

10.00am, Thursday 9 February 2017

## Council Business Plan 2016-20

<b>Item number</b>	4.7
<b>Report number</b>	
<b>Executive/routine</b>	
<b>Wards</b>	All

### Executive summary

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The Council Business Plan for the period 2016-20 was first approved by Council in January 2016. At the time of approval the Council made a commitment to provide an annual update of the plan, to make sure that the priorities and direction the plan describes continue to remain relevant and focused on the needs of our customers and citizens. This report provides an updated version of the plan for February 2017, with amendments in line with the Council's Revenue Budget Framework and other changes to the strategy and policy environment within which the Council operates.

The plan forms a central part of the Council's strategic planning and performance framework, providing one plan to ensure that Council strategy, transformation programme, budget plans and service plans all combine around one direction of change which reflects the priorities of elected members, the public, partners and staff.

The plan and its appendices describe the financial and service challenges the Council faces over the next four years and sets out the common approaches all services will work around in order to meet these challenges. A financial plan is also provided which, in line with the Council's 2017-21 Revenue and Capital Budget Framework, describes the steps needed to maintain the Council's financial sustainability over this period.

### Links

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<b>Coalition pledges</b>	All
<b>Council outcomes</b>	All
<b>Single Outcome Agreement</b>	All

## Council Business Plan 2016-20

### Recommendations

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- 1.1 It is recommended that the Council:
  - 1.1.1 Agree the Council Business Plan for 2016-20, subject to any amendments required following budget motion decisions.

### Background

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- 2.1 The Council strategic planning and performance framework was agreed in June 2015. This framework was developed to provide a simple and clear articulation of the Council's vision and purpose and provide a concise set of shared strategic themes and principles around which all Council services can be built.
- 2.2 In January 2016 the City of Edinburgh Council built on this framework and published a new Business Plan to provide a strategic vision and direction to guide the work of the Council over the four years from 2016 to 2020. At the time of that launch the Council made a commitment to provide an annual update of the plan, to make sure that the priorities and direction the plan describes continue to remain relevant and focused on the needs of our customers and citizens. This report provides an updated version of the plan for February 2017, with amendments in line with the Council's Revenue Budget Framework and other changes to the strategy and policy environment within which the Council operates.

### Main report

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- 3.1 The Council Business Plan provides a clear vision for the city we want Edinburgh to be, and the type of organisation the Council needs to be in order to deliver that vision. It forms a central part of the Council's strategic planning and performance framework, providing one plan to ensure that our strategy, transformation plan, budget plans and service plans all combine to describe one direction of change and reflect the priorities of elected members, the public, partners and staff.
- 3.2 In this update, the core focus of the plan remains unchanged and continues to describe single vision for the city, shared with all Council partners, to ensure that ***Edinburgh is a thriving, sustainable capital city in which all forms of deprivation and inequality are reduced.*** To deliver this vision, the plan set out four overlapping strategic themes common to the work of all service areas. These themes set out a commitment for Council services to:
  - 3.2.1 ***Improve quality of life*** for all our citizens
  - 3.2.2 ***Ensure economic vitality*** for Edinburgh, powering sustainable growth and jobs for a wide city region, and
  - 3.2.3 ***Build excellent places***, maintaining Edinburgh as an attractive place to live, work, visit, and invest.

3.3 Across all these themes, the plan set out a further common commitment to provide best value and to ***deliver lean and agile services***. To do this, the plan describes six principles to guide the development of all Council services over the next four years.

- Focus on Customers
- Deliver Integrated Services
- Work with Empowered Communities
- Provide Value for Money
- Deliver a Sustainable Capital City, and
- Have a High Performance People

3.4 Building on this framework, the Council Business Plan sets out the outcomes the Council needs to focus on over the period to 2020 and describes the council wide approaches needed to deliver these outcomes.

### Financial Plan

3.5 A core driver behind the Council Business Plan is the recognition that the Council needs to reduce its budget while still meeting the needs of customers. Towards this, the plan is geared towards building a lean and agile organisation, centred on customers, services and communities, and underpinned by significant investment to deliver both service benefits and financial savings. Sound financial management forms a key foundation of the plan. This plan therefore incorporates a financial plan appendix which, developed in line with the Council Revenue and Capital Budget Framework, profiles savings requirements over the period of the plan, alongside expenditure levels planned for 2017/18.

3.6 This financial plan is based on information available as at end January 2017 and is presented for agreement subject to amendments and updates required following budget motion decisions and updates to Local Government financial settlements.

## Measures of success

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- 4.1 The Council Performance Framework is aligned to the outcomes described in the Council Business Plan and provides performance measures against delivery of the Council's strategic aims for the period 2016-20.

## Financial impact

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- 5.1 The financial impact is set out within the Council Business Plan and associated Financial Plan, in line with actions agreed as part of the 2017-21 Revenue and Capital Budget Framework.

## Risk, policy, compliance and governance impact

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- 6.1 Risk, policy, compliance and governance impact is integrated within the Council Business Plan.

## Equalities impact

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- 7.1 The Council Business Plan incorporates actions and outcomes related to the Council's commitment to Reducing poverty, inequality and deprivation.

## Sustainability impact

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- 8.1 The Council Business Plan incorporates actions and outcomes related to the Council's commitment to develop Edinburgh as a Sustainable Capital City.

## Consultation and engagement

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- 9.1 Measures, priorities and outcomes within the Council Business Plan have been developed in consultation with stakeholders and will continue to evolve based on continued engagement.

## Background reading / external references

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The [Council Strategic Planning and Performance Framework](#) approved by Corporate Policy and Strategy Committee on 10 June 2015.

### **Andrew Kerr**

Chief Executive

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## Links

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<b>Coalition pledges</b>	All
<b>Council outcomes</b>	All
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# Council Business Plan

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## **Introduction**

In January 2016 the City of Edinburgh Council published a new Business Plan to provide a strategic vision and direction to guide the work of the Council over the four years from 2016 to 2020. At the time of that launch we made a commitment to provide an annual update of the plan, to make sure that the priorities and direction we set ourselves continue to remain relevant and focused on the needs of our customers and citizens.

Over the 12 months since the plan was first launched, we have seen a number of significant changes to the environment in which the Council operates. Not least we have seen the publication of a new programme of work for the Scottish Government, continued pressures on local government finances and resources, the UK's decision to leave the European Union, as well as many new developments in UK and Scottish Government policy direction.

Despite these changes, the underlying principles we set out in our Business Plan remain valid and at the heart of our strategic direction. We know, for instance, that demand for our services is growing each year, but that we continue to feel the impact of restrictions on the Council budgets and resources we have available to meet that growth. We know, therefore, that we need to carry on the work we began last year and respond to these demands and pressures by continuing to change the way the Council works. This means:

- Maintaining our focus on supporting and meeting the needs of our citizens and communities, in spite of reducing budgets
- Managing the size of our workforce and making sure we have the right skills in place to meet our objectives
- Transforming the way we deliver services, improving the effectiveness of our partnerships and changing the way we plan and commission services, and
- Continuing to develop and work with partners on our vision for the future of our city

To do this, the Council needs a clear vision for the city we want Edinburgh to be, and the type of Council we need to be as a part of that vision. Most importantly, we need to make sure that our strategy, business plan, our budget and our service plans all combine to describe one direction of change and reflect the views of elected members, our residents, our partners and our colleagues.

This business plan provides this vision and direction. It sets out our plan for the next few years, describing what we aim to do and how we intend to do it. This plan will inform our decision making on how we use our scarce resources. The principles and actions set out here will drive the way we reshape and redesign the way we deliver services and the way we work with communities and partners.

**Andrew Burns**  
Council Leader  
Scottish Labour Party

**Frank Ross**  
Depute Council Leader  
Scottish National Party

**Andrew Kerr**  
Chief Executive  
The City of Edinburgh Council

*February 2017*

## The purpose of our Business Plan

The purpose of the business plan is to:

- Set the strategic direction for our Council over the period 2016-20
- Describe the outcomes we need to achieve
- Describe how we are going to achieve those outcomes, and
- Set out our approach to implementing our strategy and measuring progress towards delivery of those outcomes.

The plan aims to translate our vision for the future Council and our role in the city into a plan, which will deliver positive outcomes for our citizens and communities and achieve a sustainable balanced budget.

### Strategic planning framework

The next few years will call upon the public sector to navigate a number of challenges, including continuing major public service reforms, managing change in the economy, negotiating the UK's complex route out of the EU, as well as maintaining and improving the provision of our much needed services.

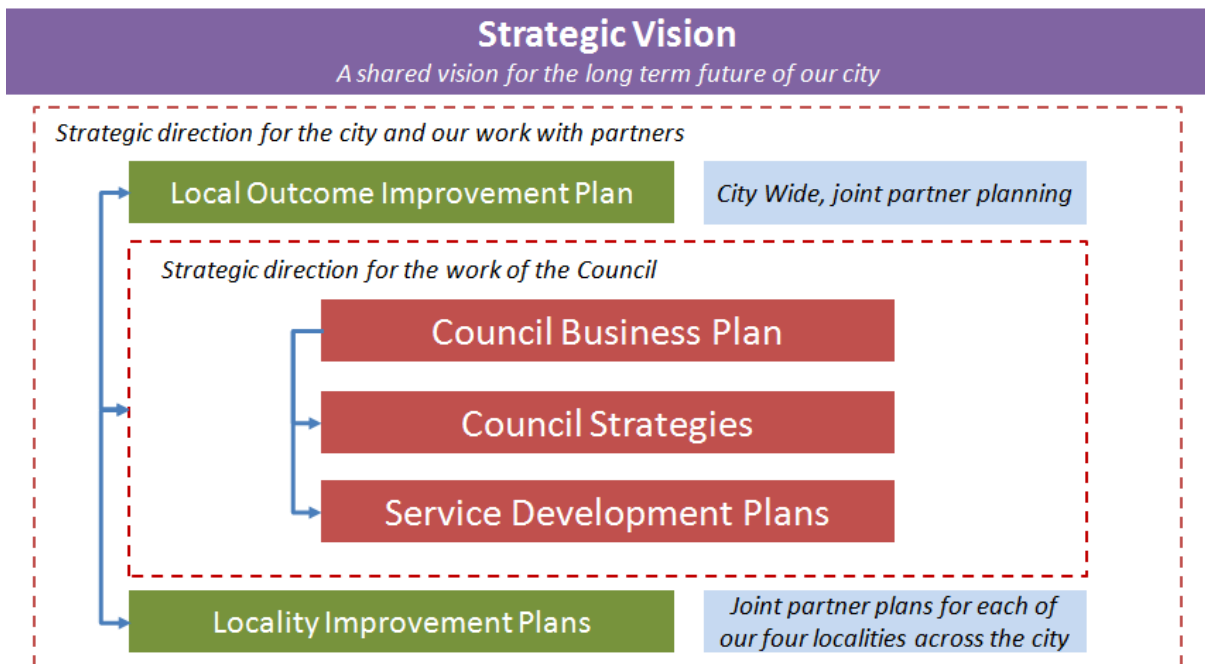
Within this context, the Council needs to keep a clear focus on ensuring that we continue to provide universal service delivery at the right standard and to the right quality, while still responding to the wider environment in which we operate. In order to do this, we need our strategic direction to:

- Drive improvement in universal services, including core services such as roads maintenance, waste collection and street cleaning. This means enabling an open and honest dialogue with citizens and customers, and the delivery of appropriate improvements.
- Continue to transform our services in order to deliver a financially sustainable future Council.
- Engage with our citizens and customers in the reform of their public sector, helping us to reset expectations and manage demand.
- Focus our digital transformation on systematically changing the Council and its engagement with the wider digital world, while avoiding the trait of simply digitising poor existing processes.
- Embrace and embed culture change within our organisation, enabling our workforce to be more creative and innovative in the way we deliver services.
- Drive greater collaboration with partners and with a more flexible and agile Council workforce.
- Provide leadership that is more effective, high profile, diverse and continually renewed.

To provide this direction we need a robust strategic planning framework that connects the strategic vision of the Council and its partners to the detailed plans that guide the delivery of our frontline services.



## Strategic Planning Framework



This framework ensures that all Council plans and strategies are driven by and focused towards the delivery of a single shared vision for the city and our services. The framework, of which this Council Business Plan forms a central part, comprises the following elements:

- A **Strategic Vision**, describing the Council's long term vision for our city
- A **Local Outcome Improvement Plan** describing the work of the Council and our partners to deliver our shared vision and provide for improved outcomes across the city as a whole.
- This **Council Business Plan**, which describes the Council's specific contribution to delivering that vision, setting out the strategic aims and outcomes we need to deliver over the four year period of this plan.
- **Locality Improvement Plans** which cover every area of the city and describe in detail our multi agency approaches to improve the delivery of services in our communities.
- A suite of key **Council Strategies**, which build on the business plan describing a detailed corporate approach to drive management of core activities such as our finances, our people, digital services, assets, and our approaches to sustainability and equalities
- **Service Development Plans**, which describe the work of each of our directorates in delivery of our business plan objectives, including priorities for delivery as well as transformation and service improvement initiatives.

