

News release

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Edinburgh getting back on track

The City of Edinburgh Council has made considerable progress towards balancing its books, says the Accounts Commission.

The local authority watchdog raised significant concerns in December 2014 over the council's financial position, including a £67 million gap in savings required to meet future funding levels.

But a report published today says while it still faces major challenges, Edinburgh now has a clear strategy for reducing its spending through changing the way it delivers services and reducing its workforce. It met its £39 million savings target last year and is on track to achieve most of its planned savings for the current financial year.

Councillors and senior managers now have a shared understanding of the problems and the actions needed to solve them which will include some difficult decisions. Changes include a new ICT contract, more online transactions and a new workforce strategy which will see a reduction of five per cent of total staff numbers by the end of next month, saving £25 million a year.

In its findings, the Commission said it was encouraged by the response from the council to address its previous concerns. Like all local authorities, Edinburgh faces uncertainties about future finances and service demands but the Commission has specific concerns about the degree of risk around progress and delivery of the council's plans.

Accounts Commission chair Douglas Sinclair said: "The council is now on a far sounder financial footing than it was a year ago. It has had to make tough choices on reconfiguring services and this hasn't been an easy time, not least for its employees.

"Edinburgh is not out of the woods yet and it is still early days with many of its planned actions. But it is in a much stronger position to meet the challenges that lie ahead."

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Notes to editors

1. The Accounts Commission's findings are published today with the Controller of Audit's report. Previous findings and reports on the City of Edinburgh Council from May 2013 and December 2014 are available [here](#).
2. All Audit Scotland reports published since 2000 are available at www.audit-scotland.gov.uk
 - The Accounts Commission is the public spending watchdog for local government. It holds councils and various joint boards and committees in Scotland to account and help them improve. It operates impartially and independently of councils and of the Scottish Government, and meets and reports in public
 - Audit Scotland is a statutory body set up in April 2000, under the Public Finance and Accountability (Scotland) Act, 2000. It provides services to the Auditor General for Scotland and the Accounts Commission for Scotland.