



Leicester
City Council

MINUTE EXTRACT

Minutes of the Meeting of the
OVERVIEW SELECT COMMITTEE

Held: THURSDAY, 10 FEBRUARY 2022 at 5:30 pm

P R E S E N T:

Councillor Cassidy (Chair)

Councillor Gee
Councillor Halford
Councillor Joel

Councillor Joshi
Councillor Kitterick
Councillor Porter

Councillor Thalukdar
Councillor Westley

In Attendance

Sir Peter Soulsby
Councillor Piara Singh Clair
Councillor Elly Cutkelvin

City Mayor
Deputy City Mayor
Assistant City Mayor

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72. APOLOGIES FOR ABSENCE

There were no apologies for absence.

73. DECLARATIONS OF INTEREST

Members were asked to disclose any pecuniary or other interests they may have in the business on the agenda.

Councillor Westley declared an interest in agenda items to be discussed that family members were council tenants.

Councillor Halford declared an interest in agenda items to be discussed that family members were council tenants.

Councillor Joshi declared an interest in the agenda items to be discussed that his wife worked for the Reablement Team, Leicester City Council.

Councillor Thalukdar declared an interest in agenda items to be discussed that

a family member was a council tenant.

In accordance with the Council's Code of Conduct, the interests were not considered so significant that they were likely to prejudice the Councillors' judgement of the public interest. The Members were not, therefore, required to withdraw from the meeting.

82. DRAFT REVENUE BUDGET

The Deputy Director of Finance submitted the Draft Revenue Budget 2022/23 which would be considered by Council on 23 February 2022. The draft minute extracts detailing the respective Scrutiny Commissions' discussion on the draft Revenue Budget report were included with the report.

The Overview Select Committee was recommended to consider the draft budget and the comments made by the Scrutiny Commissions, and to pass its comments on those to the meeting of Council for consideration.

The City Mayor presented the report and confirmed the report had been considered by all Scrutiny Commissions, with overall broad support for what was proposed. He noted that any comments could be taken to Full Council.

As the report had been discussed extensively elsewhere, the Chair asked Members to present their questions:

- Councillor Porter asked for clarification on the Adult Social Care precept on Council Tax and asked what percentage it was. He also referred to the report at 4.11 (a) 3% and 5% increase and asked what the figures were. He added this his understanding was as a result of the pandemic there was a dramatic fall in people going into care homes, which might have been through people not wanting to move into care homes because of Covid-19, or perhaps people passing away due to the virus, and noted was a large number of care homes that had closed or were struggling to survive because the customer base had reduced. He asked that with regards to the ASC precept which was reported at approximately £8million per year, and it had been reported there was a surplus of £6million in the budget, were people being misled that the ASC precept needed to be added and he asked for more clarity on the figures. Finally, he noted the government had announced that all Council Tax payers within bands A-D would receive money and how it would be paid.

The City Mayor noted the Council had been permitted to raise additional funds locally to contribute to the growing costs of adult social care. He reported the amount raised locally to meet rising costs fell a long way short each year to meet the rising costs, and in consequence the costs of care put a further squeeze on the diminishing budget and services beyond children's and adult social care across the council, with increased numbers and the costs of care packages falling many short of many millions of pounds and growing. The costs were significantly greater than the income. It was agreed that some years Adult Social Care managed to spend less than was budgeted for, however this was

because the Council took a prudent approach to budgeting for ASC each year and added significant growth to provide for the likely costs. Whilst the authority was having to budget for an increase in ASC spend every year, it was not allowed to raise the funds necessary to fill that gap. The Government had increased National Insurance from April 2022, for which the funds raised would go in the first instance to the NHS. In reality, the Adult Social Care sector nationally had a workforce on very low wages who were delivering care in a very challenging but very skilled job.

The Deputy Director of Finance confirmed the precepts had averaged 1% or 2% a year, with the current 2021/22 financial year at 3%. For this coming financial year, councils would be allowed to increase Council Tax by 1% plus any unused precept. In Leicester's there was no unused precept to be added.

It was noted that 1% ASC precept in Council Tax generates £1.8m, approximately 1/10th of the £16million that would be added to the ASC budget to meet expected costs. At a previous meeting of Overview Select Committee when considering a budget monitoring report, it had been noted the ASC budget underspent, due to the prudence of the Council when budgeting. Also, the budget could sometimes be underspent because demand was not as forecast, package costs had not increased quite as much, or there may be unplanned additional external funding received towards aspects of the service. However, it did need to be recognised that the council was prudent in increasing its budget significantly each year to avoid overspend; this was not the case for a number of councils around the country that had overspent on ASC. It was reinforced that the precept was far less than the growth included each year.

The Chair noted that minutes on the budget had been received from each Scrutiny Commission. Chair of the Commissions were invited to speak about the relevant sections of the budget.

Councillor Joshi, Chair of Adult Social Care Scrutiny Commission, noted the department had a year on year growing increase in provisions and care facilities, which placed a huge pressure on finances. It was reported Members of the Commission had engaged extensively in the sectors of the scrutiny commission, with long discussions on the budget reports, and minute extract of the last meeting was appended to the report at Appendix D1. He said it was important that the minutes and recommendations in the minutes of ASC be included in the budget item for Council.

The Chair of ASC drew to Members' attention the challenge in finding £1.9m in savings, Members had looked at it following reviews of care and it was pointed out that it would only be possible if the resource for reviews was in place immediately with no delay, as costs were rising all the time, and the service would be in the same situation next year, and so on. Members had also discussed the cost of care and care packages which was concerning. It was noted Leicester was different to many other cities, with a higher demand of care services, an ageing population with ever increasing needs, combined with poverty, deprivation and high house prices, and shortage of care workers since

the pandemic began.

The Chair of ASC also expressed concern over the delays in the Extra Care scheme, and Members urged for progress on the provision of the service within Leicester City. Members had also recognised the need to work closer with NHS partners so that the partnership continued to work in a crucial way for the future, especially following social care reforms, where the NHS would gain more and adult social care less. Has highlighted previously, with the increase in National Insurance contributions it was hoped ASC would benefit, but looked not to be the case, with the government not giving enough resources to meet proper levels of standards in ASC.

It was reported that the additional cost of care packages would be £42million, and Members had requested consideration be given to two options to bring some services in house to cut down on costs. It was noted that Members were currently undertaking a review into the cost of care and report would be compiled in the near future.

The Chair of ASC stated that a crisis did exist and would carry on for many years unless the government provided a huge amount of resources and money where it mattered into a sector where the pandemic had had a huge impact. He ended that he requested Members of the Overview Select Committee to support the recommendation put forward by the Scrutiny Commission.

The Chair of ASC requested Members to support the recommendations as outlined in the minute extract at Appendix D1 to the report to be taken to Full Council on 23 February 2022.

The Chair moved that the Overview Select Committee endorse the recommendations in the report. This was seconded by Councillor Westley and agreed by Members. Councillor Porter asked that his decision against the proposed recommendations be noted.

AGREED:

That:

1. The report and comments from Members of the Overview Select Committee, and comments from Members of the Scrutiny Commissions be noted be passed to the meeting of Council on 23 February 2022.