CFR is also lower.
- The CFR will only start to fall when loans fund principal repayments are greater than the in-year borrowing requirement.
- The Loans Fund follows the same pattern as the CFR. Due to the projected capital expenditure, loans fund advances are increasing above the principal repayment of loans fund debt.

3.47 Cash balances are actively monitored and managed. As investment rates have been higher than the interest rate on the Council's bank account balance, several short-term investments were placed during Quarter 2. In summary:

- 42 short-term investments placed
- Maturity range, one day to three months
  - 33 investments with HM Treasury (one to mature in the third quarter)
  - Three investments with Lloyds Bank (one to mature in the third quarter)
  - One sustainable investment (to mature in the third quarter)
  - Five investments with local authorities (four to mature in the third quarter)

3.48 Cash flow continues to be closely monitored to ensure the Council has sufficient cash resources to meet ongoing requirements.

### **Housing Revenue Account Summary – Quarter 2**

3.49 The HRA is expected to break even at this stage. Voids remain high and work is ongoing to remedy this. Ongoing efforts to improve this position including enhanced contract management, investment in overtime to clear

backlogs, measures to overcome challenges in relation to utilities and development of a performance management framework to monitor have resulted in an improvement in turnover times for void properties.

- 3.50 The budget is coming under pressure from reduced Scottish Government grants for new build council housing and work is ongoing to ensure the HRA strategy remains viable. **Appendix 6** sets out the revenue spend for the year.
- 3.51 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 as a minimum is essential in order to maintain the proposed capital investment in modernising properties and building new council houses. The 10-year model is under regular review, and the longer-term strategy continues to be an area of focus.
- 3.52 Capital spend at Quarter 2 was just over £12 million with just over £29 million of spend forecast for the year. This is slightly lower than the £31 million approved budget and the underspend is due to slippage in the start date of a new council housing site. Further detail is set out in **Appendix 7**.
- 3.53 There remain significant challenges in delivering the programme due a number of factors including the removal of subsidy, shortage of labour resources, uncertainty in the housing market due to the current economic situation and challenges in awarding and mobilisation of contracts.

### **Pressures, Risks, and Impact on Future Years Budgets**

#### Pay Award

- 3.54 As noted earlier in the report, the projections assume that additional Scottish Government funding for pay will cover costs above 3.2%.

#### General Inflation

- 3.55 General inflation has been around 2% in recent months, and this is factored into the current budget modelling. Any increase in inflation will have an impact on Council budgets.

#### Interest Rates

- 3.56 Interest rates again fallen by a quarter of a percentage point. Officers are continuing to update modelling to reflect changes in borrowing rates and to review the impact of this on revenue budgets and the affordability of the capital programme whilst developing options to mitigate the impact.

#### Increased Demand for Services

- 3.57 With population growth and increasing need among other factors, demand for Council services continues to increase and this will potentially put

budgets under further pressure, and this continues to be a significant area of risk for the Council.

### **Conclusion**

- 3.58 The Council continues to operate in a challenging, complex, and ever-changing financial environment. There is an overspend of £8.5 million in General Services revenue before applying mitigations much of it recurring. The affordability of the capital programme is also uncertain as material and contract costs increase and the cost of borrowing remains high. To help manage the financial position, it is critical to maintain any areas of underspend, enhanced vacancy management continues, and further flexibilities and mitigations are identified.

## **4 POLICY IMPLICATIONS**

- 4.1 There are no direct policy implications associated with this report, although, ongoing monitoring and reporting of the Council's 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 – 12 December 2023 – Item 3 – Financial & Capital Strategies 2024-29
- 7.2 Council – 20 February 2024 – Item 2 – Budget Development including the setting of Council Tax and Council Housing Rent for 2024/25
- 7.3 Council – 20 February 2024 – Item 2a – Rent Proposals 2024/25 to 2028/29
- 7.4 Council – 20 February 2024 – Item 2b (i) – Budget Proposals on General Services Capital
- 7.5 Council – 20 February 2024 – Item 2b (ii) – Budget Proposals on General Services Revenue

- 7.6 Council – 20 February 2024 – Item 2b (iii) – General Fund Budget Projections
- 7.7 Council – 20 February 2024 – Item 3 – Treasury Management Strategy
- 7.8 Council – 27 August 2024 – Item 3 – Quarter 1 Financial Review 2024/25
- 7.9 Council – 29 October 2024 – Item 2 – Finance Update

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<b>DATE</b>	26 November 2024

