



Leicester
City Council

At a meeting of the LEICESTER CITY COUNCIL held at the Town Hall at SIX O'CLOCK in the afternoon on Wednesday, 25 FEBRUARY 2026 duly convened for the business hereunder mentioned.

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BUSINESS

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1. LORD MAYOR'S ANNOUNCEMENTS

2. DECLARATIONS OF INTEREST

3. MINUTES OF PREVIOUS MEETING

The minutes of the meeting of Thursday 20 November 2025 are available to view at:

[Agenda for Council on Thursday, 20 November 2025, 5:00 pm | Leicester City Council](#)

Copies are also available from Governance Services on 0116 454 6350
governance@leicester.gov.uk

4. STATEMENTS BY THE CITY MAYOR / EXECUTIVE

5. MATTERS RESERVED TO COUNCIL

- HOUSING REVENUE ACCOUNT BUDGET (INCLUDING CAPITAL PROGRAMME) 2026/27
- CAPITAL PROGRAMME 2026-27
- REVENUE BUDGET 2026/27
- TREASURY INVESTMENT STRATEGY 2026/27

6. ANY OTHER URGENT BUSINESS

PRESENT:

TERESA ALDRED, LORD MAYOR

SIR PETER SOULSBY – CITY MAYOR

Abbey Ward

Nags Agath
Charleigh Barnes

North Evington Ward

Dilip Joshi
Sanjay Modhwadia

Aylestone Ward

Scott-Kennedy-Lount

Rushey Mead Ward

Bhupen Dave
Devi Singh Patel

Beaumont Leys Ward

Hazel Orton
Hemant Rae Bhatia
Paul Westley

Saffron Ward

Ted Cassidy
Elly Cutkelvin

Belgrave Ward

Shital Adatia
Yogesh Chauhan
Jaiantilal Gopal

Spinney Hills Ward

Misbah Batool
Mustafa Malik

Braunstone Park and Rowley Fields Ward

Sue Barton
Elaine Halford
Kulwinder Singh Johal

Stoneygate Ward

Yasmin Surti
Aasiya Bora

Castle Ward

Mick Gregg
Patrik Kitterick
Liz Sahu

Thurncourt Ward

Teresa Aldred
Abdul Osman

Evington Ward

Deepak Bajaj
Zuffar Haq
Jenny Joannou

Troon Ward

Diane Cank

Eyres Monsell Ward

Elaine Pantling
Karen Pickering

Westcotes Ward

Adam Clarke
Sarah Russell

Fosse Ward

Western Ward

Susan Waddington

George Cole
Vi Dempster
Molly O'Neill

Humberstone and Hamilton Ward

Wycliffe Ward

Stephen Bonham
Ashiedu Joel
Manjit Kaur Saini

Hanif Aqbany

Knighton Ward

Mellissa March
Lynn Moore
Geoff Whittle

1. LORD MAYOR'S ANNOUNCEMENTS

FORMER COUNCILLOR MANJULA SOOD

The Lord Mayor expressed shock and sadness by the loss of former Councillor Manjula Sood, who passed away on Christmas Eve, the day after her 80th birthday.

The Lord Mayor shared that Manjula was elected as a City Councillor in 1996 and served consecutively until 2019 and was then re-elected in 2023. During her time as a Councillor, she served on numerous committees, was Lord Mayor in 2008-2009 and held the office of High Bailiff for a number of years. More recently she was a member of the Executive team and was Assistant City Mayor for Community Cohesion and served as our Armed Forces Champion.

The Lord Mayor highlighted that she worked tirelessly for the people of Leicester, touched the lives of so many, and expressed that her presence will be greatly missed.

The Lord Mayor invited Members to observe a one-minute silence to remember Manjula Sood.

STONEYGATE BY-ELECTION

The Lord Mayor invited Councillor Kitterick to introduce Councillor Bora who had been elected at the recent by-election for Stoneygate.

2. DECLARATIONS OF INTEREST

The Lord Mayor invited the Monitoring Officer to make a statement in relation to declarations for the budget meeting.

The Monitoring Officer reminded Members that there was no requirement to declare any interests already on their registers.

He noted that Members had been contacted in advance of the meeting regarding interests, but no issues had been raised.

He also explained that Section 106 of the Local Government Act 1992 made it an offence for any Member who was two months or more in arrears of Council tax to remain and vote on the General Fund Revenue Budget item, incorporating as it does a decision about the setting of Council Tax. However, background checks had indicated that no Elected Member was in this position.