### Developing the framework

Across each of these components it is important that our strategic framework remains relevant, focused and in a continual state of renewal and improvement. Towards this, alongside the annual update of this Business Plan, the next 12 months will provide a number of changes to this framework, including:

- Development of a **2050 Edinburgh City Vision**, which will provide a new single long term vision to guide the direction of our city and the work of partner agencies, including the Council
- Development of a **City Region Deal** for the Edinburgh and South East Scotland City Region, providing significant investment in our infrastructure and growth
- Development with partners of our first city wide **Local Outcome Improvement Plan**, replacing existing Community Plans in line with the guidance of the Community Empowerment Act.
- Delivery of our first **Locality Improvement Plans** reflecting the needs and priorities of our citizens and customers in all our communities and setting out our approach to tackling areas of deprivation in our city
- Development of new key **Council Strategies** to guide the way the organisation operates, including the way we work with our citizens and customers and the way we develop our workforce
- Delivery of new **Service Development Plans** which articulate the role and priorities for each Council directorate towards meeting our outcomes

Progress against the delivery of these plans is supported by a Council-wide approach to **performance management**. This approach provides citizens, elected members and service managers with insight into the performance of the Council against the strategic outcomes described in this business plan. This performance framework responds to the direction set by the Scottish Government's National Performance Framework and incorporates an approach to benchmarking and target setting that fits with our aspiration to be among the best performing cities and Councils in the UK. Towards this, a new balanced scorecard of performance measures is currently being developed to embed the outcomes set out in this plan and reflect new priorities for customers and service improvement, as well as financial and workforce change.

## Culture and values

To make sure that the choices and decisions we make are well founded, each part of the strategic planning framework described above is built around a set of core commitments that guide everything we do as a Council. These commitments define the culture we want to build within our organisation and include:

- Our commitment to the four **Council Values**, which underpin everything we do as an organisation:
  - **Customer First:** We listen. We are responsive, helpful and knowledgeable. We care and we treat people with respect at all times.
  - **Forward Thinking:** We are proud to work for Scotland's Capital. We are forward-thinking and focused on improving Edinburgh
  - **Working Together:** We work together to achieve shared goals and provide value for money services
  - **Honest and Transparent:** We are honest and transparent in all we do and accountable for our decisions
- Our commitment to building a culture of **Leadership** that has learning, performance and partnership at its heart

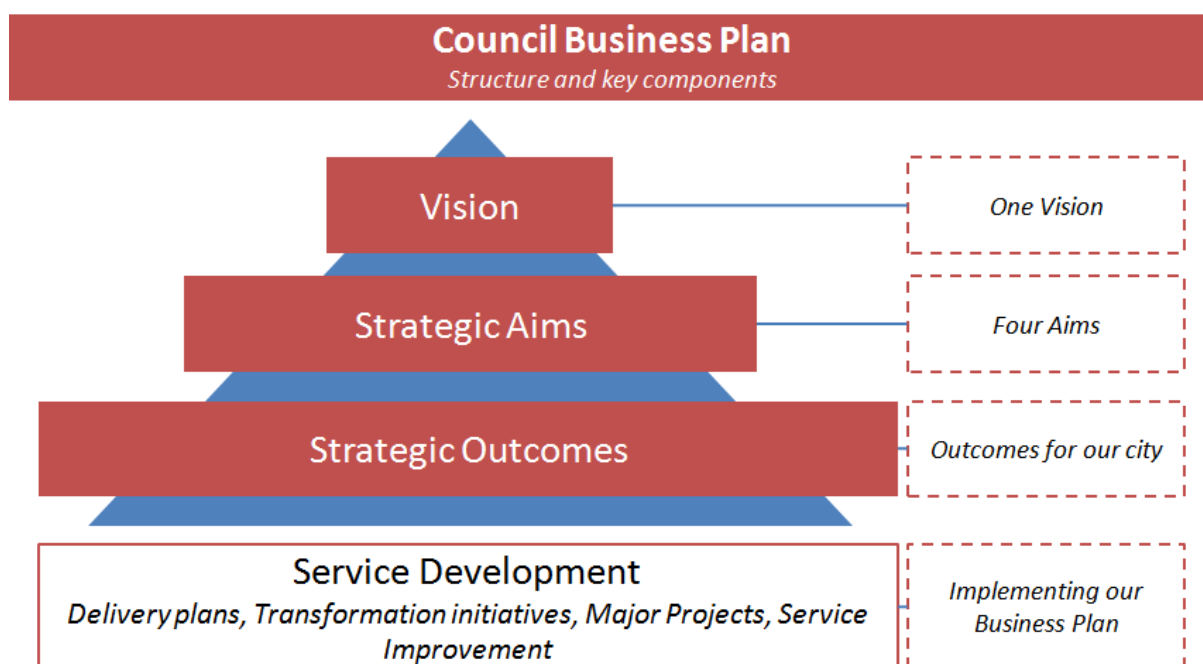
- Our commitment to delivering a working environment of **integrated teams** and a **climate of partnership** for all our people that is authentic and creative, and where accountability is critical.
- Our commitment to maintaining a **culture of performance** and delivery across all our services, where everything we do meets the aspirations of our citizens, our people and our organisation.
- Our commitment to building a culture of **engagement and empowerment**, and a commitment to a new way of working with our citizens so that the emphasis of all our practice is on working *with* communities and our customers, rather than doing things *to* them or *for* them
- Our commitment to a culture of continuous **transformation and improvement**, where all our services focus on innovating and finding new ways to improve the way we work.



## Vision, Aims and Outcomes

This Council Business Plan provides a vision, aims and outcomes to guide the work of all Council services over the period 2016-20. It is built around:

- One vision for the long term future of our city, shared with all our partners
- Four cross-cutting and mutually reinforcing Strategic Aims that describe the purpose of the Council and its services, and
- A set of Strategic Outcomes that describe the results our services aim to deliver over this period.



### Vision and Strategic Aims

Our vision is to ensure that ***Edinburgh is a thriving, sustainable capital city in which all forms of deprivation and inequality are reduced.***

This vision was developed and shared with our community planning partners across the city and has driven the work of the Council for a number of years. At the moment the city is embarking on a major new project to refresh this direction and develop a new long term City Vision to guide the priorities of the Council and the city over the period to 2050. This new vision will be published in the summer of 2017 and be built from comprehensive engagement with residents, businesses and public sector partners across the city.

To deliver our vision, Council services focus their work towards the delivery of four overlapping and mutually reinforcing strategic aims. These aims describe the purpose of our services and guide the

direction of the work we do. We want our services to make a real difference to the lives of people in Edinburgh. To do this we aim to:

- **Improve quality of life:** Edinburgh is widely recognised as one of the best cities in the UK in which to live. Our priority is to continue to improve quality of life for all our citizens
- **Ensure economic vitality** – Edinburgh is home to the most successful and vibrant economy in Scotland, powering growth and jobs for a wide city region. Our priority is to strengthen our international competitiveness, supporting inclusive growth and investment that benefits all our citizens.
- **Build excellent places** - Edinburgh is a beautiful city with a rich historic built environment co-existing with first-class modern infrastructure. Our priority is to maintain our city as an attractive place to live, work and visit.

Across all these aims, it is important that the Council operates as an efficient and effective organisation. To do this we aim to:

- **Deliver lean and agile services** – To meet the challenges ahead of us we know we need to be a lean and agile Council that puts customer needs at the heart of everything we do. This means transforming the way we work, with a leaner structure, clearer and simpler processes, supported by a skilled and motivated workforce.

## Outcomes for our city

To deliver these aims, this business plan sets a number of strategic outcomes towards which our services work. These outcomes describe the direction and priorities that all Council services are built around.

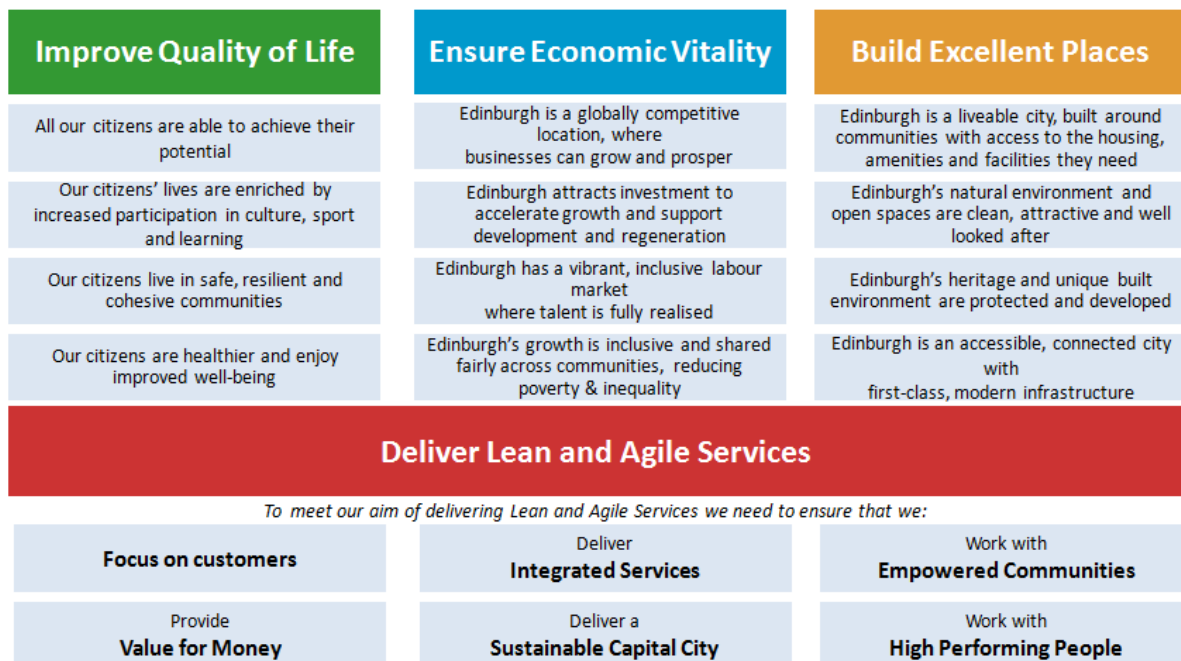
- To deliver our aim to **Improve quality of life** we need to ensure that:
  - **All our citizens are able to achieve their potential**
  - **Our citizens' lives are enriched by increased participation in culture, sport and learning**
  - **Our citizens live in safe, resilient and cohesive communities, and**
  - **Our citizens are healthier and enjoy improved well-being**
- To deliver our aim to **Ensure economic vitality** we need to ensure that:
  - **Edinburgh is a globally competitive location, where businesses can grow and prosper**
  - **Edinburgh attracts investment to accelerate growth and support the city's development and regeneration**
  - **Edinburgh has a vibrant, inclusive labour market where talents of our citizens are fully realised**
  - **Edinburgh's growth is inclusive and shared fairly across all our communities, reducing poverty and inequality**
- To deliver our aim to **Build excellent places** we need to ensure that:
  - **Edinburgh is a liveable city, built around communities with access to the housing, facilities and amenities that meet their needs**

- **Edinburgh’s natural environment and open spaces are clean, attractive and well looked after**
  - **Edinburgh’s unique heritage and built environment are protected and developed**
  - **Edinburgh is an accessible, connected city with first-class modern infrastructure.**
- To meet our aim of delivering **Lean and Agile Services** we need to ensure that we:
    - **Focus on Customers**
    - Deliver **Integrated Services**
    - Work with **Empowered Communities**
    - Provide **Value for Money**
    - Deliver a **Sustainable Capital City**, and
    - Have a **High Performance People**

Achieving all these commitments in a period of reducing budgets and increasing demand is a challenge, but one we are determined to meet. The purpose of this Business Plan is to build on the strategic direction set out here and describe the steps we need to take to meet these commitments.

Further details on all these outcomes and the council wide approaches we need to take to deliver them are provided later in this document.

### Strategic aims and outcomes



## Strategic context

This Business Plan defines the journey of change we need to make as a Council over the next four years. Our business and financial planning framework is built from an understanding and a vision of the pressures the Council is likely to face in the next few years. In order to develop this understanding, we need to examine both the internal and external factors which will drive Council performance.

These include the pressures arising from a growing and changing population and from the persistent wide inequalities in income and life experience between citizens in Edinburgh. Alongside this, the public policy environment in which the Council operates continues to evolve including, for instance, opportunities arising for Edinburgh from developments such as the City Region Deal.

These drivers provide compelling evidence for changing the way the Council operates, adapting to financial and service demand pressures and making sure we are well placed to take advantage of opportunities as they arise.

- **Public policy context, and**
- **Demographic and socio-economic context**

Public Policy Drivers	Demographic and Socio-economic drivers
<i>Public sector reform</i>	<i>A growing city and a changing population</i>
<i>The Scottish Government's Programme For Scotland</i>	<i>Poverty and inequality challenge</i>
<i>UK exit from the EU</i>	<i>A sustainable city</i>

### Public policy drivers

The implementation of our Council Business Plan over the years to 2020 will take place in a period of fast moving and almost unprecedented change to the public policy environment in which the Council operates. Significant policy shifts have emerged in the past year alone that will change Edinburgh's relationship with the wider world, the direction provided by the Scottish Government and the responsibilities which Local Authorities are asked to deliver.

## Public Sector Reform

The Scottish Government vision is of a public sector landscape reformed by four pillars of change:

- **Partnership** – We need to improve local partnership and collaboration, bringing public, third and private sector partners together with communities to deliver shared outcomes that really matter to people.
- **Prevention** – We need a commitment to reduce future demand by preventing problems arising or dealing with them early on.
- **Performance** – We need to demonstrate a sharp focus on continuous improvement of our services, applying reliable improvement methods to ensure that services are consistently well designed based on the best evidence and are delivered on a right first time basis.
- **People** - We need to unlock the full creativity and potential of people at all levels of public service, empowering them to work together in innovative ways. We need to help create ways for people and communities to co-produce services around their skills and networks.

The Community Empowerment Act, passed in June 2015, represents one key programme of reform underway across Scotland to address these issues and increase community involvement in public service delivery. This act reformed a range of policy areas relating to community participation, including community planning, community right to buy of land, involvement of communities in public service delivery and communities taking on public assets and public goods. The legislation has been significant and is leading to a renewed focus towards increased community involvement in the way local authorities deliver services.

Alongside this programme, other core themes of the public sector reform agenda are built around collaboration and integration of services at a cross-authority or cross-region level. In particular, the Government expects the public sector in Scotland to seek out opportunities for improved collaborative working and much wider application of shared services models to drive out inefficient practice and allow organisations to reinvest in those services that have the greatest impact on citizens.