Appendix 1  
 East Lothian Council  
 Budget Monitoring 2024/25 - Quarter 2

Service	Head of Service	Business Unit	2024/25 Budget £'000	Year to Date			2024/25 Budget Variance to Date %	Financial Risk Assessment
				2024/25 Actual to Date £'000	2024/25 Budget to Date £'000	2024/25 Budget Variance to Date £'000		
Education & Children's	Children's	Performance & Service Delivery	1,382	590	658	-68	-10.33%	
Education & Children's	Children's	Management	4,603	2,769	1,349	1,420	105.26%	
Education & Children's	Children's	Assessment HUB and Early Interventions	2,347	1,083	1,174	-91	-7.75%	
Education & Children's	Children's	Long Term Social Work Supervisory Groups	3,288	1,579	1,572	7	0.45%	
Education & Children's	Children's	TAC, Disability & Resources	8,185	3,604	3,682	-78	-2.12%	
Education & Children's	Children's	Disability Short Breaks	768	555	412	143	34.71%	
<b>EDUCATION &amp; CHILDREN'S</b>	<b>CHILDREN'S TOTAL</b>		<b>20,573</b>	<b>10,180</b>	<b>8,847</b>	<b>1,333</b>	<b>15.07%</b>	
Education & Children's	Education	Inclusion & Wellbeing	13,409	9,663	9,492	171	1.80%	
Education & Children's	Education	Pre-School Education	16,575	13,166	13,234	-68	-0.51%	
Education & Children's	Education	Primary Schools	57,284	18,452	19,264	-812	-4.22%	
Education & Children's	Education	Secondary Schools	59,501	21,542	21,805	-263	-1.21%	
Education & Children's	Education	Schools' Support	3,790	2,152	2,191	-39	-1.78%	
Education & Children's	Education	East Lothian Works	1,326	418	444	-26	-5.86%	
<b>EDUCATION &amp; CHILDREN'S</b>	<b>EDUCATION TOTAL</b>		<b>151,885</b>	<b>65,393</b>	<b>66,430</b>	<b>-1,037</b>	<b>-1.56%</b>	
<b>EDUCATION &amp; CHILDREN'S TOTAL</b>			<b>172,458</b>	<b>75,573</b>	<b>75,277</b>	<b>296</b>	<b>0.39%</b>	
Council Resources	Finance	Financial Services	3,761	591	671	-80	-11.92%	
Council Resources	Finance	Revenues & Financial Support	4,568	2,633	2,520	113	4.48%	
Council Resources	Finance	Procurement	1,230	609	678	-69	-10.18%	
<b>COUNCIL RESOURCES</b>	<b>FINANCE TOTAL</b>		<b>9,559</b>	<b>3,833</b>	<b>3,869</b>	<b>-36</b>	<b>-0.93%</b>	
Council Resources	Corporate	IT Services	3,547	1,736	1,715	21	1.22%	
Council Resources	Corporate	People & Council Support	4,605	2,809	2,945	-136	-4.62%	
Council Resources	Corporate	Governance	2,379	648	713	-65	-9.12%	
Council Resources	Corporate	Communications	446	225	247	-22	-8.91%	
<b>COUNCIL RESOURCES</b>	<b>CORPORATE TOTAL</b>		<b>10,977</b>	<b>5,418</b>	<b>5,620</b>	<b>-202</b>	<b>-3.59%</b>	
<b>COUNCIL RESOURCES TOTAL</b>			<b>20,536</b>	<b>9,251</b>	<b>9,489</b>	<b>-238</b>	<b>-2.51%</b>	
Health & Social Care Partnership	Head of Operations	Adult Social Work	31,625	14,238	13,676	562	4.11%	
Health & Social Care Partnership	Head of Operations	Acute & Ongoing Care	10,590	6,021	5,856	165	2.82%	
Health & Social Care Partnership	Head of Operations	Rehabilitation	2,154	1,185	1,211	-26	-2.15%	
Health & Social Care Partnership	Head of Operations	Learning Disability & MH Community Services	19,268	9,084	8,277	807	9.75%	
Health & Social Care Partnership	Head of Operations	Head of Operations	5,083	3,472	3,475	-3	-0.09%	
Health & Social Care Partnership	Head of Operations	Business & Performance IJB	4,822	2,790	2,948	-158	-5.36%	
<b>HEALTH &amp; SOCIAL CARE PARTNERSHIP</b>	<b>IJB TOTAL</b>		<b>73,542</b>	<b>36,790</b>	<b>35,443</b>	<b>1,347</b>	<b>3.80%</b>	
Health & Social Care Partnership	Head of Operations	Non-IJB	540	583	385	198	51.43%	
<b>HEALTH &amp; SOCIAL CARE PARTNERSHIP</b>	<b>Non-IJB TOTAL</b>		<b>540</b>	<b>583</b>	<b>385</b>	<b>198</b>	<b>51.43%</b>	
<b>HEALTH &amp; SOCIAL CARE PARTNERSHIP TOTAL</b>			<b>74,082</b>	<b>37,373</b>	<b>35,828</b>	<b>1,545</b>	<b>4.31%</b>	
Place	Development	Planning & Environmental Services	1,103	42	165	-123	-74.55%	
Place	Development	Economic Development	854	370	376	-6	-1.60%	
<b>PLACE</b>	<b>DEVELOPMENT TOTAL</b>		<b>1,957</b>	<b>412</b>	<b>541</b>	<b>-129</b>	<b>-23.84%</b>	
Place	Housing	Housing, Strategy & Development	284	403	510	-107	-20.98%	
Place	Housing	Property Maintenance Trading Account	-1,153	833	833	0	0.00%	
Place	Housing	Community Housing Group	2,776	162	-49	211	430.61%	
<b>PLACE</b>	<b>HOUSING TOTAL</b>		<b>1,907</b>	<b>1,398</b>	<b>1,294</b>	<b>104</b>	<b>8.04%</b>	
Place	Infrastructure	Asset Maintenance & Engineering Services	3,517	2,535	2,435	100	4.11%	
Place	Infrastructure	Strategic Asset & Capital Plan Management	-1,233	890	1,072	-182	-16.98%	
Place	Infrastructure	Facility Trading Activity	-428	-471	-471	0	0.00%	
Place	Infrastructure	Facility Support Services	4,227	1,338	1,344	-6	-0.45%	
Place	Infrastructure	Landscape & Countryside Management	6,288	3,036	3,045	-9	-0.30%	
Place	Infrastructure	Active Business Unit	3,799	1,379	1,305	74	5.67%	
Place	Infrastructure	Roads Network	4,138	1,956	1,750	206	11.77%	
Place	Infrastructure	Roads Trading Activity	-670	46	31	15	48.39%	
Place	Infrastructure	Transportation	2,237	1,136	1,243	-107	-8.61%	
Place	Infrastructure	Waste Services	9,609	3,157	3,062	95	3.10%	
<b>PLACE</b>	<b>INFRASTRUCTURE TOTAL</b>		<b>31,484</b>	<b>15,002</b>	<b>14,816</b>	<b>186</b>	<b>1.26%</b>	
Place	Communities & Partnerships	Connected Communities	6,279	2,834	2,939	-105	-3.57%	
Place	Communities & Partnerships	Protective Services	2,083	777	830	-53	-6.39%	
Place	Communities & Partnerships	Customer Services Group	4,514	1,954	1,997	-43	-2.15%	
<b>PLACE</b>	<b>COMMUNITIES &amp; PARTNERSHIPS TOTAL</b>		<b>12,876</b>	<b>5,565</b>	<b>5,766</b>	<b>-201</b>	<b>-3.49%</b>	
<b>PLACE TOTAL</b>			<b>48,224</b>	<b>22,377</b>	<b>22,417</b>	<b>-40</b>	<b>-0.18%</b>	
<b>SERVICE TOTAL</b>			<b>315,300</b>	<b>144,574</b>	<b>143,011</b>	<b>1,563</b>	<b>1.09%</b>	
<b>Non-Service Expenditure Sub-Total</b>			<b>14,278</b>	<b>2,389</b>	<b>2,467</b>	<b>-78</b>	<b>-3.16%</b>	
<b>Total Expenditure</b>			<b>329,578</b>	<b>146,963</b>	<b>145,478</b>	<b>1,485</b>	<b>1.02%</b>	
<b>Funded By Sub-Total</b>			<b>-326,643</b>	<b>-187,501</b>	<b>-187,092</b>	<b>-409</b>	<b>-0.22%</b>	
<b>Net Expenditure</b>			<b>2,935</b>	<b>-40,538</b>	<b>-41,614</b>	<b>1,076</b>	<b>2.59%</b>	
<b>Reserves Funding Sub-Total</b>			<b>-2,935</b>	<b>0</b>	<b>-553</b>	<b>553</b>	<b>100.00%</b>	
<b>TOTAL</b>			<b>0</b>	<b>-40,538</b>	<b>-42,167</b>	<b>1,629</b>	<b>3.86%</b>	

