

The nuts and bolts of the City Council budget

✘ The Council took a long time yesterday to pass the budget but it went through unchanged by 30 votes to 29 when they did approve it. The Labour group in the council had prepared an alternative budget, but this was not given support by any other group. It was criticised as unsustainable, and the administration councillors who took the opportunity of speaking to the motion, in the main dismissed the Labour effort as having too many holes in it, and in particular, in funding for care for the elderly which they said would not be covered by the Labour calculations. Much was made of the budget process, which one councillor claimed had cost about £1m in itself for the administration, along with their finance department, to set out the budget proposals. It is apparently to be examined shortly to see if the process itself can be made less cumbersome. The actual wording of the budget motion can be [accessed online](#), but the details of it are paraphrased for you below:-

Council tax band levels

The council tax band levels for Edinburgh in 2011/12 will be:

A: £779.33

B: £909.22

C: £1,039.00

D: £1,169.00

E: £1,428.78

F: £1,688.56

G: £1,948.33

H: £2,338.00

Total budget

The total revenue budget is £1,018.3 million for 2011/12. Council Tax makes up £226.1 million of this with £792.2 million coming from Government grants. The total capital budget (excluding trams and the housing revenue account) is £173.921 million.

Key budget provisions

Investing in our children and schools

- Additional funding of £7 million over the next three years will ensure £4 million for vulnerable children.
- Further funding of £500,000 to implement class sizes of 18 on P1-3 in our most deprived communities.
- £500,000 for additional early years service.
- £2 million for increasing school rolls.
- Continuation of £250,000 funding for schools text books, computers and supplies.

(This investment relies upon a successful outcome from the review of teacher terms and conditions).

Protecting our most vulnerable children

- £4 million extra to support an increasing number of children over three years.
- Protection of the funding for the Hospital Social Work team that supports children with serious health problems.
- Protection of the funding for various services for children with additional support needs.
- £2.4 million for the construction of a new purpose built centre to replace the Seaview Respite Unit on the site of the former Lismore Primary.
- Commitment to work with the Scottish Government to implement the Carers and Young Carers Strategy,

including the maintenance of an extra 10,000 weeks respite provision.

Improving care for our elderly and vulnerable

- *Additional £8.4 million for people with learning and physical disabilities.*
- *Additional £5.5 million for older people.*
- *Respite care service prioritised (increased by over 1200 weeks in the last year).*
- *Edinburgh leading the way in Scotland in Home Care Reablement – nearly 7,200 people received the service in 2010 with the average reduction in number of hours of 34% contributing £1 million a year to savings in the Health and Social Care service.*
- *Continued investment in Edinburgh's care homes – the fourth new care home to be opened in March at King's Inch with a fifth to be developed at Drumbrae.*

Supporting Edinburgh's economic competitiveness

- *Edinburgh will be the first city in the UK to use Tax Increment Finance to allow development.*
- *£442.8 million secured by attracting major investors into Edinburgh – including £385 million physical development and over £57 million commercial investment.*
- *Rationalisation of the Council's arms length companies to meet the aspirations of a sustainable city.*

Supporting Edinburgh's Cultural, Sporting and Leisure Activities

- *Commitment to improving the city's sporting and cultural infrastructure. Recent capital projects include:*
 1. *a new third generation pitch at Meggetland completed in November 2010*
 2. *Saughton Skatepark completed in April 2010*

3. *refurbishment of Glenogle Swim Centre completed in May 2010*
4. *upgrading of City Art Centre completed by July 2010.*

Ongoing capital projects include:

1. *third generation pitches at Lochend Park due for completion February 2011*
 2. *interim investment in Meadowbank Stadium and Sports Centre due for completion in spring 2011*
 3. *upgrading of storage facilities at City Art Centre due for completion by July 2011*
 4. *refurbishment of Acheson House due for completion summer 2011*
 5. *a new pavilion at Colinton Mains Park scheduled for completion by August 2012*
 6. *refurbishment of the Royal Commonwealth Pool due for completion in Spring 2012*
 7. *and refurbishment of the Assembly Rooms due for completion by June 2012.*
- *Recognition of the libraries service importance in supporting life long learning and economic growth. The budget ensures that all libraries continue to operate with opening hours more suited to customer demand.*
 - *Continued funding for Edinburgh's festival and cultural venues in 2011/12.*

Providing safe, warm and affordable homes

- *Investing £40.5 million to improve the quality of Council housing including 1500 new kitchen and bathrooms, 950 required homes, 850 homes with improved heating, 450 homes to receive double glazing.*
- *£150 million 21st Century Homes programme will build 1200 homes for sale and rent – the first Council homes to be built in the city for a generation, half of which will be affordable housing.*

A safe, green, clean, attractive and environmentally sustainable city

- *Contribution to Lothians and Borders Joint Police Board will allow current police officer numbers to be maintained during 2011/12.*
- *Contribution to Lothian and Borders Fire and Rescue Board will allow them to meet their statutory responsibilities as well as maintain a focus on intervention and prevention.*
- *Protection of the school crossing patrol service in full.*
- *New waste recycling strategy – aiming for at least 50% recycling rate by 2014/15, introduction of kerbside collection of plastics, rollout of food waste collection to all households by 2012 and review of frequency of waste collection service.*
- *£57million over four years for carriageway and footpath investment over four years.*

Delivering Services which are high quality and efficient

- *Budget savings – together with the first package approved by Council in September 2010 – include £51m of efficiency measures which equates to 75% of the total savings proposed over the next three years*
 - *Savings include:*
 1. *£13m from service redesign to improve the efficiency and effectiveness of services*
 2. *£10m associated with employee pay restraint*
 3. *£9m from streamlining and reducing layers of management*
 4. *£5m through improved procurement of goods and services*
 5. *£3m net savings in property costs*
 6. *£11m from savings in a variety of back office and support functions*
- The remaining 25% of savings has been determined using a prioritisation process, with reference to the results of the community engagement*

process, all savings fully assessed for the impact on equality.

Financial Planning and Sustainability

- *Budget provides a clear financial planning framework for the next three years with a savings strategy set out to balance the financial position for the next two years.*
 - *Targets specific savings for delivery in 2013/14 which will go a long way towards balancing the budget on a three year basis, subject to confirmation of future grant settlements from the Scottish Government.*
1. *Includes a £2.3million contingency within the year 2012/13 as a prudent measure against the financial risks within the budget.*