## Scottish Government programme for Scotland

2016 saw elections for the Scottish Parliament and the launch of a new programme to guide the work of the Scottish Government. A number of areas of this programme have significant potential impacts on the responsibilities local authorities are expected to deliver. Key areas include:

- Reform and review of the provision of education services across Scotland
- New focus for policy in the provision of childcare and early years services
- Changes to Council Tax policy and potential reform of local taxation
- A focus on inclusive growth approaches and the promotion of Fairer Scotland policies
- A commitment to continued investment in delivery of affordable housing
- Protection of investment in areas such as Health and Social Care and Police Scotland
- Increased encouragement for local authorities to pursue shared and integrated approaches to service delivery and management



Alongside these shifts, 2016 also saw the continued development of policy in the following key areas:

- The Scotland Act 2016 represented one of the largest transfers of powers from the UK to Scottish Government in centuries and provides a number of challenges and opportunities for Local Government. Alongside changes to the fiscal framework and consequent potential impacts on local government finance settlements, impacts include further potential reform of local taxation and the likely extension of local government's delivery role in the administration of welfare reforms in Scotland.
- The Scottish Government's review of Enterprise Agencies comprises a major review of the focus, function and objectives of Scotland's skills and enterprise agencies and is likely to have significant effects for the function of local authorities and the ways in which Councils work with national economic development agencies.
- The Chancellor of the Exchequer's 2016 Autumn Statement committed to the continuation of negotiations on delivery of a City Region Deal programme for the Edinburgh and South East Scotland City Region. The statement noted that this was part of a programme of work in which every city in Scotland was 'on course' to have a city deal in place.
- The UK Government's emerging Industrial Strategy is expected to set out new direction to government intervention to support or develop industries to enhance economic growth. Details of this approach are still in development, but may include new approaches to regional development of cities and other economic areas outside London as well as potential implications for capital investment expenditure available to areas in Scotland.

## UK exit from the EU

The results of the EU referendum in June 2016 and the UK's decision to leave the European Union raise a number of questions to which the Council will have to respond over the coming few years. Key areas of impact where council services will have to respond to changes include:

- **Impacts on citizens:** Edinburgh is home to an estimated 32,000 EU national residents. This is the largest concentration of EU nationals in Scotland and represents a significant and sizeable group of Council service customers across all service areas including Housing, Employability, Schools, Children's Services, Health and Social Care and Public Protection. Customers in this group may experience considerable uncertainty over their right to remain and immigration status over the next few years, both during and following the completion of EU exit negotiations.
- **Impact on trade:** Exit from the EU significantly changes the export trade conditions within which Edinburgh firms currently operate. The level and nature of exports to the EU, access to markets, access to imports and relationships with customers and overseas owner companies are all likely to change significantly and alter the environment within which the Council supports economic growth across the city.
- **Impact on migration:** EU national residents of Edinburgh comprise a significant share of the city's workforce, particularly in key strategically important sectors such as tourism, culture and health and social care. Exit from the EU has the potential to significantly impact on the ability of these sectors to hire skilled staff, with consequent potential impacts on service delivery and wage pressures.

- **Impact on regulation:** Exit from the EU raises the potential for changes in the regulatory framework within which Council services are provided, including employment and procurement legislation, as well as regulations specific to individual service areas
- **Impact on funding and Government policy:** Exit from the EU raises significant questions over the long-term availability of access to EU research and other funding streams, changes to taxation, as well as possible changes to the use of state aid by Government to back key sectors of the economy.
- **Impact on Higher Education:** Edinburgh is home to an exceptionally strong higher education sector and is a magnet for EU funding as well as EU migrant students. Over the past five years, Edinburgh universities have received an estimated £256m of EU Research funding, higher than any other UK city outside London and Oxbridge. Exit from the EU brings significant potential challenges for these funding streams and the innovative research they support, as well as challenges for the city in relation to the attraction and retention of high skilled residents.

### *What this means for us:*

The policy changes and new directions outlined above all have the potential for significant impacts on the Council, the opportunities we have available to us, and the duties we are expected to carry out. The rate and scope of change is extensive and requires an approach to Council policy and strategy development which:

- Remains aware of and tightly aligned to external UK and Scottish Government policy direction
- Designs agile and flexible services, driven by a programme of transformation focused on the delivery of a fit for purpose future Council, and
- Is built around governance procedures which remain fit for purpose within a changing policy environment.

## **Demographic, socio-economic drivers**

### **A growing city with growing inequality**

Over the past ten years, Edinburgh has been one of the fastest growing local authorities in the UK. From 2005 to 2015, the population of the city grew by over 49,000 people. This represents an increase of some 10%, more than double the growth seen across Scotland as a whole and faster than that of any other city.

Over the next ten years, our analysis of population trends and housing development suggests that the city is likely to see further population growth, with the number of residents projected to increase by 44,500 people, or 9%, over 2014-24. These projections show strong growth at both ends of the age spectrum. Population of residents aged 12 to 17, for instance is projected to grow by some 23% in the next ten years. Similarly, the population aged over 75 is projected to grow by 25%, almost 3,000 people, over the same ten years.

This growing population is one of the most visible signs of the success of our city in recent years, and our status as one of the best places in the UK to live and to work. We know, however, that not all

our citizens share in that success and that alongside our affluent areas, our city contains some of the most deprived communities in Scotland. In 2015 our estimates show that almost 80,000 people in Edinburgh were living on incomes below the UK poverty threshold. This means that 16% of all our citizens living in poverty, a rate very close to the Scottish average of 18%. Within that overall rate, poverty levels among households with children are particularly high. Data shows that 21% of all Edinburgh's children grow up in poverty, meaning that over 20,000 children in the city live in families who get by on very low incomes. Latest estimates suggest that this ratio is likely to increase in the next few years with modest increases in average incomes across the UK not matched by any expected real income growth for the poorest households.

Even such estimates, however, mask the depth of poverty and income inequality faced by many of our residents. Within the most deprived wards of our city as many as 30% of all residents live in households below the poverty threshold. When we look at smaller geographical areas and communities these rates can be even higher, with pockets of poverty and deprivation as severe as those recorded in any other part of Scotland. More than this, the map of poverty in Edinburgh shows a picture of stark inequality, with the poorest communities often located adjacent to, and intertwined with areas which are home to some of our most affluent residents. Our analysis shows that this pattern of income inequality is more severe in Edinburgh than in most other cities and mirrors similar wide inequalities in the life chances and wellbeing of residents. Data shows, for instance, that boys born in the poorest areas of Edinburgh have a life expectancy some 8.5 years lower than those born in the most affluent areas. This is a larger gap than that recorded in any other city in Scotland.

These issues have considerable impacts on the life experience and opportunities of residents across the city and, as a result, a significant impact on the demand for, cost and complexity of services we deliver as a Council. To illustrate this, the Joseph Rowntree Foundation in 2016 estimated the cost of addressing the effects of poverty in the public sector in the UK at some £69bn per annum (in additional costs for education, support to vulnerable children, criminal justice costs and other impacts). If allocated on a simple pro-rata basis, this suggests a total cost to the public sector in Edinburgh of £408m per annum associated with addressing the effects of poverty among our residents.

### *What this means for us:*

Such findings have significant implications for the planning of Council services, including the way we manage the growth of the city, plan for new housing, provide services for children and families, and for health and social care.

The challenges of population growth and demographic change bring significant pressures for the way our city develops. In order to respond to these pressures, we need to ensure our planning policies provide a stable framework to guide the growth of our city, making sure that Edinburgh is the best city it can be, for everyone, both now and in the future. This means delivering plans that support the growth of the economy and help increase the number and quality of affordable homes in the city. It also means making sure that we take integrated approaches to managing this growth, so that housing, jobs and services are connected by good transport networks, that our developments

support the creation of strong communities and healthy living, and that the city develops in a way that looks after and improves our environment for future generations.

These changes also bring pressures for the way we manage and provide specific services in the city. For children's services, the projections imply increased capacity requirements in early years facilities and rising overall school rolls across the primary and secondary education sector, as well as suggesting steady growth in the number of at-risk children. At the same time, for Health and Social Care services the projections imply increased demand for both residential and at-home care services, with growth in the 85+ age group being particularly pronounced, as well as potential increases in the number and complexity of need of residents with physical and/or learning disabilities. More broadly, all these changes indicate a need to make sure that capacity, location, and design of Council facilities, infrastructure and assets respond to the needs of our citizens and remain safe and fit-for-purpose.

To address the poverty and inequality challenges that face our city we need our services to work together to intervene early and prevent poverty, and to find ways of mitigating the effects of poverty and low income as they arise. This means working directly with our communities to reduce living costs and increasing the income of vulnerable families, including support to manage energy, food, and other household costs, advice services to maximise benefits income and manage debts, as well as hardship support for households in crisis. It means improving the availability of good quality, affordable housing in Edinburgh, and prioritising investment to modernise homes and provide services to reduce the cost of living for tenants. It also means providing services which help prevent poverty and mitigate the effects of poverty for families with children, services which help working adults access good quality jobs, and services which address the effects of poverty in later life, including work to improve health and wellbeing and prevent social isolation.

### **A sustainable city**

In addition to rising and changing demand from residents, the challenge of ensuring a sustainable future for the city will have an increasingly important impact on the way the Council operates in the coming years. The policy context within which the Council works provides clear guidance to encourage local authorities to take integrated approaches to addressing social, economic and environmental issues. In recent years this has included the introduction of legislation such as the Climate Change (Scotland) Act 2009, the Community Empowerment Act, and the Public Bodies (Joint Working) Scotland Act 2014. Alongside these, in 2015 the Scottish Government became one of the first national Governments in the world to sign up to the UN's Sustainable Development Goals. This framework sets out a series of goals and targets designed to stimulate action over the next fifteen years relating to:

- Removing poverty and hunger, and ensuring that all people can fulfil their potential in dignity and equality and in a healthy environment
- Preventing environmental degradation, by promoting sustainable consumption and production, sustainable management of natural resources and urgent action on climate change
- Ensuring that all people can enjoy prosperous and fulfilling lives and that economic, social and technological progress occurs in harmony with our natural environment

- Fostering safe and inclusive societies which are free from fear and violence, and
- Working in partnership across public sector agencies and communities to ensure that the needs of all citizens, including the poorest and most vulnerable, are recognised.

*What this means for us:*

To respond to the challenge set by this agenda, and develop a genuinely sustainable city, our key focus needs to be on ensuring a high quality of life for all citizens. This means having a strong resilient economy that works for all our citizens, building strong, healthy communities with access to opportunities and high quality facilities, all set within a compact city that has clean air, ease of mobility and enhanced biodiversity.

To do this, we need to be a forward-looking, resilient organisation that is committed to sustainability in everything we do. We need to organise our work to deliver local priorities across the city through services planned for long-term resilience and through joined up working with partners. We need to maintain a focus on the most vulnerable citizens, directing services to those in poverty and in need of support. We need to demonstrate how we will use our resources, people and finances more sustainably, and encourage accountability for our environment through responsible consumption and production. We also need to improve the resilience of our services and our communities, inspiring ownership and accountability as well as transforming the way our organisation operates.

## Our Future Council

### Designing our future Council

To meet our challenges and take advantage of our opportunities we are fundamentally changing how we work. We are moving from having many geographic boundaries to four areas in which we will bring together our own and partner services to make it easier to adapt these services to meet local demand.

We are refocusing our effort towards achieving our priority outcomes by reducing internal business costs, applying digital strategies to reduce the cost of simple transactions and enabling our customers and staff to do more online.

We are changing the shape of the Council, with fewer management layers, a smaller workforce with more efficient processes. As a result of these changes we are encouraging a greater degree of service integration among Council services, our partners, the third sector and, where appropriate, our commercial suppliers.

We are continuing to support the third sector and ensuring that our investment and support delivers our priority outcomes.

Finally, we are developing a more commercial approach in considering how to best use our assets and generate income in the context of our overall strategic objectives and management of risk.

As a result of all these changes, over the 4-year period of the business plan we will become:

- An increasingly outcomes-focused Council, making budget, investment and performance decisions based on the contribution of each activity to our priority outcomes.
- A financially sustainable Council, committed to delivering value for money.
- A locally focused Council which understands the holistic needs of our citizens, and joins up with other public sector partners to deliver well integrated services (including delivery of integrated health and social care services, and a City Region Deal).
- A Council that is committed to a new contract with our citizens, so that the emphasis of all our practice is on working with communities, rather than doing things to them or for them
- A Council which embeds prevention and sustainability across everything we do, enabling services to take early action to reduce demand, and improving the energy and resource efficiency of all our buildings and policies.
- A digitally active Council, which uses technology to be more pro-active, support customers to self-serve and reduce avoidable contact while still ensuring accessibility and ensuring more complex contacts can be handled more effectively.
- A lean organisation which consolidates and reduces our business resources, by having corporately managed support services with local and service focus, utilising an effective business partnering model.
- An open and transparent Council with an inclusive, accessible and streamlined approach to decision making
- An ambitious, forward looking Council which works with partners to deliver a step change towards a stronger, fairer city equipped for the future.

## **Delivering our future Council transformation**

Our work to deliver this future Council is underway and our Council Transformation Programme is already implementing a number of significant practical changes.

On 25 June 2015, Council approved a report on the Transformation Programme which set out the future operating model for the Council. The Transformation Programme was then tasked with delivering £77 million in annual recurring savings through the implementation of this new model.

To date the programme has been successful in delivering recurring savings to the value of £53.7m. A further £18.9m of savings are expected to be delivered by reviews and programmes currently underway. The remaining £4.4m has been considered as part of developing the Council's budget framework for 2019/20.