Appendix 2  
 East Lothian Council  
 2024/25 Budget Efficiencies - Quarter 2

Service	2024/25			
	Achieved	Amber	Unachievable	
	£'000	£'000	£'000	
Education	396	134	0	
Finance	630	0	0	
Corporate Services	38	0	0	
Development	120	0	0	
Housing	48	0	275	
Infrastructure	1,260	1,311	500	
Communities	1,063	50	0	
Non Service Expenditure	0	2,100	0	
<b>Total</b>	<b>3,555</b>	<b>3,595</b>	<b>775</b>	<b>7,925</b>
	44.86%	45.36%	9.78%	

Savings Currently Unachievable - Red

Service	Proposal	Value	Comments
Housing	Review of Adaptations (Care and Repair Grant)	275	Cannot be achieved. The service is undertaking a service review of Private Sector Housing Grant to identify savings to offset this saving in future years.
Infrastructure	Income Generation	500	The main issue with this saving is timing and proposals will be brought forward to introduce charging. The saving can only be delivered if the proposals are approved.
<b>Total</b>		<b>775</b>	

### Appendix 3

East Lothian Council

### Budget Monitoring 2024/25 - Additional Funding from the Scottish Government

	£million
<b>2024/25 GRG (per Budget Amendment)</b>	<b>238.012</b>
<hr/>	
<b>Additional Funding - GRG</b>	
<hr/>	
Early Learning £12 per hour funding	0.350
Social Care £12 per hour funding	4.995
Other	0.045
Additional GRG for 2024/25 Settlement	1.217
Employability Child Poverty Co-ordinators	0.066
Council Tax Freeze (£3.4m built into approved budget)	0.004
2023/24 Local Government Pay Offer	0.403
Scottish School Milk Subsidy Scheme	0.023
Sustained Temporary Accommodation Pressures	0.015
<hr/>	
<b>Total Additional Funding</b>	<b>7.118</b>
<hr/>	
<b>Revised GRG</b>	<b>245.130</b>
<hr/>	