He further outlined details of a dispensation which, following consultation with the Standards Committee, he could grant to elected Members who were Council tenants or had family members or close associates who were

Council tenants. Without this dispensation it would not be possible for members with an interest in this area to vote on either the General Fund Revenue Budget or the Housing Revenue Account. The following members sought and were granted a dispensation:

Councillor Aqbany
Councillor Aldred
Councillor Cank
Councillor Barnes
Councillor Pickering
Councillor Westley
Councillor Halford

3. MINUTES OF PREVIOUS MEETING

The Lord Mayor, seconded by the Deputy Lord Mayor and carried:

"That the minutes of Council held on 20 November 2025, be taken as read and are approved as a correct record."

4. STATEMENTS BY THE CITY MAYOR/EXECUTIVE

There were no Statements from the City Mayor or Executive.

5. MATTERS RESERVED TO COUNCIL

5A. HOUSING REVENUE ACCOUNT BUDGET (INCLUDING CAPITAL PROGRAMME) 2026/27

Please note that a full record of the of the discussion is available on the recording of the meeting at [Budget Council - 25 February 2026](#) at time 0:18:55-0:49:18.

Councillor Cutkelvin, seconded by O'Neill and moved:

"Council is recommended to:

Approve the Housing Revenue and Capital budgets for 2026/27;

- i) Approve rent changes for tenants for 2026/27 as follows:
 - 4.8% increase to core rent;
 - 4.8% increase to garage rent.
 - 4.8% increase for Hostel rent and service charges;
 - 4% increase for Gypsy and Traveller plot rent;
- ii) Approve service charge changes for tenants and leaseholders for 2026/27 as follows:
 - A reduction in the charges for District Heating as set out in section 4.6.2, including a 16% reduction in the variable charge for metered heat, a 22% reduction in the fixed metered charges.

- applying increases to all other service charges of 3.8%, in line with CPI.
- iii) Agree to delegate to the City Mayor the authority to reduce service charges by the extent to which this represents a change to the cost of providing those services.
- iv) Note the equality impact assessment of the proposed revenue and capital reductions required to present a balanced budget, at Appendix J;
- v) Note that the scheme of virement (included within the General Fund Revenue Budget report which is also on your agenda) applies also to the HRA budget with total expenditure and total income acting as budget ceilings for this purpose;
- vi) Agree that the delegations and determinations applicable to the main capital programme (which is also on your agenda) shall also apply to the capital programme in this report;
- vii) Note that the capital strategy in that report also applies to the HRA.”

Following the debate, the Lord Mayor put the motion to the vote and declared the motion carried.

5B. CAPITAL PROGRAMME 2026-27

Please note that a full record of the of the discussion is available on the recording of the meeting at [Budget Council - 25 February 2026 - YouTube](#) at time 0:49:18-1:58:00.

City Mayor seconded by Councillor Joel, and moved:

“Council is recommended to:

- a) Approve the capital programme, including the maximum prudential borrowing for schemes as described in this report and summarised at Appendices 1 to 6, subject to any amendments proposed by the City Mayor in accordance with his powers as set out in 2.1(f);
- b) Note if the amendment within the general fund revenue budget for 2026/27 is approved in relation to Adventure Playgrounds, a corresponding amendment will be made to the capital programme.
- c) To delegate to the Director of Finance, in consultation with the City Mayor, to apply available capital receipts to finance the capital programme in place of prudential borrowing where this is considered financially advantageous, having regard to affordability, sustainability, and the Council’s Treasury Management and Capital Strategies
- d) For those schemes designated immediate starts, delegate authority to the lead director to commit expenditure, subject to the normal requirements of Contract Procedure Rules, rules concerning land acquisition and Finance Procedure Rules;

- e) Delegate authority to the City Mayor to determine a plan of spending for each policy provision, and to commit expenditure up to the maximum available;
- f) For the purposes of Finance Procedure Rules:
 - Determine that service resources shall consist of service revenue contributions; HRA revenue contributions; and government grants/third party contributions ringfenced for specific purposes.
 - Delegate to the appropriate Divisional Director the ability to reallocate resources within the following programmes to meet operational requirements:
 - o Operational estate
 - o Children's capital maintenance
 - o Highways maintenance programme
 - o Transport Improvement Grant for 2026/27
 - o Local Authority Bus Grant (LABG)
- g) Delegate to the City Mayor:
 - Authority to increase any scheme in the programme, or add a new scheme to the programme, subject to a maximum of £10m funded from corporate resources in each instance and to borrow whilst remaining within the prudential limits for debt which are proposed in the treasury management strategy (elsewhere on your agenda);
 - Authority to reduce or delete any capital scheme, subject to a maximum reduction of £10m; and
 - Authority to transfer any "policy provision" to the "immediate starts" category.
- h) Delegate to directors, in consultation with the relevant deputy/assistant mayor, authority to incur expenditure up to a maximum of £250k per scheme in respect of policy provisions on design and other professional fees and preparatory studies, but not any other type of expenditure.
- i) Approve the capital strategy at Appendix 6.
- j) Resolved that the Council:
 - agrees to act as Accountable Body for funding provided by the Ministry of Housing, Communities and Local Government (MHCLG) under the Pride in Place Programme
 - adds such funding to the Council's revenue or capital budget as appropriate

