

Amendment by the SNP Group

The City of Edinburgh Council

22 February 2024

Item 4.1 - Revenue & Capital Budget - Revenue Budget Framework 2024/26; Sustainable Capital Budget Strategy 2024/2029

EXECUTIVE SUMMARY

Families in Edinburgh are struggling under the weight of higher bills for food, for energy, for mortgages. These areas are beyond the control of the council but in those that are not we should do what we can to help. The SNP are putting at the centre of our budget a proposal to fix the Friday afternoon problem that working parents have to deal with, often at great cost. Our budget plan would fund universal free Friday afternoon after-school clubs to make life easier for the city's families and ensure children get the best possible start in life.

Our budget will also help the citizens of the city by freezing their monthly Council Tax bills, by supporting youth work organisations, creating supported bus services and investing in road safety around schools. The budget also includes more than £5.5m of new spending targeted at climate change, to tackle the great emergency of our time. We will also fund enforcement to ensure no short-term lets are waved through and an accompanying proposal in the council housing budget will bring hundreds of derelict homes back into use.

BACKGROUND & FINANCIAL CONTEXT

In last year's budget we saw the serious shortcomings of this coalition administration's thinking. We saw a Lib Dem budget unexpectedly pass that did not fully address the challenges facing the city. Many of those remain or have worsened in the 12 months since. In particular, the city's efforts on climate change under this administration have not matched the ambitions of its previous leadership. The budget also unthinkingly opened the door to staff redundancies and damaged relationships with the unions.

We all recognise that this is a time of serious pressure. Our core revenue grant from the Scottish Government is increasing by at least £32m this year, but the demands upon it are rising too. Need for the services we deliver is high and we have – rightly – committed to improved pay deals for our staff.

The Scottish Government has offered councils £144m in exchange for agreeing to freeze the Council Tax. Nationwide, this is the same as would be raised by a 5% increase. Choosing to reject this free money and instead put the tax up will heap significant extra pressure on already stretched and stressed families and households. Council Tax is a regressive tax and so we should not be eager to use it. Instead, Edinburgh should accept our share of this funding. People in Edinburgh, who will be seeing virtually every bill going up, can be reassured that this is one that will not.

Our financial pressures originate in decisions taken by the UK Government. Fourteen years of austerity budgets have stripped public spending back to the bone. Every household still feels the damaging consequences of the Liz Truss mini budget. Brexit has added cost to every financial decision we make as a council, from recruitment difficulties to construction inflation.

November's UK Government Autumn Statement was a true worst-case scenario. Instead of investing his £27bn of headroom into services and infrastructure, the UK Chancellor cut taxes. The annual Scottish Government grant has been cut in real terms by £700m since 2022. No one can deny that all of this in turn reduces the funding they can provide to Scotland's councils. In the words of Mark Drakeford, Labour First Minister of Wales, the UK Government Statement "simply doesn't measure up to the challenge that we face".

We ask that all parties in the council call on the UK Government to change course.

Budget Amendment

We will create additional investment in the following targeted areas:

- We will invest £5.11m to provide universal free after school clubs on Friday afternoons, benefitting primary children through play in a safe environment and building in greater flexibility at no extra cost for parents.
- We will invest a further £465,000 to youthwork organisations to remedy the shortfall in this year's round of funding. This will fully fund all successful applications through strand 3 of the Connected Communities Fund and protect local delivery of this vital work.
- We will invest £120,000 reinstating support for children with additional support needs in afterschool clubs, restoring access to these clubs for all kids who lost out last year.