Appendix 4

East Lothian Council

General Services Capital Budget Monitoring Summary 2024/25

Quarter 2

	RAG	Approved Budget	Updated Budget	Actual	Updated Budget-Actual Variance	Projected Outturn	Updated Budget - Outturn Variance	Previously reported Outturn to Council	Projected Outturn to Previously Reported Variance
Expenditure		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>Community Projects</b>									
Community Intervention	G	300	300		(300)	300	0	300	0
Community Intervention Fund - Pump Tracks	G	475	475		(475)	398	(77)	238	161
Community Public Art	G	160	160	24	(136)	170	10	160	10
Bleachingfield Centre Remodelling Works	G	100	100	1	(100)	105	5	100	5
Dunbar Conservation Area Regeneration Scheme (CARS)	P	355	760		(760)	200	(560)	760	(560)
East Saltoun Community Hall	-	0	0		0		0		0
North Berwick Skatepark	G	0	13		(13)	13	0	13	0
Support for Business	G	0	0	5	5	5	5	1	5
Fisherrow - spend to save project	G	225	250	250	0	250	0	250	0
CCTV	P	123	219	8	(212)	8	(212)	219	(212)
Town Centre Regeneration	A	514	937	268	(669)	558	(379)	937	(379)
<b>Total Community Projects</b>		<b>2,253</b>	<b>3,215</b>	<b>555</b>	<b>(2,660)</b>	<b>2,007</b>	<b>(1,208)</b>	<b>2,978</b>	<b>(971)</b>
Town Centre Regeneration (PBIP) Grant		(500)	(820)		820	(470)	350	(820)	350
Other Funding Sources		(805)	(1,276)		1,276	(861)	415	(1,151)	290
GCG REFCUS					0		0	0	0
<b>Total Income: Community Projects</b>		<b>(1,305)</b>	<b>(2,096)</b>	<b>0</b>	<b>2,096</b>	<b>(1,331)</b>	<b>765</b>	<b>(1,971)</b>	<b>640</b>
<b>Community Projects - General Capital Grant/Borrowing Requirement</b>		<b>948</b>	<b>1,119</b>	<b>555</b>	<b>(564)</b>	<b>676</b>	<b>(443)</b>	<b>1,007</b>	<b>(331)</b>
<b>ICT</b>									
IT Programme & Digital Opportunities	G	2,200	2,400	1,133	(1,267)	2,400	0	2,400	0
Telecare System upgrade to Digital	-	0	0	0	0	0	0	0	0
<b>Total ICT</b>		<b>2,200</b>	<b>2,400</b>	<b>1,133</b>	<b>(1,267)</b>	<b>2,400</b>	<b>0</b>	<b>2,400</b>	<b>0</b>
Other Funding Sources		0	0		0	0	0	0	0
<b>Total Income: ICT</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>ICT - General Capital Grant/Borrowing Requirement</b>		<b>2,200</b>	<b>2,400</b>		<b>(1,267)</b>	<b>2,400</b>	<b>0</b>	<b>2,400</b>	<b>0</b>
<b>Fleet</b>									
Amenties - Machinery & Equipment - replacement	G	200	169	149	(20)	169	0	169	0
Vehicles	G	4,611	4,611	1,023	(3,588)	4,611	0	4,611	0
<b>Total Fleet</b>		<b>4,811</b>	<b>4,780</b>	<b>1,173</b>	<b>(3,607)</b>	<b>4,780</b>	<b>0</b>	<b>4,780</b>	<b>0</b>
Other Funding Sources		0	0		0	0	0	0	0
<b>Total Income: Fleet</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Fleet - General Capital Grant/Borrowing Requirement</b>		<b>4,811</b>	<b>4,780</b>		<b>(3,607)</b>	<b>4,780</b>	<b>0</b>	<b>4,780</b>	<b>0</b>
<b>Open Space</b>									
Synthetic Pitch Replacement Programme	G	157	230	337	107	324	95	289	35
Cemeteries (Burial Grounds)	G	637	911	575	(336)	911	(0)	911	0
River Tyne / Haddington Flood Protection scheme	-	0	0	0	0	0	0	0	0
Coastal / Flood Protection schemes - Musselburgh	G	2,050	1,904	484	(1,420)	1,581	(323)	1,581	(0)
Coastal Change Management	G	85	85	0	(85)	40	(45)	85	(45)
Coastal Car Park Toilets	G	256	262	0	(262)	298	36	262	36