- delegates to the Section 151 Officer, Monitoring Officer and Director of Corporate Services authority to administer the Programme, allocate funding, and manage delivery and compliance in accordance with MHCLG requirements and the Council’s approved budget framework.”

Members debated the original Motion

AMENDMENT

Proposed by Councillor Rae Bhatia, seconded by Councillor Osman and moved:

“Approve the capital programme as proposed with the following amendments:

a. Repurpose the £0.35m allocated to Voices for Leicester as followings:

i. £0.19m increase to Environmental Crime/Open Spaces CCTV enforcement creating a budget of £0.39m

ii. £0.15m increased to Highways Drainage/Flood Mitigation programme creating a budget of £0.41m

b. Reducing the allocation of £0.75m for 20mph schemes within the Local Transport schemes to £0.55m and reallocating to parking issues in outer wards.

FRIENDLY AMENDMENT

During the debate, Councillor Rae Bhatia indicated that they were willing to accept a friendly amendment proposed by Councillor Kitterick. The Monitoring Officer advised that the proposed friendly amendment had been circulated to Members shortly before the meeting and allowed time for Members to read it.

Proposed by Councillor Kitterick:

“The effect of this amendment is to transfer the £430,000 funding of Heritage Interpretation Boards into tackling issues affecting the streets across Leicester. This would also allow the retention of funding for the 20mph speed limit programme.

Add immediately after “Voices of Leicester”

“and the £430,000 for Heritage Interpretation Boards”

Add after bullet point

“• £0.15m of it to the Highways Drainage / Flood

Mitigation programme raising it to £0.41m in 2026/27.”

Another two bullet points

- *Allocate £0.2m towards the parking issues in outer wards under Local Transport Schemes.*
- *Allocate an extra £230,000 to gully and leaf clearing and tackling fly-tipping across the city.”*

Delete

“Reducing the 20mph programme allocation from £0.75m to £0.55m and reallocating £0.2m towards the parking issues in outer wards under Local Transport Schemes.”

The Monitoring Officer confirmed with the seconder for the substantive amendment his agreement to the inclusion of the friendly amendment.

The amendment was debated

The amendment, as modified by the friendly amendment, was then put to the vote.

The Lord Mayor declared the amendment LOST.

The meeting returned to consideration of the original substantive motion.

The Lord Mayor put the substantive Motion to the vote.

The Lord Mayor declared the substantive Motion carried.

5C. REVENUE BUDGET 2026/27

Please note that a full record of the of the discussion is available on the recording of the meeting at [Budget Council - 25 February 2026 - YouTube](#) at time 1:58:00-3:22:50.

City Mayor seconded by Councillor Joel, and moved:

“Council is recommended to:

- a) approve the three year budget strategy described in this report;
- b) approve the proposed budget and council tax for 2026/27, including the recommendations in the formal budget resolution circulated separately;
- c) that £2m is transferred from the budget strategy reserve to an earmarked reserve to support the Council-owned Adventure

Playgrounds in the City. The funding will be provided as capital and revenue therefore it is proposed to add up to a maximum of £2m to the capital programme to be funded from this earmarked reserve.

- d) approve the transfers from the budget strategy reserve as set out in paragraph 8.3 of this report;
- e) approve the budget ceilings for each service shown at Appendix 1 to this report;
- f) approve the scheme of virement described in Appendix 2 to this report;
- g) note the Director of Finance's view on the adequacy of reserves and the estimates used in preparing the budget;
- h) note the equality implications arising from the proposed tax increase, as described in paragraph 14 and Appendix 3;
- i) note the medium-term financial strategy and forecasts presented at Appendix 4, and the financial challenges ahead;
- j) note the earmarked reserves position set out at Appendix 5;
- k) note the policy on council tax premiums and discounts set out at Appendix 6;
- l) note that the impact of the Council Tax Support Scheme has been reviewed by the Executive, and reported to OSC, during the year;
- m) approve the inflationary increase to Council Tax Support Scheme thresholds as shown at Appendix 7 and approve further inflationary increases in future years (to be calculated with reference to published CPI inflation for the September prior to the start of the year in question);
- n) approve the capital receipts flexibility policy at Appendix 8."

