

Council coalition sets out proposals for next year's spending

The council administration proposes retaining council tax in Edinburgh at the same level (with Band D Council tax at £1,338.59), despite a threatened overspend on the council budget of up to £85 million, and despite what it calls the “continued underfunding of local government” by Holyrood.

The City of Edinburgh Council will meet on Thursday to agree its Revenue budget for the next three years.

The Scottish Government made it difficult for the council to raise council tax as they had intended to do, announcing £90 million of compensation for any councils which kept council tax at the same level as last year. The government has also supported local authorities with emergency Covid related funding in the past year.

The SNP/Labour coalition is clear however that the government

compensation will not fully cover the council tax freeze in Edinburgh, leaving the council to pick up a £5.2 million tab for that, and the Council Leader will continue to lobby the Finance Secretary for more funding.

The council administration has lodged a motion which includes the following: “Over the last year, we have stayed true to our commitments to support the most vulnerable, to tackle poverty and to promote the wellbeing of citizens across the city. Covid has been the worst experience of most of our lives, but it hasn’t been an excuse for us to give up on our ambition for this amazing capital city. As we recover, we must maintain focus on the changes we need, it was important before, it is essential now.”

Pandemic

And in the face of the ongoing pandemic with the uncertainty which it brings, the coalition has still found a way to balance the books for the next year 2021/22. This means using some council reserves as well as factoring in the savings which have already been made in various areas of council spending on the 700 services which it provides.

Government settlement

The financial position remains fluid. The Scottish Government has increased the settlement it will pay to the council, which was announced on 28 January in the draft Scottish Budget. But the UK Government will not announce its budget until 3 March, which may affect the block grant to Scotland, and perhaps the settlement to all 32 Scottish councils. If there is any positive impact on the Edinburgh budget, the council administration says it will use any uplift in line with the council’s priorities of reducing poverty, tackling climate change, improving the wellbeing of the people who live in the city, and helping to support Edinburgh’s Integration Joint

Board which provides social care.

The coalition proposes to use additional funding calculated by the Finance teams in the last fortnight by investing £2.763 million back into reserves and will then use the balance as follows :

- £150k to freeze fees and charges of school meals, care at home services and library reservation charges and fines.
- £400k this year to expand support and advice to help people at risk of homelessness and support those experiencing homelessness into secure tenancies.
- £1.05m to manage crisis needs, increase fund for direct payments in light of Covid, support food security in the city, embedding advice across schools and GP surgeries and expanding programmes like Discover! All to help put millions of pounds extra in the pockets of families who need it the most.
- £500k to support our climate obligations and further decarbonisation the Council's estate
- £300k to support delivery measures of the sustainability plan which will be published in the summer.
- £750k to support enhanced green spaces, with additional investments in parks, playparks, food growing and exploring new urban forests, with £250k of those monies to support borrowing for capital investment.
- £250k into setting up Short Term Let licensing and enforcement system to move quickly in dealing with the problem.

£2m extra to accelerate the 1:1 digital strategy to help all our school pupils get the equipment they need for their studies.

- £110k to Strengthen and support our role as corporate parents by expanding the support team
- £175k to support expansion of Edinburgh Guarantee for all in light of the impact Covid has had on jobs
- £500k Investment to take forward Smart City initiatives
- £52k to extend the role of the Gaelic Development Officer for one year beyond the end of Scottish Government funding

Council Business Plan

The council's SNP/Labour coalition has proposed a new business plan which is entitled Our Future Council, our Future City.

In thanking their 18,000 members of staff the administration confirms there will be no compulsory redundancies as in the past, and they confirm that they will retain all services in-house.

The plan is also aimed at ending poverty in the city which affects one in five children, and aims at making the city net-zero carbon by 2030.

There will be investment in active travel and promotion of a 20 minute neighbourhood model. This is planning for everyone in the city to have all their basic needs met within a short distance from their front door. [Sustrans explains it in more detail here.](#)

As set out in their initial business plan in 2017 when the coalition was first formed after the council elections, the council continues to promise 20,000 new affordable homes to address long-term housing issues.

The council spending for the next year, set within a framework of spending in the next three years, will be discussed on Thursday at 10am at a virtual meeting of the full council of all 63 councillors. You can read all the meeting papers [here](#).