

To Members of the Scrutiny of the Administration's Budget Proposals

Cllr. Nick Brown (Chairman)
 Cllr. Neil Wright (Vice-Chairman)

Cllr. Shabbir Aslam
 Cllr. Royston Bayliss
 Cllr. Dr John Bloxham
 Cllr. Lee Breckon JP
 Cllr. Adrian Clifford
 Cllr. Stuart Coar
 Cllr. Luke Cousin
 Cllr. Tony Deakin
 Cllr. Roy Denney
 Cllr. Alex DeWinter

Cllr. Susan Findlay
 Cllr. Janet Forey
 Cllr. Helen Gambardella
 Cllr. Hannah Gill
 Cllr. Paul Hartshorn
 Cllr. Richard Holdridge
 Cllr. Mark Jackson
 Cllr. Becca Lunn
 Cllr. Antony Moseley
 Cllr. Terry Richardson

Cllr. Ande Savage
 Cllr. Tracey Shepherd
 Cllr. Dillan Shikotra
 Cllr. Roger Stead
 Cllr. Matt Tomeo
 Cllr. Bob Waterton
 Cllr. Jane Wolfe
 Cllr. Maggie Wright

Dear Councillor,

A meeting of the **SCRUTINY OF THE ADMINISTRATION'S BUDGET PROPOSALS** will be held in the Council Chamber - Council Offices, Narborough on **WEDNESDAY, 14 JANUARY 2026 at 5.30 p.m.** for the transaction of the following business and your attendance is requested.

Yours faithfully



Gemma Dennis
Corporate Services Group Manager

AGENDA

1. Apologies for Absence

2. Disclosures of Interest

To receive disclosures of interests from Members (i.e. the existence and the nature of those interests in respect of items on this agenda).

3. Budget Context Setting and Overview (Pages 3 - 6)

To consider the report of the Executive Director (S.151) (enclosed).

4. 2026-2027 Draft Portfolio Budget Proposals (to follow)

a) To consider the proposed 2026-27 budget and spending plans for the remaining Portfolio areas.

b) Prepare lines of questioning for a written response from Portfolio Holders in advance of the next Scrutiny Budget meeting on Wednesday 21 January 2026.

5. Date of next meeting

- Wednesday 21 January 2026

Agenda Item 3

Blaby District Council Scrutiny Commission

Date of Meeting	14 January 2026
Title of Report	Budget Context Setting and Overview
Report Author	Executive Director (Section 151 Officer)

1. What is this report about?

1.1 This is an information report which gives Members an overview of the budget proposals for 2026/27 Financial year. This includes an update on significant points arising from the Settlement of December 2025 issued by the Ministry for Housing, Communities and Local Government and also a projection of the Council's funding position into future years.

2. Recommendation(s) to Scrutiny Commission

2.1 That Scrutiny Commission considers the information contained within the reports and comments on the budget process and arrangements for the scrutiny of the budget proposals.

3. Reason for Decision(s) Recommended

3.1 To inform and seek Scrutiny Commissions comments on the budget proposals.

4. Matters to consider

4.1 Background

The purpose of the first budget session is to give Members a view of the following:

- Impact of the Settlement December 2025
- Total Budget Requirement for the Authority 2026/27 financial year
- Funding the Budget
- Planned Utilisation of Reserves and Closing the Budget Gap
- General Budget Assumptions
- Impact on the Medium-Term Financial Strategy (MTFS) financial summary

The second Scrutiny Budget session will be an opportunity for Scrutiny to ask questions of Portfolio Holders regarding the individual portfolio

budgets. The information regarding individual portfolio budgets is contained in Appendices F to K.

4.2 Proposal(s)

This information is presented in documents within the appendices and are provided to inform Scrutiny to understand and scrutinise the budget prior to Council considering the budget proposals at February Council. It is important to note that this budget is in draft format and may change prior to the February meeting should additional information becoming available.

4.3 Relevant Consultations

Officers from Finance and all services have worked closely together to compile the draft budget.

4.4 Significant Issues

None

4.5 In preparing this report, the author has considered issues related to Human Rights, Legal Matters, Human Resources, Equalities, Public Health Inequalities and there are no areas of concern.

5. Environmental impact

5.1 No Net Zero and Climate Impact Assessment (NZCIA) is required for this report. Any assessments required by the services to implement initiatives budgeted for will be undertaken by the services themselves.

6. What will it cost and are there opportunities for savings?

6.1 Detailed budgets for each portfolio are included within the appendices, as are the overall budget costs and funding levels.

7. What are the risks and how can they be reduced?

7.1

Current Risk	Actions to reduce the risks
Reductions in the Government Grant Settlement.	This report has been produced following the release of the draft Settlement. It is not expected that the Settlement Funding will alter significantly when finalised. The Council has historically taken a prudent approach in forecasting its core grant funding for the MTFS and modelled scenarios based on information currently available, however there are still risks that some specific funding outside of the Settlement will not be received at the anticipated levels.

	The Council has general fund balances available that can be used in the short to medium term to help address any funding gaps that may arise.
Withdrawal of external funding.	In most cases, external funding has only been built into the base budget where it has been confirmed by external partners. Officers continue to work with partners to minimise the impact of funding cuts on services.
Change to the Business Rate Retention Scheme and the Fair Funding Review.	Changes to Business Rate Retention and funding levels are being implemented as of April 2026. As such the Council now has a three-year Settlement which incorporates all of the changes. The draft MTFS forecasts the impact of these changes for the next three years and allows the Council to plan for any gaps in funding.

8. Other options considered

8.1 None. It is necessary for Members to understand the financial context in which the budget is set and the detail of the budget.

9. Appendix

9.1 Appendix A – 2026/27 Budget Overview 14th January (to follow)

9.2 Appendix B – Analysis of Reserves (to follow)

9.3 Appendix C – Schedule of External Funding (to follow)

9.4 Appendix D – Establishment Trend information (to follow)

Appendix E – Draft MTFS Financial Summary (to follow)

Appendix F – Leaders Portfolio Budget (to follow)

Appendix G – Finance, People & Transformation Portfolio Budget (to follow)

Appendix H – Health, Community and Economic Development Portfolio Budget (to follow)

Appendix I – Neighbourhood Services & Assets Portfolio Budget (to follow)

Appendix J – Housing, Community Safety & Environmental Services Portfolio Budget (to follow)

Appendix K – Planning and Strategic Growth Portfolio Budget (to follow)

10. Background paper(s)

None

11. Report author's contact details

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