The Motion was debated

AMENDMENT

Councillor Kennedy-Lount proposed, seconded by Councillor Haq and moved:

1. *"Approve the three-year budget strategy described in the report subject to following amendments:*
 - a. *Council Tax to be increased by 2%, rather than the 4.99%*

proposed.

- b. An increase in Newark Houses Museum budget by £0.1m to enable longer opening hours.*
- c. This will be funded as follows:*
 - i. Keeping the savings targets proposed to be reversed in Corporate Services and Finance £1.2m and £0.8m within Estates and Building Services.*
 - ii. From the removal of the reinvestment into City Developments and Neighbourhoods £3.2m*
- 2. To delegate to the Director of Finance the ability to amend the budget ceilings at Appendix 1 of the main report, to reflect the changes above.*
- 3. Approve the amended formal budget resolution circulated as part of this proposal”*

Following further debate, the Lord Mayor put the amendment to vote.

The Lord Mayor declared that the amendment was LOST.

The meeting returned to consideration of the substantive Motion.

FURTHER AMENDMENT

Councillor Rae Bhatia, seconded by Councillor Dave and moved:

“1. Approve the three-year budget strategy described in the report subject to following amendments:

- a. Council Tax to be increased by 4.49%, rather than the 4.99% proposed.*
- b. This will be funded as follows:*
 - i. Reducing the budget surplus in 2026/27 reducing the figure transferred to the budget strategy reserve by £0.9m*
 - ii. In the following two years it would be funded by the budget strategy reserve increasing the draw on the reserve in 2027/28 by £1m and £1.1m in 2028/29.*

2. Approve the amended formal budget resolution circulated as part of this proposal.”

Following further speakers, the Lord Mayor put the amendment to vote.

The Lord Mayor declared that the amendment was LOST.

The meeting returned to consideration of the substantive motion.

FURTHER AMENDMENT

Proposed by Councillor Kitterick, seconded by Councillor Sahu and moved:

“Add to Recommendations

That the £3.2 million re-investment in City Development & Neighbourhoods should prioritise restoring the loss of funding and services to Community Centres and Libraries which still exist after the City Council’s initial U-Turn on their review of this area. These revised proposals were outlined in a press release of 18th November 2025 but are still subject to a formal Executive Decision. Furthermore, the proposals for this should be developed with all elected councillors and not just the relevant Strategic Director.

As there is no extra expenditure in this amendment this is effectively fiscally neutral.”

Following the debate, the Lord Mayor put the motion to the vote and declared the amendment LOST.

The meeting returned to consideration of the original substantive Motion.

As there were no further speakers, the Lord Mayor put the original substantive Motion to vote.

In accordance with Council Procedure Rule 30(c) of the Council’s Constitution, a recorded vote was taken.

For the Motion:

Councillors: Agath, Aldred, Bajaj, Barton, Batool, Bonham, Cank, Clarke, Cole, Cutkelvin, Dempster, Halford, Kaur Saini, Malik, March, Moore, O’Neill, Pantling, Pickering, Russell, Singh Johal, Soulsby (City Mayor), Surti, Waddington and Whittle.

Against the Motion:

Councillors: Adatia, Barnes, Bora, Chauhan, Dave, Gopal, Gregg, Haq, Joannou, Joshi, Kennedy-Lount, Kitterick, Modhwadia, Orton, Osman, Rae Bhatia, Sahu, Singh Patel and Westley.

The Lord Mayor declared the Motion carried.

5D. TREASURY INVESTMENT STRATEGY 2026/27

Please note that a full record of the of the discussion is available on the recording of the meeting at [Budget Council - 25 February 2026 - YouTube](#) at time 3:22:50-3:46:45.

City Mayor seconded by Councillor Joel, and moved:

“The Council is recommended to approve:

- approve the Treasury Policy at Appendix 1, including the 12 treasury Management Practices.
- approve the Treasury Management Strategy at Appendix 2 (including Treasury Limits at Appendix 2a, and Treasury Investment Strategy at Appendix 2b).
- approve the Investment Strategy at Appendix 3.

Following the debate, the Lord Mayor put the Motion to vote and declared the Motion carried.

6. ANY OTHER URGENT BUSINESS

There being no further business the meeting closed at 21.47pm.