

# Council vote against privatisation

✘ After delaying the vote by a month to allow more time to think about it, the council have today rejected the administration proposal to engage Enterprise to collect our bins and have voted against privatisation.

The motion put by the LibDems was opposed by the SNP and Labour in a combined amendment which found favour in the chamber.

The motion read as follows:-

*It is recommended that the City of Edinburgh Council:*

1. a) *agrees to the appointment of Enterprise Managed Services Ltd as the preferred bidder for the Environment workstream;*
2. b) *delegates to the Directors of Services for Communities and Corporate Governance authority to enter into a partnership agreement based on the terms set out in the report to Council of 27 October;*
3. c) *notes the additional budget savings of £32m which this proposal will secure compared to the Council's existing long-term financial plan;*
4. d) *agrees to the draw down of a further £788k from the Council's spend-to-save fund to complete the review programme and implementation of this workstream; and,*
5. e) *notes that further reports will be made to future meetings of the Council on the Integrated Facilities Management and Corporate & Transactional Services workstreams.*

The text of the amendment is available on [Labour Leader Andrew Burns' blog.](#)

There was fairly measured debate by all parties before the vote taken just before the lunch break at 1pm.

LibDem Councillor Phil Wheeler proposed the administration motion. He called attention to Clause 19 and particularly the table found there. Members of council were asked to note that there would be contractual penalties in each contract. "Best Value is about more than cash."

He continued:-"Any significant savings we can achieve through our own efforts. Do not pass up the chance of getting cost savings by engaging an outside contractor. Do not put the fate of a few employees in the way of this proposal."

Councillor Jenny Dawe seconded the motion. "It is no secret that there is unlikely to be unanimity today. LibDems started out with a bias towards in-house services. We have to be mindful of our duty to deliver Best Value for Edinburgh. I believe there is only one decision that matches the Best Value obligation – that is to engage Enterprise. Evidence tells me that this is best for Edinburgh. I do not intend sully my intellectual rigour by doing anything other than what the evidence tells me.

We will have control and the means of penalising if the contract terms are not met. The table in clause 19 says it all. Enterprise offer higher targets on street cleanliness than we can. £72m of savings over 7 years are offered by this plan.

An immediate shortfall of £4m would be caused by adopting PSC. More rigorous targets and commitments possible by entering

into this model. I want to be able to say that I looked at the evidence and reached the logical conclusion that the best plan was to enter into the arrangement with Enterprise. Only the Enterprise proposal offers real improvement.”

Councillor Burns proposed the amendment:-

“I have looked at the evidence and I move the joint Labour SNP amendment which is different from the administration’s point of view. All political groups have known since February 2009 that this programme would be adopted by a decision of the whole council. We should then move on to implement the decision after taking it today. I am pleased to say that the Public Sector Comparator is also the view of the workforce. Our amendment speaks for itself.

Councillor Cardownie:-

“At our last council meeting we preferred the Public Sector Comparator option over the bid by Enterprise, but we expressed our disquiet that we had not heard from Unite about whether the workforce would embrace it. We now have their categorical assurances that they embrace the PSC option.”

Meanwhile Conservative Councillor Joanne Mowat alleged that adopting the amendment would leave a £4m gap in the council budget. She said:-“The letters from the unions are not contractually binding. Today I feel I am letting down the majority of our constituents if we do not work out how to get best quality services for best value. The dripping roast of public funding has been switched off. Whose jobs will go if you vote for the Lab/SNP amendment? There will be uncertainty for every council worker.”

Tory group leader Councillor Balfour said:-“You will have to take cuts if you back the Labour/SNP amendment. We will be back here in the next year listening to the unions telling us they can't do what they tell us today they can do. We will face a financial crisis. People today are voting on political dogma rather than what is best for Edinburgh. We need best value in our city. We need to have best value in all senses financial and environmental. Each council employee must be aware that their jobs would be under threat if the SNP and Labour get their way to keep these contracts in house.”

Green Councillor Steve Burgess who supported the Amendment said:- “This is one of the biggest decisions the council will ever have to make. This would hand over a significant proportion of the council services to other parties. This proposal is still not widely known about however and the complexity of the ABM programme makes it difficult to know what would actually happen. Flexibility would be lost if the council employees are moved to a third party employer. There is an alternative. The PSC would deliver significant improvements with many fewer job losses. The council would retain control and the power to react to changing needs.”

John Porterfield the Vice Convenor of the Edinburgh City Council Branch of Unite said:-“Unite are pleased that the elected members of the City of Edinburgh Council have voted to keep environmental services in House.

However there is still a lot of hard work to be done to ensure that a partnership between the workforce and management can produce the savings that are required. We are certain that our members are committed to that partnership and look forward to proving to the councillors and to the council tax payers of Edinburgh that this was the best value result for them.”

The Council meeting reconvenes at 2p.m .

