

Motion by the Liberal Democrat Group

City of Edinburgh Council 20 February 2020

Title: Revenue Budget 2020/23; Capital Budget Strategy 2020/30; Housing Revenue Account Budget Strategy 2020/30

1. Protecting Front Line Services

Council:

1. Notes the budget position presented for 2020-21 but regrets the previous decisions of the SNP/Labour administration, which have exacerbated the current financial pressures, and the continued uncertainty about Brexit outcomes after the transition period.
2. Regrets the damaging Local Government Finance Settlements over recent years by the SNP Scottish Government which have resulted in substantial funding cuts to the city council and are projected to lead to even more severe cuts in service provision in future.
3. Notes that the SNP Scottish Government has seen a 4% real-terms increase in its budget for 2020-21, none of which has been passed onto the Council to fund the increased cost of core services.
4. Notes that in order to fund the entire £35m funding gap for 2020-21, Council Tax would need to rise by a further 12% in addition to the assumed 3% rise.
5. Notes the failure over many years since SNP and Labour have been in coalition for the Health and Social Care budget to be managed effectively. Notes that this budget is especially important for our most vulnerable citizens.
6. Notes the continued failure of waste collection, gully cleaning, road sweeping and road and pavement repair services to meet residents' expectations for performance levels, despite the efforts of Council staff who are continually expected to do more with less.
7. Welcomes the adoption of one of the specific proposals in the Lib Dem 2019-20 budget to introduce an administration fee to conveyancing solicitors for the provision of debt information during property transactions in Edinburgh.

2. Consultation

Although the Council conducted consultations for its Change Strategy with members of Council staff and with residents focus groups during 2019, the detailed proposals for 2020-21 were made available online for public consideration for a period of only 11 days resulting in a very poor level of engagement.

3. Longer Term Approach

Council:

1. Notes the need for a heightened focus on prioritisation, prevention and radical reconsideration of service delivery required to secure financial sustainability.
2. Believes there is a need for fundamental reform of the way the council provides services, to transform the Council from a reactive to a proactive organisation, to focus on preventative spending to help it to manage demand and to design reliable, cost effective 'Citizen-centred' services not necessarily provided by the Council itself.
3. Recognises that the Council cannot simply continue to do the same things in the same way with substantially fewer staff and other resources as this results in huge strains on staff and is therefore unsustainable.
4. Aims to provide the highest quality services on a best value basis using an evidence-based approach and, at a time of financial constraints, to focus on getting basic services right.

4. Specific Revenue Proposals

Council:

1. Agrees to continue investment of £2.1m in community police officers while seeking to review the agreement with the Scottish Police Authority to ensure that the Council is receiving value for money.
2. Recognises the educational value of qualified teaching staff in Nursery Schools in terms of reducing the Attainment Gap and therefore agrees to withdraw the proposed cuts to Nursery teachers and Nursery head teachers of £600k in 2020-21 and £300k in 2021-22.
3. Accepts that schools are already under substantial financial pressures and therefore agrees to remove the cuts to Devolved School Budgets of £1.2m in 2020-21 and £600k in 2021-22.
4. Recognises the substantial all-round benefits to pupils and school communities of instrumental music teaching and therefore agrees to remove the proposed savings targets of £150k in 2021-22 and £350k in 2022-23.
5. Rejects the cuts of £3.0m over three years to the grants paid to Edinburgh Leisure, recognising the positive impact on the physical well-being and mental health of individuals and communities of engagement in exercise.
6. Recognises the importance to local communities of access to libraries and therefore agrees to remove the cut to library hours on Saturday afternoons, to save £300k, and rejects the need to implement the Open Plus service delivery model in order to save £1.0m.
7. Recognises the educational and recreational value to individuals and local communities of the Adult Education programme and agrees to remove the planned savings of £200k

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arising from the service review.