Core Path Plan	G	50	100	0	(100)	100	0	100	0
Harbour Walls	G	600	600	112	(488)	367	(233)	600	(233)
Mains Farm Town Park & Pavilion	-	0	0	0	0	0	0	0	0
Nature Restoration	G	0	59	1	(58)	59	0	168	(109)
Replacement Play Equipment	G	327	459	80	(380)	427	(33)	459	(32)
Polson Park	P	160	160	0	(160)	20	(140)	160	(140)
Sports and Recreation LDP	P	3,026	3,182	244	(2,938)	1,849	(1,333)	2,583	(734)
Street litter bin replacement	G	40	40	0	(40)	40	0	40	0
Waste - New Bins	G	160	160	172	12	181	21	160	21
Waste - Machinery & Equipment - replacement	G	40	40	19	(21)	19	(21)	40	(21)
<b>Total Open Space</b>		<b>7,588</b>	<b>8,191</b>	<b>2,023</b>	<b>(6,169)</b>	<b>6,215</b>	<b>(1,976)</b>	<b>7,438</b>	<b>(1,223)</b>
Developer Contribution		(2,457)	(2,656)		2,656	(1,786)	870	(2,057)	271
Capital Receipts		(350)	(350)		350	(345)	5	(345)	0
Other Funding Sources		(1,594)	(1,467)		1,467	(1,011)	456	(1,468)	457
<b>Total Income: Open Space</b>		<b>(4,401)</b>	<b>(4,474)</b>	<b>0</b>	<b>4,474</b>	<b>(3,142)</b>	<b>1,332</b>	<b>(3,870)</b>	<b>728</b>
<b>Open Space - General Capital Grant/Borrowing Requirement</b>		<b>3,187</b>	<b>3,718</b>		<b>(1,695)</b>	<b>3,073</b>	<b>(645)</b>	<b>3,568</b>	<b>(495)</b>
<b>Roads, Lighting and related assets</b>									
Cycling Walking Safer Streets	G	478	478	308	(170)	835	357	835	0
East Linton Rail Stop / Infrastructure	-	0	0	0	0	0	0	0	0
Parking Improvements	G	330	559	1	(558)	296	(263)	296	(0)
Roads	G	5,500	5,500	1,911	(3,589)	5,500	0	5,500	0
Roads - Externally Funded Projects	G	8,462	8,462	4,768	(3,694)	8,462	0	8,462	0
<b>Total Roads, Lighting and related assets</b>		<b>14,770</b>	<b>14,999</b>	<b>6,987</b>	<b>(8,011)</b>	<b>15,093</b>	<b>94</b>	<b>15,093</b>	<b>(0)</b>
Developer Contribution		0	0		0	0	0	0	0
Other Funding Sources		(8,940)	(8,940)		8,940	(9,297)	(357)	(9,297)	(0)
<b>Total Income: Roads, Lighting and related assets</b>		<b>(8,940)</b>	<b>(8,940)</b>	<b>0</b>	<b>8,940</b>	<b>(9,297)</b>	<b>(357)</b>	<b>(9,297)</b>	<b>(0)</b>
<b>Roads etc. - General Capital Grant/Borrowing Requirement</b>		<b>5,830</b>	<b>6,059</b>		<b>929</b>	<b>5,796</b>	<b>(263)</b>	<b>5,796</b>	<b>(0)</b>
<b>Property - Education</b>									
Aberlady Primary - extension	P	2,289	2,328	12	(2,316)	335	(1,993)	750	(415)
Blindwells Primary - new school	P	19,453	17,975	10,853	(7,122)	19,702	1,727	17,975	1,727
Craighall Primary - New School	P	19,217	17,107	5,223	(11,884)	19,101	1,994	17,107	1,994
East Linton Primary - new school	-	0	0	0	0	0	0	0	0
Free School Meals Expansion to P6-7	G	0	17	0	(17)	17	0	17	0
Gullane Primary - extension including Early Learning and 1140	G	0	0	(390)	(390)	0	0	0	0
Knox Academy Extension	G	50	50	0	(50)	52	2	0	52
Law Primary - extension including Early Learning and 1140	G	67	622	112	(510)	143	(479)	170	(27)
Letham Primary - New School	G	0	42	17	(25)	17	(25)	17	0
North Berwick High School - Extension	G	450	688	251	(437)	688	(1)	688	(1)
Ormiston Primary - extension	G	0	82	2	(79)	82	0	82	0
Pinkie St Peter's Primary - sports hall extension	G	505	556	4	(551)	282	(273)	320	(38)
Pinkie St Peter's Primary - extension including Early Learning and 1140	G	279	449	19	(431)	115	(334)	0	115

