

Governance, Risk and Best Value Committee

10.00am, Tuesday 11 October 2022

Revenue Monitoring 2022/23 – month three position – referral from the Finance and Resources Committee

Executive/routine
Wards
Council Commitments

1. For Decision/Action

- 1.1 The Finance and Resources Committee has referred a report on the Revenue Monitoring 2022/23 – month three position to the Governance, Risk and Best Value Committee for scrutiny as part of its work programme.

Richard Carr
Interim Executive Director of Corporate Services

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Referral Report

Revenue Monitoring 2022/23 – month three position – referral from the Finance and Resources Committee

2. Terms of Referral

- 2.1 On 8 September 2022, the Finance and Resources Committee considered the Revenue Monitoring 2022/23 – month three position report. The report set out the projected Council-wide revenue budget position for the year, based on analysis of the first three months' financial data and projections of income and expenditure for the remainder of the year.
- 2.2 The Finance and Resources Committee agreed:
- 2.2.1 To note that, as of month three, an overall overspend of £5.627m was forecast.
 - 2.2.2 To note the potential for further expenditure pressures to emerge during the remainder of the year, particularly in respect of the 2022/23 employee pay award and other inflationary uplifts, and thus the urgent need for pressures, savings delivery shortfalls and risks to be fully and proactively managed within all Directorates and the Health and Social Care Partnership.
 - 2.2.3 To note on-going discussions with the UK and Scottish Governments around the provision of further funding to address in full significant additional costs expected to be incurred as part of the Council's response to the Ukraine crisis.
 - 2.2.4 To note that, in light of the above, regular updates would continue to be provided to members of the Committee during the remainder of the year.
 - 2.2.5 To refer the report to the Governance, Risk and Best Value Committee for scrutiny as part of its work programme.

3. Background Reading

- 3.1 [Finance and Resources Committee – 8 September 2022 - Webcast](#)
- 3.2 Minute of the Finance and Resources Committee – 8 September 2022

4. Appendices

4.1 Appendix 1 – report by the Interim Executive Director of Corporate Services

Finance and Resources Committee

10.00am, Thursday, 8 September 2022

Revenue Monitoring 2022/23 – month three position

Executive/routine Wards Council Commitments	Executive
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1. Recommendations

- 1.1 Members of the Finance and Resources Committee are recommended to:
- 1.1.1 note that, as of month three, an overall overspend of £5.627m is being forecast;
 - 1.1.2 note the potential for further expenditure pressures to emerge during the remainder of the year, particularly in respect of the 2022/23 employee pay award and other inflationary uplifts, and thus the urgent need for pressures, savings delivery shortfalls and risks to be fully and proactively managed within all Directorates and the Health and Social Care Partnership;
 - 1.1.3 note on-going discussions with the UK and Scottish Governments around the provision of further funding to address in full significant additional costs expected to be incurred as part of the Council's response to the Ukraine crisis;
 - 1.1.4 note that, in light of the above, regular updates will continue to be provided to members of the Committee during the remainder of the year; and
 - 1.1.5 refer this report to the Governance, Risk and Best Value Committee for scrutiny as part of its work programme.

Richard Carr

Interim Executive Director of Corporate Services

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Revenue Monitoring 2022/23 – month three position

2. Executive Summary

- 2.1 The report sets out the projected Council-wide revenue budget position for the year, based on analysis of the first three months' financial data and projections of income and expenditure for the remainder of the year. At this stage, an overall overspend of £5.627m is being forecast but with the potential for further risks to emerge during the remainder of the year, particularly in respect of the 2022/23 employee pay award and other inflationary uplifts. Additional certainty is also required with regard to securing full funding for the significant additional costs being incurred as part of the Council's response to the Ukraine crisis.
- 2.2 It is therefore crucial that Executive Directors and the Chief Officer of the Edinburgh Health and Social Care Partnership fully manage pressures, risks and savings delivery shortfalls within their respective core budgets and review all discretionary expenditure if a balanced position is to be achieved by the end of the year.

3. Background

- 3.1 On 24 February 2022, Council approved a balanced revenue budget for 2022/23 based on the Council's provisional grant funding allocation and a 3% increase in Council Tax rates. This grant funding allocation was then confirmed following approval of the Local Government Finance Order for 2022/23 on 2 March 2022.
- 3.2 A subsequent report to the Finance and Resources Committee on 3 March 2022 highlighted to members the main aspects of the approved budget, including:
- (i) £9.860m of additional one-off service investments;
 - (ii) £25.3m of provisions in respect of the on-going financial impacts of the pandemic, including sums provided to recognise continuing homelessness pressures, loss of the Lothian Buses dividend, support to the Council's Arm's-Length External Organisations (ALEOs) and reduced parking and commercial rental income; and
 - (iii) £19.2m of newly-approved savings, primarily in corporate budgets.