8. Accepts that the Administration has failed to give adequate priority to tackling our deteriorating roads and pavements, particularly those roads and pavements in the poorest condition. Agrees to allocate substantial additional funding to improve the condition of our roads and pavements.
9. Acknowledges the failure of the Administration to provide sufficient support in main stream schools to promote integration, minimise disruption and tackle bullying and therefore agrees to provide £200k funding for additional support measures.
10. Recognises the significant backlog of road safety projects and agrees to allocate funding of £150k to accelerate delivery of these projects.
11. Recognises the significant backlog of traffic regulation orders and agrees to allocate funding of £100k for additional staff for the Traffic Orders Team.
12. Acknowledges the lack of investment in playground equipment and in parks and greenspace and agrees to allocate additional funding of £250k to address this.
13. Reaffirms that pedestrians have top priority in all travel projects and allocates additional funding of £250k to support pedestrian friendly initiatives.
14. Welcomes the steps being taken by the Council towards meeting the net zero carbon target, acknowledges the need to encourage local neighbourhood environmental initiatives to support greater sustainability in our communities and agrees to provide £100k to fund them.
15. Agrees to remove the self-imposed policy restrictions of the Administration which require the in-house provision of existing services and an expensive commitment to avoiding compulsory redundancies. Instead agrees to empower senior officers to embark on a programme of Best Value service reviews with a view to delivering significant annual revenue savings.
16. Agrees to proceed with the alternative delivery model for the Council's Security Service.
17. Agrees to externalise the collection of the Council's own trade waste.
18. Recognises the potential for greater involvement of commercial sponsorship in the provision of civic receptions, when appropriate, and agrees to explore this with a view to reducing costs.
19. Agrees to introduce charges for promotions and events held in libraries.

5. Specific Capital Proposals

Council:

1. Welcomes the planned funding in 2020-21 for new primary and secondary schools, increased early years provision, the completion of the Energy Efficiency Street Lighting project, further investment in Active Travel and public transport and a substantial contribution towards the Millerhill Energy from Waste plant.

2. Welcomes the planned funding over the next ten years of the Wave 4 school building programme for Currie High School, Trinity Academy (Phase 2), WHEC, Liberton High School and Balerno High School as well as provision for six new primary schools and a new high school for Kirkliston/West Edinburgh.
3. Agrees to provide funding of £750k from the unallocated General Fund towards the building of the £2.0m replacement Corstorphine Community Centre.
4. Agrees to provide funding of £200k from the unallocated General Fund to replace drainage in Inverleith Park.

6. Conclusions

Council notes the following reports from the Executive Directors of Resources, Place and the Chief Executive:

- **Item 4.1 - Revenue Budget Framework 2020/23 Reports:**

(a) Council's Change Strategy: Planning for Change and Delivering Services 2020/23 – referral from the Finance and Resources Committee;

(b) Council's Change Strategy 2020/23: Risks and Reserves - referral from the Finance and Resources Committee;

(c) Loans Fund Review - referral from the Finance and Resources Committee;

(d) Housing Revenue Account Budget Strategy 2020/30 - referral from the Finance and Resources Committee; and

(e) Council Revenue Budget Framework 2020/21 – Integrated Impact Assessments - referral from the Finance and Resources Committee.

- **Item 4.2 - Capital Budget Strategy 2020/30** – referral from the Finance and Resources Committee

- **Item 4.3 - Change and Budget Conversations Report and Change and Budget Citizen Focus Groups Report** – report by the Chief Executive

Council therefore approves:

- The Revenue Budget 2020/23 as set out in the reports, as amended by the changes/allocations included in Annex 1;
- A band 'D' Council Tax in 2020/21 of £1,338.59;
- The Council Tax and Rating resolution set out in Annex 2 to this motion;
- The 2020/30 Capital Budget Strategy as set out in the report by the Executive Director of Resources, subject to the amendments set out at Annex 3 to this motion; and
- The recommendation by the Executive Director of Place to increase rents by 2% and the outline five-year Housing Revenue Account Budget Strategy for 2020/30.

