



Leicester
City Council

Minute Extract of the Meeting of the
PUBLIC HEALTH AND HEALTH INTEGRATION SCRUTINY COMMISSION

Held: TUESDAY, 27 JANUARY 2026 at 5:30 pm

P R E S E N T :

Councillor Pickering (Chair)
Councillor Agath (Vice Chair)

Councillor Haq

Councillor Sahu

Councillor March

Also Present

Assistant City Mayor – Councillor Dempster virtually

7. DRAFT GENERAL FUND REVENUE BUDGET 2026/27

The Director of Finance submitted a report to the Commission to present the City Mayor's strategy for balancing the budget for the next 3 years and to seek approval to the actual budget for 2026/27.

The Head of Finance, Education and Social care presented the report. The following was noted:

- The Draft General Fund Revenue Budget set out the budget for 2026/27 and the medium term financial strategy for the following 2 years. It was based on the government's Fair Funding consultation which ran over the summer. While the results were awaited, a forecast budget gap remained. As a result, the 5 strand strategy from the previous year would continue as follows:
 - To deliver budget savings
 - Constrain 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 budget built in growth to meet ongoing costs in Social Care, homelessness and housing benefits. The scope for additional investment was limited but provision was made, particularly where services had previously been funded through grants which were no longer received.

In discussions with Members, the following was noted:

- Members stated that it was difficult to scrutinise the budget without clarity on how the additional funding would be spent and asked for greater transparency ahead of Budget Council in February. It was acknowledged that confirmation of the Public Health Grant was still awaited, however members requested sufficient detail to allow questions to be addressed in advance.
- Officers advised members not to assume that the additional funding represented new money. It was explained that in recent years funding had been received through several separate streams, including the core Public Health Grant, additional funding for substance misuse and alcohol services, and further funding that was ringfenced for specific purposes such as increasing access to treatment. In addition, in the previous year, and potentially the year before, additional funding had been received for stop smoking services as part of the government's smoke free generation initiative.
- It was further explained that these funding streams had now been amalgamated into a single allocation. As a result, the grant appeared to increase from approximately £32m to £37m, however this did not represent a real increase in funding. It was stated that the actual uplift was likely only sufficient to cover inflationary costs and that there was no additional new money. Officers confirmed that, notwithstanding this, the total Public Health grant for next year was approximately £37m and that a breakdown of planned spend could be provided to members.
- Members raised questions about whether funding had been lost through ICB investment and whether any reductions were expected in the current year. In response, it was explained that this did not represent a direct reduction in funding but related to the way services were delivered. Challenges were highlighted around running costs and the impact on staffing availability, particularly in relation to vaccination programmes and outbreak response, and it was noted that additional resources were required to support this work.
- Concerns were also raised about vaccination uptake and whether the ICB had a responsibility to continue funding vaccination programmes to enable greater investment in other preventative services. It was suggested that a stronger focus on prevention would deliver longer term savings and members asked whether additional funding was being sought.
- It was clarified that the £10m figure referenced was not recognised and that plans were in place to spend the same amount on vaccination programmes in the next financial year as in the current year. It was confirmed that close joint working with the ICB continued and that staffing costs accounted for approximately one third of running costs. Members were advised that immunisation and screening teams would continue to operate across the Leicester's, Northampton and Rutland (LNR) Cluster, with efficiencies introduced through new ways of working. It was also stated that there was a strategic intention to shift further towards prevention, with increased investment in this area, and assurance was given that there would be no direct reduction in screening or immunisation resources.

- Members sought confirmation that there would be no direct or indirect cuts to current Public Health services over the next 12 months. It was confirmed that, at that point in time, officers were not aware of any service reductions. It was explained that a reduction of approximately one third in ICB running costs related to commissioning, coordination, and organisational structures as clusters were brought together in line with national expectations, and that frontline service provision, including vaccinations delivered through general practice, pharmacies, and roving units, would continue. Members were assured that any future changes would be subject to impact assessments and further discussion with partners.
- Members also referred to previous discussions regarding a potential 6% reduction in mobile vaccination and immunisation support. It was confirmed that since the previous meeting an allocation had been received from NHS England and that officers were hopeful the roving vaccination service would continue.

AGREED:

1. The Public Health and Health Integration Scrutiny Commission note the report.
2. A breakdown of the previous year's Public Health budget and the final budget for 2026/27 be provided to members to support scrutiny and improve understanding of growth and new programmes.