- 3.3 Members then considered an interim in-year update at the Committee’s following meeting on 16 June. The report highlighted that the Council’s budget is subject to an unprecedented level of inflation-linked pressures, most materially in respect of energy-related tariff increases but also including other areas of third party spend linked to supplier claims for significant uplifts.
- 3.4 While, given the level of uncertainty in the wider environment, the report emphasised the difficulties in accurately quantifying the extent of these pressures, it was noted that consideration of corporate budgets had identified potential savings across a number of areas, including (i) continuation of underspends apparent in the provisional outturn for 2021/22, (ii) application of the budget framework risk contingency and available inflation provisions and (iii) other timing-related savings, to address the most material non-pay inflation pressures within a balanced overall position. It was noted, however, that a key area of risk related to the adequacy of pay award provision in 2022/23. This position also assumed full management of other risks and pressures within Directorates.

4. Main report

COVID-related impacts

- 4.1 As was the case in both 2020/21 and 2021/22, monitoring in the current year will focus not only on core service activity but, in addition, how the projected expenditure and income impacts of the pandemic compare to the provisions contained within the revised budget. The budget approved by Council on 24 February 2022 provided for the following sums:

Area of expenditure pressure/income loss	£m
Reductions in parking income	6.0
Lothian Buses - loss of dividend	6.0
Reductions in commercial rental income	3.0
Additional support for Edinburgh Leisure	3.0
Homelessness	3.0
ALEOs – other	1.0
Personal Protective Equipment	1.0
Other income/expenditure	2.3
Total funding for COVID impacts	25.3

- 4.2 In the case of homelessness services, the £3m shown above forms part of an overall level of budgetary provision that is £17.6m higher than was approved, pre-pandemic, for 2020/21.
- 4.3 Other income/expenditure represents sums set aside in recognition of various anticipated continuing impacts of increased expenditure, or reductions in income, linked to the pandemic. These provisions include additional staffing costs in waste and cleansing, as well as assumed reductions in income for the Council’s outdoor

centres, cultural venues and community access to schools. As with all COVID-related projections, these will be the subject of on-going review during the year.

- 4.4 **At this stage and based on the actual COVID-related requirement in 2021/22, the approved level of provision is assessed to be sufficient.** Parking income for the year to date has been around £0.1m per month lower than in 2019/20, the last full largely pre-pandemic year. While these shortfalls are in addition to income from inflationary uplifts that would have been anticipated over this period, they are still expected to fall within the £6m budget framework income loss provision in this area.
- 4.5 Transport Scotland has confirmed the provision until October 2022 of additional funding to bus operators through the Network Support Grant (NSG) Plus initiative, a temporary scheme to support services and protect fares while patronage continues to recover from the impacts of the pandemic. Lothian Buses has previously indicated that it does not anticipate being in a position to pay any dividend to the Council for the foreseeable future, an assumption that is consistent with the budget framework.
- 4.6 Equivalent funding has not, however, yet been made available to Edinburgh Trams, with overall patronage sitting at 75% of pre-COVID levels. Tram revenues are also being affected by the expansion of free travel to under 22s where the Council has previously agreed not to make offsetting funding available. Members will therefore be kept apprised of any developments in this area.
- 4.7 Through a combination of an element of carry-forward from 2021/22 and the in-year allocation of £3m, it is not anticipated that the level of assumed financial support for Edinburgh Leisure will be exceeded.
- 4.8 The Council's commercial rental portfolio has proved resilient to wider economic conditions and the level of provision for reductions in income received is assessed to be sufficient at this time.
- 4.9 The position in respect of homelessness services is covered in more detail later within the report.

Directorate projections

- 4.10 In addition to monitoring the on-going or residual impacts of the pandemic, Executive Directors continue to oversee the delivery of approved savings and management of pressures within their respective areas. The approved budget for 2022/23 contains relatively few service-specific savings and also made some additional provision for service pressures. While these measures provide a degree of contingency against the emergence of significant in-year pressures within services, it remains the role of Executive Directors to manage these fully when they do arise and to maintain expenditure within budgeted levels.

