

What will the council spend £1bn on next year?



Although there will no doubt be challenges from across the City Chamber next Thursday the Capital Coalition have published their proposals for the way they will spend the council's £1bn budget over the 2015/16 financial year.

The Edinburgh Reporter spoke to Finance Convener Councillor Alasdair Rankin about the budget he is putting forward next week. One of the main parts of the financial plan is that spending on Third Sector organisations is to be reduced by around 10 per cent. This has been discussed with the groups involved and planned for, but it will have an impact on them. You can see what he had to say about how they propose to help solve these issues here:

[The Edinburgh Reporter NEWS](#) from [Phyllis Stephen](#) on [Vimeo](#).

The good news is that there will be no cuts to the services offered by Edinburgh Leisure despite concerns in the media earlier this year. The council will provide Christmas trees and lighting for local communities across the city at a cost of around £130,000 per annum. Likewise there will be no increases to allotment charges and the rise in council rents will be limited to the rate of inflation. Some of these were 'saved' in the consultation process and the administration is keen to stress that they listened to what the public had to say. Some 3,500 responses were made to the council's budget consultation which is five times more than last year and the council is delighted that so many people engaged in the process.

Winter garden waste will continue to be collected from your

front door and licence fees of all kinds have been realigned to ensure that the cost of administration does not outweigh the income from such charges.

Funding for homeless services will be maintained, but some public toilets will be closed which will save £300,000 from the council's expenditure.

Instead of maintaining public toilets in areas away from the city centre the council plan to make arrangements with sports facilities and businesses who will then open up their facilities to members of the public.

Some of what is proposed has been discussed for a while now. For example there are plans for an energy company which might gain match funding from the Scottish Government.

An unexpected windfall in the shape of an extra £2m dividend from council-owned Lothian Buses will be spent on roads and pavements.

But this is not all good news for the future. It is clear that some of the facilities run by Edinburgh Leisure will have to be examined closely and the council owned body will have to engage in new ways to run their business more effectively otherwise facilities will undoubtedly close. Discussions will start on this at the end of March.

The mantra is that frontline services are to be protected, and the young, old and otherwise vulnerable are the focus of what the administration thinks important. Inevitably that will mean that other services will become victims of the savings which the council has to make in future years.

Savings of £22m have been found in this year's finances and there are still £45m of savings to find over the next two budgets to be set by this administration. Some of that is to be done by organisational changes in the Organise to Deliver proposals which the Chief Executive brought to the council in

December 2014, and which are already approved for future action.

The administration admits that the savings needed will apply considerable pressure to the services which the council provides, but still schools will be built and projects from the Millerhill Zero Waste plant to feasibility studies into the redevelopment of Meadowbank Stadium and the extension of the tram line to Leith and Newhaven will proceed.

In an encouraging note for Craigmillar there is a commitment from the administration that they will plan a new high school as a catalyst for regeneration in the area.

There is an admission of the risks and challenges which face the local authority in fulfilling their role in running the city such as the probable increase in numbers of older people and young people all needing some kind of council service. The Labour/SNP coalition is also mindful of the fact that they have no control over the amount of money they will get from the Scottish Government in future years.

Ways of increasing the council's income include looking closely at the council's property portfolio and getting rid of buildings or sites which are either too costly to run or simply surplus to requirements.

The council is obliged to propose a balanced budget – in other words there is no possibility of proposing a loss-making financial picture, but the council has some difficulties to address. There is an increasing population at both ends of the age spectrum. The budget is static but has to go further owing mainly to the changing demographic in the city.

The council meeting is at 10:00am on Thursday 12 January 2015.