- We will increase the general Discretionary School Management budgets by £1.4m. This will be taken from funded project time to allow head teachers to decide their school's priorities and keep more money in the classroom.
- For the first time we will allocate £3.5m from the Council's general fund to bring more empty and derelict Council Houses back into use. In the context of a housing crisis this is an innovative approach, and we are extremely confident that Scottish Ministers will support this plan.
- We will allocate an additional £1m to improve road safety around schools, and on safe routes to schools.
- We will allocate £600,000 to tackle the backlog of areas awaiting drop kerbs and other interventions to improve mobility and accessibility for all residents.
- We will also allocate another £600,000 to expand delivery of needed pedestrian crossings.
- We will spend £2.5m on accelerating the school energy efficiency retrofit, cutting the Council's energy bills and reducing the carbon footprint.
- We will allocate £750,000 for flood prevention and intervention, investing in the City's adaptation to climate change.
- We will allocate £598,000 to accelerate the delivery of the Million Tree City pledge.
- We will allocate £1m to transition from the Council's heavy-pollutant service vehicles to electric and low-carbon alternatives.
- We will allocate £100,000 to procure equipment to finally stop the use of Glyphosate weedkiller in Edinburgh.
- We will allocate £112,000 to buy electric hedge trimmers and other forms of park maintenance equipment to reduce the carbon impact of maintaining our green spaces.
- We will allocate £250,000 to install electric charging points to support the Council's transition to electric for all vehicles.
- We will allocate £60,000 for electric cargo bikes so that waste and cleansing staff can access parks like Princess St Gardens with ease and without intruding on residents enjoying the space.
- We will invest £130,000 installing electric points in parks. This will significantly reduce the use of diesel generators which are noisy and pollute our air.

- We will invest an additional £60,000 in additional staff for the processing of short term let applications, pushing forward faster towards a fully licensed sector.
- We will invest £400,000 in providing support to unpaid carers, who do so much for their families and friends and therefore our communities.
- We will allocate £220,000 to deliver state of the art toilets and shower facilities in Portobello.
- We will allocate £480,000 to deliver new public toilets with adjoining cafes to provide local amenity across the City in a financial model that protects public finances.
- We will allocate £770,000 to improve our local community centres, with investment funding essential works to keep our local assets open.
- We will allocate £300,000 to install 10 new bus lane cameras. This will keep public transport moving across Edinburgh.
- We will provide £120,000 for supported bus services for communities in Dumbiedykes and another £120,000 for the Lady Nairne areas, serving areas of the city who lost local services, providing better access to employment, health, leisure and shopping for those communities.
- We will allocate £500,000 to secure the future of climate and nature emergency teams year-on-year. The SNP budget also includes £5.5m to fund climate projects and with an additional £500,000 baselined in the budget, we can resource the accelerated delivery of this funding, the core work across Council departments and access even more external funding to support Edinburgh's transition to net-zero.
- Due to a change in contract, eye watering increases in charges for Garden Aid were proposed, we are allocating £32,000 to freeze these charges to ensure people who need the support aren't pushed out of this much-needed service.
- To enable the delivery of bringing agency staff back to pre-May 2022 levels, and deal with the red audit findings in contract control, we will allocate £500,000 to release the savings identified in our proposals.
- We will allocate the remaining £382,000 required to complete the Longstone Bridge, delivering this vital local connection. Thanks to work of the Community Council, much of this funding has already been secured through developer contribution and Council Officers are confident of receiving grant funding for the remainder. If this is the case, this funding will be added to the roads budget.
- We will allocate £250,000 to improve IT provision across Libraries, meeting the needs of the service to modernise.

- We will cancel free lunches at Full Council and reallocate these funds to support accessible decision-making, with BSL translations at Full Council meetings.