Appendix 4

East Lothian Council

General Services Capital Budget Monitoring Summary 2024/25

Quarter 2

	RAG	Approved Budget	Updated Budget	Actual	Updated Budget-Actual Variance	Projected Outturn	Updated Budget - Outturn Variance	Previously reported Outturn to Council	Projected Outturn to Previously Reported Variance
		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>Expenditure</b>									
Preston Lodge High School - extension (phase 1)	G	0	0	0	0	0	0	0	0
Prestonpans Primary - upgrades	P	243	243	0	(243)	0	(243)	243	(243)
Ross High School - extension	G	0	0	6	6	15	15	25	(10)
School Estate - Curriculum Upgrades	G	1,045	1,083	0	(1,083)	1,083	0	1,083	0
St Gabriel's Primary - extension including Early Learning and 1140	G	0	0	0	0	3	3	0	3
Wallyford Primary - New School	G	108	108	12	(96)	17	(91)	12	5
Wallyford Learning Campus	A	1,001	1,101	333	(768)	1,412	311	1,101	311
West Barns Primary - extension including Early Learning and 1140	G	46	37	0	(37)	0	(37)	10	(10)
Whitecraig Primary - new school including Early Learning and 1140	P	16,058	15,755	3,561	(12,194)	16,058	303	15,755	303
Windygoul Primary - Early learning and 1140 extension	G	150	133	0	(133)	0	(133)	0	0
<b>Total Property - Education</b>		<b>60,962</b>	<b>58,376</b>	<b>20,016</b>	<b>(38,360)</b>	<b>59,121</b>	<b>745</b>	<b>55,354</b>	<b>3,767</b>
Developer Contribution		(12,184)	(8,869)		8,869	(8,270)	599	(8,616)	346
Developer Contribution (Post completion)		(14)	(14)		14	0	14	0	0
1140 Grant Income		(167)	(144)		144	0	144	(17)	17
Other Funding Sources			0		0	0	0	0	0
<b>Total Income: Property - Education</b>		<b>(12,365)</b>	<b>(9,028)</b>		<b>9,028</b>	<b>(8,270)</b>	<b>758</b>	<b>(8,633)</b>	<b>363</b>
<b>Property Education - General Capital Grant/Borrowing Requirement</b>		<b>48,597</b>	<b>49,348</b>		<b>(29,332)</b>	<b>50,852</b>	<b>1,503</b>	<b>46,722</b>	<b>4,130</b>
<b>Property - Other</b>									
Accelerating Growth		14,853	15,582	4,632	(10,949)	15,348	(234)	16,370	(1,021)
- Cockenzie	P	0	507	567	60	4,964	4,457	5,667	(703)
- Levelling Up Project Cockenzie	P	10,978	11,164	978	(10,186)	5,669	(5,495)	6,790	(1,121)
- Blindwells	G	0	35	21	(14)	35	0	35	0
- Innovation Hub	G	3,876	3,876	3,060	(816)	4,670	794	3,876	794
- A1/QMU Junction	G	0	0	6	6	10	10	2	8
Brunton Hall - Improved Community Access	-	0	0	0	0	0	0	0	0
Court Accommodation - incl. SPOC	P	820	952	173	(779)	874	(79)	952	(79)
Loch Centre Tranent - Major Refurbishment Works	G	721	721	0	(721)	721	0	721	0
New ways of working Programme	P	988	1,548	15	(1,533)	467	(1,081)	500	(33)
Prestonrange Museum	P	1,599	1,746	4	(1,741)	1,375	(371)	1,000	375
Property Renewals	G	2,000	2,000	1,152	(848)	2,000	0	2,000	0
Replacement Childrens House	P	867	867	0	(867)	0	(867)	200	(200)
Sports Centres	G	240	240	247	7	240	0	240	0
Whitecraig Community Centre	G	0	49	0	(49)	49	0	49	0
<b>Total Property - Other</b>		<b>22,088</b>	<b>23,704</b>	<b>6,224</b>	<b>(17,479)</b>	<b>21,074</b>	<b>(2,630)</b>	<b>22,031</b>	<b>(958)</b>
Developer Contribution		0	0		0	0	0	-	0
Developer Contribution (Post completion)		0	0		0	0	0	-	0
Capital receipts		(1,098)	(1,590)		1,590	#VALUE!	#VALUE!	#VALUE!	#VALUE!
TCR		(150)	(304)		304	#VALUE!	#VALUE!	#VALUE!	#VALUE!
Other Funding Sources		(10,228)	(10,613)		10,613	#VALUE!	#VALUE!	#VALUE!	#VALUE!
<b>Total Income: Property - Other</b>		<b>(11,476)</b>	<b>(12,507)</b>		<b>12,507</b>	<b>#VALUE!</b>	<b>#VALUE!</b>	<b>#VALUE!</b>	<b>#VALUE!</b>
<b>Property Other - General Capital Grant/Borrowing Requirement</b>		<b>10,612</b>	<b>11,197</b>		<b>(4,972)</b>	<b>#VALUE!</b>	<b>#VALUE!</b>	<b>#VALUE!</b>	<b>#VALUE!</b>
<b>Total Property Spend - Education and Other</b>		<b>83,050</b>	<b>82,080</b>	<b>26,241</b>	<b>(55,839)</b>	<b>80,195</b>	<b>(1,885)</b>	<b>77,386</b>	<b>2,809</b>
<b>Total Income: Property - Education and Other</b>		<b>(23,841)</b>	<b>(21,535)</b>		<b>21,535</b>	<b>#VALUE!</b>	<b>#VALUE!</b>	<b>#VALUE!</b>	<b>#VALUE!</b>
<b>Property-Education and Other - General Capital Grant/Borrowing Requirement</b>		<b>59,209</b>	<b>60,545</b>		<b>(34,304)</b>	<b>#VALUE!</b>	<b>#VALUE!</b>	<b>#VALUE!</b>	<b>#VALUE!</b>
Capital Plan Fees	G	2,524	2,524	5	(2,519)	2,524	0	2,524	0
PPP Projects	G	0	0		0	0	0	0	0
<b>Total Gross Expenditure</b>		<b>117,196</b>	<b>118,189</b>	<b>38,116</b>	<b>(80,072)</b>	<b>113,214</b>	<b>(4,975)</b>	<b>112,599</b>	<b>615</b>
Other Funding Sources		0	0		0	0	0	0	0
<b>Total Income:PPP Projects</b>		<b>0</b>	<b>0</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Income</b>									
Developer Contribution	P	(14,640)	(11,525)			(10,055)	1,470	(10,673)	617
Developer Contribution (Post completion)	G	(14)	(14)			0	14	0	0
1140 Grant Income	P	(167)	(144)			0	144	(17)	17
Town Centre Regeneration (PBIP) Grant	A	(650)	(1,124)			(774)	349	(1,124)	349
Capital receipts	G	(4,448)	(4,940)			(8,065)	(3,125)	(8,247)	182
Other Funding Sources	G	(21,567)	(22,297)			(17,117)	5,180	(19,318)	2,201
GCG REFCUS						0	0	0	0
Scottish Government General Capital Grant	G	(24,877)	(24,877)			(26,486)	(1,609)	(26,486)	0
<b>Total Income</b>		<b>(66,364)</b>	<b>(64,921)</b>			<b>(62,497)</b>	<b>2,424</b>	<b>(65,864)</b>	<b>3,367</b>
<b>Borrowing Requirement</b>	A	<b>50,831</b>	<b>53,267</b>			<b>50,716</b>	<b>(2,551)</b>	<b>46,735</b>	<b>3,982</b>

