

The Finance Convener talking to us about the budget – and leaks

Councillor Alasdair Rankin has been in charge of the city's finances for about seven years now. We sat down with him in his office which looks north over Waverley Station and Princes Street, to discuss what the council is doing about setting their next budget and also about recent leaks from within the council itself.

Listen to today's [Anchor FM podcast](#) to hear what he has to say about that.



Councillor Alasdair Rankin the council's Finance Convener

Cllr Rankin is the SNP front bencher with possibly one of the hardest jobs at the City Chambers. The council spends almost £1 billion a year on providing all kinds of services to the city from collecting rubbish to providing social care for the vulnerable and elderly. That funding comes largely from The Scottish Government.

Last year there was a welcome extra payment from Holyrood of just over £10 million, but there is no guarantee of that being available again.

The Finance Convener explained that Scottish Government funding has really 'flatlined', even if the numbers appear bigger, owing to the effects of inflation.

So how does the council make the money stretch to cover all the things they have to pay for? They set out a budget. They will do that in late January 2019 but before they do the council's budget consultation is already underway.

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Last year the council says it did listen to suggestions from the public and as a result they shelved plans to close the Music School, they removed a proposal to cut £0.5million from family and pupil support spending, and they maintained the current level of spending for community policing among other things.

We spoke to Cllr Rankin about the decisions he might have to make this year, and he admitted it is getting more difficult.

But it is important to note here that there have been no decisions made as to where spending will be prioritised or indeed services cut. Nobody has said that the Lord Provost will lose one of his official cars, and no decision can be taken at this point, nor can concrete proposals made despite what you may have read elsewhere.

The Finance Convener admitted there appear to have been leaks from the council about what ideas might eventually be considered. The Lord Provost's catering budget may well be under internal scrutiny, but these are internal discussions which do not yet have the status of actual proposals as a way of balancing the council's spending.

Whereas the finance team has been 'working up' figures in certain areas, it is not possible for the Convener to finalise the administration budget proposals until such time as the details of the Scottish Government grant is known. The Finance Secretary will deliver his budget on 13 December 2018, so the council can only publicise its own proposals after that.



Cllr Rankin said : "A number of things have appeared in public which appear to have been drawn on matters which were being considered internally. And so, yes, there has been a leak of information. Obviously I am unhappy about that because when things come out in dribs and drabs like that, particularly when they don't have any formal status as far as we are concerned, it can mislead people. It can lead to unjustified concern.

"We are trying through our [Change strategy in the current consultation](#) to get people to look at the broad picture right across council services. If people's attention gets drawn into one or two areas because of these leaks, then it detracts from what we are trying to do which is get people to engage and tell us what is important for them."

Cllr Rankin explained that it would still be necessary to find

savings of around £28 million in the next financial year and £106 million over the remainder of the administration until May 2022 to balance the books. He pointed out : “In recent years we have had a couple of programmes to effect change at the council, one called BOLD and the other the Transformation Programme.”

The Transformation Programme, which was quite unpopular in some quarters, resulted in somewhere up to 2,000 council employees taking voluntary redundancy to save around £240 million during the five years of the Labour/SNP coalition (which has been achieved).

This time round the political balance is swung the other way with the larger partner in the coalition being the SNP Group, but this political make up at the City Chambers has allowed the Finance Convener to continue in office from one administration to the next. That continuity means the process is well known to him, but he says they are doing things differently in 2018.

This time the council is taking a longer term view. Cllr Rankin continued : “The council officers and councillors are working on what we call co-production. Officers come forward with a set of proposals, and we as elected members look at those and decide in light of the sum to be paid to us by the Scottish Government whether these proposals are workable or not.

“We are looking towards the end of this administration’s term of office in 2022. Officers know very well what the constraints are, and Directors have to balance their own budgets within each directorate. But we have to look everywhere for some savings.

“It is only sensible to try and make more efficient use of our resources, like our schools which for example might become community hubs, a kind of one stop shop.”

The council is adamant that they do listen to the views of the public, and that they alter their priorities accordingly. Two years ago they made changes to retain the night noise team, they did not reduce numbers of lollipop men and women, they did not reduce the size of the in-house home care service and they limited the rent increase for council tenants to 2% among other financial decisions all as a result of feedback from the public.

Last year the extra £10 million or so received from Holyrood was spent largely on roads and pavements, building maintenance and waste and cleaning services. The night noise team was again saved and money was found for libraries. The council paid less to Edinburgh Leisure who have nonetheless managed to make ends meet.

The council's Change strategy which will they hope allow them to make the £106 million of savings which they estimate is set out in the document below, and the Finance Convener is very keen that you [comment on it](#) .

You can listen to our (rather lengthy but interesting!) chat about the budget process with Councillor Rankin by clicking below.



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