

Council budget update

✘ Councillor Phil Wheeler, Convener of the Finance and Resources Committee has given an update on the budget process for Edinburgh:-

“The Scottish Government’s budget announcement this month confirmed local authorities’ proposed total share of the Scottish Budget. Although the future is going to be extremely challenging, the City of Edinburgh Council’s financial planning is claimed to be sound.

The estimate that £90 million of savings need to be made between 2011 and 2014 still holds true. But before the Council can set its budget on Thursday, 10 February, several key decisions need to be made, including confirmation from The Scottish Government about how much money will be allocated to each individual Council. Council Tax only delivers about 22% of Edinburgh’s total spending, with the remainder coming from the Scottish Government. The actual allocation figure for next financial year should be revealed by the middle of December.

On Tuesday week councillors in Edinburgh will have the opportunity to scrutinise a range of budget proposals prepared by Council officers. This follows on from the most ambitious budget public engagement and consultation exercise this Council has ever carried out. Feedback from citizens has been received through e-mails, the website and responses to features in Outlook.

Councillors were rightly in listening mode during the six public meetings held and this is now their opportunity to ensure they have absolute clarity regarding the detail of the proposals. All Directors in the Council have been asked to attend the Council’s Policy and Strategy Committee meeting on Tuesday to answer questions relating to their area.

The proposals which will be scrutinised by councillors on

Tuesday are wide ranging and total £27m. They are called Package 2. All but one of the proposals detailed in Package 1 were approved by Council in September, which means an estimated £16million has already been saved. Package 1 covered management posts and 'backroom' functions. Work is continuing to identify further savings opportunities.

Since nearly half the Council's spending is on staff costs, much of the proposed savings come under headings such as management de-layering, non-filling of vacant jobs, and further efficiencies. A ban on recruitment is already in place. However, some reductions of service will be inevitable.

In his recent Budget, the Finance Minister, John Swinney, offered councils a package, which if they accept, will reduce their cut in funding from 6.4 per cent to 2.6 per cent. These are average Scotland wide figures and it means if Edinburgh didn't accept the package we could lose out on an estimated £34million.

Edinburgh will take a decision on the package being offered by the Scottish Government at the Council's meeting on Thursday, 16 December. The package covers a range of measures including a commitment to freezing Council Tax.

In the meantime, the Administration is using the results of the public engagement exercise to help guide us as we work towards making some of the most difficult financial decisions ever taken by this Council. You can read the results for yourself [online](#).

You can also [read](#) the savings proposed by officers. Please continue to send your comments and suggestions on the Council's budget by e-mail to councilbudget@edinburgh.gov.uk or by writing to Freepost RSJC-SLXC-YTJY, Budget, Council Leader, City Chambers, Edinburgh , EH1 1YJ "