Education and Children's Services

- 4.11 The first quarter's monitoring forecast for the Directorate shows a net pressure of £2.5m. Significant elements within the forecast include a projected net pressure of £1.9m within the budget for Children's Services, including residential and secure accommodation, reflecting increases in the numbers of young people being supported across the service and limited capacity to free up places within internal provision to return young people to the Council's care. The forecast is based on current numbers of young people and families being supported and so any further increase in demand for support will result in an additional pressure.
- 4.12 Pressures of £1.2m are also forecast within Home to School Transport, reflecting previously approved budget savings relating to the Transport Review and costs for additional routes which were put in place in response to the pandemic. Routes will be reviewed following the start of the new school term and any changes in the current forecast will be reported as part of the month six update.
- 4.13 At this stage, potential net mitigations across the wider service of £0.6m have been identified, resulting in an overall projected pressure of £2.5m at this time.
- 4.14 Forecast pressures are based on an initial assessment of spend as at the end of May and will be subject to review through the on-going revenue monitoring process, with an update provided as part of the month six monitoring report.

Corporate Services

- 4.15 As outlined in a report elsewhere on today's agenda, the Interim Executive Director of Corporate Services is projecting an overall service underspend of £0.279m, in the main attributable to one-off staffing-related savings. This projection does not, however, reflect any expenditure in respect of required Enterprise Resource Planning (ERP) upgrades, the subject of a separate report on today's agenda.

Place

- 4.16 The Executive Director of Place is forecasting an overall pressure of £3.7m as of period three. This position reflects the combined impact of inflationary pressures in excess of those for which corporate budgetary provision has been made (totalling £1.8m) and a range of other net pressures across the Directorate of £1.9m.
- 4.17 The Executive Director and his Senior Management Team will continue to consider regular updates and develop corresponding actions, such that net expenditure is brought back within approved levels.

Homelessness Services

- 4.18 Revenue monitoring reports throughout 2021/22 highlighted pressures within Homelessness Services and, such is the extent of these pressures, the approved budget for 2022/23 contains £17.6m of additional investment relative to the equivalent budget for 2020/21. Despite this additional investment, further pressures totalling £5.5m are apparent in 2022/23, mainly comprising:

- (i) projected in-year growth in client numbers;
- (ii) claims for increased rates from providers due to changes in market rates (Private Sector Leasing), inflationary increases (spot purchasing) and revision of current terms (contracted suppliers), the majority of which represent a pass-through of increased energy costs;
- (iii) costs of the Welcome Centre, funding for which remains to be confirmed; and
- (iv) increased Council costs for Housing First.

4.19 A more detailed report in this area, including options for the mitigation of demand-led pressures, will be considered by the Housing, Homelessness and Fair Work Committee on 29 September.

Edinburgh Integration Joint Board (EIJB)

4.20 The EIJB Chief Finance Officer presented an update on the 2022/23 Financial Plan to the Board's meeting on 9 August 2022.

4.21 At its meeting in March 2022, the EIJB agreed the financial plan for 2022/23. At that point, the budget was out of balance by £16.9m and the board recognised that IJB officers would work with partner bodies to address the gap as the year progressed. In setting a budget with a deficit, the IJB recognised the clear risk that agreeing stringent additional savings at a time of significant uncertainty could lead to unnecessary public concern as well as a material deterioration in performance.

4.22 Decisions made at the Board's meeting on 9 August resulted in a reduction of the residual gap to £10.8m. Comprehensive financial reporting covering all delegated services is not yet available for 2022/23. All indications, however, are that the underlying position will show improvement relative to the assumptions contained within the financial plan. The position will be closely monitored by the EIJB Chief Officer and Chief Finance Officer, working with the finance teams from the Council and NHS Lothian, with a view to bridging the in-year shortfall by the year-end.

Savings delivery

4.23 The approved budget for 2022/23 is underpinned by the delivery of approved savings of £19.2m. As shown in Appendix 2, 92% of these savings by value are currently assessed as green, with most of the remainder assessed as amber. Assessments of the deliverability of the latter, and where necessary identification of mitigating offsetting measures, remains in progress.

Service investments

4.24 As part of setting the Council's budget on 24 February 2022, members approved £9.860m of service investments. Appendix 3 shows the current assessment of these savings and the associated outcomes sought. Any in-year underspends

against these investments will not be carried forward into 2023/24 and thus considered in the context of offsetting future years' savings requirements.