Actual as % of Approved Budget

33%

Actual as % of Updated Budget

32%

Actual as % of Projected Outturn

34%

Appendix 5  
Prudential and Treasury Indicators 2024/25  
Quarter 2

1 PRUDENTIAL INDICATORS	2023-24	2024-25	2024-25	2024-25	2024-25
	Actual £'000	Budget £'000	Q2 Projection £'000	Q1 Projection £'000	change £'000
<b>1.1 Capital Expenditure</b>					
General Services	52,087	117,196	113,220	116,972	(3,752)
HRA	42,849	31,579	29,321	31,645	(2,324)
TOTAL	94,936	148,775	142,541	148,617	(6,076)
<b>1.2 Capital Financing Requirement (CFR) – General Services</b>					
brought forward 1 April	295,377	321,667	313,376	313,376	0
carried forward 31 March	313,376	365,070	356,847	352,581	4,266
In year borrowing requirement	17,999	43,403	43,471	39,205	4,266
<b>1.3 Capital Financing Requirement (CFR) - HRA</b>					
brought forward 1 April	240,066	267,835	265,745	265,745	0
carried forward 31 March	265,745	291,180	286,051	288,375	(2,324)
In year borrowing requirement	25,679	23,345	20,306	22,630	(2,324)
<b>1.4 Total CFR excluding PPP and leases</b>					
General Services	313,376	365,070	356,847	352,581	4,266
HRA	265,745	291,180	286,051	288,375	(2,324)
TOTAL	579,121	656,250	642,898	640,956	1,942
<b>1.5 Annual Change in CFR</b>					
General Services	17,999	43,403	43,471	39,205	4,266
HRA	25,679	23,345	20,306	22,630	(2,324)
TOTAL	43,679	66,748	63,777	61,835	1,942
<b>1.6 Ratio of financing costs to net revenue stream</b>					
General Services	4.26%	5.57%	5.24%	5.33%	-0.09%
HRA	33.13%	36.24%	35.20%	36.02%	-0.82%
<b>1.7 Impact of Capital Investment Decisions</b>					
General Services – Debt per Band D equivalent	£5,118	£5,940	£5,807	£5,737	69
HRA – Debt per dwelling	£28,389	£31,112	£30,312	£30,558	(246)