We will seek to create additional resources through the following actions and savings from service departments:

- We will seek to return Council spend on agency contract staff to pre-May 2022 levels, thus saving £1m in each of the next two years and helping to build long term stability in Council employment.
- The Council having received a red audit finding for lack of control over contract spending, we will apply a 2% saving against this, requesting the Council gets an effective grip of this issue and saving the Council £1.5m as a result.
- With the additional investment of £3.5m to accelerate return of more empty Council properties to lettable standard and reduce associated costs in temporary accommodation and rent loss from empty properties. This will create a saving of £280,000 this year and a further £1.3m next year.
- We will raise the on-street parking charges by a further 5% to raise an additional £500,000.
- We will increase parking permits by a further 5% raising an additional £250,000.
- We will reduce the amount spent by the Council's Lord Provost Department, communications department and internal support for the Administration to prioritise funding on front line services, saving £300,000 per year.
- We will remove ringfencing on School Curriculum Reform to allow this funding to be allocated on the same formula basis as the main Discretionary School Management Budgets. This will give head teachers greater flexibility and resources.
- We will request that officers accelerate delivery of savings against the Council's buildings, making greater use of existing buildings, disposing of buildings not required and cutting costs to focus on frontline delivery. While there is pressure in this area, we believe a further £250,000 can be delivered.
- We will use £7m capital contingency funds to fund climate change investment and other key capital investments across Edinburgh.
- We will prudently borrow £5.4m to resource work to invest in schools, council-owned community centres, road safety, flood prevention and new toilet provision.
- We will use £900,000 of reserves from the Council tax reduction scheme to support investment which tackles poverty.

- We will withdraw £450,000 from the city's strategic investment fund to support our priorities.
- We will access the Spend to Save funds of £1.8m to resource actions within this year to deliver progress against the priorities set out in this budget.
- We will draw down and reprioritise £1.2m from the roads budget to fund road safety measures around schools, improving accessibility on-street and new pedestrian crossings.
- We will raise a further £60,000 in licensing fees and this will be ringfenced to support additional short term let processing within the service.
- We will increase fees for events at Council-owned buildings by a further 10% raising £22,500.
- We will increase fees for cruise ships at Hawes Pier by a further 20%, raising £124,000. We are confident that cruise ships will still dock in Scotland's Capital City
- We will increase fees for EV charging by 5%, raising a further £23,500
- From the investment in new bus lane cameras protecting public transport, we will raise £112,000 this year rising to £450,000 next year.

EIJB

The financial pressures facing health and social care services are vast. Some of the common themes also facing the council apply, an explosion in agency staff since May 2022, rise in spending outwith contract and failure to upstream intervention to create headroom in the NHS services. There are particular issues in social work review teams as Edinburgh has historically struggled to attract social workers due to pay and other factors.

While work to address these pressures is ongoing it is also certain that demographic pressure will continue to build and therefore the EIJB will need additional funding. We are aware of UK Government consequentials relating to social care services to Councils in England. Upon these being paid to Edinburgh Council by the Scottish Government we firmly believe this should be paid directly to the EIJB. We note officers reported that this could be around £3.5m.

Equality and Sustainability impact of proposals

We have considered this budget against our need to make the City more inclusive. We have considered the measures to improve accessibility, deliver the best start in life for our young people and investing in making Edinburgh climate ready, driving towards the ambitious net-zero.

We would welcome further analysis in budget years of equality impact assessments and sustainability impacts, including a fixed carbon budget for options considered.

Council notes the following reports from the Executive Director of Corporate Services:

Council Budget Reports

- Revenue Budget Strategy and MTFP Progress Update - referral from the Finance and Resources Committee (25 January 2024)
- Revenue Budget Framework and Medium -Term Financial Plan (MTFP) 2024/29 – Further Update - referral from the Finance and Resources Committee (6 February 2024)
- Revenue Budget 2024-25 – Risk and Reserves - referral from the Finance and Resources Committee
- Sustainable Capital Budget Strategy 2024-2034 – referral from the Finance and Resources Committee

Council therefore approves:

- The Revenue Budget 2024/25 as set out in the reports appended to this motion, as amended by the changes/allocations included in Appendix 1;
- A band 'D' Council Tax of £1,447.69 for 2024/25;
- The Council Tax and Rating resolution set out in Annex 2 to this motion;
- The 2024/34 Sustainable Capital Budget Strategy as set out in the report by the Executive Director of Corporate Services, as amended by the changes shown in Annex 3;
- Allocations from reserves as set out in this motion;
- A further report to be submitted to seek approval of revised charges for Council services, the financial impact of which is contained in Appendix 1 to this amendment; and
- A further report to be submitted to seek approval of the prudential indicators arising from this motion.

