

New schools in Edinburgh may be delayed due to lack of finances

Plans for new Edinburgh schools are set to be significantly delayed or scaled-back to plug a hole in the council's finances, a report has revealed.

Rapidly rising construction costs have added a further £145 million to the total required to press ahead with the city's 10-year school building programme, prompting officials to put ideas for possible savings to councillors.

These include a proposal to scrap plans for a new Balerno High School and retrofit the old building instead, which would save around £34 million and be "less costly and more environmentally sustainable," according to a council report.

The Finance and Resources committee will also be asked to consider removing several projects from the construction schedule to 2032 when it meets on [Thursday](#).

Among the plans set to be shelved are the new west Edinburgh secondary school and new primary schools at Buiyleon Road, Gilmerton Station Road, Granton and East of Milburn Tower.

"These schools will now only go ahead following the development of fully funded business cases," the report stated, meaning constructions could be pushed back or even axed altogether.

The council has reported “very significant increases in costs” across all infrastructure projects, with the pandemic, war in Ukraine and cost of living crisis blamed for increasingly stretched budgets.

After factoring in funding from the Scottish Government and various loans, the pressures leave the £1.28 billion ten-year capital budget, which sets out how infrastructure projects are financed, short of £123 million.

In addition to the impact on the council’s learning estate, the report states the North Bridge refurbishment is also “experiencing significant cost pressures,” adding the works can no longer be contained within the 2022-23 budget.

Currently the total approved budget for the project, due to be completed by 2025, is sitting at £62 million but officials said “revised forecasting” is now underway.

They said any additional costs of to repair the bridge “will require further reprioritisation of the roads and transportation budget”.

Councillors will [meet](#) on Thursday to consider the proposed budget cuts. The webcast begins at 10am and may be viewed on the council [website](#).

The report states: “The Capital Budget Strategy is experiencing significant financial pressure due to by current market conditions. The impact from factors such as Covid-19 and Brexit has been compounded by the Ukraine war and the cost-of-living crisis, resulting in very significant increases in costs across all capital projects.

“Funding assumptions have been reviewed, but there are limited opportunities to increase the level of fund to address inflationary pressures.

“These assumptions will be kept under review, and capital

expenditure plans remain contingent on the strategy continuing to be affordable.

“Investment in additional property assets is likely to result in increased running costs borne by the Council’s service areas.”

by Donald Turvill

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