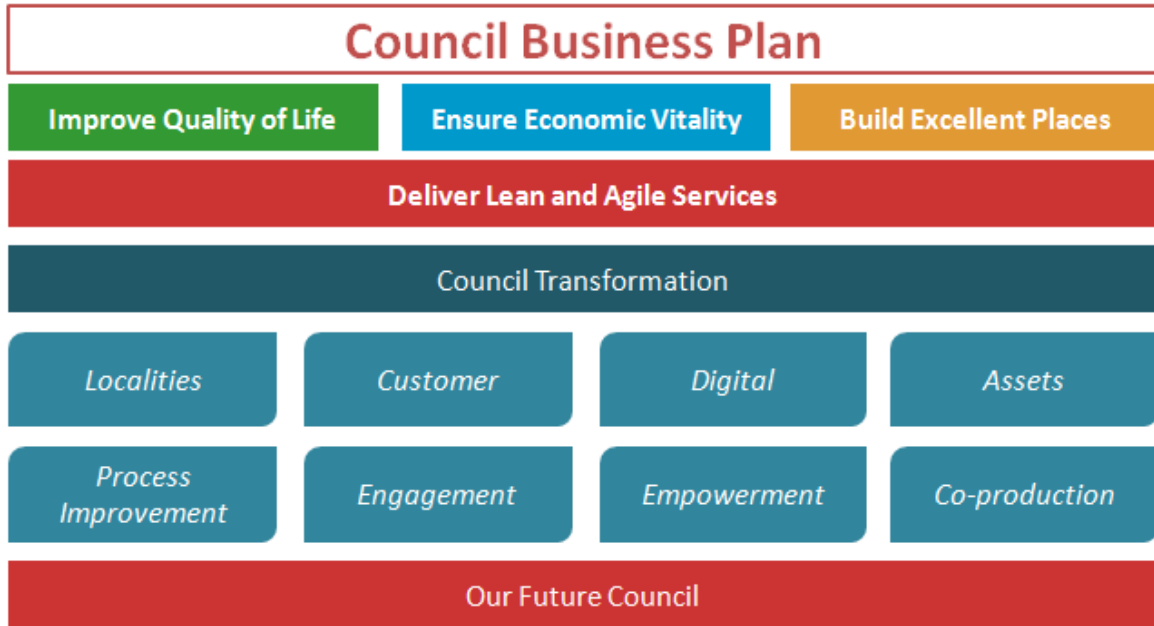
Good progress continues to be made with the remaining organisational reviews, with the vast majority of the initial reviews now complete or in their final stages. Organisational reviews and transformation projects currently in progress or nearing completion include the following services:

- Schools and lifelong learning
- Health and Social Care
- Customer and Business Support
- Safer and Stronger Communities
- Asset Management,
- ICT transformation and Digital Strategy, and
- Implementation of our Localities Model.

## **Next steps for Transformation**

The progress we have made so far in our transformation has been significant, but during the next stages we need to continue to make sure that our portfolio of transformation and service improvement initiatives is focused on delivery of the priorities and outcomes set out in this business plan.

Towards this goal, the next steps for our transformation programme are the development of a holistic and consistent approach to delivering business change and process improvement projects across the Council. Priorities for this next stage include continued implementation of our localities operating model, as well as continued transformation of our ICT and Digital services, the management of our assets and our approaches to ensuring positive outcomes for customers. Alongside these, our focus includes continued work across the Council to improve processes and embed business change, as well as improving the way we engage and empower our staff, our communities and our partners to deliver our new ways of working.





## **Appendices**

Appendix 1: Delivering our outcomes

Appendix 2: Financial plan

# Council Business Plan 2016-20

## Appendix 1: Delivering our outcomes

### Implementing our strategy

This Business Plan aims to draw all our plans for the way we are transforming our structures and operating model together with our plans for the outcomes we need to deliver for our customers. In this way, the plan provides a single view on what outcomes we will deliver for customers, alongside our plans for changing our operating model and achieving savings.

In order to respond to the challenges described above without compromising our Council vision and purpose, it is important that all services work together around a shared set of guiding principles and values which describe our common approach to redesigning and refocusing the way the Council delivers its services.

This section takes each of the Strategic Outcomes described in this plan, and sets out the council-wide approaches we need to take to deliver these outcomes for our city. The narrative describes:

- What we want to achieve under each outcome
- The steps we need to take to deliver that outcome, and,
- The close partnership working that required to deliver these outcomes, between Council services and teams, partner organisations and communities.

These statements provide the high level, strategic direction we need to take to deliver our outcomes. More detail on the actions and initiatives we need to put in place are provided in the other planning documents which make up our Council Strategic Planning Framework, specifically our:

- **Service Development Plans:** which describe for each Council directorate, the service delivery priorities, transformation initiatives and service improvement plans.
- **Locality Improvement Plans:** which describe our multi-agency approaches to delivering services across the city.

Work is currently underway to develop and strengthen both of these elements and ensure a clear line of sight between our strategic direction and our operational actions can be maintained throughout the framework.

Alongside these plans, a further core component in the implementation of our strategy is the development and use of a robust performance management framework. Our approach to managing the performance of Council services aims to provide managers with insight into progress against each of our strategic outcomes and operational objectives, supporting good decision making and service improvement.

This performance framework is designed to respond to the needs of the plans described above and incorporates an approach to benchmarking and target setting that fits with our aspiration to be among the best performing cities and Councils in the UK. Towards this a new balanced scorecard of

performance measures currently being developed to embed the outcomes set out in this plan, and reflect new priorities for customers and service improvement, as well as financial and workforce change.

### Delivering our outcomes

Each of the strategic outcomes described in this plan require co-ordinated, whole council approaches for delivery. This section sets out our approach to delivery for each outcome, describing what we want to achieve, and what we need to deliver.

### Strategic aims and outcomes

Improve Quality of Life	Ensure Economic Vitality	Build Excellent Places
All our citizens are able to achieve their potential	Edinburgh is a globally competitive location, where businesses can grow and prosper	Edinburgh is a liveable city, built around communities with access to the housing, amenities and facilities they need
Our citizens' lives are enriched by increased participation in culture, sport and learning	Edinburgh attracts investment to accelerate growth and support development and regeneration	Edinburgh's natural environment and open spaces are clean, attractive and well looked after
Our citizens live in safe, resilient and cohesive communities	Edinburgh has a vibrant, inclusive labour market where talent is fully realised	Edinburgh's heritage and unique built environment are protected and developed
Our citizens are healthier and enjoy improved well-being	Edinburgh's growth is inclusive and shared fairly across communities, reducing poverty & inequality	Edinburgh is an accessible, connected city with first-class, modern infrastructure
<b>Deliver Lean and Agile Services</b>		
<i>To meet our aim of delivering Lean and Agile Services we need to ensure that we:</i>		
<b>Focus on customers</b>	Deliver <b>Integrated Services</b>	Work with <b>Empowered Communities</b>
Provide <b>Value for Money</b>	Deliver a <b>Sustainable Capital City</b>	Work with <b>High Performing People</b>

## Improve quality of life

**Outcome: All citizens are able to achieve their potential**

### *What are we aiming for?*

We want Edinburgh to be a city in which people can prosper and make the most of their talents. Our services aim to ensure that our citizens, regardless of age, gender or background are able to realise their potential throughout their lives in Edinburgh. This means being a city where citizens' lives are not constrained by exclusion or by circumstances out with their control, and where our people are able to live safely and happily within their families and communities.

To deliver this outcome, we need our services to work together to provide an excellent start in life for our young people, to close the gap in life opportunities and expectation between our most and least affluent communities, to help all our citizens to experience productive working lives, and to support vulnerable citizens to live safely and happily in their families and communities.

### *This means that we need to:*

1. Ensure that children in our city have the best start in life by delivering effective early learning and childcare for all children and families.
2. Deliver accessible and inclusive schools with high aspirations for what our children and young people can attain and achieve.
3. Close the gaps in attainment, aspiration and expectation between the most and least disadvantaged children and young people in our city.
4. Work with further/higher education and third sector providers to ensure people of all ages have access to a flexible and varied range of learning pathways that meet their needs.
5. Develop a vibrant, collaborative and inclusive labour market, by working with employers and citizens to overcome barriers to work, learning and career prospects.
6. Provide pupil and parent support services which ensure that our children and young people feel included, respected, safe and secure, and that parents are actively engaged in their child's learning and the wider school community.
7. Focus on early identification and support, developing preventative and family focused initiatives. Support more people within their families and communities to avoid the need for residential care.
8. Ensure that children and young people in need, at risk and those looked after by the local authority have improved life chances and are safe from harm or fear of harm.
9. Ensure that children and young people with a disability or with additional support can be fully integrated into mainstream school services where appropriate.
10. Recognise the impact that poverty, inequality, prejudice and discrimination can have on the life chances for people and actively work together with communities to tackle these.
11. Support people with disabilities to live independently, for example, using technology enabled care.
12. Support people with learning disabilities to build confidence, skills and friendships and the ability to travel independently; provide information and advice in easily understandable formats such as "easy read" to enable people to engage in ordinary activities.

## Improve Quality of Life

**Outcome: Our citizens' lives are enriched by increased participation in culture, sport and learning**

### *What are we aiming for?*

Edinburgh is renowned throughout the world for its rich cultural offering and its educational institutions. We want Edinburgh to be a city in which people of all ages have the opportunity to improve their quality of life and enjoy that heritage by participating in cultural, sporting and learning activities.

To deliver this outcome we need our services to work together to ensure that Edinburgh continues to be a leading cultural city whose thriving festivals and celebratory events help to make it a great place to live and visit. We need to improve awareness of and access to our year round cultural assets and festivals. We need to deliver new opportunities for increased participation in physical activity, including sports events and improved access to sporting facilities. We also need to ensure that all our citizens have access to high quality, local facilities for engaging in leisure and learning.

### *This means that we need to:*

1. Continue to work in partnership with cultural providers to develop quality cultural products and programming. This includes supporting the city-wide Culture Task Group to develop the city's cultural offering, as well as work to support Edinburgh's 12 major Festivals and enhance Edinburgh's international recognition as a world-leading cultural city.
2. Work with partners to support the redevelopment of our city's major cultural assets and on identifying new funding mechanisms to support culture and tourism.
3. Increase awareness of and access to the city's cultural assets to increase attendance and visits.
4. Improve community access to sports facilities and work in partnership with Edinburgh Leisure on the decision to transfer the management of school sports facilities.
5. Develop a new Meadowbank Sports Centre to promote physical activity for all, and deliver opportunities for increased participation in physical activity and sport each year.
6. Provide high quality library and information services and a programme of community-based leisure and learning opportunities that reflects the needs and aspirations of all our communities.
7. Deliver access to learning, personal development and active citizenship opportunities for people of all ages.

## Improve Quality of Life

**Outcome: Our citizens live in safe, resilient and cohesive communities**

### *What are we aiming for?*

Edinburgh is home to a large and increasingly diverse variety of communities and cultures. We want our city to be a place which values this diversity, in which safe, strong and cohesive communities provide a cornerstone for improving quality of life for all our citizens. This means being a city with a shared future vision and sense of belonging, in which people from different backgrounds have similar life opportunities, and which residents, visitors and businesses feel is safe.

To deliver this outcome we need our services to work together to promote good community cohesion in Edinburgh, including working to tackle prejudice and promoting understanding between communities. We need to protect vulnerable individuals in our city, managing anti-social behaviour and addressing the needs and risks of people involved with the criminal justice system. We need to support victims and use restorative approaches with offenders and their families to address the causes and consequences of criminal or anti-social behaviour.

### *This means that we need to:*

1. Ensure that our children and young people are successful learners and responsible citizens making a positive contribution to their communities. This includes providing school services which encourage our children and young people to show respect for others and to develop knowledge and understanding of different beliefs and cultures.
2. Work with local partners in all our communities to increase citizen participation and promote good community relations, including race, intergenerational and interfaith relations.
3. Ensure that Edinburgh is a safe city by improving the management of anti-social behaviour, preventing re-offending, and early and effective intervention with partners to improve public protection.
4. Promote safe practices by ensuring businesses and customers comply with regulation & legislation and hold appropriate licences.
5. Ensure that our citizens have the opportunity to live in a good quality home that meets their needs in a well managed neighbourhood.
6. Work to prevent homelessness in Edinburgh, reducing the number of people and time spent in temporary accommodation.
7. Improve the provision of high quality road maintenance and construction service and maintain the city's flood infrastructure resilience to ensure that people and vehicles can move safely through the city.
8. Drive community resilience building across the city to support our citizens to improve their ability to respond to planned or unplanned change.
9. Improve how we engage with citizens and communities and involve them in participatory budgeting opportunities to inspire a sense of ownership of local issues, making them feel more connected and are able to have their say.

## Improve Quality of Life

**Outcome: Our citizens are healthier and enjoy improved well-being**

### *What are we aiming for?*

Health and wellbeing are recognised as critical components of good quality of life. We aim to improve the wellbeing of people in Edinburgh so that, whatever their age or circumstance, our citizens can lead fulfilling and satisfying lives. The wellbeing of our citizens is influenced by a number of closely connected drivers, including economic, social and personal factors. Across all these, health is recognised as the main driver of personal wellbeing, with good mental health being crucial to life satisfaction.

To deliver this outcome we need our services to work in a co-ordinated way with our partners to ensure that each of these areas promotes good health and wellbeing.

