

Council proposing 2000 job cuts to make ends meet

✘ The Council's Finance Convener, Alasdair Rankin admitted today that following reviews of the figures the council has a bigger gap in its revenue budget than earlier believed.

But does that mean more cuts are needed? The council is adamant that the frontline services will be retained wherever possible, so it has to look elsewhere for monetary savings.

The council aim to be a leaner and more agile organisation, but one where there is stability too so that it can continue to offer the services it does from waste management to schools and health and social care.

[The Edinburgh Reporter NEWS – Council needs to save £141m](#) from [Phyllis Stephen](#) on [Vimeo](#).

A number of reports, to be discussed at next week's [Finance and Resources Committee](#) will propose cost-saving actions across the Council.

These will include:

- Proposals for a 4-year budget framework, which will address an overall shortfall of £126m. This reflects the Council's £107m savings target, together with additional savings to be made as a result of overspends in Health and Social Care (£10m) and in Property (£9.5m)
- Proposals outlining options for a new Property and Asset Management Strategy to maximise the value of the Council's extensive property estate, potentially saving £80m over 10 years
- An update on the Council's Managing Workforce Change

Policy, highlighting measures to support employees through the transition, encourage voluntary redundancy as far as possible, highlighting the potential requirement for Councillors to consider compulsory redundancy as a further option in the future, to achieve the required savings. The workforce makes up 60% of the Council budget so it is unrealistic to make the required savings without reducing the numbers currently employed.

- An update on the success of the Council's Commercial and Procurement Strategy, which has saved the Council £39m over two years

In the past the figure of £107m of savings over five years has been mentioned. Now it appears that the figure may have escalated to £141m, although it does include a contingency figure of £15m to guard against future overspends such as those from this year.

The council's Health and Social Care section has overspent due to the pressures put on it by an ageing and increasing population. This is not news to anyone living in the city. We have heard about the demography of our city before. What is clear is that the council then had to bring in an outside agency to explain to it where the overspend had come from and how it would manage it in the future. From that it appears that an increased hole in the finances was discovered and now the changes planned will be accelerated.

That said the council is already committed to a transformation programme designed to make substantial savings in the next four years. And this is the difference, as the council is now assessing its financial needs for the next four years rather than just one as it has done before.

The transformation programme will mean that 2000 jobs will go at the council, and while the hope had always been to remove posts with voluntary redundancy packages it is clear that some

compulsory redundancy measures may need to be introduced. The Council's pledge on this will need to be amended.

Other measures such as sales of property and better or different Facilities Management are also being looked at.

The council will open up its public consultation on the budget and how it should either make savings or prioritise spending on 30 September. The papers will be on the council website.