

MINUTES of a meeting of the CORPORATE SCRUTINY COMMITTEE held at Stenson House, London Road, Coalville, LE67 3FN on THURSDAY, 22 JANUARY 2026

Present: Councillor S Lambeth (Chair)

Councillors M Ball, C Beck, D Bigby, A Morley, R L Morris, S Sheahan and J Windram

In Attendance: Councillors J Legrys and P Moul

Portfolio Holders: Councillors K Merrie MBE, M B Wyatt and A C Woodman

Officers: Mr P Stone, Mrs R Wallace, Mrs A Crouch and Mr Z Fazil

35. APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillors M Burke and K Horn.

36. DECLARATION OF INTERESTS

There were no declarations of interest.

37. PUBLIC QUESTION AND ANSWER SESSION

None.

38. MINUTES

Consideration was given to the minutes of the meeting held on 4 December 2025.

It was moved by Councillor M Ball, seconded by Councillor D Bigby and

RESOLVED THAT:

The minutes of the meeting held on 4 December 2025 be approved as an accurate record of proceedings.

39. OUTSTANDING ACTIONS UPDATE

The update was noted.

40. CABINET RESPONSE TO SCRUTINY RECOMMENDATIONS

Members discussed the responses and were pleased that some of their recommendations had been included in the budget proposals. They went on to discuss the authority's settlement figure from central government and the opportunities available to invest in projects moving forward.

The update was noted.

41. DRAFT BUDGET 2026/27

The report was presented jointly by Councillors K Merrie, A Woodman and M Wyatt as Portfolio Holders, who were supported by the Strategic Director of Resources. Each of the draft Cabinet reports detailed in the appendices were taken in turn.

Chair's initials

The hard work undertaken by the Strategic Director of Resources and the finance team on the draft budget was acknowledged by the Portfolio Holders and the committee.

Appendix A – Draft 2026/27 Robustness of Budget Estimates

Some inaccuracies were highlighted with the figures detailed in the table at paragraph 4.14. Officer agreed to amend these prior to consideration by Cabinet.

In relation to the Transformation Programme, concerns were raised on the wording used as it over emphasised efficiencies and service reductions and did not acknowledge the potential to approve services if finances allowed. It was suggested that improvements could be made by aligning the wording with elsewhere in the report that already recognised the balance. Officers agreed.

Comments were made on the rare position that the Council was in with some financial headroom. Officers were warned against being overly risk averse when investment could improve outcomes for communities. Officers reminded members that it was full Council that signed off the final budget proposals.

Appendix B – Draft Capital Strategy, Treasury Strategy and Prudential Indicators 2026/27

The following comments were made by the Committee:

- Capital Receipts: a Member asked why the anticipated general fund capital receipts such as the land sale at Stenson House were not shown in the Capital Programme, in comparison to the right to buy receipts which were included in the Housing Revenue Account. The Strategic Director of Resources clarified that it was due to accounting conventions and agreed to circulate a previously issued written explanation on the matter to Members outside of the meeting.
- Need to improve the programme management of projects: It was noted that this was included in the previous year's budget which Members felt was not achieved with the Marlborough Centre Project. It was hoped more diligence would be taken in future to ensure adequate costings. The Portfolio Holder acknowledged that there were lessons to be learnt from the project. The Strategic Director of Resources advised that there were better governance arrangements now in place which were more robust.
- Right to Buy Receipts: A discussion was had on the current aims to spend the receipts within a five-year period to avoid the funds returning to central government, however it was noted that it was difficult to be certain as the future circumstances were unpredictable. The Strategic Director of Communities explained the complex methodology around the housing replacement process, and that changes to government policy on this were now being phased in
- Liability Benchmark: Comparing the graphs at page 53 and 54 of the report to those in the previous financial budget 2025/26, the improvement seemed positive. A request was made for further information. The Strategic Director of Resources explained that it was a very complex matter and therefore a written response would be provided outside of the meeting.

Appendix C – Draft 2026/27 General Fund Budget and Council Tax

Councillor K Merrie, Portfolio Holder, reflected on the approach taken this year in drafting the budget, with the early engagement with the opposition group which had proved to be a success. He thanked the Labour Group for working with him and the officers for their extensive work in recent months.