### *This means that we need to:*

1. Promote social wellbeing by ensuring early intervention and support for families, including providing help in a crisis; by supporting carers and enabling people who need support to stay at home; and ensuring public protection from crime, abuse or anti-social behaviour.
2. Develop the social wellbeing of our citizens by improving access to the city's cultural, learning and leisure opportunities.
3. Further develop the social wellbeing of our citizens by providing good quality, affordable housing in well-managed neighbourhoods; making sure that all citizens have access to integrated, neighbourhood places for engagement, employability, leisure and learning; engaging and collaborating with communities in service design and delivery.
4. Ensure economic wellbeing for our young people by improving attainment and achievement, improving employability skills and ensuring sustained positive destinations for our school leavers.
5. Ensure economic wellbeing for our families by supporting our citizens to access opportunities for employment or career progression, by ensuring access to good quality, affordable homes, and by providing hardship support for vulnerable families, including responding to crisis needs for housing, heat and food.
6. Develop wellbeing by improving the physical aspects of the city and encouraging investment in the physical regeneration of areas; making sure that our streets are clean and attractive, that there are high quality green spaces and that neighbourhoods are well managed; making sure that the Council's homes meet quality and energy efficiency standards.
7. Improve the health of our citizens by improving participation in sport and physical activity; supporting prevention and early intervention of health conditions; supporting people with existing conditions through effective care and support and providing streamlined and effective care and support
8. Support people with mental health problems and promote recovery through reducing isolation, helping people to connect with their communities, reducing stigma and supporting people into employment and to take part in meaningful activities.

## Ensure Economic Vitality

**Outcome: Edinburgh is a globally competitive location, where businesses can grow and prosper**

### *What are we aiming for?*

Edinburgh is home to the most successful and vibrant economy in Scotland, powering growth and jobs for a wide city region. We want our city to continue to thrive as a place where it is easy for businesses to start up, invest and to grow. Providing the right environment for businesses to thrive is important not only for our city's prosperity and global competitiveness, but also for the quality of life of our citizens.

To deliver this outcome we need our services to work together with local business and networks & organisations such as skills and enterprise agencies and Government Cities Alliance to stimulate Edinburgh's culture of entrepreneurship, innovation and productivity. We need to ensure that the quality of our city infrastructure and the skills of our workforce continue to develop and meet the needs of businesses and investors.

### *This means that we need to:*

1. Ensure Edinburgh is an easy place for businesses to reach their growth potential by delivering high quality Business Gateway services in Edinburgh, and overseeing the delivery of the service across the Lothians.
2. Support Edinburgh's growing business incubator network and startup ecosystem, and provide support to help businesses internationalise, reach new markets, and access funding.
3. Providing specialised support for key sectors such as cultural and creative industries, tourism, science, technology and knowledge transfer, and social enterprise.
4. Promote Edinburgh's globally competitive key sectors and strengths to attract and support and high quality sustainable inward investment to the city.
5. Protect and improve our ability to attract top level international talent to feed the requirements of our new investors and our growing sectors
6. Create a digitally literate and connected Smart city that encourages better use of digital technology to support innovation.
7. Collaborate with businesses, schools and education providers to share knowledge and develop a strong and inclusive labour market.
8. Work closely with partners to ensure that Edinburgh is a modern, accessible city with 21st century transport solutions and road maintenance.



## Ensure Economic Vitality

### Outcome: **Edinburgh attracts investment to accelerate growth and support the city's development and regeneration**

#### *What are we aiming for?*

We want our city to attract sustainable investment that acts as a driver of regional and national prosperity by making the most of our development and regeneration opportunities.

To deliver this outcome we need our services to work with partners across the region to deliver a City Region Deal with Scottish and UK Governments, including investment in innovation, skills, housing, transport and infrastructure. We also need to continue to work with investors to catalyse development of key and stalled sites across the city, and use investment to improve the quality of life for our neighbourhoods and communities.

#### *This means that we need to:*

1. Support and encourage development in Edinburgh by working with internal and external partners to unlock the potential of stalled and key development sites across the city. Continue to support residential community developments, in particular for brownfield regeneration.
2. Leverage investment into physical regeneration by seeking out and applying to external funding streams, managing the City Strategic Investment Fund, and working with partners to combine resources for physical regeneration in Edinburgh.
3. Agree the City-Region Deal with Scottish and UK Governments and develop a city-region implementation plan, funding model and governance arrangements.
4. Deliver investment in innovation in key sectors such as Health, Data science, Tourism and Culture, and Low Carbon.
5. Work with the Scottish Government, RSLs and developers to deliver investment and accelerate the supply of affordable and mid-market housing in Edinburgh.
6. Continue to support residential community developments particularly for Brownfield regeneration.
7. Work with partners to deliver investment in key strategic infrastructure projects, including transport and digital connectivity.
8. Improve place making through integrating housing led investment with other investment and service development to improve communities and reduce inequality.

## Ensure Economic Vitality

**Outcome: Edinburgh has a vibrant, inclusive labour market where talents of our citizens are fully realised**

### *What are we aiming for?*

We want our city to be built around a vibrant, collaborative and inclusive labour market, where the talents of our citizens are fully realised. We want Edinburgh to be a place where our citizens can look forward to successful careers and a good quality of life. This means being a city in which employers are helped to create good quality opportunities that are accessible to all sections of society, and where successful and innovative businesses are supported to embrace responsible working practices.

To deliver this outcome we need our services to work together to help employers create good quality opportunities that are accessible to all sections of society, and where successful and innovative businesses are supported to embrace responsible working practices. We need to work with businesses and partners to offer our citizens the opportunities to prepare them for work, or re-entering work, and to match the skills needs of employers.

### *This means that we need to:*

1. Develop the partnership and employer engagement activity, undertaken through the Edinburgh Guarantee, with young people and school leavers to improve readiness for work and improve positive outcomes and participation rates among young people and school leavers.
2. Manage the Council apprenticeship programme and undertake direct training and support of vulnerable jobseekers as part of a pipeline of support.
3. Deliver an integrated and tailored employability and skills development service for job seekers and those on low wages.
4. Deliver local targeted employability support for regeneration areas in localities across the city.
5. Align the Council's housing and investment strategy and employability strategy to provide education, training and job opportunities for council tenants.
6. Collaborate with partners and employers to improve opportunities for vulnerable individuals in Edinburgh to overcome barriers to work, learning and future career prospects.
7. Agree a regional skills plan to support the City Deal investment proposals and ensure that our residents are equipped with the skills needed to meet emerging labour market opportunities.

## Ensure Economic Vitality

**Outcome: Edinburgh's growth is inclusive and shared fairly across all our communities, reducing poverty and inequality**

### *What are we aiming for?*

We are proud that Edinburgh is one of the UK's most successful cities and that this success drives the high standard of living that many of our citizens enjoy. But we also know that not all of our citizens share in this success and that our city also includes some of the most deprived communities in Scotland. We want Edinburgh to be a more fair and inclusive city, in which poverty is reduced and in which the benefits of economic growth are shared more equally across all our communities.

To deliver this outcome we need our services to work together to intervene early and prevent poverty by reducing living costs and maximising income for vulnerable families. We need to work together to prevent poverty among children and young people, working families and families in later life. We also need to work to ensure that our citizens are supported to secure sustainable employment opportunities and lead successful careers.

### *This means that we need to:*

1. Provide support to help reduce living costs for vulnerable families, including support to manage energy, food, and other household costs, advice services to maximise benefits income and manage debts; support to reduce the cost of the school day for families with children; as well as hardship support for households in crisis.
2. Improve the availability of good quality, affordable housing in Edinburgh, and prioritise investment in modernising homes and services which reduce the cost of living for tenants.
3. Deliver a homelessness prevention programme to ensure that fewer people go into and spend less time in temporary accommodation.
4. Prevent and mitigate effects of poverty in childhood by providing family support services which improve health and wellbeing in early years and help families balance the demands of work and parenting.
5. Ensure that poverty and low incomes do not affect the life chances of our young people, by improving education outcomes and closing the attainment gap between the most and least disadvantaged children and young people in our city.
6. Work with partners to ensure that employers are helped to create good quality opportunities that are accessible to all sections of society, and support vulnerable individuals in Edinburgh to overcome barriers to work, learning and future career prospects.
7. Work with partners to prevent and mitigate the effects of poverty in later life, including work to improve health and wellbeing and prevent social isolation.
8. Support the Edinburgh Health and Social Care Partnership to engage with communities to reduce gaps in life expectancy and in measures of ill health across the city.

## Build Excellent Places

**Outcome: Edinburgh is a liveable city, built around communities with access to the housing, facilities and amenities that meet their needs**

### *What are we aiming for?*

We want Edinburgh to be a great place to live and a city with a clear identity which inspires a sense of belonging for all of our citizens and in particular our most vulnerable people. We also want our city to be an easy place to live, in which our citizens have good quality housing options and easy access to the facilities and amenities they rely on.

To deliver this outcome we need our services to work together to provide access to affordable and diverse housing options, excellent public transport, and a safe walking and cycling environment. We also need to work to improve access to good quality public open spaces, as well as access to education, leisure, health and social services.

### *This means that we need to:*

1. Increase the Council's house building programme and work with partners to invest in affordable housing across the city, whilst investing in modernising council homes.
2. As part of "Right Care, Right Place, Right time" facilitate the continued move towards community-based care by ensuring that models of care, such as hospital at home, are available to support the full range of needs.
3. Deliver accessible and inclusive schools, community and social care services. This includes appropriate adaptations for community facilities and foster carers' homes.
4. Improve how we develop our open and green spaces across the city to benefit communities' health and wellbeing through the open space strategy. Maintain high quality green and open spaces and ensure our streets are clean and free of litter & graffiti.
5. Ensure improved community access to Council facilities, such as schools, to nurture local clubs, classes and associations.
6. Improve place making through integrating regeneration and development to reduce inequality and involve communities in service design and delivery.
7. Deliver an accessible 21st century transport solution and good quality road maintenance. This includes safe walking and cycling routes as well as access to public & specialist transport, improved road safety, and improved access to transport for our vulnerable citizens to reduce isolation.
8. Ensure Edinburgh is a safe and protected city for residents, visitors, and businesses.
9. Promote cultural, sporting and learning opportunities and improve how citizens can access these.
10. Improve the city's built environment resilience to change or sudden disruption, for example flood prevention infrastructure.

## Build Excellent Places

**Outcome: Edinburgh's natural environment and open spaces are clean, attractive and well looked after**

### *What are we aiming for?*

Edinburgh's natural environment and green spaces are one of the most important contributors to the quality of life and wellbeing of our residents. We want Edinburgh to remain a beautiful city, in which residents and visitors can enjoy our open spaces and our unique environment.

To deliver this outcome we need our services to work together to ensure people have access to a clean, safe environment with clean air and water and protection from climate change impacts. We need to make sure that the Council leads by example by encouraging communities and businesses to take positive actions and use resources sustainably.

### *This means that we need to:*

1. Maintain our high quality parks and green, open spaces, including the development of outdoor play for children and young people and improving the experiences of all citizens.
2. Deliver effective waste and recycling services to facilitate a reduction in the city's consumption and improve customer satisfaction.
3. Ensure streets are clean whilst reducing the local environmental impact of our consumption and production.
4. Transform energy use and empower its communities to make informed and sustainable choices regarding their energy consumption.
5. Develop community responsibility and accountability for the local environment through ongoing engagement, including consultation with local businesses. Continue also to deliver effective sustainability education in schools.
6. Involve and engage with communities in the design of their local environment and the delivery of associated services, developing a spirit of collaboration between citizens and public sector services.
7. Share our assets and property effectively both citywide and across the localities, utilising principles of co-ownership, co-location and co-production.
8. Ensure council homes are well managed and meet Quality and Energy Efficiency Standards.

## Build Excellent Places

**Outcome: Edinburgh's unique heritage and built environment are protected and developed**

### *What are we aiming for?*

Edinburgh's strong visual identity and its years of history make a major contribution to the real sense of pride and belonging our citizens feel for their city. We want Edinburgh to protect and develop these assets, making sure that our city continues to be recognised throughout the world for its unique built environment.

To deliver this outcome we need our services to work together to ensure that our built environment assets are protected, maintained and developed to contribute to the health and wellbeing of our citizens.

### *This means that we need to:*

1. Continue to develop and maintain the city's heritage, ensuring it is fit for purpose and sustainable into the future.
2. Ensure long term sustainability of our modern and historical built environment through embedding the goals of sustainable development.
3. Deliver the Local Development Plan Action programme to address infrastructure constraints on development.
4. Support and encourage development in Edinburgh by working with internal and external partners to unlock the potential of stalled and key development sites across the city.
5. Use placemaking with locality teams to improve community planning and prioritise local development issues.
6. Ensure that Edinburgh's planning and building standards service is accessible through modern channels making it easier for customers to apply and understand the necessary constraints of planning services.
7. Prioritise investment in modernising homes and services which reduce the cost of living for tenants.
8. Continue to support, promote and develop cultural venues across the city to world class standards.
9. Provide a modern education, healthcare and community infrastructure which fit their setting and are accessible and beneficial to all.

## Build Excellent Places

**Outcome: Edinburgh is an accessible, connected city with first-class modern infrastructure**

### *What are we aiming for?*

We want Edinburgh to be a city in which it is easy to move around, with first class infrastructure which meets the needs of the 21<sup>st</sup> century.

To deliver this outcome we need our services to work together to ensure that movement in and around our growing city is managed to help people and businesses trade, meet, participate and move about safely and easily. We need to make sure that all our communities are enabled to access all the services and opportunities the city offers.

### *This means that we need to:*

1. Ensure the city is supported by an effective planning and transport network that ensures people and vehicles can move around the city efficiently.
2. Make planning and building standards accessible through modern channels.
3. Provide services locally, focusing on people's priorities, sharing resources and working effectively with partners.
4. Provide people with integrated, neighbourhood places for engagement, employability, leisure and learning.
5. Continue to develop our ICT and Digital Strategy and infrastructure, for residents, businesses and visitors.
6. Ensure plans are in place to ensure business as usual within the organisation, city and with partners and to guard against change and sudden disruption.
7. Ensure citizens have access to health care services within their community. Prioritise care at home, through effective assessment of needs and ensuring appropriate adaptations can be made.
8. Maintain and develop high quality, modern school facilities within localities to match the ambitions for attainment, positive destinations and improvements to community access.