Employee pay award, 2022/23

- 4.25 The Council's approved budget for 2022/23 provides for a pay uplift of 3% across all staffing groups, a level of provision that lies at the higher end of councils in Scotland.
- 4.26 Given the level of offer made to NHS staff, COSLA has estimated that £278m would additionally be required to increase the overall offer to local government staff from the previously-rejected 2% (the average level of provision made by Scotland's councils, in turn linked to the Scottish Public Sector Pay Policy) to 5%, sums that would need to be identified on a recurring basis to avoid hastening pressures in future years. Given that the previous offer of 2% has already been assessed by COSLA to lie at the limits of affordability, a corresponding request was made to the Scottish Government to fund the £278m in full.
- 4.27 Through reprioritisation of its own budget, the Scottish Government has identified £140m of additional recurring funding i.e. half of the requested increase. Following the Leaders' Meeting on 19 August, COSLA as employer agreed to fund the remaining element required to increase the overall offer to 5% and the Scottish Local Government Living Wage to £10.50 per hour whilst signalling a need for further discussions with the Scottish Government around greater flexibility in the application of existing funding. A separate report on today's agenda provides an overview of potential areas for consideration.
- 4.28 It is important to emphasise that the 5% figure represents an average across the workforce as a whole, with higher percentage increases being assumed for lower-paid staff. Discussions on the precise configuration of this offer are continuing.
- 4.29 When added to the 3% already included in the Council's budget, this would mean that 4.5% of an offer of 5% could be funded on a recurring basis, albeit with the position for 2023/24 and subsequent years reflecting significant remaining funding gaps. The unfunded 0.5% would give rise to an estimated in-year and recurring pressure of £3.1m, subject to the decision of Council Leaders on distribution of the £140m of Scottish Government funding, and this sum is assumed in overall monitoring projections. Given the evolving nature of discussions, a verbal update will be provided at the meeting.

Ukraine response

- 4.30 The Council is undertaking a key role in welcoming displaced Ukrainians to Scotland and thereafter temporarily resettling a number of these within the city. As of the beginning of August, almost 6,000 arrivals had been triaged at the Council-operated Welcome Hub, with around 600 Ukrainians now residing in Edinburgh with hosts under the Homes for Ukraine scheme.

4.31 While some elements of funding have been received, the Council has also incurred significant expenditure in establishing and operating what are essentially national facilities where, as of the time of writing, related funding arrangements remain to be confirmed. Urgent discussions have therefore been initiated at a senior level with both the Scottish and UK Governments as appropriate to ensure these costs are understood and funded, with no further commitments to be entered into until this assurance has been received. These discussions will also seek to clarify the provision of funding beyond the current financial year.

Inflationary pressures

4.32 The report considered by the Committee on 16 June highlighted a range of inflationary pressures affecting the Council, most materially energy cost increases but also including food, fuel, home-to-school transport and uplifts affecting a number of its contracts. At this stage, the level of these remains broadly unchanged, with a pressure of some £8.9m in respect of energy assumed within the overall outturn. The projected outturn for the Homelessness Service also reflects £2m of additional contract uplift requests from other providers. Other inflationary pressures, where their impact cannot be fully mitigated, are reflected in service outturns.

Corporate budget savings

4.33 Given the extent of inflation-related and wider pressures within services, opportunities to address these through available savings in corporate areas continue to be examined. As of period three, the following anticipated mitigations have been identified:

- (i) **Council Tax** - the 2021/22 outturn report elsewhere on today's agenda indicates a positive variance of £2.271m. Based on analysis of subsequent changes in the size and profile of the Council Tax base and estimated movements in discounts and exemptions over the remainder of the financial year, a £3m positive variance is being forecast in 2022/23;
- (ii) **Loans charges/interest and investment income** - based on analysis of planned in-year capital spend, debt redemption, available cash balances and recent increases in interest rates, an overall saving of £3m is now anticipated;
- (iii) **application of the budget framework risk contingency, available inflation provisions and other timing-related savings** – together releasing £7.9m towards energy cost increases; and
- (iv) the Council's share of net revenue from electricity generation through the **Millerhill Recycling and Energy Recovery Centre**, estimated at £3.8m in 2022/23.