Prior to discussion, Councillor M Wyatt, Portfolio Holder, announced the proposal to freeze carparking fees, the investment in exploring pay-on-exit technology and the extension of free parking in Coalville from one hour to two hours. In response to the announcement there was strong objection to the proposed extension of free parking in Coalville as it was described as inequitable for other areas of the district. There was also a request for a district wide parking review before these proposals were introduced. Concerns were raised in relation to the pay-on-exit technology, and it was suggested that a proper analysis be undertaken before this was taken any further.

The following comments were made by the Committee:

- Proposed Legacy Fund: Members welcomed the legacy grant but questioned why it was limited to £2million. The process in assessing and approving the grants was also questioned. The opposition group asked that they be able participate in the setting of the assessment criteria and have the opportunity to be part of the approval process. All Members agreed that the allocation mechanism needed to be transparent and equitable across the whole district. The Strategic Director of Resources provided an explanation as to the amount in the legacy fund and assured Members that it could be increased further down the line if required. He also clarified that the grant approval process was yet to be developed and would be considered by scrutiny prior to approval by Cabinet in due course.
- Moira Furnace restoration works: It was commented that there were no estimated costs for the restoration of Moira Furnace within the budget proposals. Officers confirmed that as detailed estimated costs were being prepared it was not yet included, however it would be presented to Cabinet in due course. The Portfolio Holder added that he was involved with this project and would keep Councillor M Ball updated as it progressed. Members agreed that the costs should be reflected in the Capital Programme Development Pool.
- Marlborough Centre: Concerns were raised about the rising costs of the project. Officers gave an explanation into the reasons behind the increased costs, and it was agreed to provide a full cost breakdown to Members outside of the meeting.
- Ashby Canal: It was noted that the works planned for the canal had been on hold for years for several reasons including HS2 and it was suggested that this financial year might be a good time to progress this. The Committee supported this.
- Unavoidable expenditure: Concerns were raised regarding the costs because of refuse collectors' sickness rates. It was noted that work was currently underway to address the issue, and costs were forecasted to reduce once the waste service review was implemented. It was agreed to provide the Committee with a more detailed breakdown of sickness levels and types of sickness affecting staff.
- Local Plan examination costs: In response to a question from a Member, it was agreed to provide additional details around the increased local plan examination costs outside of the meeting.

Chair's initials

Members of the opposition group welcomed the approach taken by the administration to engage with them during the budget setting process and thanked the Portfolio Holder for the invitation to take part.

Following further discussions on the proposed figures for the Legacy Fund, the Head of Finance clarified that for cash flow reasons the fund had been split over two financial years; however it was confirmed it was one pot of money, and it could be spent in one year if required.

RECOMMENDED TO CABINET THAT:

- 1) The costs of the Moira Furnace restoration project be reflected in the capital programme development pool.
- 2) The proposal for two-hour free parking in Coalville be postponed until a full district parking review has been undertaken to provide an equitable distribution across the district.
- 3) Funding for the Ashby Canal project to be recognised in the capital development programme for the 2026/27 financial year.

The meeting was adjourned at 8.17pm and reconvened at 8.24pm.

Appendix D – Housing Revenue Account Budget and Rents 2026/27

A query was raised in relation to the review of the debt repayment reserve, officers confirmed that ongoing discussions were being had with the external company dealing with the matter. The findings would be made public in due course.

Following a question regarding the flexibility of the new supply budget, officers confirmed that it could be increased as needed based on business cases.

Members welcomed the increased stock investment and queried the large fleet replacement budget; The Strategic Director of Communities explained the need for new vehicles due to the increase in the number of operatives, a long overdue replacement programme was now coming to fruition and highlighted the challenges of moving to electric vehicles.

42. FINANCE UPDATE - 2025/26 QUARTER 2

Councillor K Merrie, Portfolio Holder, presented the report.

A discussion was had on Section 106 Agreements, during which officers explained the reasons for delays in releasing funds, and it was acknowledged that the matter required further scrutiny. The Strategic Director of Communities agreed to take the suggestion of a future report to the Scrutiny Work Programming Group.

The report was noted.

43. ITEMS FOR INCLUSION IN THE FUTURE WORK PROGRAMME

Consideration was given to the future work programme.

It was noted that the Finance Update – 2025/26 Quarter 3 report would be brought to committee later than scheduled due to the pressures on the team with the focus on budget proposals and statement of accounts.

The future work programme was noted.

The meeting commenced at 6.30 pm

The meeting was adjourned at 8.17pm and reconvened at 8.24pm

The Chair closed the meeting at 8.51 pm