## Deliver Lean and Agile Services

### Outcome: Focused on Customers

*We are focused on putting our customers first by building services around their priorities and providing easy access to quality services with the right behaviours, processes and enabling technology*

We want to be an organisation that is focused on delivering positive outcomes for our customers. To achieve this we must improve how we listen to them, anticipate their needs and involve them in designing services whilst making it clear what they can expect from us. We must have a clear, visible and transparent approach to the way we manage and improve customer experience.

Our organisation must be focused on the delivery of local and individual priorities. This work should be led by our frontline employees who have an in depth understanding of our customers' needs. We need to also continuously measure the impacts on our customers as a result of our organisational transformation.

The Council must make it easier for our customers to access our services and ensure they can make informed choices. We need to improve how we keep our customers in the loop and give them better information about how we are managing their request or issues. To deliver this, we need to be ambitious in driving forward more cost-effective access channels, ensuring the web enhances customer experience and face-to-face interaction is available for those who really need it.

We need to ensure that we treat our customers with respect and listen to their feedback. To do this, the Council must change how we engage and work with communities and individuals, delivering more sophisticated and targeted communications.

Finally, we want to ensure our customers have a voice, enabling us to understand more about their experiences. We need to use this information to develop our services, to put things right, and avoid future service failure.

*This means that we need to focus on the following areas of work:*

- **Locality Operating Model** – Approach to take us beyond operational silos to enable a seamless customer experience and consistent level of quality customer service.
- **Relationship with Citizens** - Establish a more mutually beneficial relationship with citizens to clarify our commitment to them and theirs to us.
- **Service Channels** - Establish effective alternative service delivery channels and encourage more customers to move to the most suitable and sustainable option for their needs
- **Customer Communications** - Embed a consistent quality of customer interaction over multiple channels, services and functions. It should effectively engage and empower our people to lead on quality customer experience.
- **Service Failure** - Reduce failure demand through eliminating unnecessary and expensive contact, engage customers in new innovative ways and create positive outcomes.
- **Customer Insight** – Better understand to manage the customer journey end to end with actionable insight, ensuring we respond effectively to needs and feedback.



## Deliver Lean and Agile Services

### Outcome: Integrated Services

*We work effectively across the organisation and with our partners to deliver joined up, seamless services for our citizens and communities*

We want to be an organisation with services that work effectively together and with our partners for the benefit of our citizens and communities. To do this, we need to offer a joined up, seamless customer experience with a consistent corporate approach to service delivery. Our services should complement each other and understand the impact they make by doing so. Working in partnership with shared goals means we can deliver on the outcomes that are important to our communities and enables us to plan further into the future and stand up to unexpected change. Securing effective integration gives us the ability to be more proactive and offer improved preventative services for our most vulnerable citizens.

Further service integration means that our customers can expect to receive the same level of service, regardless of the purpose of their request or their location. To enable this we need to streamline how we deliver customer and business support services through process improvement, standardisation and self service. We want to drive out duplication and make optimum use of our ICT and Digital estate to facilitate how we can do business more efficiently.

We need frontline services and partners that work together in localities to focus on local needs and treat customers equally. To deliver this, we need to set up effective cross-function locality teams, led in partnership by local boards, with an in-depth understanding of their priorities.

We want to be an organisation that shares our resources, property and assets equitably across the organisation and with our partners to maximise value for money. We want to build on the principles of co-location to deliver tangible benefits in terms of both customer outcomes as well as financial sustainability.

*This means that we need to focus on the following areas of work:*

- **Shared Outcomes** - Articulate across the organisation, and with partners, our shared outcomes that reflect community priorities.
- **Integrated Services** - Deliver more joined up and integrated customer and business support services through process improvement, standardisation and self service.
- **Locality Operating Model** - Deliver community priorities within our locality operating model through service co-location, improved sharing of resources and more effective partnership working.
- **Asset Sharing** - Enable effective resource sharing of our property and assets to maximise value for money and increase co-location.
- **Third Party Payments** - Improve how third party payments are managed across the city towards co-production of outputs, outcomes and investment.

## Deliver Lean and Agile Services

### Outcome: Empowered Communities

*We engage with and empower our communities to become more resilient by enabling citizen led service design and foster a spirit of collaboration*

We want to be an organisation that involves and engages with our communities to design how services are delivered. We want our communities to feel more empowered to have a say on their needs and priorities. We will do this through continuing to improve our approach to engagement, ensuring we make particular effort to consult with traditionally harder to reach citizens.

We want everybody to live in a city where they feel safe, have a sense of belonging and of improving wellbeing. We want to focus on embedding active citizenship and local resilience and improve this through a range of initiatives.

We want to encourage our citizens to lead the design of our locality improvement plans to ensure focus on their priorities. We need to communicate more clearly the constraints and challenges the organisation is under and use their insight to be more efficient with the resources available. We want our citizens to feel empowered and accountable for local assets by involving them in strategic decisions about our estate.

Local leadership teams need to feel more empowered to take action for the benefit of their community. We will approach this through devolved decision making and developing a more mature attitude towards risk.

The organisation needs to continue to build on the principles of co-production and share insight across the Council and with our partners to improve how we respond and plan for local needs.

*This means that we need to focus on the following areas of work:*

- **Citizenship/Cohesion/Resilience** - Promote and encourage active citizenship, community cohesion and local resilience to support a sense of safety, belonging and wellbeing.
- **Locality Operating Model** - Deliver the locality operating model to improve partnership working, build capacity and become more responsive to local priorities. Establish locality leadership teams with autonomy to enable flexible and devolved decision making.
- **Locality Improvement Plans** - Empower our citizens to shape the conception of locality improvement plans to deliver better outcomes and improved customer experiences.
- **Asset Sharing/Rationalisation** – Improve how assets are shared and utilised both locally and across the city, ensuring a more fit for purpose estate with lower operating costs. Improve accountability for the use of local assets and assess decisions about assets based on performance and costs.

## Deliver Lean and Agile Services

### Outcome: Value for Money

*We make best use of our assets, resources and facilities through focusing on local priorities and capacity building. We maximise our income and ensure robust governance is in place*

We want to be an organisation that manages our budget more effectively. We want to plan our services further into the future to ensure long term sustainability and have the capacity to deal with unexpected change. Our savings challenge requires us to be more forward thinking and have the courage to take bold decisions for the benefit of all communities.

We want to be an organisation that can maximise our potential investment returns from both traditional and non-core, future revenue streams. To do this we need to explore commercial opportunities and give our citizens choices to ensure long term sustainability. We want to continue to be an organisation that has control of our borrowing with greater focus on reducing the associated costs of this.

We want to be an organisation that manages our assets for maximum stakeholder value with a fit for purpose, rationalised and safe estate. We need to have class leading commercial and procurement practices that are sustainable and realise benefits for our customers and our local supply chain. This also involves managing our contracts well and fostering a mature and sophisticated attitude towards our risks and controls.

*This means that we need to focus on the following areas of work:*

- **Financial** – Manage our financial risks and controls to deliver a balanced budget whilst achieving savings through maximising returns on our investments and reducing our borrowing costs.
- **Procurement** – Deliver leading commercial procurement processes across the organisation, based on the principles of sustainability and maximising both value for money and realisation of benefits for our customers.
- **Governance** – Develop an effective controls framework whilst embedding strengthened risk management and audit services.
- **Income** – Continue to improve the rate of collection of Council tax, non-domestic rates and other income sources such as assets through improved customer journeys. Aim to maximise income streams from all core and non-core sources.

## Deliver Lean and Agile Services

### Outcome: Sustainable Capital City

*We are a forward-looking, resilient organisation which is fit for purpose and can respond effectively to change*

We are an organisation that is committed to sustainability. We want the city to be a place which can develop and thrive whilst sustaining our quality of life, our economic vitality and continuing to build and maintain excellent places.

We want our citizens to work with us towards a sustainable city. We want them to be well educated and well looked after, with particular focus on the most vulnerable. We want to be a city without poverty and with improving health and wellbeing. Our aim is to continue to support gender equality, increasing economic growth and reducing inequalities through cohesive and resilient communities.

We want our built and natural environment to be climate ready and encourage responsible consumption and production. We want our infrastructure to be fit for purpose and resilient. We want to transform our organisation and deliver services more efficiently, planning for the future with the ability to stand up to change.

We need to build a sustainable city economy around our existing industries, fostering innovation, supporting new and existing digital streams and encouraging a circular economy. We need to focus on nurturing local businesses with support for local supply chains. We need to demonstrate how we will use our resources, people and finances more sustainably whilst supporting greater innovation for businesses and citizens. We also need to improve the resilience of our services and our communities, inspiring ownership and accountability as well as transforming the way our organisation operates to optimise our capacity.

*This means that we need to focus on the following areas of work:*

- **Strategic Framework** - Deliver the plans set out in our strategic framework towards City Vision and ensure long term effective working with partners and stakeholders. Continue to implement Sustainable Edinburgh 2020, whilst building on our strategic plans and policies related education, finance, health, investment, environment and poverty & inequality.
- **Locality Operating Model** – Deliver local priorities through services planned for long term sustainability through joined up working with partners and a focus on best value principles. Focus on the most vulnerable citizens, directing services to those in poverty and encouraging accountability for our environment through responsible consumption and production
- **Resilience** – Maintain effective resilience planning on a multi-agency basis, building on our ability to respond to change and sudden disruption through business continuity, resilience plans, community risk register and understanding dependencies on critical infrastructure.
- **Business** – Continue to nurture a circular economy and environment where businesses can grow and thrive whilst attracting international industries.
- **Transformation** – Ensure the Council is a fit for purpose organisation that understands its optimum service capacity. Re-engineer processes & services and improve workforce agility through cross-function working and dynamic team structures.

## Deliver Lean and Agile Services

### Outcome: High Performing People

*We are an organisation which understands the characteristics of our current people and our future requirements*

To achieve the scale of transformational change required across the organisation, we need to have a thorough understanding of the capability and capacity of our people. We also need to be able to predict the requirements of a future workforce, ensuring it is fit for purpose and right-sized. We need our workforce to be representative of the make up of our city. This is achievable through more sophisticated workforce planning and performance management.

We want to be an organisation that engages well with our people and uses frontline and back office intelligence and insight to plan our services. We will do this through improving staff engagement and consultation and making better use of the feedback by incorporating it in to strategy and service planning.

We want to be an organisation that nurtures talent and develops skills. The ability to attract talent to our organisation is a key attribute to develop a fit for the future workforce. We want to reward our people for high performance and as a result make them feel more valued. We want people to be motivated and share our corporate values and behaviours.

The organisation needs our people to feel empowered to make decisions locally to achieve better outcomes for our citizens and, in particular, respond more effectively to our most vulnerable customers. We want to be an organisation where bureaucracy does not hinder management of our people, supporting managers to spend less time on HR processes and more time delivering services.

*This means that we need to focus on the following areas of work:*

- **Our current people and workforce Insight** – Develop an in depth understanding of our current and future workforce requirements. This enables ongoing rationalisation and ensures the organisation continues to be fit for purpose. Furthermore, continue to develop how we engage with our employees and support them to develop the skills required to achieve transformation.
- **Transformation** – Develop a culture of integrated working where transformation is embedded.
- **People Strategy and Development** – Develop a framework for leadership and senior management to include focus on encouraging budget accountability and decision making.
- **HR Policies** – Embed flexible workforce policies to nurture our customer focused culture and deliver transformation.

# Council Business Plan 2016-20

## Appendix 2: Financial Plan

### Introduction

The purpose of this financial plan is to set out the Council's approach to meeting its savings requirements over the period to 2019/20. The plan provides an overview of financial savings to be delivered by Council services and describes the changes we need to make in order to deliver a balanced budget.

These savings and changes are made within the strategic context set out in the Council Business Plan and are underpinned by the six future service principles described in that plan.

### Strategic direction

The Council Business Plan sets out the strategic direction for the Council to 2020 and the approaches we need to take in order to meet our objectives. The plan describes a vision for the city and identifies four strategic aims to guide the work of all Council services.

A core driver behind the plan is the recognition that the Council needs to provide value for money for all its citizens. This means delivering a sustainable balanced budget while meeting the needs of customers and service users. As such, the need for sound financial management forms a key foundation of the plan and this financial plan identifies the funding challenge facing the Council over the next few years, as well as the expenditure and the savings we are committed to making.

### Council Strategic vision and purpose

Edinburgh is a thriving, sustainable capital city  
in which all forms of deprivation and inequality are reduced

To deliver this vision, services focus their work around the following strategic aims

Improve Quality  
of Life

Ensure Economic  
Vitality

Build Excellent  
Places

Deliver Lean and Agile Services

## Budget challenge

While delivering the Council's vision, the Business Plan recognises that the Council continues to operate in a challenging environment, with increasing demand for services at a time of on-going financial constraint. In January 2016, a budget framework update to the Finance and Resources Committee reported an overall requirement to identify and deliver at least £148 million of recurring annual savings by 2019/20. This savings requirement reflected increased expenditure pressures resulting from three main factors:

- **Demographic and wider socio-economic change** - in particular growing numbers of school pupils, at-risk children, older people and those with physical and/or learning disabilities. Over the period from 2015/16 to 2019/20, the Council's budget framework assumes an increased annual spending requirement of over £50m in respect of these demographic-related factors;
- **The effects of inflation** on the Council's direct and indirect expenditure, amounting to over £12m in 2016/17 alone; and
- **Additional direct or indirect costs arising from legislative change**, particularly as a result of welfare and pensions reform. Changes in National Insurance rates effective from April 2016, for example, have added almost £10m to the Council's employee costs in 2016/17. The budget framework also reflects significant additional expenditure requirements associated with the introduction of a UK-wide apprenticeship levy in April 2017 and incremental increases in employer's pension contributions from 2018/19.