Moved by Neil Ross

Seconded by Robert Aldridge

**THE CITY OF EDINBURGH COUNCIL
LIBERAL DEMOCRAT GROUP BUDGET MOTION
REVENUE BUDGET 2020/21 - 2022/23**

	2020/21		2021/22		2022/23	
	£000	£000	£000	£000	£000	£000
Expenditure to be Funded						
- Resource Allocation Totals	1,041,613					
- Add: Expenditure funded through Specific Grants	<u>56,996</u>					
		1,098,609				
- General Revenue Funding and Non Domestic Rates	(735,150)					
- Ring Fenced Funding	<u>(56,996)</u>					
		(792,146)				
To be Funded by Council Tax		<u>306,463</u>		<u>320,663</u>		<u>334,738</u>
Council Tax at Band D	£ 1,338.59		£1,402.71		£1,469.90	
Increase on Previous Year	£ 61.19		£ 64.12		£ 67.19	
- Percentage Increase	4.79%		4.79%		4.79%	
Funding Requirement	306,463		320,663		334,738	
Council Tax Income		<u>306,763</u>		<u>320,963</u>		<u>335,463</u>
		<u>306,763</u>		<u>320,963</u>		<u>335,463</u>
Funding (Excess) / Shortfall at Council Tax increase above as reported to Council, February 2020		(300)		(300)		(725)
Service Investment (see Appendix 1)	955		4,730		2,055	
Add / Less: Amendments to Draft Revenue Budget Framework (see Appendix 1)	4,200		5,950		8,300	
Less: Additional Savings (see Appendix 1)	<u>(3,905)</u>		<u>(10,380)</u>		<u>(9,630)</u>	
		1,250		300		725
Contributions to / (from) reserves (itemise)						
Unallocated General Fund	(950)					
		<u>(950)</u>		<u>-</u>		<u>-</u>
Balance of Available Resources		<u><u>-</u></u>		<u><u>-</u></u>		<u><u>-</u></u>

THE CITY OF EDINBURGH COUNCIL
LIBERAL DEMOCRAT GROUP BUDGET MOTION
REVENUE BUDGET 2020/21 - 2022/23

	2020/21	2021/22	2022/23
SERVICE INVESTMENT	£000	£000	£000
Capital Programme investment	950	(950)	
Roads and pavements		3,670	(2,675)
Extra funding for schools		200	
Road Safety projects		150	
Traffic Orders		100	
Playground equipment and parks and greenspace		250	
Pedestrian friendly initiatives		250	
Local neighbourhood environmental initiatives		100	
Additional support for learning for adults with visual impairment	5	5	
TOTAL SERVICE INVESTMENT	<u>955</u>	<u>3,775</u>	<u>(2,675)</u>
PROPOSED AMENDMENTS TO DRAFT REVENUE BUDGET FRAMEWORK 2020/23			
Police Funding	1,600		500
Nursery teachers and head teachers	600	300	
School budgets (DSM)	1,200	600	
Instrumental Music service		150	350
Edinburgh Leisure	500	500	500
Libraries	300		1,000
Adult Education		200	
TOTAL AMENDMENTS TO DRAFT REVENUE BUDGET FRAMEWORK	<u>4,200</u>	<u>1,750</u>	<u>2,350</u>
ADDITIONAL SAVINGS	£000	£000	£000
Savings arising from empowering Council management to seek and implement evidence-based Best Value service reviews	(3,500)	(6,375)	750
Trade waste		(100)	
Security Service	(333)		
Commercial sponsorship of civic receptions	(22)		
Events and promotions in libraries	(50)		
TOTAL ADDITIONAL SAVINGS	<u>(3,905)</u>	<u>(6,475)</u>	<u>750</u>

**THE CITY OF EDINBURGH COUNCIL
COUNCIL TAX / RATING RESOLUTION
LIBERAL DEMOCRAT GROUP BUDGET MOTION**

To recommend that in respect of the year to 31st March, 2021:

1. GENERAL FUND

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

Council Tax - estimated expenditure from Council Tax of £306.763m 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	892.39	E	1,758.76
B	1,041.13	F	2,175.21
C	1,189.86	G	2,621.41
D	1,338.59	H	3,279.55

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 Resources by	10 July 2020
Hearing of Appeals by the Rating Authority	18 September 2020

Amendments to Main Assessment Roll made subsequent to its issue

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

Expenditure on Capital projects in progress be met.

4. BORROWING

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

