

# Motion by Councillor McKenzie

## City of Edinburgh Council

22 February 2024

### Item 4.1 - Revenue Budget 2024/25 and Sustainable Capital Budget Strategy 2024-2034

Council:

Is extremely concerned about the projected £67.6m funding gap in the Edinburgh Integration Joint Board (EIJB) budget for 2024/25, noting that the EIJB Chief Officer has stated this means “it will be a serious struggle to deliver our statutory duties”.

Recognises the recurring pressures in the Education budget, and the need to ensure that funding is protected in the Medium-Term Financial Plan rather than through one-off mitigations.

Rejects the so-called ‘Council Tax freeze’ and calls on the Scottish Government to provide the £16.1m budgeted for Edinburgh, regardless of whether this Council decides to increase Council Tax or not.

Therefore agrees:

#### **REVENUE BUDGET**

1. To increase Council Tax by 7.8%, raising an additional £11.6m to fund the following:

**£6m for the EIJB (including £400k for unpaid carers)**

**£5.6m for Education**

The one-off £5.2 million that has been found for Education in 2024-25 should be passed on to the EIJB, meaning an overall **Council contribution to the EIJB funding gap of £22.6 million** - over one third of the projected gap.

Council calls on both the Scottish Government and NHS Lothian to match this level of funding in order to close the gap completely.

Council calls on the Scottish Government to provide the £16.1m that has already been budgeted for Edinburgh, thus allowing the Council to set the increase at 3.2%, which, while not a freeze, is a modest increase that will still go some way towards protecting basic services.

*Point 1 could be accepted as an amendment to any of the budget motions, with the exception of the Green motion which already includes a Council Tax increase.*

**2. In addition to the above**, the following measures are proposed as amendments to the Administration budget. These can be accepted as a whole or as standalone parts without compromising the balance of the budget and are listed below in order of priority (see detail at the bottom of this motion):

**2.1** £3m from reserves for a **one-off payment of £100 for all households eligible for the Council Tax Reduction scheme and who are in Council Tax Bands A-D.**

**2.2** £1m from agency spend control for an **additional £1m into the Education budget** to mitigate the **Early Years** funding gap for 24-25.

**2.3** Just under £1m (**£956K**), increasing to **over £1m in 2025-26**, raised from a variety of increased charges, for the re-introduction of the **Tenant Grant Fund.**

**2.4** Additional savings from across the Council revenue budget to raise just under **£2.8m** for the funding of **priorities from all political groups**, including an **additional £750K for in-house provision in Waste and Cleansing:**

**Compulsory purchase order feasibility – £200K**

**Accessibility measure for Council meetings – £15K**

**Retrofitting/Energy efficiency – £500K**

**Forestry team extra staff for tree planting & tree care – £500K**

**Community climate action – £432K**

**Being “climate ready” revenue – £200K**

**Regenerative futures fund – £100K**

**Garden Aid freeze – £32K**

**Short Term Let application processing (contained within licensing) – £60K**

**In-sourcing in Waste and Cleansing – £750K**

## **CAPITAL BUDGET**

Administration budget amended as follows:

1. Increase capital contingency by £500K to match capital contingency proposed by other parties.

2. Reduce spending on Roads to just below £8 million (£7.85 million).

Use the remaining funds (£5.15 million) for:

