

Council sets budget with £22m savings for 2015-16

✖ The council met on Thursday to approve its spending for the next financial year. The amount of money makes up the revenue budget is £949m which is funded by government grants and business rates, while the remaining 25% is met by council tax.

Meadowbank will almost certainly be redeveloped at a cost of £43m to support the next generation of sports stars, the purchase of Customs House in Leith is to proceed, while care charges will rise from £13.50 per hour to £15.50 per hour for those who need care at home, and payments to some third sector bodies will be cut.

The Council Leader said during the debate that he will make 'the strongest representation' to Holyrood for reform in council funding and their powers. Otherwise after eight deputations to the council before the budget debate there was little change from the budget set out in draft last week and which followed months of public consultation. The budget includes the following:

Commissioned homelessness services will be funded.

Winter garden waste will be collected.

The council will work with Edinburgh Leisure to ensure that sports facilities remain open.

Rent increases will be set according to the rate of inflation which is the lowest rent increase for ten years.

Licensing costs will be reviewed to ensure that locals are not put off holding events in the city.

Allotment charges will not be increased but talks will be entered into with the overarching allotment organisation

FEDAGA to discuss ways of increasing income. Talks will begin on 31 March 2015.

A community toilet scheme will be set up and public toilets away from the city centre will be closed saving £300,000 a year.

Taxicards which are given to people with disabilities will be reviewed. A charge of £20 over 3 years will be introduced to cover administration costs.

An energy services company will be set up if match funding from the government is available.

Community centre committees are to be encouraged to share resources.

Christmas trees and lights will be reintroduced in local communities.

The council will pay the Living Wage of £7.85 per hour to its employees from 1 April 2015.

The Scottish Government has already agreed to freeze council tax for a further year so there is no possibility of increasing the income from that source, although the council is committed to increasing its income in other ways.

Areas of concern for the council continue to be the young, old and vulnerable.

Cllr Alasdair Rankin, Convener of the Finance and Resources Committee, said: "Given the financial challenges all local authorities are facing over the next few years, [we want to invest in the areas that are essential to Edinburgh](#) and so it is important that the public continue to tell us what is important to them.

"This year we published the draft budget in October and 3,525

people gave us their views – five times the number of responses compared to last year. We also used a new online planner to give respondents the opportunity to express what they feel the Council's priorities should be. The planner allowed us to show where we will incur costs in 2017/18, to demonstrate the impacts of increasing or decreasing spending in all of our services. This was extremely popular and 1,719 of those people took Edinburgh's Budget Challenge.

Cllr Bill Cook, Vice-Convenor of the Finance and Resources Committee, said: "We used the feedback received during the consultation process to help us make many key decisions such as maintaining funding for homelessness services, not increasing allotment charges and putting an extra £5m towards improving roads and pavements."

The coalition introduced their plans by stating that there is little doubt that these are extremely challenging times for councils and their partners with growing service demand and reducing resources.

Much was made of the fact that the council's consultation process had attracted over 3500 responses, although some on Twitter derided the council saying that such a level of response was pitiful in a city of almost 500,000 people.

An additional £5m has been allocated to the capital budget to pay for more children entering schools across the city, while more than £4m is to be invested in Early Years Change Fund which provides services for very young children.

The sum of £1m is to be spent on supporting the Edinburgh Guarantee which helps improve job opportunities for young people.

The council has a contract with Police Scotland who provide policing in the city and the council will spend an additional £100,000 on each neighbourhood to allow local residents have an even greater say in how their areas could be improved.

£20m will be spent on roads pavements and cycling infrastructure. This includes an additional £5m made up partly by £2m from the additional dividend paid by Lothian Buses. The City of Edinburgh Council will increase the amount it spends on cycling infrastructure by 1% this year as previously promised, meaning that it will commit 8% of the transport revenue and capital budgets to improving the lot of city cyclists.

Recent moves to improve the way the administration of city affairs are run are to be implemented and will mean a structural change in the organisation at Waverley Court. Jobs will go, although it is not yet clear how many people that will affect and some will be lost through normal turnover rates where positions are not then filled.

Buildings which are surplus to requirements will be sold or developed and there will be city wide energy projects set up such as the proposed installation of solar panels on public buildings.

The Green Group put forward an alternative budget before the meeting.

Green Finance Spokesperson Cllr Gavin Corbett said:

“Last week I published a [“what if” budget](#) which showed that if Edinburgh had the financial powers which other European countries take for granted then we could raise enough money to cover the budget cuts in full. I was heartened to hear many of the deputations to the budget meeting support that approach.

“As it stands, however, we do not have those powers so my [budget amendment](#) is a balanced budget within a very tight straitjacket. Nevertheless, I have aimed to maximise the level of investment in city infrastructure and in offering a helping hand to people who most need it.

“Our Living Wage proposal, for example, puts an extra £100 in

the pockets of low-paid workers, while our proposals on council rents and bedroom tax ease the pressure on council house tenants.

“The city still faces some really tough budget decisions next year and there is growing appreciation that a race to the bottom on public funding beggars the whole city.”

The Capital Coalition Budget was passed by the Council but the Green amendments on living wage, “beyond foodbanks” and putting local people in control of budgets were accepted in principle.

Cllr Corbett added:

“I’m pleased that the Finance Convenor has indicated a willingness to take some modest Green budget ideas forward and look forward to further discussion.”

[The Conservative Group](#) on the Council also put forward their version of the budget which was not adopted by the Labour/SNP administration.

Councillor Iain Whyte speaks for the group on financial affairs. He said: “The harsh reality is that the Council budget is set to reduce by over £100m in the next five years.

So the failure of this Labour/SNP Council to act is becoming criminal and risking the very services they claim they wish to protect.

“Their change plan, called “BOLD”, is actually rather timid as at best it will only save £49m – about half of what is required. The Administration has no plan to save the rest and their only alternative is savage cuts to services.

“We Conservatives would make far greater change and free up resource to maintain frontline services and make service improvements. We want to see even more service interactions go online, new and efficient ways of doing things imported

from outside and new working practices with a more customer based approach.

“And if the private or voluntary sectors can provide services better and cheaper then we should give them the chance because that will work best for the people of Edinburgh.”

The three LibDem councillors stood for their budget proposals which they believed was the only one putting the most vulnerable first. They still believe that the Alternative Business Model (ABM) would mean that the city's finances were in better shape. This was tried out when the LibDems were in coalition with the SNP group until the last election when their numbers were reduced from 13 to 3.

The council started in power in 2012 with savings to be made of £137m.

To date savings have been made and a balanced budget achieved each year. Over the next three years a further £45m in savings is to be found with the council hanging their hopes on the new administrative structure and more online payments to be allowed to provide most of these.

The council tax band levels for Edinburgh in 2015/16 will be:

- A: £779.33
- B: £909.22
- C: £1,039.11
- D: £1,169.00
- E: £1,428.78
- F: £1,688.56
- G: £1,948.33
- H: £2,338.00

What do you think? Will the council's 2015-16 budget affect you in any way?