Overall position

- 4.34 Taken together, the net impact of anticipated pressures in service areas less corporate or other savings is a projected overspend of £5.6m as shown in the table below:

	£m	£m
Net pressures in service areas:		
Homelessness Services	5.5	
Place	3.6	
Education and Children's Services	2.5	
Corporate Services	(0.3)	
Energy	8.9	
Employee pay award, 2022/23	3.1	
		23.3
Savings in corporate budgets:		
Application of budget framework risk contingency, available inflation provision and other timing-related savings	(7.9)	
Millerhill - gainshare income	(3.8)	
Loans charges/interest and investment income	(3.0)	
Council Tax	(3.0)	
		(17.7)
Net projected pressure		5.6

- 4.35 As noted in the preceding sections, there is the potential for further risks to emerge during the remainder of the year, particularly in respect of the 2022/23 employee pay award and other inflationary uplifts. Additional certainty is also required with regard to securing full funding for significant additional costs being incurred as part of the Council's response to the Ukraine crisis.
- 4.36 It is therefore crucial that Executive Directors and the Chief Officer of the Edinburgh Health and Social Care Partnership fully manage pressures, risks and savings delivery shortfalls within their respective core budgets and review all discretionary expenditure if a balanced position is to be achieved by the end of the year.
- 4.37 To this end, revised arrangements for staff recruitment have been implemented with effect from 3 August 2022, requiring all recruitment to secure written approval from both the relevant Head of Service and Service Director. The need to recruit should also be more explicitly scrutinised, including consideration of whether the relevant service could be delivered in a different way within current capacity.

5. Next Steps

- 5.1 Given the range of pressures outlined within the report, Executive Directors will require to bring forward measures to offset residual service pressures and risks within their respective areas of responsibility during 2022/23. The adequacy of budget framework provision in respect of the on-going financial impacts of the pandemic will also be kept under close review with a view to taking any necessary remedial action.

6. Financial impact

- 6.1 As of Period 3, an overall overspend of £5.6m is forecast, with a range of further pressures identified. The report therefore acutely emphasises the importance of proactive management of pressures and delivery of approved savings in maintaining the integrity of the budget framework. Given the extent of subsequent years' funding gaps, early action is also required to deliver robust savings proposals, aligned to the priorities set out in the Council's business plan, sufficient to meet these requirements.

7. Stakeholder/Community Impact

- 7.1 There is no direct relevance to the report's contents.

8. Background reading/external references

- 8.1 [2022/23 Financial Plan](#), Edinburgh Integration Joint Board, 9 August 2022
- 8.2 [Revenue Budget 2022/27 Framework: progress update](#), Finance and Resources Committee, 16 June 2022
- 8.3 [Revenue Budget Update 2022/23 – Update](#), Finance and Resources Committee, 3 March 2022
- 8.4 [Coalition Budget Motion 2022/23](#), The City of Edinburgh Council, 24 February 2022

9. Appendices

- 9.1 Appendix 1 – 2022/23 Revenue Budget – Projected Expenditure Analysis
- 9.2 Appendix 2 – Approved savings, 2022/23 – current status
- 9.2 Appendix 3 – Approved service investments, 2022/23 – current status

	Revised Budget	Period Budget	Period Actual	Period Variance	Projected Outturn	Outturn Variance	Percentage Variance
	£000	£000	£000	£000	£000	£000	
Directorate / Division							
Corporate Services (including Chief Executive's Office)	87,876	24,139	21,745	(2,394)	87,597	(279)	(0.3)
Education and Children's Services	455,748	114,667	116,262	1,595	458,248	2,500	0.5
Health and Social Care	285,022	75,036	76,411	1,375	285,022	0	0.0
Place	172,005	45,073	46,902	1,829	175,605	3,600	2.1
Homelessness Services	50,467	14,709	17,175	2,466	55,967	5,500	10.9
Lothian Valuation Joint Board	3,817	954	954	0	3,817	0	0.0
Directorate / Division total	1,054,936	274,579	279,449	4,870	1,066,257	11,321	1.1
Non-service specific areas							
Loan Charges / interest and investment income	83,450				80,450	(3,000)	(3.6)
Other non-service specific costs less sums to be disaggregated:	27,429				20,581	(6,848)	(25.0)
- Non-Domestic Rates (poundage uplift)	1,005				0	(1,005)	n/a
- Energy	1,141				10,000	8,859	776.4
- Discretionary Rates	720				720	0	0.0
Additional Investment to disaggregate	20,507	0	0	0	20,507	0	0.0
Tram Shares	8,500	0	0	0	8,500	0	0.0
Council Tax Reduction Scheme	28,800	n/a	n/a	n/a	28,800	0	0.0
Staff early release costs	2,500	n/a	n/a	n/a	2,500	0	0.0
Net Cost of Benefits	(127)	n/a	n/a	n/a	(127)	0	0.0
Pay award - unfunded pressure	0	n/a	n/a	n/a	3,100	3,100	n/a
Millerhill - electricity generation income	0	0	0	0	(3,800)	(3,800)	n/a
Non-service specific areas total	173,924	0	0	0	171,230	(2,694)	(1.5)
Movements in reserves							
Net contribution to / (from) earmarked funds	(45,632)	0	0	0	(45,632)	0	0.0
Movements in reserves total	(45,632)	0	0	0	(45,632)	0	0.0
Sources of funding							
General Revenue Funding	(609,735)	(152,434)	(152,434)	0	(609,735)	0	0.0
Non-Domestic Rates	(249,861)	(62,465)	(62,465)	0	(249,861)	0	0.0
Council Tax	(323,632)	(80,908)	(80,908)	0	(326,632)	(3,000)	(0.9)
Sources of funding total	(1,183,228)	(295,807)	(295,807)	0	(1,186,228)	(3,000)	(0.3)
In-year (surplus) / deficit	0	(21,228)	(16,358)	4,870	5,627	5,627	0.5