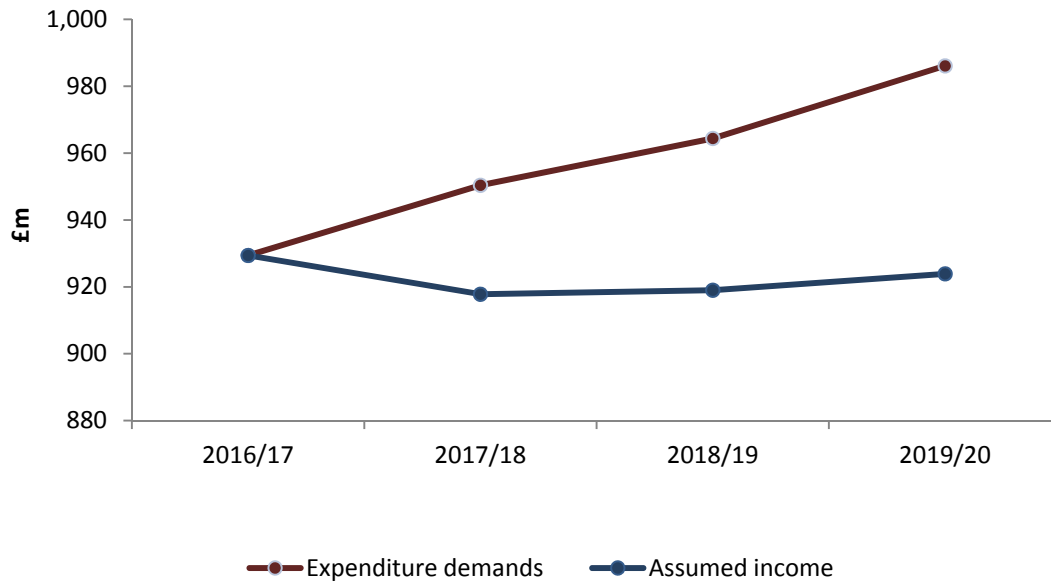
In addition to these, the budget framework recognises underlying demand-led pressures in areas such as Health and Social Care. In response to this, the framework has provided on-going additional investment in 2016/17 in this area, funded through the identification of further savings in other services. This has provided greater stability as these services are further integrated with complementary services provided by NHS Lothian. At the same time, the proposals within the framework have supported the move from institutionalised to home-based settings, promoting independence whilst delivering financial savings enabling reinvestment within the service.

## Funding Levels

In contrast to rising service demand, the Council anticipates that overall funding levels available for service delivery will continue to reduce significantly in real terms during the period covered by this business plan. In September 2016, a budget framework update report considered by the Finance and Resources Committee described the funding expected and savings required by the Council in the period to 2019/20, and incorporated a revised downwards projected annual level of grant funding support. Following this, the 2017/18 Local Government Finance Settlement announcement on 15 December 2016 confirmed an overall year-on-year cash-terms reduction of 2.9%, after taking into account additional retained Council Tax income linked to revisions to multipliers for higher-banded properties. With regard to future years beyond 2017/18, the framework incorporates assumptions on funding levels, though these will be reconsidered in line with future budget settlements to identify any potential further savings that may be required.

The impact of these assumptions is set out in the chart below which illustrates the corresponding value of savings requiring to be agreed over the period of the framework to maintain expenditure in line with available income.

Estimated expenditure requirement and like-for-like available funding, 2016/17 to 2019/20



Within this context of reducing funding, the Council agreed sufficient savings to set a balanced budget for 2016/17 on 21 January 2016, with an indicative balanced budget also agreed for the following two years. At this stage, the framework continues to show a residual need to identify at least £15m of savings in 2019/20, with at least a further £11m required in 2020/21. As noted above, however, it is anticipated that this sum may increase significantly once updated assessments of available funding, infrastructure and other commitments are incorporated, emphasising a need for further service transformation, prioritisation and a continuing shift towards preventative expenditure to secure financial sustainability.



## Future Service Principles

In order to make our proposed savings without compromising the Council vision and purpose, it is vital that services work together around a shared set of guiding principles. These principles describe a common approach to refocusing the way the Council delivers its services and manages its finances:

### Focused on Customers

The Council's approach to delivering our savings is based on redesigning services around the priorities of our customers, and ensuring the city's most vulnerable people are protected. Focus is placed on areas where demand for a service is changing or where different models can provide improved efficiency and better outcomes such as preventative and early intervention.

### Integrated Services

A common theme across plans is the need to integrate our services and partners around common geography and shared objectives and outcomes. Plans aim to deliver savings through integrated service delivery models including locality structures, co-location, asset and resource sharing and further partner integration.

### Empowered Communities

As locality operating models begin to take shape, there are plans in place to focus on developing new co-operative and social enterprise models including the use of outreach services and community-based and led service provision. To deliver this, it is important to foster a culture of shared ownership and accountability of service delivery and budgets with citizens.

### Sustainable Capital City

Plans aim for long term sustainability through radical and transformational change. To ensure delivery of the organisation's plans, the Council's budgets must be managed for longer term benefit through delivery of challenging targets.

### Value for Money

The Council's plans aim to ensure long term financial sustainability, fair maximisation of income and efficient use of assets and resources. Actions are in place to identify new sources of revenue and ensure assets are utilised optimally. Financial sustainability relies on maintaining earmarked and unallocated reserves at appropriate levels and undertaking additional borrowing and investment only when it is prudent and affordable in the longer term.

### High Performing People

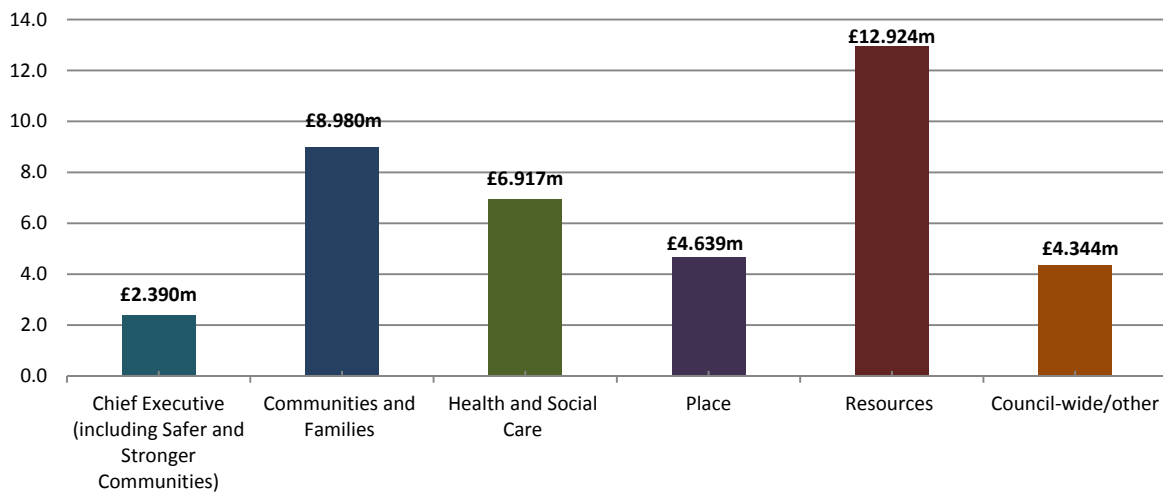
Plans include a commitment to continue to invest in our people and ensure they feel engaged and empowered. Actions include continuing a cost effective and timely reduction of the Council's workforce while ensuring the organisation retains and develops the skills and talents required to deliver its vision.

## Meeting our savings requirements

In addressing the majority of the Council's estimated overall savings requirement to 2019/20, almost £134m of savings have been approved since 2015/16. Of this, £40.2m of savings have been approved for delivery from 2017/18 and are set out in Appendix 1. These will be supplemented by the small number of additional savings required in light of the combined impact of the 2017/18 Local Government Finance Settlement, residual pressures and savings shortfalls once the budget is confirmed.

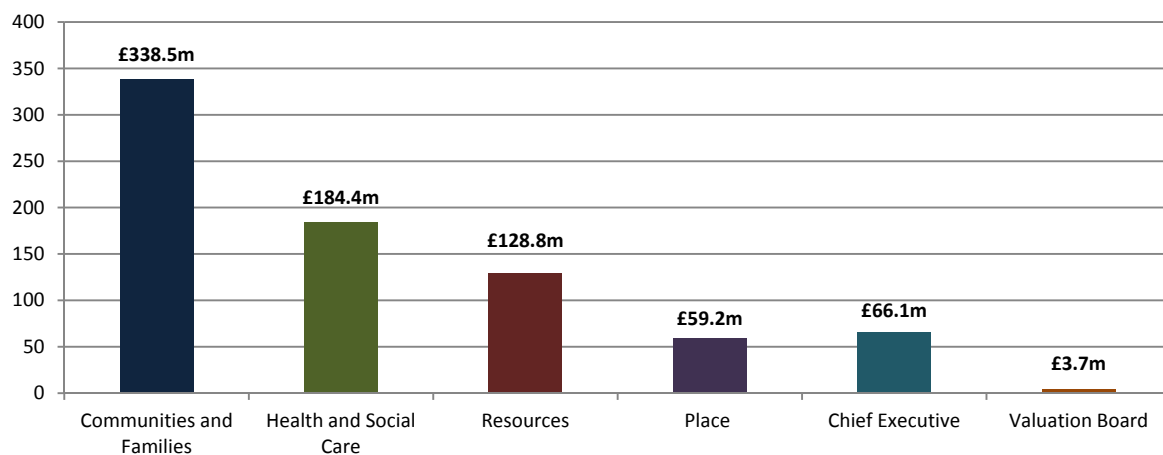
While a number of savings have also been approved for delivery in 2018/19 and 2019/20, it is anticipated that further sums will be required to manage the combined impact of funding settlements, infrastructural requirements and additional expenditure linked to the delivery of other priorities and commitments.

## Approved savings by Directorate, 2017/18

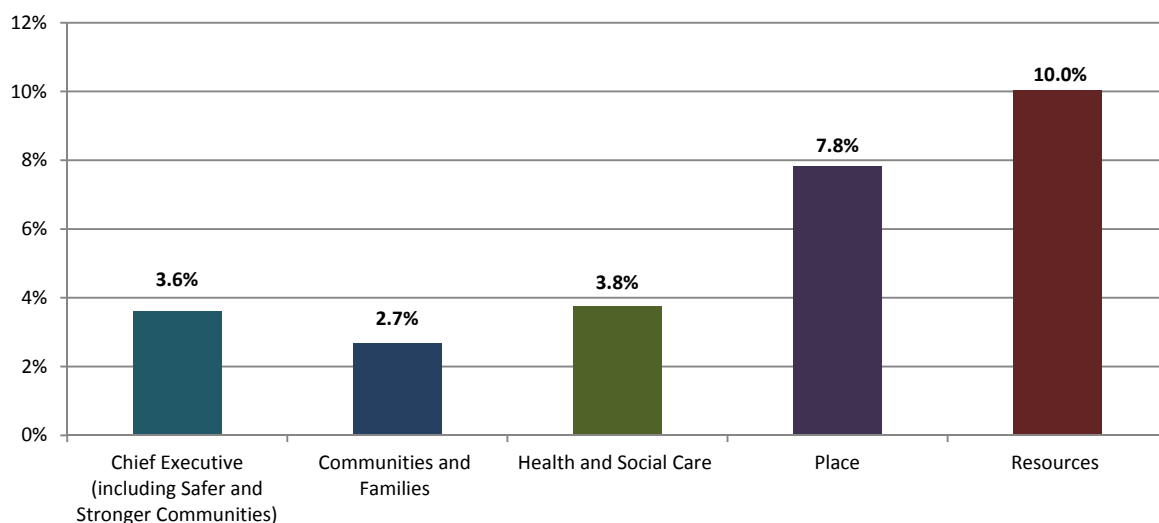


The approved savings by Directorates are detailed above. Whilst acknowledging the savings challenge presented to the organisation, it is worth noting the significant investment in services that will continue throughout the life of this plan. Overall Directorate expenditure is detailed below and highlights the combined investment in both service delivery as well as organisational transformation.

