



Leicester
City Council

DRAFT MINUTE EXTRACT

Minutes of the Meeting of the
OVERVIEW SELECT COMMITTEE

Held: THURSDAY, 2 FEBRUARY 2017 at 5:30 pm

P R E S E N T :

Councillor Singh (Chair)
Councillor Malik (Vice Chair)

Councillor Bajaj
Councillor Cleaver
Councillor Cutkelvin

Councillor Dempster
Councillor Grant
Councillor Khote

Councillor Dr Moore
Councillor Newcombe
Councillor Porter

Also present:

Sir Peter Soulsby
Councillor Kirk Master

City Mayor
Assistant City Mayor - Neighbourhood
Services

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72. APOLOGIES FOR ABSENCE

There were no apologies for absence.

73. DECLARATIONS OF INTEREST

No declarations of interest were made.

81. GENERAL FUND REVENUE BUDGET 2017/18 TO 2019/20

Members were asked to comment on the draft General Fund Revenue budget 2017/18 to 2019/20 prior to its consideration at the meeting of the Council on 22 February 2017.

The Chair commented on the seriousness of the situation following the cuts in the Government's Revenue Support Grant to Local Authorities. He said that it was fortunate that the Council had embarked early on a strategy of managed reserves to help with the budgetary situation, but these were now being drawn

upon and it was forecast that they would be used up before 2020. The budget report gave details of all of the different service areas and each Scrutiny Commission had been given the opportunity to consider and comment.

Draft budget minute extracts from a number of different Scrutiny Commissions had been circulated and Members were invited to add any further comments to those in the minutes of their meetings.

Councillor Cleaver, Chair of the Adult Social Care Scrutiny Commission asked the City Mayor about the Better Care Fund. Concerns were expressed that this was said by the Government to be extra money given to the Local Authorities, but this had previously not been the case. Councillor Cleaver added that the Council had experienced delays in receiving the money and asked if any action could be taken to improve the situation. The City Mayor agreed that the fund had not provided new money and only provided a small portion of what was required to meet demand. The Director of Finance added that the Council had lost money from the New Homes Bonus and gained some through the new Social Care Grant but overall the total loss and gain in unitary authorities such as Leicester, in balance remained about equal in 2017/18. The new round of Better Care Fund, however is being paid to the Council.

Councillor Cleaver asked that the Council lobbied the Government further on funding for adult social care. The City Mayor agreed and stated that they would add their voice to the voices of the Local Government Association and Councils of all political parties because the financial burden on providing Adult Social Care was such that other services were being put in jeopardy.

Councillor Dempster, Chair of the Health and Wellbeing Scrutiny Commission commented that it was recognised that the budget had to be managed in a different way because of the reduction in the Government's Revenue Support Grant. Timeliness was important to enable meaningful scrutiny to take place and she requested earlier work in future between the Executive and Scrutiny.

Councillor Dempster made reference to the Council's reserves and stated that she hoped that the Council would be cautious and only use them where no other option was available. The City Mayor confirmed the need for caution and added that the budget was now amended throughout the year (rather than just once a year) and the review process needed to be transparent. Scrutiny did therefore need to be aware of what was happening, so subject to checking with Members of the Executive, he intended to make a pro-forma based document available to Scrutiny Chairs, with details of reviews including timings, required savings etc. This would be put in the public domain on the Council's website and kept up to date so that people would know what reviews were happening and when.

Councillor Porter stated that there was under £10m in reserves when the City Mayor was elected, but these had increased to £50m. He said that there were people in the public gallery who would be interested to know how the reserves had been built up and why the reserves had not been used to avoid cutting public services.

The City Mayor responded that the managed reserves policy had been debated many times over the last four or five years and there were details of the reserves on page 22 of the draft Revenue budget. It had been agreed that efficiencies would be implemented at the earliest possible moment, in order to smooth the situation arising from the cuts in the Revenue Support Grant. The strategy had been very successful, but the reserves were being used at a significant rate and would be coming to an end by 2018/19.

Councillor Bajaj, Chair of the Heritage, Leisure and Sport Scrutiny Commission said that the investment to the New Walk and Jewry Wall Museum and the Abbey Pumping Station was welcomed and these improvements would encourage more tourists to Leicester.

Councillor Cutkelvin, Chair of the Neighbourhood Services and Community Involvement Scrutiny Commission thanked officers for their support to the Commission during the year. Information on service reviews were coming to the Commission in a timely manner. She welcomed the pro-forma that the City Mayor had referred to which would provide information, such as dates and savings on reviews, as this was something that the Commission had talked about. Councillor Cutkelvin also thanked officers for the comprehensive information given to the Commission on the welfare reform agenda. She said that this subject had been explored alongside the Government spending cuts and it was good to hear that the Council were maintaining support for the most vulnerable residents in the city.

Councillor Dr Moore, Chair of the Children's, Young People and Schools Scrutiny Commission stated that it had been difficult to scrutinise the budget in this particular service area, because of the serious position arising from the cuts in the Government Revenue Support Grant. Scrutiny of the budget would continue until March because there was a special meeting to consider the outcome of Early Help Re-modelling and there was also to be a review of the Youth Services.

There were concerns about the budget because children, particularly those in need of safeguarding were one of the most vulnerable groups and those numbers were growing. Innovative measures were being implemented to tackle this issue. There was a concern that the budget did not prioritise children's needs as much as it should and the Commission would like an opportunity to compare, like for like, the situation in other service areas. Councillor Dr Moore then drew Members' attention to the recommendations that the Scrutiny Commission had made during their budget discussion.

The Director of Finance responded that during 2016/17, £10.1m of new money had been made available to Education and Children's Services. This figure was in response to the pressures of the service, partially in relation to the use of agency staff however that injection of new money would decline over the next three years. By comparison therefore, the revenue budget for social care services in children's and adults services had seen a growth, whilst other services had seen a reduction in their revenue budget.

The Director of Finance also referred Members to the Spending Review Programme and stated that there were savings of £19.4m on that programme still to be delivered, but even after that, the budget would still be short by £25m in 2020.

Councillor Khote, Chair of the Economic Development, Transport and Tourism Scrutiny Commission stated that there were no issues to report on.

Councillor Newcombe, Chair of the Housing Scrutiny Commission informed the Committee that that the Commission had been very busy and had been dealing with sensitive issues around homelessness.

Councillor Cutkelvin referred to the issue around changing terms and conditions for staff and asked how this work was progressing. The Committee was advised that the Director of Delivery, Communications and Political Governance was currently involved in discussions with the trade unions.

The Chair asked if Members would note the recommendations within the report, which would then go to the Budget Council to be ratified. Councillor Dempster asked for an additional recommendation regarding the scrutiny review process, to ensure the Commissions were engaged with meaningfully, in time for them to make a difference. The City Mayor commented that Councillor Dempster had a valid point as it was the job of Scrutiny to review the process but this was not always straightforward if the timetable was not made known to them as early as it could be. Councillor Dempster reiterated that in relation to the process, it was important that there was the opportunity for meaningful scrutiny.

The City Mayor confirmed that he had taken on board the points made by Councillor Dempster and he gave his assurance that when the report came to Council, he would seek to add something that incorporated the spirit of what had been discussed relating to timely and meaningful scrutiny.

AGREED:

that the Overview Select Committee endorse the recommendations set out in the General Fund Revenue Budget 2017/18 to 2019/20