	Directorate	£m	Current RAG status			Comments where full delivery not assumed
			£m	£m	£m	
Borrowing costs	Corporate	12.000	12.000	0.000	0.000	
Corporate budgets reprioritisation/realignment	Corporate	5.000	5.000	0.000	0.000	
Procurement	Corporate	0.100	0.100	0.000	0.000	
Total Corporate		17.100	17.100	0.000	0.000	
Continuation of 5% increase in discretionary fees and charges	Council-wide	1.000	0.120	0.880	0.000	An assessment of the deliverability of the Place element of this saving remains in progress.
Chief Officers and Senior/Middle Management Review	Council-wide	0.218	0.000	0.218	0.000	A number of service reviews are in progress but with the associated level of savings remaining to be confirmed pending these outcomes.
Total Council-wide		1.218	0.120	1.098	0.000	
Statutory Consents	Place	0.025	0.025	0.000	0.000	
Increase in garden waste charge based on full-cost recovery (full-year effect)	Place	0.160	0.160	0.000	0.000	
Development and Business Services Operating Model	Place	0.300	0.000	0.300	0.000	
Library efficiencies	Place	0.050	0.000	0.000	0.050	
Edinburgh Shared Repairs - Management Resource and Income Generation	Place	0.007	0.000	0.007	0.000	
Total Place		0.542	0.185	0.307	0.050	
Digital delivery	Corporate Services	0.190	0.150	0.040	0.000	Verification for Print, Mail and Scan Strategy Development element of saving being progressed with other Council services.
Renting of assets for 5G nodes	Corporate Services	0.050	0.000	0.050	0.000	One-off mitigating saving has been identified in Digital Services budget.
Directorate Workforce Savings	Corporate Services	0.110	0.110	0.000	0.000	
Total Corporate Services		0.350	0.260	0.090	0.000	
Total pre-approved savings		19.210	17.665	1.495	0.050	
			92.0%	7.8%	0.3%	