## Estimated expenditure by service areas, 2017/18

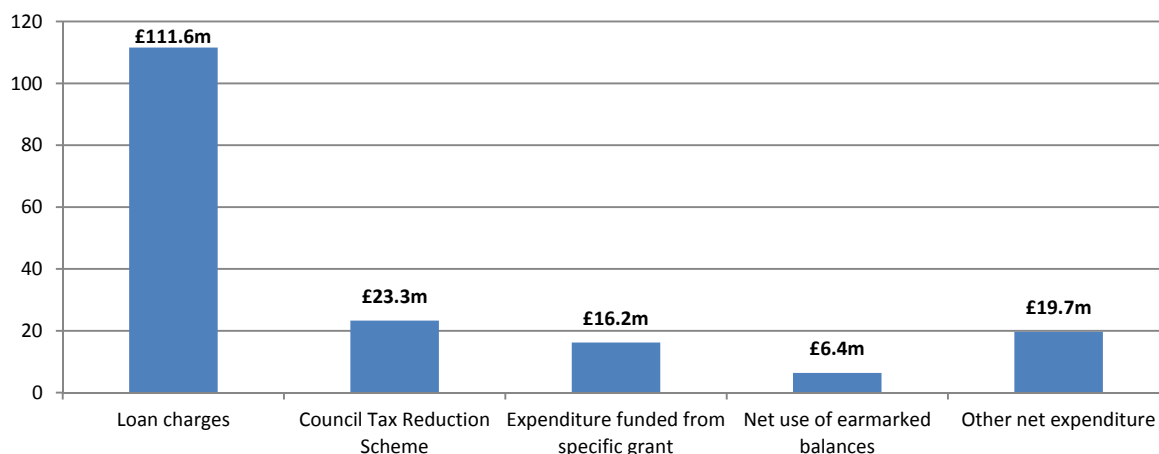


### Approved savings by Directorate, 2017/18 (expressed as proportion of net service budget)



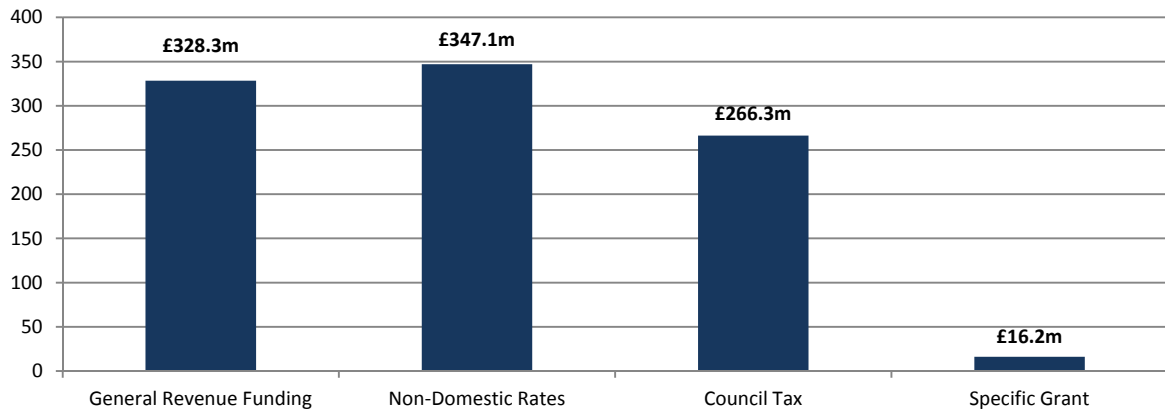
The graph above highlights the organisation's overall approved savings expressed as a proportion of Directorate budgets. Whilst the Council does face a significant savings challenge, this demonstrates the ongoing commitment to investing primarily in services to deliver our objectives and ensure positive outcomes for our customers. There remains, nonetheless, a need to identify further savings through service transformation, prioritisation and more focused investment in preventative activity to maximise the level of resources available for these priorities.

### Other estimated expenditure, 2017/18



Above are details of the Council's other expenditure outwith Directorate budgets. This expenditure includes long term borrowing costs, investment in transformation and a focus on supporting our customers through the challenges of welfare reform.

### Assumed funding sources, 2017/18



Finally, this graph highlights the Council's assumed sources of income for the next financial year. Whilst challenging, over the lifetime of this plan the levels of income expected to be received by the Council continue to represent an opportunity to invest in the priorities of our citizens and meet the vision for our city, set out in the Council business plan.

### Approved savings for delivery, 2017/18 to 2019/20

NB The following analysis sets out the savings as approved in the respective budget motions and which, by extension, form the basis of the budget framework. In a small number of cases, barriers to delivery have been identified and, as such, this table should be read in conjunction with Appendix 2 of the [revenue budget framework report](#) considered by the Finance and Resources Committee on 19 January 2017.

#### Chief Executive

Division	Savings Package	Savings 2017/18 £m	Savings 2018/19 £m	Savings 2019/20 £m
Chief Executive	Workforce savings	0.010	0.000	0.000
ICT	Digital and IT	0.348	0.000	0.000
ICT	Information Management	0.140	0.000	0.000
Safer and Stronger Communities	Re-design of Safer and Stronger Communities (including Advice)	0.880	0.000	0.000
Safer and Stronger Communities	Re-design of Homelessness Services (General Fund share)	0.098	0.000	0.000
Safer and Stronger Communities	CCTV rationalisation/combination of services	0.160	0.000	0.000
Strategy	Strategy and Insight	0.330	0.000	0.000
Strategy	Transformation and Business Change	0.317	0.000	0.000
Strategy	Members' Services	0.107	0.000	0.000
<b>Total Chief Executive (including Safer and Stronger Communities) savings</b>		<b>2.390</b>	<b>0.000</b>	<b>0.000</b>

## Communities and Families

Division	Savings Package	Savings 2017/18 £m	Savings 2018/19 £m	Savings 2019/20 £m
All service	Management	1.095	0.000	0.000
All service	C&F Third Party Payments	0.119	0.000	0.000
All service	Sport Third Party Payments	0.407	0.000	0.000
Children's Services	Efficiencies within social, emotional and behavioural needs (SEBN) secondary provision	0.675	0.000	0.000
Children's Services	Review of support staff within all Special Schools	0.292	0.148	0.000
Children's Services	Reduce residential provision by four beds	0.250	0.267	0.000
Children's Services	Reconfiguration of residential provision	0.076	0.000	0.000
Children's Services	Reconfigure primary and secondary social, emotional and behaviour difficulties support	0.073	0.000	0.000
Children's Services	Parenting support review	0.050	0.000	0.000
Children's Services	Family Solutions review	0.102	0.000	0.000
Children's Services	Review allowances within family-based care	0.158	0.000	0.000
Children's Services	Review of early years services	0.191	0.000	0.000
Children's Services	Review of internal and purchased residential services	0.615	0.000	0.000
Children's Services	Review of special school budgets	0.010	0.000	0.000
Children's Services	Reduce use of independent foster carers less related investment	0.333	0.000	0.000
Children's Services	Reduce use of independent education-related placements	0.200	0.000	0.000
Schools and Lifelong Learning	Redesign of Libraries Service	2.546	0.000	0.000
Schools and Lifelong Learning	Redesign of Music Instructor Service	1.668	0.000	0.000
Schools and Lifelong Learning	Prioritise the funding which supports schools in areas of deprivation	0.070	0.000	0.000
Schools and Lifelong Learning	Efficiencies in the revenue implications of infrastructure development	0.050	0.000	0.000
<b>Total Communities and Families savings</b>		<b>8.980</b>	<b>0.415</b>	<b>0.000</b>

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## Health and Social Care

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Division	Savings Package	Savings 2017/18 £m	Savings 2018/19 £m	Savings 2019/20 £m
Mental Health	Mental Health and Addiction services - redesign respite pathway	0.080	0.000	0.000
Service-wide	Transformation: Organisational Review	5.437	0.000	0.000
Service-wide	Transformation: re-ablement, demand management and telecare	4.943	0.000	0.000
Service-wide	Social Care Fund	-3.543	0.000	0.000
<b>Total Health and Social Care savings</b>		<b>6.917</b>	<b>0.000</b>	<b>0.000</b>

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<b>Place</b>				
<b>Division</b>	<b>Savings Package</b>	<b>Savings 2017/18 £m</b>	<b>Savings 2018/19 £m</b>	<b>Savings 2019/20 £m</b>
All service	Management	0.544	0.000	0.000
Culture	Culture Third Party Payments	0.155	0.155	0.052
Culture	Culture service restructure	0.123	0.000	0.000
Culture	Review funding arrangements for Winter Festivals	0.400	0.000	0.000
Culture	Develop workforce plans and review staffing mix	0.040	0.000	0.000
Culture	Assembly Rooms - additional income each year until 2017/18	0.050	0.000	0.000
Culture	Usher Hall - additional income each year until 2017/18	0.036	0.000	0.000
Culture	Museums - additional income each year until 2017/18	0.032	0.000	0.000
Culture	Increased income for Scott and Nelson Monuments	0.010	0.000	0.000
Culture	Further income from Assembly Rooms, Usher Hall and Museums	0.125	0.000	0.000
Economy	Workforce savings	0.010	0.000	0.000
Economy	Economy Third Party Payments	0.154	0.000	0.000
Environment	Public Health	0.154	0.000	0.000
Environment	Parks and Greenspace	0.236	0.000	0.000
Environment	Task Force	0.383	0.000	0.000
Environment	Waste Services	0.364	0.000	0.000
Environment	Efficiencies in the Waste Service	0.000	-0.500	-0.500
Environment	Reduce internal transport	0.100	0.000	0.000
Environment	In-source - efficient use of vehicles	0.050	0.000	0.000
Environment	Additional savings through internal improvement plan	0.009	0.000	0.000
Housing and Regulatory Services	Licensing and Trading Standards	0.040	0.000	0.000
Housing and Regulatory Services	Stop Repairs and Maintenance of Stair Lighting Service in Tenements	0.250	0.000	0.000
Planning and Transport	Transport	0.324	0.000	0.000
Planning and Transport	Increase parking charges by an average of 4.5% per year over four years	1.050	0.000	0.000
<b>Total Place Savings</b>		<b>4.639</b>	<b>-0.345</b>	<b>-0.448</b>



## Resources

Division	Savings Package	Savings 2017/18 £m	Savings 2018/19 £m	Savings 2019/20 £m
Corporate Property and Facilities Management	Asset Management (gross savings)	0.800	4.200	0.400
Corporate Property and Facilities Management	More efficient use of Council buildings and land	1.606	-0.700	0.000
Corporate Property and Facilities Management	Additional savings through internal improvement plan	0.345	0.000	0.000
Customer	Business Support	5.540	0.000	0.000
Customer	Customer Services	2.776	0.000	0.000
Customer	Efficiencies across Customer Services	0.302	0.000	0.000
Finance	Finance	0.126	0.000	0.000
Finance	Commercial and Procurement	0.457	0.000	0.000
Finance	Efficiencies in accounting teams	0.350	0.000	0.000
Human Resources	Human Resources	0.101	0.000	0.000
Legal and Risk	Internal Audit and Risk	0.032	0.000	0.000
Legal and Risk	Legal Services	0.259	0.000	0.000
Resources	Additional income - various	0.030	0.000	0.000
Service-wide	Develop workforce plans and review staffing mix	0.200	0.000	0.000
<b>Total Resources Savings</b>		<b>12.924</b>	<b>3.500</b>	<b>0.400</b>

## Council-wide

All	Savings Package	Savings 2017/18 £m	Savings 2018/19 £m	Savings 2019/20 £m
All	Reduce use of agency staffing by 20% by 2017/18	1.333	0.000	0.000
All	Increase in discretionary income - Retail Price Index (RPI) plus 2%	1.000	1.000	1.000
All	Other net changes	2.011	0.000	0.000
<b>Council-wide savings</b>		<b>4.344</b>	<b>1.000</b>	<b>1.000</b>

# The City of Edinburgh Council

## Our Council Business Plan 2016-20

### Our Vision

Our vision is to ensure that **Edinburgh is a thriving, sustainable capital city** in which all forms of deprivation and inequality are reduced

### Message from our Council Leadership Team

In January 2016 the City of Edinburgh Council published a new Business Plan to provide a strategic vision and direction to guide the work of the Council over the four years from 2016 to 2020. Despite the many changes that have happened in the last 12 months, the underlying principles we set out in our Business Plan remain valid and at the core of our strategic direction. We know, for instance, that demand for our services continues to grow, and that we continue to feel restrictions on Council budgets and resources.

This business plan provides the vision and direction we need to negotiate those challenges. It sets out our plan for the work of the whole Council, describing what we aim to do and how we intend to do it. The aims and outcomes set out here will inform our decision making over the next few years, including how we use our scarce resources and how we deliver our services.

**Andrew Burns**  
*Council Leader*

**Frank Ross**  
*Deputy Council Leader*

**Andrew Kerr**  
*Chief Executive*

### Strategic Aims

The plan sets out the four strategic aims which guide all our work

#### Improve Quality of Life

We aim to ensure that all our citizens are able to fulfil their potential and live in safe, cohesive communities. We aim to ensure that all our citizens enjoy improving health and well-being, and are able to enrich their lives through sport, culture and learning.

#### Ensure Economic Vitality

We aim to ensure that Edinburgh's economy remains globally competitive and a place where businesses can grow. We aim to ensure that we tackle inequality in Edinburgh, so that our growth is fair and inclusive and poverty is reduced.

#### Build Excellent Places

We aim to ensure that Edinburgh is an attractive, liveable city where communities can access to the modern infrastructure, housing and amenities they need. We aim to develop and look after our unique natural and built environments.

### Deliver a lean and agile services

We are committed to providing value for money and ensuring long term sustainability for our citizens. This means making sure all our services are focused on our customers' needs and priorities. It means transforming how we do business and ensure we deliver joined up, integrated services which work together seamlessly with our partners. To help drive this we need to make optimal use of our assets and resources and deliver our services through our engaged, empowered and high performing people.

# The City of Edinburgh Council

## Our Strategic Aims and Outcomes

### Improve Quality of Life

All our citizens are able to **achieve their potential**

Our citizens live in **safe, resilient and cohesive** communities

Our **citizens' lives are enriched** by increased participation in **culture, sport and learning**

Our citizens are **healthier** and enjoy **improved well-being**

### Ensure Economic Vitality

Edinburgh is a **globally competitive** location, where **businesses** can **grow and prosper**

Edinburgh **attracts investment** to accelerate **growth** and support **development and regeneration**

Edinburgh has a vibrant, **inclusive labour market** where **talent is fully realised**

Edinburgh's **growth is inclusive** and shared fairly across communities, **reducing poverty & inequality**

### Build Excellent Places

Edinburgh is a **liveable city**, built around communities with access to the housing, amenities and facilities they need

Edinburgh's **natural environment and open spaces** are clean, attractive and well looked after

Edinburgh's **heritage and unique built environment** are protected and developed

Edinburgh is an **accessible, connected city** with first-class, **modern infrastructure**

*To meet our aim of delivering Lean and Agile Services we need to ensure that we:*

### Deliver Lean & Agile Services

**Focus on Customers**

**Deliver Integrated Services**

**Work with Empowered Communities**

**Provide Value for Money**

**Deliver a Sustainable Capital City**

**Develop a High Performing Workforce**