
3. Financial sustainability

Financial Sustainability means being able to meet the needs of the present without compromising the ability of future generations to meet their own needs.

Conclusion

A sound approach to medium and longer-term financial planning is in place to manage ongoing financial challenges. A two-year detailed revenue budget plan and a four-year revenue budget strategy have been agreed by the council, showing the savings required each year to deliver a break-even position.

An updated four-year revenue budget strategy to 2027/28 and detailed revenue budgets for 2024/25 to 2025/26 were agreed by the full council in February 2024. The agreed four-year budget has an estimated overall budget gap of £38 million over the four-year period.

West Lothian Council has updated their two-year detailed revenue budget and four-year revenue budget strategy to reflect the latest financial pressures

60. In February 2023, West Lothian Council agreed their five-year revenue budget strategy and a detailed three-year revenue budget plan for 2023/24 to 2025/26, including proposed saving measures. An updated four-year revenue budget strategy to 2027/28 and detailed revenue budgets for 2024/25 to 2025/26 were agreed by the full council in February 2024. The agreed four-year budget has an estimated overall budget gap of £38 million over the four-year period and a £24.4 million gap for 2024/25 to 2025/26. [Exhibit 5](#) shows the forecast budget gap before savings included in the four-year revenue budget.

61. The council and the Integration Joint Board have agreed budget savings of £21.5 million for the two years to 2025/26, leaving a budget gap of £2.9 million. The total saving identified for the four-year plan are £28.5 million which leaves a remaining budget gap of £9.5 million over the four-year period.