	Service	Investment	Nature of spend	Key outcomes sought (where applicable)	Current status	Comments where status not green
1	Improvements to HR systems	£2,000,000	Subject to the development of an accompanying full business case, the funding will serve as a contribution towards the cost of upgrading the Council's HR systems to support implementation of the recommendations from the independent inquiry and whistleblowing and organisational culture review.	Investment in an upgraded HR system will enable all employees to have access to organisational information, such as the Orb and myLearning Hub. Our current HR system has no core case management functionality and does not enable triage or offer the ability to perform complex data analysis e.g. spotting trends. A core HR solution that can administer all aspects of cases from logging, sending electronic letters and meeting notifications to allowing access to named individuals at certain points only, etc. is required in order to fulfil all the recommendations outlined.		There is delivery risk associated with this project which will not be mitigated until a fully-costed business case is produced. Additional details were included in the update report to Council considered on 25 August 2022.
2	Easing the cost of living crisis	£1,100,000	The investment will provide capacity and resources to help Edinburgh citizens on low incomes manage the increasing cost of living in 2022 by providing direct financial support; advice to maximise income and entitlements; and prevention measures for those experiencing high energy costs and at risk of falling into arrears and debt. Further details were included in a report to Council considered on 25 August 2022.	The investment will: <ul style="list-style-type: none"> * Deliver on political commitments in the Council Business Plan * Prevent poverty and hardship * Make the experience of seeking help more compassionate and more dignified * Improve income or reduce living costs for poorest citizens * Improve opportunities to access or progress in fair employment, learning or training * Improve physical and mental health and reduce health inequalities 		
3	Deep cleaning the city, graffiti removal and street cleaning	£1,072,000	£72,000 of this funding will be used to purchase a new hot wash vehicle for city centre close cleaning. £200,000 will be used to procure a contract for the deep cleaning of the city centre. This will incorporate the cleaning of closes, steps, pavements and street furniture as well as the removal of graffiti from CEC property. £800,000 will be used to employ additional temporary staff and vehicles in the Street Cleansing service to undertake deep cleans of residential areas across the city.	This will improve the appearance of the city and send a message to residents and businesses that the Council is committed to improving local communities and supporting business recovery following COVID-19.		
4	Roads and pavements maintenance	£1,000,000	The package of funding includes £450,000 in permanent patching repairs across 10,000m ² of carriageways across the city (for which contracts to a value of £170,000 have already been issued); £300,000 to carry out footpath resurfacing across the city; and, £250,000 for traffic signal infrastructure improvements for which works are due to commence in October 2022, with all sites completed by April 2023.	This will visibly improve the condition of roads and pavements across the city and will increase pedestrian safety.		
5	Children's Services - additional investment	£1,000,000	Given the unforeseen duration of the pandemic's impacts and the continued restricted ability to move young people from their current placements, a budget pressure exists within 2021/22 and will extend into 2022/23. With children unable to move across the last two years, they have become settled in existing out-of-authority placements and it would be poor practice to disrupt their progress – and we would be unlikely to persuade the Children's Hearing to move them back into Edinburgh.	While a range of mitigating measures to address the overarching Children's Services pressure has been identified, the £1m investment will allow time for these measures to bed in.		
6	Net-zero	£500,000	The Council is leading on the development and delivery of net zero community pilots based in geographies with different demographic profiles and community capacity. The pilots will be collaborations between property owners to scope a scalable approach to retrofitting private housing using models that focus on community empowerment and supporting a just transition to net zero.	The investment will: <ul style="list-style-type: none"> * Deliver on political commitments in the net-zero strategy * Strengthen co-production approach and citizen capacity building to deliver net-zero agenda * Model net-zero community action with open source data and open source technical solutions for wider adoption * Provide a scalable financial model to support the financial route map to net-zero * Derive quantifiable co-benefits and nature-based economic benefits 		

	Service	Investment	Nature of spend	Key outcomes sought (where applicable)	Current status	Comments where status not green
7	Social care adaptations	£500,000	Further discussion is required to scope this investment proposal and relevant discussions have been initiated. An update will be included in subsequent iterations of this report.			No delivery plan for this initiative has yet been developed.
8	Park facilities improvements	£450,000	The safety of residents visiting parks is extremely important. £300,000 of this funding will allow the employment of additional Trees and Woodlands staff to deal with Ash Dieback and reduce the risk of tree failures causing harm to members of the public. Recognising the importance of proper lighting for the safety of visitors to our parks, the remaining funding will be used to install additional lighting in some of our parks.	This additional lighting will help to make parks safer to visit.		
9	Play parks (CFCR)	£325,000	This funding will be converted to capital to be used to invest in play park equipment in each ward across the city. Play park renewal projects are progressing and total £1.2M for 22/23. The £325k fund is expected to be fully allocated.	Residents will be encouraged to visit and spend time in play parks across the city as modern, accessible play equipment is introduced.		
10	Neighbourhood Action Team	£250,000	The investment will help to tackle hot spot areas of unkept land, dealing with dumping, vegetation and other issues to improve the look and feel of areas in need of additional attention.	TBC		Confirmation of this funding has only been received in the last few weeks and this coincided with the Trade Union strike action. This means that there is still work to be done on implementing this action.
11	Local community festivals and events	£200,000	Based on experience of local city-wide community events/festivals funding, the investment would be targeted towards capacity building and resilience. Given this would be a one-off fund, the proposal would be for larger individual funding awards to support more substantively event stability and establish a robust business and event model going forward - principally to support (i) identifying baseline funding models and partners and (ii) the creative and programme development opportunities presented by the event or festival.	The approach reflects both the current events strategy, and culture funding targeted towards resilience and creative practitioner skills development/support/retention.		
12	Energy for Edinburgh	£200,000	The money will be spent on a combination of CEC staff time/capacity building and consultants' time that will be used to develop a business plan for Energy for Edinburgh, including outline scope(s) for potential community energy generation projects as part of the development of a local heat and energy efficiency strategy.	A business plan for Energy for Edinburgh; a draft local heat and energy generation strategy, and hopefully as a result, active and profit-making local energy generation projects.		This investment aims to explore the role of Energy for Edinburgh and identify initial project activity so the ESCO can begin to deliver heat and energy solutions for the city. Progress against this project will be dependent upon current Council capacity to deliver and reported to Council in due course.
13	Temporary toilets in premier parks	£200,000	The investment will allow for the continuation of hiring of temporary toilets for The Meadows, Inverleith Park and Leith Links.	Creation of a more welcoming and active travel-friendly environment, along with reductions in antisocial behaviour.		
14	Hostile vehicle mitigation barriers	£180,000	£0.180m was included within the budget motion to provide funding to cover potential costs of retaining temporary Hostile Vehicle Mitigation arrangements while a long-term solution is agreed to protect the High Street and other areas following the withdrawal of support from the Home Office. Further discussion is required to scope this investment proposal and relevant discussions have been initiated. An update will be included in subsequent iterations of this report.			
15	Taxi regulation and enforcement	£160,000				
16	Short-term lets regulation and monitoring	£150,000				
17	Food growing	£130,000	Further discussion is required to scope this investment proposal and relevant discussions have been initiated. An update will be included in subsequent iterations of this report. A proposed approach to the allocation of this spend was presented in a report to the Policy and Sustainability Committee on 30 August 2022.			

