

# **Budget plans do not add up at City Chambers**

**Finance officers at The City of Edinburgh Council have failed to put forward a balanced budget for the year ahead, it is understood.**

Councillors are just a couple of weeks away from voting on the capital's annual spending plans and will have to close a gap of nearly £80 million.

However draft proposals to be debated at the City Chambers next week suggest officials have struggled to balance the books, with a £3.7 million hole remaining, according to sources.

And there are fears the council's minority Labour administration is at risk of not being able to pass its own budget with the current balance of power amid claims the group is "not being open enough" about its plans.

The council has repeatedly warned that the stark financial picture means "difficult choices" will have to be taken.

Options for what those choices could entail will be detailed in a report going before the Finance and Resources Committee on Tuesday, just two weeks away from the crucial meeting where councillors will be required, by law, to set a balanced budget.

This can be achieved through spending cuts either on public services and infrastructure projects, or by using up reserve funds available and revenue raising powers, such as a decision

to increase council tax above 3 per cent.

It is understood that officers tasked with drawing up plans for councillors to scrutinise have fallen short of balancing the accounts by £3.7 million.

With no overall majority on the council, discussions behind closed doors are likely to intensify over the next while as councillors work to thrash out a deal and build consensus about what the final balance sheet will look like.

The Labour group, which leads the 63-seat city council as a minority administration of 13, could run into difficulties passing its own budget if it faces rebellions, as has been seen during some key votes since they took over the administration last May.

Negotiation could allow Labour to make up the numbers needed, it has been suggested the party has not made an effort to reach out across the chamber.

A council source said: "Labour are not being open enough for the process to be as successful as it could be."

They added: "It's not viable for an administration to be implementing a budget that's not its own – it puts the administration at risk."

A draft 2023/24 budget published in November set out how the looming £76.5 million gap could be shrunk to £21 million by using up left over emergency cash set aside during Covid-19, and handing out less money to people struggling, amongst a range of other 'mitigations'.

A further raft of proposed cuts included £850,000 from schools speech and language therapy services, a 'review and realignment' of pupil support which would save £900,000 and £120,000 from the council's Taxicard scheme which helps people with disabilities to get about.

The papers for the first of two council meetings to discuss the budget will be [published at this link](#). Papers are supposed to be available five days before the meeting.

*by Donald Turvill*

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