



Leicester
City Council

MINUTE EXTRACT

Minutes of the Meeting of the
ECONOMIC DEVELOPMENT, TRANSPORT AND TOURISM SCRUTINY
COMMISSION

Held: WEDNESDAY, 5 FEBRUARY 2014 at 5.30pm

P R E S E N T :

Councillor Waddington (Chair)

Councillor Joshi (Vice-Chair)

Councillor Bhavsar	Councillor Cassidy
Councillor Dr Chowdhury	Councillor Fonseca
Councillor Porter	Councillor Riyait
Councillor Sandhu	

In attendance :

Sir Peter Soulsby – City Mayor

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83. APOLOGIES FOR ABSENCE

There were no apologies for absence.

84. DECLARATIONS OF INTEREST

Councillors Joshi declared he worked for an organisation in the voluntary sector that received Council funding, being the subject of discussions concerning the “General Fund Budget 2014/15 to 2015/16” (Agenda Item 6).

Councillors Dr Chowdhury declared that he worked for an organisation in the voluntary sector that received Council funding, being the subject of discussions

concerning the “General Fund Budget 2014/15 to 2015/16” (Agenda Item 6).

Councillor Cassidy declared that he was a member of the Board of Leicester Shire Promotions Limited, being the subject of discussions concerning the “General Fund Budget 2014/15 to 2015/16” (Agenda Item 6).

The above declarations were not considered to be ‘direct pecuniary interests’ (DPI) but were considered to be ‘other disclosable interests’ (ODI) and therefore did not preclude the Members from debating the items.

88. GENERAL FUND BUDGET 2014/15 TO 2015/16

The Director of Planning, Transportation and Economic Development, Director of Investment and the City Centre Director presented a report that requested the Commission’s consideration of the Draft Budget Proposals for 2014/15 to 2015/16. It was noted that the report had been prepared following the decision of Overview Select Committee on 16 January 2014 and the report to that Committee meeting was submitted.

It was reported that the Commission’s comments would be forwarded to the next meeting of Overview Select Committee to be held on 13 February 2014 in order that the views of that Committee could be considered by the City Mayor, prior to final proposals being submitted to Council on 26 February 2014.

The Commission considered the budget strategy generally, prior to consideration of the budget of the Economic Development, Transport and Tourism portfolio.

In discussing the budget strategy it was noted that the budget had been balanced until 2015/16 under the “managed reserves strategy”. The strategy had been implemented as part of the approved budget in 2013 which meant that the budget was no longer a ‘once a year’ activity. Consequently no spending reductions had been requested as part of the current budget proposals.

The report appended budget variances relevant to the Commission, together with budget ceiling information for 2014/15.

Commission members noted that some items in the remit of the Commission were not included within the information in the appendices, including information about LASALS.

In response it was clarified that detailed information had been included within the report under wider budget headings. In response to a question from a Commission member it was confirmed that the funds from sale of the Council land and property were not included within the strategy which focussed on revenue and not capital spend.

The City Mayor confirmed that any specific detailed information could be

provided separately as part of the budget consideration.

Commission members also commented on the calculation of government grant, and that the Government's policies were having a detrimental impact on authorities such as Leicester. The Commission noted that retained business rates were defined as central government funding, thereby increasing the cuts made to Revenue Support Grant. The negative implications on the Council's overall budget of this definition were recognised.

In reply to a question it was confirmed that budget ceilings identified in the appendices had been calculated taking into account inflation forecasts. The Council's position in borrowing and offering finance through economic development strategies and schemes such as the 'Growing Places Fund' was debated. It was noted that such arrangements often accelerated redevelopment schemes.

In conclusion, it was reported that those items within the remit of the Commission and included in the managed budget reviews programme would be submitted to future meetings for consideration in due course. It was confirmed that those items included both 'Park and Ride' and 'Highways Maintenance'.