Moved by: Councillor Macinnes

Seconded by: Councillor Kumar

**THE CITY OF EDINBURGH COUNCIL
SCOTTISH NATIONAL PARTY GROUP BUDGET MOTION
REVENUE BUDGET 2024/2026**

	2024/25		2025/26	
	£000	£000	£000	£000
Expenditure to be Funded				
- Resource Allocation Totals	1,344,834			
- Add: Expenditure funded through Specific Grants	<u>16,211</u>			
		1,361,045		
- General Revenue Funding and Non Domestic Rates	(989,082)			
- Ring Fenced Funding	<u>(16,211)</u>			
		(1,005,293)		
To be Funded by Council Tax		<u>355,752</u>		<u>409,900</u>
Council Tax at Band D	£	1,447.69		£ 1,491.12
Increase on Previous Year	£	-		£ 43.43
- Percentage Increase		0.00%		3.00%
Funding Requirement		355,752		409,900
Council Tax Income		355,752		369,400
		<u>355,752</u>		<u>369,400</u>
Funding (Excess) / Shortfall at Council Tax increase above as reported to Council, February 2024 (note 1)		-		40,500
Service Investment (see Appendix 1)	8,986		9,897	
Add / Less: Amendments to Draft Revenue Budget Framework (see Appendix 1)	(919)		(1,669)	
Less: Additional Savings (see Appendix 1)	<u>(4,917)</u>		<u>(8,255)</u>	
		3,150		(27)
Contributions to / (from) reserves (itemise)				
Contribution to unallocated general reserve				
City Strategic Investment fund	(450)		0	
Council tax reduction scheme reserve	(900)		0	
Spend to Save	<u>(1,800)</u>		<u>0</u>	
		(3,150)		-
Balance of Available Resources		<u>0</u>		<u>40,473</u>

Note 1 - incremental 2025/26 gap takes account of position set out in update report to the Finance and Resources Committee on 6 February 2024 i.e. that deferral of the schools-related savings results in the loss of the full-year effect of savings originally proposed from August 2024.

THE CITY OF EDINBURGH COUNCIL
SCOTTISH NATIONAL PARTY GROUP BUDGET MOTION
REVENUE BUDGET 2024/2026

	2024/25	2025/26
SERVICE INVESTMENT	£000	£000
Youth Work	465	0
Discretionary School Management budgets	1,400	0
Universal free Friday afterschool clubs	5,110	993
Additional Support needs support - afterschool clubs	120	0
Short Term Let application processing (contained within licensing)	60	0
EIJB - unpaid Carers support	400	0
Supported Bus Services	240	0
Climate and nature emergency delivery teams	500	0
Garden Aid freeze	32	0
Delivery against agency and contract control	500	(500)
Borrowing to meet capital expenditure	144	418
Accessibility at Full Council- BSL/translation	15	0
TOTAL SERVICE INVESTMENT	<u>8,986</u>	<u>911</u>
PROPOSED AMENDMENTS TO DRAFT REVENUE BUDGET FRAMEWORK 2024/28		
Events at Council venues - additional increase in charges (10%)	(22)	0
Hawes Pier - additional increase in charges (20%)	(124)	0
On-street parking - additional increase in charges (5% per annum)	(500)	(500)
Parking permits - additional increase in charges (5% per annum)	(250)	(250)
EV Charging - additional increase in charges (5%)	(23)	0
TOTAL AMENDMENTS TO DRAFT REVENUE BUDGET FRAMEWORK	<u>(919)</u>	<u>(750)</u>
ADDITIONAL SAVINGS		
School Curriculum Reform - to be transferred to DSM	(1,400)	0
Council Communication team	(100)	0
Lord Provost Budget	(100)	0
Service and Policy Advisors	(100)	0
Buildings/Waverley Court	(250)	0
Agency spend control, back to 2021/22 levels (Excluding EIJB)	(1,000)	(500)
Licences - additional income	(60)	0
Extension of P&D parking on Regent Terrace/Regent Road Sat/Sun	0	(100)
SUV On-street	0	(100)
Additional bus lane revenue	(112)	(338)
Off-contract spending control waivers 2% efficiency	(1,500)	(1,000)
Civic budget (cancel Council lunches)	(15)	0
Temporary accommodation saving from voids being filled	(280)	(1,300)
TOTAL ADDITIONAL SAVINGS	<u>(4,917)</u>	<u>(3,338)</u>

