

# Budget Motion by the Liberal Democrat Group

## Item No.

## Report Title REVENUE BUDGET 2016-2020; CAPITAL INVESTMENT PROGRAMME 2016-2021; HOUSING REVENUE ACCOUNT AND CAPITAL PROGRAMME 2016-2017

City of Edinburgh Council

21 January 2016

### 1. Context

Council notes the balanced budget position presented for 2016/17 but regrets the Labour/SNP administration's past decisions which have exacerbated the current financial difficulties. The Labour/SNP administration inherited a stable financial situation with increased reserves and balanced budget but have not maintained this. There have been missed opportunities to secure financial stability by avoiding tough decisions on ABM Environmental Services, which projected to deliver £27m of savings over seven years. The level of savings foregone could have managed many of the current pressures and led to service improvements.

Avoiding tough decisions has left the Council in a compromised financial position and made it increasingly difficult to support the most vulnerable and in need.

Added to this, the continued national freeze on Council Tax imposed by the SNP Government at Holyrood, now in its eighth year, has limited the options open to councils to raise more revenue.

### 2. Budget process

#### Financial planning

Council regrets the short term approach taken in setting the budget since 2012 with the negative impact on vulnerable groups. Council regrets that the budget in 2016/7 has suffered from the lack of longer term vision by the administration.

### 3. Budget proposals

#### Maximising resources for frontline services and the city's priorities

Council rejects the Labour/SNP administration blanket policy of no compulsory redundancies in a city with low unemployment, as this imposes restrictions on the flexibility and extent of the Transformational Change proposals. This policy does not promote the best use of resources, having the right staff in the right jobs and breeds inefficiency. The principles of the massive

transformational change which the council is working towards cannot be achieved without significant workforce changes and we are unconvinced that this is achievable by voluntary actions alone.

Council views a significant number of the Labour/SNP administration's budget savings proposals to be out of alignment with Council's priorities, adversely affecting frontline services and vulnerable groups. Council rejects in whole or in part several savings proposals and plans to utilise the headroom to continue supporting those services and groups most in need.

Council furthermore again regrets the Labour/SNP administration's decision not to close Castlebrae High School and the consequent reduction in investment available for schools, care services and roads and pavements, as well as poorer likely outcomes for the pupils directly affected.

#### **Additional targeted and sustainable investment**

Council determines to protect children by ensuring that crossing patrols will continue to operate. As such the callous proposal by the administration to axe crossing attendants at lunch times will be withdrawn.

In keeping with our priorities to keep the city clean there will be further investment in the Environmental task force.

Council also agrees to honour its agreement with allotment holders and carry on with the rent levels as they are.

With an eye on the importance of culture to our city we also agree to maintain the grant to the Festivals City Theatre Trust.

Noting the mess made of the recent CLD grant process Council agrees to a further £0.125m to vital third party organisations and to maintain CLD staffing.

Noting that health and social care integration goes live on April 1<sup>st</sup> Council also agrees to maintain block Social Care Contracts and an in house service aimed at complex care. Council also agrees a further £0.500m investment in care packages to ensure that integration is properly funded and that our most vulnerable citizens are properly cared for.

Council agrees to maintain Adoption Allowance grants for young people.

#### **4. Recommendations**

##### **Council notes:**

- The reports by the Acting Executive Director of Resources setting out the revenue and capital budget framework;
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- The report by the Chief Executive setting out the 2016-20 Budget Proposal overview of feedback and engagement;
- The report by the Acting Executive Director of Resources setting out the potential equality and rights risks associated with the revenue budget framework and the report on carbon emissions impact assessment;
- The Risks and Reserves report by the Acting Executive Director of Resources setting out the planned use of reserves and the current and emerging risks facing the revenue and capital budget framework;
- The report by the Executive Director of Place setting out the Housing Revenue Account budget;
- The report by the Chief Executive setting out the Council Business Plan 2016-20;

**Council approves:**

- The revenue budget set out in the reports, subject to the amendments outlined in Annex 1 to this motion;
- A further report will be submitted to seek approval of revised charges for Council services, the outcomes of which are contained in Annex 1 to this amendment;
- The 2016/17 to 2020/21 capital budget as set out in the report by the Acting Executive Director of Resources;
- A band D Council Tax of £1,169;
- The Council Tax and Rating resolution as set out in Appendix 2 to this motion;
- The recommendations contained in the report by the Executive Director of Place to increase rents by 2%.

**Signature of Proposer** ..... Paul Edie.....

**Signature of Seconder** .....Robert Aldridge .....

**Moved by** Paul Edie

**Seconded by** Robert Aldridge

**THE CITY OF EDINBURGH COUNCIL  
LIBERAL DEMOCRAT GROUP BUDGET MOTION  
REVENUE BUDGET 2016/17**

	2016/17	
	£000	£000
<b>Expenditure to be Funded</b>		
- Resource Allocation Totals	947,072	
- Add: Expenditure funded through Specific Grants	300	
	<hr/>	947,372
- General Revenue Funding and Non Domestic Rates	-710,941	
- Ring Fenced Funding	-300	
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<b>To be Funded by Council Tax</b>		236,131
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<b>Council Tax at Band D</b>	<b>£ 1,169.00</b>	
<b>Increase on Previous Year</b>	<b>£ -</b>	
- Percentage Increase		0.0%
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<b>Funding Requirement</b>		<b>236,131</b>
<b>Council Tax Income</b>		<b>238,631</b>
<b>Funding Excess at Council Tax increase above as reported to Finance and Resources Committee January 2016 (Item 7.6 F&amp;R 14.1.16, Para 3.20 vi)</b>		<b>-2,500</b>
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<b>Service Investment (see Annex 1)</b>		<b>689</b>
<b>Add / Less: Amendments to Draft Revenue Budget Framework (see Annex 1)</b>		<b>1,811</b>
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<b>Use of Reserves</b>		<b>0</b>
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<b>Balance of Available Resources</b>		<b>0</b>
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