**Council house repairs – £3.5m**

**Longstone bridge – £382K**

**Million Tree City – £500K**

**Road safety: drop kerbs, pedestrian crossings – £768K**

#### **ITEMISED SAVINGS FOR REVENUE BUDGET**

##### **Additional funds from reserves for 2.1 (total 3 million)**

Severe weather reserve – 475

Welfare reform reserve – 775

City Strategic Investment fund – 450

Spend to Save – 1300

##### **Additional savings from agency spend control for 2.2 (total 1 million)**

Agency spend control – 1000

##### **Additional funds for 2.3 through increased charges (total 956K, 1.056 million in 25-26)**

Garage rent charges, extra 5% - 15

Road occupation permit charges, extra 15% - 22

On-street parking, additional increase in charges (5% per annum) – 500

Parking permits, additional increase in charges (5% per annum) – 250

EV Charging, additional increase in charges (5%) – 23

Hawes Pier, additional increase in charges (20%) – 124

Events at Council venues, additional increase in charges (10%) – 22

SUV on-street (in 2025-26) – 100

##### **Additional savings for 2.4 (total 2.79 million)**

Council communication team – 100

Lord Provost Budget – 100

Buildings/Waverley Court – 250

Off-contract spending control waivers (net) – 1000

Temp accommodation savings from voids being filled – 280

Energy efficiency measures – 500

Licenses, additional income – 60

Spend to Save (reserves) – 500

**Moved by: Cllr Ross McKenzie**

**Seconded by:**

**THE CITY OF EDINBURGH COUNCIL  
INDEPENDENT BUDGET MOTION  
REVENUE BUDGET 2024/26**

	2024/25		2025/26	
	£000	£000	£000	£000
<b>Expenditure to be Funded</b>				
- 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	<u>(972,982)</u>			
- Ring Fenced Funding	<u>(16,211)</u>			
		(989,193)		
<b>To be Funded by Council Tax</b>		<u>371,852</u>		<u>426,000</u>
<b>Council Tax at Band D</b>	£	1,560.61		£ 1,612.89
<b>Increase on Previous Year</b>	£	112.92		£ 52.28
- Percentage Increase		7.80%		3.35%
<b>Funding Requirement</b>		371,852		426,000
<b>Council Tax Income</b>		<b>383,501</b>		<b>399,334</b>
		<u>383,501</u>		<u>399,334</u>
<b>Funding (Excess) / Shortfall at Council Tax increase above as reported to Council, February 2024 (note 1)</b>		(11,649)		26,666
<b>Service Investment (see Appendix 1)</b>	20,755		21,164	
<b>Add / Less: Amendments to Draft Revenue Budget Framework (see Appendix 1)</b>	(984)		(1,834)	
<b>Less: Additional Savings (see Appendix 1)</b>	<u>(4,191)</u>		<u>(5,491)</u>	
		<b>15,580</b>		<b>13,839</b>
<b>Contributions to / (from) reserves (itemise)</b>				
Welfare Reform reserve	(900)			
City Strategic Investment Fund	(450)			
Spend to Save Fund	(1,800)			
Severe Weather reserve	<u>(782)</u>			
		<u>(3,932)</u>		-
<b>Balance of Available Resources</b>		<u>(0)</u>		<u>40,506</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**  
**INDEPENDENT BUDGET MOTION**  
**REVENUE BUDGET 2024/26**

	2024/25	2025/26
<b>SERVICE INVESTMENT</b>	<b>£000</b>	<b>£000</b>
Borrowing associated with capital expenditure	195	920
Continued support for Edinburgh Leisure Real Living Wage	0	3,200
Night Safety Co-ordinator	50	0
Youth and Community Welfare Transition Fund	100	(100)
Big Hoose Match Funding	25	0
Parks Development Workers (existing unfunded roles)	114	0
Service Engineer for biodiversity equipment (new role)	50	0
Suds in Schools Worker (new role)	52	0
Climate Forum Co-ordinator (existing unfunded role)	25	0
Colleague Travel Worker (existing unfunded role)	52	0
Revenue to support biodiversity and maintain infrastructure	230	0
Backfill 'Grow your own' transition roles	0	324
Other	0	65
Short-term let application processing (contained within licensing)	60	
Additional investment for EIJ, including £0.4m for unpaid carers (supplemented in 2024/25 by £5.2m of one-off mitigations to offset Education savings, thereby providing £11.2m in total)	6,000	
Additional investment in Education - DSM	5,649	
Additional investment in Education - Early Years (funded from savings in agency spend)	1,000	
Household Support Payments	3,000	(3,000)
Tenant Grant Fund	956	100
Compulsory purchase order feasibility	200	(200)
Accessibility measures for council meetings	15	
Retrofitting/Energy efficiency	500	(200)
Forestry team extra staff for tree planting & tree care	500	
Community climate action	432	
Regenerative Futures Fund	100	
Being "climate ready"	200	(200)
Insourcing Waste and Cleansing	750	
Extra procurement resources for off-contract spend and waivers	500	(500)
<b>TOTAL SERVICE INVESTMENT</b>	<b>20,755</b>	<b>409</b>
<b>PROPOSED AMENDMENTS TO DRAFT REVENUE BUDGET FRAMEWORK 2024/28</b>		
Garage rent charges - extra 5%	(15)	
Road occupation permit charges - extra 15%	(22)	
On-street parking - additional increase in charges (5% per annum, so 25% in total in 2024/25)	(500)	(500)
Parking permits - additional increase in charges (5% per annum, so c. 15% in total in 2024/25)	(250)	(250)
EV Charging - additional increase in charges (5%)	(23)	
Hawes Pier - additional increase in charges (20%)	(124)	
Licences - additional income	(60)	
Events at Council venues - additional increase in charges (10%)	(22)	
Garden Aid freeze	32	
SUV on-street parking		(100)
<b>TOTAL AMENDMENTS TO DRAFT REVENUE BUDGET FRAMEWORK</b>	<b>(984)</b>	<b>(850)</b>
<b>ADDITIONAL SAVINGS</b>		
General Place efficiency savings to support capital expenditure	(195)	
General efficiency savings	(266)	
Agency spend control	(1,000)	
Council communication team	(100)	
Lord Provost Budget	(100)	
Buildings/Waverley Court	(250)	
Off-contract spending control waivers (gross)	(1,500)	
Temp accommodation savings from voids being filled	(280)	(1,300)
Energy efficiency measures	(500)	
Review of civic budgets	0	
<b>TOTAL ADDITIONAL SAVINGS</b>	<b>(4,191)</b>	<b>(1,300)</b>

**THE CITY OF EDINBURGH COUNCIL  
COUNCIL TAX / RATING RESOLUTION  
INDEPENDENT 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 £383.501m 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:

<b>Band</b>	<b>Council Tax</b>	<b>Band</b>	<b>Council Tax</b>
	£		£
A	1,040.41	E	2,050.47
B	1,213.81	F	2,535.99
C	1,387.21	G	3,056.19
D	1,560.61	H	3,823.49

**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  
INDEPENDENT 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
<b>Available Resources for Distribution</b>						
Release from capital contingency	7,000					7,000
Additional investment supported through borrowing	7,350	13,250	13,250			33,850
	<b>14,350</b>	<b>13,250</b>	<b>13,250</b>	<b>0</b>	<b>0</b>	<b>40,850</b>
<b>Changes to recommended Capital Investment Programme</b>						
Pavements, Lighting, Roads, Streets, Trees, Suds	7,850	12,500	12,500			32,850
Derelict Council houses	3,500					
Longstone Bridge	382					
Million Tree City	500					
Road safety: drop kerbs, pedestrian crossings	768					
Flood Prevention/ Biodiversity	750	750	750			2,250
Biodiversity Equipment	600					600
	<b>14,350</b>	<b>13,250</b>	<b>13,250</b>	<b>0</b>	<b>0</b>	<b>35,700</b>