2 TREASURY MANAGEMENT INDICATORS	2023-24	2024-25	2024-25	2024-25	2024-25
	Actual £'000	Budget £'000	Q2 Projection £'000	Q1 Projection £'000	change £'000
<b>2.1 Authorised Limit for External Debt -</b>					
Borrowing at 31 March	636,000	726,000	727,000	732,000	(5,000)
Other long term liabilities (PPP and Leases)	31,000	30,000	30,000	30,000	0
Total	667,000	756,000	757,000	762,000	(5,000)
<b>2.2 Operational Boundary for External Debt -</b>					
Borrowing at 31 March	594,352	656,249	659,202	657,260	1,942
Other long term liabilities (PPP and Leases)	30,688	29,104	29,105	29,105	0
Total	625,040	685,354	688,307	686,365	1,942
<b>2.3 Actual External Debt</b>					
Borrowing at 31 March	493,789	558,885	566,792	550,901	15,890
Other long term liabilities (PPP and Leases)	30,688	29,104	29,105	29,105	0
Total	524,477	587,989	595,897	580,006	15,890

3 LOANS FUND	2023-24	2024-25	2024-25	2024-25	2024-25
	Actual £'000	Budget £'000	Q2 Projection £'000	Q1 Projection £'000	change £'000
<b>3.1 General Services</b>					
Opening balance	295,377	321,667	313,376	313,376	0
Add advances	22,327	50,546	50,279	45,928	4,351
Less repayments	(4,328)	(7,143)	(6,807)	(6,723)	(84)
Closing balance	313,376	365,070	356,848	352,581	4,267
<b>3.2 HRA</b>					
Opening balance	240,066	267,835	265,745	265,745	0
Add advances	31,061	29,183	26,137	28,461	(2,324)
Less repayments	(5,382)	(5,838)	(5,831)	(5,831)	0
Closing balance	265,745	291,180	286,051	288,375	(2,324)
<b>3.3 Total</b>					
Opening balance	535,443	589,502	579,121	579,121	0
Add advances	53,389	79,729	76,416	74,389	2,027
Less repayments	(9,710)	(12,981)	(12,638)	(12,554)	(84)
Closing balance	579,121	656,250	642,899	640,956	1,943

Appendix 6  
 East Lothian Council  
 Budget Monitoring HRA 2024/25 - Quarter 2

	2024/25 Budget £'000	2024/25 Actual to Date £'000	2024/25 Budget to Date £'000	2024/25 Budget Variance to Date £'000	2024/25 Forecast £'000	2024/25 Forecast Variance £'000
Total Income	-40,854	-20,381	-20,424	43	-40,900	-46
Total Expenditure	38,150	12,985	12,997	-12	38,196	46
<b>(Surplus) / Deficit for Year</b>	<b>-2,704</b>	<b>-7,396</b>	<b>-7,427</b>	<b>31</b>	<b>-2,704</b>	<b>0</b>

	2024/25 Budget £'000	2024/25 Forecast £'000	2024/25 Forecast Variance £'000
<b>Management of Balances</b>			
Opening (Surplus) / Deficit	-1,535	-1,535	0
CFCR	2,200	2,200	0
<b>(Surplus) / Deficit for Year</b>	<b>-2,704</b>	<b>-2,704</b>	<b>0</b>
<b>Closing (Surplus) / Deficit</b>	<b>-2,039</b>	<b>-2,039</b>	<b>0</b>

**Appendix 7**

**East Lothian Council**

**Budget Monitoring HRA Capital 2024/25 - Quarter 2**

	<b>2024/25 Budget</b>	<b>2024/25 Actual to Date</b>	<b>2024/25 Budget to Date</b>	<b>2024/25 Budget Variance to Date</b>	<b>2024/25 Forecast</b>	<b>2024/25 Forecast Variance</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Modernisation	10,600	1,173	2,650	-1,477	11,114	514
Energy Efficiency Fund	2,500	159	625	-466	1,986	-514
New Council Housing	16,732	3,443	4,183	-740	14,472	-2,260
Fees	1,467	0	0	0	1,467	0
Mortgage to Rent	280	0	0	0	280	0
<b>TOTAL</b>	<b>31,579</b>	<b>4,775</b>	<b>7,458</b>	<b>-2,683</b>	<b>29,319</b>	<b>-2,260</b>

Funded By:

	<b>2024/25 Budget</b>	<b>2024/25 Actual to Date</b>	<b>2024/25 Budget to Date</b>	<b>2024/25 Budget Variance to Date</b>	<b>2024/25 Forecast</b>	<b>2024/25 Forecast Variance</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Grants	-632	-789	-632	-157	-789	-157
Grants MTR	-196	0	0	0	-196	0
CFCR	-2,200	0	0	0	-2,200	0
Borrowing	-28,551	-3,986	-6,826	2,840	-26,134	2,417
<b>TOTAL</b>	<b>-31,579</b>	<b>-4,775</b>	<b>-7,458</b>	<b>2,683</b>	<b>-29,319</b>	<b>2,260</b>