

Item 6.1 Business bulletin

Finance and Resources Committee

10:00am, Thursday 16 January 2014

Dean of Guild Court Room, City Chambers, High Street, Edinburgh

Finance and Resources Committee

| Convener and Vice-Convener | Members: | Contact: |
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| <p>Convener Cllr Alasdair Rankin</p>  <p>Vice – Convener Cllr Bill Cook</p>  | <ul style="list-style-type: none"> ▪ Cllr Adam McVey ▪ Cllr David Walker ▪ Cllr Denis Dixon ▪ Cllr Paul Edie ▪ Cllr Frank Ross ▪ Cllr Gavin Corbett ▪ Cllr Iain Whyte ▪ Cllr Joan Griffiths ▪ Cllr Ricky Henderson ▪ Cllr Andrew Burns (ex officio) ▪ Cllr Steve Cardownie (ex officio) | <p>Veronica Macmillan Committee Officer Tel: 0131 529 4283</p> <p>Linda Fraser Professional Support Manager Tel: 0131 469 3928</p> <p>budgetcommittee@edinburgh.gov.uk</p> |

| Recent news | Background |
|---|--|
| <p>Local Government Finance Settlement 2014/15 Details of the Local Government Finance Settlement for 2014/15 were announced by the Cabinet Secretary for Employment, Finance and Sustainable Growth on 11 December.</p> <p>Revenue resources Provisional grant funding allocations for 2014/15 were originally advised as part of the three-year Local Government Finance Settlement in December 2011. Taking account of sums subsequently incorporated within the Settlement, the announcement was in line with the level of revenue grant income assumed within the budget framework and there are therefore no additional resources available for distribution.</p> | <p>Contact: Hugh Dunn, Head of Finance 469 3150</p> |

The Settlement announcement reflected the following:

- continuing provision by the Scottish Government of its share of the estimated shortfall in funding transferred from the DWP for delivery of the Council Tax Reduction Scheme;
- as in 2013/14, funding to allow councils to top up Discretionary Housing Payments to the maximum level permissible under current legislation;
- maintenance of current levels of support for the Scottish Welfare Fund (Crisis and Community Care Grants); and
- full funding for the estimated additional costs arising from the provisions within the Children and Young People Bill, most particularly the increase in the annual number of hours' pre-school early learning and childcare from 475 to 600.

As in the current year, any council that does not freeze Council Tax at current levels and maintain existing pupil:teacher ratios will have a corresponding element of revenue grant withheld (in Edinburgh's case, this would amount to some £9.5m).

The announcement also confirmed that the increase in the business rates poundage for 2014/15 will be restricted to 2%, in line with the equivalent announcement for England.

Capital resources

While, as a result of the effect of previous re-profiling by the Scottish Government, the level of capital grant funding is substantially higher than in 2013/14, this increase had already been factored in to the Council's planning. The level of grant funding contained within the Settlement is therefore identical to that assumed within the Capital Investment Programme.

Financial Services staffing review

Members of the Finance and Resources Committee were advised in November that the organisational review of the Financial Services function had begun. As part of this initial phase, interviews have now been held to confirm the senior appointments reporting directly to the Head of Finance. Alison Henry has been appointed to the role of Corporate Finance Manager and John Connarty as Service Accounting Manager.

Contact: Hugh Dunn,
Head of Finance

469 3150

The next phase of the review will consider, in full consultation with staff and trade unions, the draft structure and accompanying job descriptions for the roles reporting to these two senior appointments. Staff meetings to outline the key steps involved in the assignment to posts within the new structure will be convened in January. While the primary objective of the review remains to secure a structure that will best support the service re-aligned going forward, an indicative target date of the end of June has been set for this process to be completed.

Forthcoming activities:

The next Finance and Resources Policy Development & Review Sub-committee will take place on 24 January at 10am. The topic is 'The Financial Impact of Changing Demography – Further update'.

The session will focus on the potential implications of the recently-published census results for the Council's financial planning, both in terms of expenditure requirements and the level of grant funding received.

Contact: Veronica MacMillan, Committee Officer
529 4283

Links

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| Pledges | P30 - Continue to maintain a sound financial position including long-term financial planning |
| Council outcomes | CO25 - The Council has efficient and effective services that deliver on objectives |
| Single Outcome agreements | |