



# If the need hasn't gone away, why should the services?

City of Edinburgh Budget 2011

Cuts are not inevitable. They are not needed and they are likely to damage the economy further just when services are most needed.

It is not just UNISON saying that. Respected economists such as Joseph Stiglitz, Paul Krugman and David Blanchflower all say that public service cuts will damage the fragile recovery by increasing unemployment, reducing tax receipts and significantly decreasing spending in the local economy.

## Cuts affect us all

Cuts (not so-called efficiencies as they are often dressed up) mean fewer people getting the essential care they need, poorer education for our children, less support for communities and huge stresses on basics like roads, cleaning and public safety. Cuts make all of our lives more difficult.

# The local economy

Edinburgh UNISON is deeply concerned at the impact that cuts to public services will have on the local economy. For every £1 earned by a public service worker, almost 70p goes back into local shops and businesses. A Council job lost affects the whole local economy.

Average weekly earnings in Edinburgh have dropped by 0.8% against a UK average of 0.2%. Jobseeker numbers are rising and stand at over 10,200 with a projected loss of 5,000 public sector jobs by 2014/15 (*www.centreforcities.org*).

The loss of Council jobs will increase unemployment and add to the welfare bill at a time when the number of job vacancies in Scotland has fallen by 60% between 2007 and 2010. This does not make economic sense.

# A job lost is a service lost

UNISON is concerned that the proposed cuts, year on year, to jobs and services will impact significantly on women, both as workers and carers. Local government provides quality of life for all of us, every day. There's nothing



efficient about providing worse services with fewer staff. The council should set a budget based on local need, not government dictat.

However, UNISON recognises that Edinburgh is having to implement the UK Coalition's cuts and the Scottish Government's Budget settlement.

That makes it all the more important that the Council does all in its power to stand up for Edinburgh's jobs and services as much as it can so that there will still be an infrastructure there to build on in the future.

UNISON will work with the council to minimise the impact of the cuts on jobs and services. It believes the measures below and overleaf will help to do that.

## Abandon wasteful privatisation

Ending the Alternative Business Model programme will save money earmarked for legal advice and consultants and free up managers and staff to get on with the job of providing services. All of the internal service



#### continued from page 1...

improvement models have shown that they will deliver significant savings for the Council, so why throw good money after bad by continuing down the privatisation road?

#### No compulsory redundancies

The Council should guarantee no compulsory redundancies. UNISON will continue to work with the council where it maximises the use of voluntary severance, redeployment and 'bumped' redundancy.

This will allow a more constructive approach to consultation on reviews, budget proposals etc, rather than the constant tension with the Council brought by the fear that people will be forced out of work.

It will also help front-line staff really engage in providing better, more efficient and more responsive services. There is no-one better to ask about how services could be delivered than those who actually deliver them.

#### Everyone paying a fair share

With year on year cuts and no sign that the Government will abandon its ideological attack on public services, the Council needs to look at how it is going to raise more revenue if services are to survive.

UNISON believes the Council should consider:

• A bed tax/tourist tax: Edinburgh puts huge effort into marketing the city and encouraging visitors. Businesses benefit but the Council gets next to no payback.

Many other European and North American cities have such a tax which has the potential to raise millions.

• Sharing the cost: Increase or introduce charges for the functions the Council provides during commercial events in the city such as sports events, concerts etc - this would cover things like barrier laying, clean ups before and after events, waste disposal, administration costs etc.

• Better use and promotion of building space which could be hired out for functions

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• Pressing the case that a complete Council Tax freeze is unsustainable and does not allow for Councils to increase revenue at a time when they most need it. On top of this, the freeze benefits the wealthy most and means councils are increasing charges which hit those on low incomes hardest.

• Spend to save investment in 'Green' technology and could significantly cut fuel bills and reduce our carbon footprint. For example, energy saving lighting, more efficient heating systems in our older properties, converting council vehicles to LPG etc.

• Making consultation real: Introduce a new, more constructive and transparent way of developing budget proposals - announce them in advance and then allow opposition parties to try to amend them rather than all parties spending thousands of pounds on developing their own budgets which will never win anyway!

It will also be more transparent allowing stakeholders to prepare challenges/deputations etc on specifics rather than theoretical positions.

#### Fairness: A living wage

In the midst of an imposed pay freeze, it may sound aspirational to be talking about more money. But an Edinburgh Living Wage of a minimum of £7.15 an hour would do three things to benefit the Council and the citizens of Edinburgh:

• offset at least some of the effects of inflation on the very lowest paid staff,

• attract and keep committed workers, mostly women, who provide some of our most essential services,

• benefit the whole economy. Research shows that, unlike the much better off, when lower paid workers get more money, they spend it on goods and services locally which benefits the whole local economy.