

# Report to Scrutiny Commission

Neighbourhood Services and Community  
Involvement Scrutiny Commission

Date of Commission meeting: 6<sup>th</sup> February 2014

---

## **General Fund Budget 2014/15 to 2015/16**

Report of the Director of Culture and Neighbourhood  
Services and the Director of Environmental Services

---



**Useful Information:**

- Ward(s) affected: All
- Report author: Colin Sharpe, Head of Finance
- Author contact details 0116 454 4081 [colin.sharpe@leicester.gov.uk](mailto:colin.sharpe@leicester.gov.uk)

**1. Introduction**

At its meeting on 16<sup>th</sup> January, the Overview Select Committee requested scrutiny commissions to consider the draft budget proposals for 2014/15 to 2015/16. Your commission is asked to consider the budget of the Neighbourhood Services and Community Involvement portfolio.

**2. Recommendation(s) to scrutiny**

The Commission is asked to make any comments to the OSC, for subsequent consideration by that committee at its meeting on 13<sup>th</sup> February. The OSC will consider all commissions' comments before reporting its views to the City Mayor, prior to the City Mayor making his final proposals to the Council. The Council will set the final budget on 26<sup>th</sup> February, 2014.

**3. Supporting Information**

The draft budget has been prepared against a background of the most severe Government funding cuts the Council has ever faced.

The Council has sought to address budget reductions strategically, and to avoid having to make crisis cuts in services. Consequently, the budget approved in February, 2013 included a "managed reserves strategy" under which monies are contributed to reserves in 2013/14 and 2014/15; then drawn down in 2015/16 and 2016/17. This enabled the budget to be balanced until 2015/16, always providing agreed reductions are implemented, and gives time to consider the longer term savings needed more thoroughly. It is estimated that additional savings of £60m per year will be needed by 2017/18.

The extent of cuts required means that the budget is no longer a "once a year" activity. The Executive has launched a spending review programme, which will scrutinise a range of service areas over an extended period to the end of 2014. Budget reductions can be made at the same time as reviews are concluded and the findings approved. The findings of these reviews will be subject to scrutiny as and when they are prepared.

Consequently, no new spending reductions have been asked of departments as part

of the preparation of this budget, which essentially rolls forward the strategy approved in February, 2013. The commission will wish to scrutinise the extent to which the agreed budget strategy has been delivered, and report this to the OSC.

Attached to this report are:

- (a) The draft budget report to the Council. Members are asked to note that this report covers the whole of the budget, and questions about corporate aspects of budget setting are best raised at the full OSC meeting;
- (b) Extracts from the budget monitoring report for period 6, which was considered by OSC in December. These extracts include the budgets for services overseen by your commission;
- (c) A schedule showing the budget ceilings for services overseen by your commission.

#### **4. Financial and legal implications**

##### 4.1 Financial implications

This report is exclusively concerned with financial issues – Colin Sharpe, Head of Finance, ext. 37 4081

##### 4.2 Legal and other implications

These are included in the draft report to Council.

#### **5. Background information and other papers:**

**6. Summary of appendices:** See above

**7. Is this a private report ?** No