**THE CITY OF EDINBURGH COUNCIL
COUNCIL TAX / RATING RESOLUTION
SCOTTISH NATIONAL PARTY GROUP BUDGET MOTION**

To recommend that in respect of the year to 31st March, 2025:

1. GENERAL FUND

Revenue Estimates - the Revenue Estimates as presented and adjusted be approved;

Council Tax - estimated expenditure from Council Tax of £355.752m be met and in terms of Sections 70(1) and 74(1) of the Local Government Finance Act 1992 (the 1992 Act) Council Tax be levied in respect of properties in the bands defined in Section 74(2) of the 1992 Act, as amended by The Council Tax (Substitution of Proportion) (Scotland) Order 2016, as follows:

Band	Council Tax	Band	Council Tax
	£		£
A	965.13	E	1,902.10
B	1,125.98	F	2,352.50
C	1,286.84	G	2,835.06
D	1,447.69	H	3,546.84

2. RATING APPEALS TIMETABLE

In terms of Part XI of the Local Government (Scotland) Act 1947 the following dates be approved:

Main Assessment Roll

Lodging of Appeals with the Executive Director of Corporate Services by	12 July 2024
Hearing of Appeals by the Rating Authority	13 September 2024

Amendments to Main Assessment Roll made subsequent to its issue

Lodging of Appeals with the Executive Director of Corporate Services	Within six weeks of issue of Rate Demand or in terms of Section 11 of the Rating and Valuation (Amendment) (Scotland) Act 1984
Hearing of Appeals by the Rating Authority	Periodically

3. CAPITAL EXPENDITURE

Expenditure on Capital projects in progress be met.

4. BORROWING

The Council borrows necessary sums to meet the above capital expenditure.

THE CITY OF EDINBURGH COUNCIL
SCOTTISH NATIONAL PARTY GROUP BUDGET MOTION
CAPITAL BUDGET 2024 - 2029
ADDITIONS TO REVISED PROGRAMME

	2024/25 £000	2025/26 £000	2026/27 £000	2027/28 £000	2028/29 £000	Total £000
Available Resources for Distribution (if applicable)						
Road budget reprioritisation	1,200					1,200
Capital contingency	7,000					7,000
Additional investment supported through borrowing	5,400					5,400
	13,600	0	0	0	0	13,600
Changes to recommended Capital Investment Programme						
Derelict council houses back into use	3,500					3,500
Road safety around schools	1,000					1,000
Road safety drop kerbs	600					600
Road safety pedestrian crossings	600					600
Portobello toilets/showers	220					220
Public toilets with adjoining cafes	480					480
Community centre improvements	768					768
Equipment to stop use of glyphosate	100					100
Low carbon park maintenance equipment	112					112
Cargo bikes in parks	60					60
Park events- low carbon power	130					130
EV chargers for CEC fleet	250					250
10 additional bus lane cameras	300					300
School energy efficiency retrofit	2,500					2,500
Heavy fleet low carbon transition	1,000					1,000
Million Tree City acceleration	598					598
Flood prevention and intervention	750					750
Longstone Bridge	382					382
Library IT equipment	250					250
	13,600	0	0	0	0	13,600