	Service	Investment	Nature of spend	Key outcomes sought (where applicable)	Current status	Comments where status not green
18	Defibrillators in schools	£112,000	Budget has been allocated to roll out defibrillators to much of the school estate where not currently in place. However, work needs to be done in the next 6/12 months to identify the best locations to site them – this may be schools or a mix of schools, community centres and care homes.			Work still required to identify optimal locations. Progress will depend upon current capacity within Council to support the project. It is accepted that there will be continued risk while this is not taken forward.
19	Participatory Budgeting support	£100,000	The investment will allow the Council to work effectively with communities in delivering a robust local process, building community skills and capacity as part of the Council's commitment to progress community empowerment. Specifically it will support capacity building with communities and local community groups, communications and promotion of participatory budgeting activity, training for staff, delivery of local deliberation processes and IT support to underpin local decision-making.	<ul style="list-style-type: none"> * Delivery of political commitments on community engagement * Delivery of nationally-agreed 1% target * Supports effective service design based on service user needs * Strengthened local democracy and community cohesion * Improved quality of life for people and communities 		
20	Portobello Kilns restoration	£61,000	The allocation represents seed funding to demonstrate the Council's commitment to the project and lever in external funding contributions for the estimated £645k of total funding required, including potential contributions from Historic Environment Scotland, Heritage Lottery Fund, Place-Based Investment Fund and the Wolfson Foundation.	Restoration of a key local landmark and listed ancient monument		Delivery of full restoration is dependent on the identification of partner funding, discussions on which remain in progress.
21	Pentland Park Rangers	£60,000	This funding will be used to employ additional Park Rangers and improve visitor facilities in the Pentland Hills Regional Park.	As well as improving conditions for local residents and land managers, this funding will help reduce anti-social behaviour and prevent loss of livestock.		
22	Libraries re-opening support	£60,000	The outline proposal for spend at this stage is to support the following: <ul style="list-style-type: none"> * Additional book / media fund expenditure * Provision of replacement furniture/ fittings * Fund to support development and delivery of service in response to an engagement programme with young people * City-wide communications campaign to highlight the message that libraries are open * Temporary library provision for Leith at The Fort Community Centre * Costs to support reopening of the remaining four libraries 	Attracting people back in to the library service and reaching new members/audiences - building up use and visits		
23	"Forever Edinburgh" website development	£50,000	New website to replace the existing www.edinburgh.org	An updated website which acts as a gateway to the city for visitors, residents, investors and students alike. A new Forever Edinburgh website will provide many benefits to the Council and city including: <ul style="list-style-type: none"> * Improved staff efficiencies and timesaving by automating some of the content management processes that are currently being done manually * Improved user experience as the website will be reliable and designed for purpose * Better insights on user behaviours through improved functionality * Possible reduction in ongoing hosting and maintenance costs * A reliable and professional website that supports the reputation we want to create and set for residents and visitors * The possibility of generating income from the website through digital advertising sales. 		
		£9,860,000				