



Leicester
City Council

Minute Extract

Adult Social Care Scrutiny Commission

Held: Thursday, 15 January 2026 at 5:30 pm

P R E S E N T:

Councillor March - Chair

Councillor Batool
Councillor Kaur Saini
Councillor Russell

Councillor Joannou
Councillor Orton
Councillor Sahu

In Attendance

Councillor Dawood, Assistant City Mayor, Adult Social Care

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1. Draft General Fund Revenue Budget 2026/27 and Draft Three Year Capital Programme 2026/27

The Director of Finance submitted a report setting out the City Mayor's proposed Draft General Fund Revenue Budget for 2026/27, and a report on the City Mayor's proposed Draft Three-Year Capital Programme 2026/27.

As the reports on the Revenue Budget and Capital Programme were related, they were taken as one item.

The Head of Finance (Education and Social Care) gave an overview of the reports, key points to note were as follows:

- The General Fund Revenue Budget set out the budget for 2026/27 and the medium term strategy for the following two years.

- The recent conclusion of the Government's Fair Funding consultation would be included in the final budget presented to Council in February.
- A budget gap continued to be forecasted, and previous the strategy would continue with five strands:
 - Budget savings of £23m
 - Constraining growth in areas such as Social Care and homelessness
 - A reduction in the Capital programme
 - Releasing one off monies
 - A programme of property sales
- The scope for additional investment in services was limited but included areas which had previously been awarded grants.
- For Adult Social Care, the budget would provide additional growth, taking the net budget from £179m in 2025/26 to £191.5m, mainly due to the increasing costs of providing care.
- Cost increases were due to the need to support more people, particularly those of working age, and due to inflation driven by an increase in the National Living Wage.
- There was an aim to reduce costs by decreasing the numbers of new entrants to Adult Social Care, and through partnership work.
- There was a funded action plan in place relating to the CQC assessment.
- The Three-Year Draft Capital Programme worth £129m. It was fully financed from council resources, government grants and borrowing.
- The final budget would be updated and presented to Council in February 2026 and would include the finance settlement.

The Chair invited questions and comments from the Commission. The following key points were discussed:

- Members questioned whether the budget could support demand to progress from the most recent CQC "requires improvement" rating. It was noted that investment was supported by Equalities Impact Assessments and depended on effective budget management and available reserves.
- Savings from reoccurring vacancies had been reinvested.
- Creative thinking around vacancies could have immediate benefits but could mean a change of culture. Training processes could mitigate new risks.
- Members supported an approach of positive communications to boost recruitment.
- The social care levy position had increased but the growth of adult social care needs far exceeded this.
- Members queried if there was partnership work with universities to aid with recruitment shortfalls. It was confirmed that there was an apprenticeship / student placement scheme in place with De Montfort University for Social

Work Degrees. Social Work apprenticeships were run by Warwickshire University and OT placements were offered at Coventry University.

- Members requested a budget amendment to specify the amount that comes in through the Adult Social Care precept, versus the amount the budget needs to increase by to meet need, to emphasise the point of the adult social care levy and show how the gap needs to be funded.
- Members requested a budget amendment to emphasise within the Capital Programme that there was a policy provision around supported living.
- In reference to a previous paper relating to the enhanced element of PIP it was noted that the report identified the maximum that could theoretically be achieved based on assumed rates of benefits awards, but this was not budgeted for in full. The change came into policy this year relating to higher rates of benefits (the mobility element is excluded). The budget included a £250k additional income provision. Around £500k had been achieved, nothing that assumed income is reduced in the first year as there were additional staffing costs for implementation, along with appeals to changes.
- Members requested figures on income to the Council from disability benefits and asked how much additional money was required for staffing.
- Regarding right sizing of care packages, it was confirmed that statutory support would remain in place as required, there was an Early Action programme leading to less requirement for support.

AGREED:

- 1) That the reports be noted.
- 2) Members requested a budget amendment to highlight the policy provision for supported living within the Capital Programme.
- 3) Members requested a budget amendment to specify the amount that comes in through the Adult Social Care precept, versus the amount the budget needs to increase by to meet need. Also, to emphasise the point of the ASC social levy and show how the gap needs to be funded.
- 4) Members requested figures on Council income from disability benefits.
- 5) Members requested figures on how much additional money was needed for staffing.

