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## News release on behalf of the Accounts Commission

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# Change needed to secure East Lothian Council's financial future

**East Lothian Council must make significant progress in changing how it delivers public services as it addresses significant demographic challenges, with rapidly expanding younger and older populations.**

In its latest report, the Accounts Commission recognises many of the council's services have improved, or at least maintained levels of performance, in the face of financial pressures. But this has come at an unsustainable cost. The council can no longer rely on using money saved in reserves to support the delivery of services. It needs to be clearer about how it will balance its budget in a sustainable way.

Given financial constraints and increasing demand, the council now focuses on a smaller number of key priorities. The council's commitment to engaging with residents and communities is encouraging. But it must be clear about the services deprioritised and the impacts, as it looks to bridge a £46 million budget gap in the four years from 2026/27.

The council must make significant changes in how it delivers services. It benefits from having plans for change in place, but now needs to invest further and set clear actions and targets to drive digital transformation and save money through efficiency. Continuing to develop opportunities to collaborate and share services in the face of recruitment and retention challenges is critical.

### **Jo Armstrong, Chair of the Accounts Commission said:**

'Unlike most councils in Scotland, East Lothian has numbers of both rapidly expanding younger and older populations. This presents real opportunities as well as significant challenges and strains on staff, money and resource. The council must continue to hold ongoing conversations with staff and communities to shape and agree the changes it needs to make to services.'

'It's reassuring the council's latest financial plans limit the use of reserves. Now we need to see progress on the council's programme to change how it delivers services and improves efficiency. This must happen, to ensure the council's future financial security.'

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**Notes to Editor:**

1. The Accounts Commission last reported on [East Lothian Council in 2018](#).
2. All reports by the Accounts Commission and Auditor General published since 2000 are available at [www.audit.scot](http://www.audit.scot)
  - The Accounts Commission is the public spending watchdog for local government. It holds councils and various joint boards and committees in Scotland to account and help them improve. It operates impartially and independently of councils and of the Scottish Government, and meets and reports in public.
  - Audit Scotland is a statutory body set up in April 2000, under the Public Finance and Accountability (Scotland) Act 2000. It provides services to the Auditor General for Scotland and the Accounts Commission for Scotland.

**ENDS**