

Public Document Pack



**Service Director – Legal, Governance and
Commissioning**

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Monday 8 March 2021

Notice of Meeting

Dear Member

Cabinet

A Meeting of **Cabinet** will take place remotely at **4.15 pm** on **Tuesday 16 March 2021**.

This meeting will be live webcast. To access the webcast please go to the Council's website at the time of the meeting and follow the instructions on the page.

The items which will be discussed are described in the agenda and there are reports attached which give more details.

A handwritten signature in black ink, appearing to read "Julie Muscroft", on a light-colored background.

Julie Muscroft

Service Director – Legal, Governance and Commissioning

Kirklees Council advocates openness and transparency as part of its democratic processes. Anyone wishing to record (film or audio) the public parts of the meeting should inform the Chair/Clerk of their intentions prior to the meeting.

Cabinet Members:-

Member	Responsible For:
Councillor Shabir Pandor	Leader of the Council
Councillor Viv Kendrick	Cabinet Member - Children (Statutory responsibility for Children)
Councillor Musarrat Khan	Cabinet Member - Health and Social Care
Councillor Naheed Mather	Cabinet Member - Environment
Councillor Peter McBride	Deputy Leader and Cabinet Member for Regeneration
Councillor Carole Pattison	Cabinet Member for Learning, Aspiration and Communities
Councillor Paul Davies	Cabinet Member – Culture and Greener Kirklees
Councillor Cathy Scott	Cabinet Member - Housing and Democracy
Councillor Graham Turner	Cabinet Member - Corporate

Emergency Cabinet Portfolio Responsibilities During Covid-19

Cllr Shabir Pandor	Leading the immediate response to the pandemic Leading recovery strategy Public Health
Cllr Peter McBride	Immediate support to business Planning the post-pandemic inclusive economy
Cllr Viv Kendrick	Statutory responsibility for children's social care Safeguarding our most vulnerable children throughout the pandemic
Cllr Musarrat Khan	Statutory responsibility for vulnerable adults Responsible for vulnerable adult social care, and safeguarding our most vulnerable adults throughout the pandemic
Cllr Carole Pattison	Working with schools to maintain services Planning for return to school
Cllr Graham Turner	Financial oversight Resources
Cllr Naheed Mather	Council staff, including staff wellbeing
Cllr Cathy Scott	Engaging and supporting voluntary sector capacity for immediate responses to the pandemic Strengthening place-based working for the future (North Kirklees)
Cllr Paul Davies	Engaging and supporting voluntary sector capacity for immediate responses to the pandemic Strengthening place-based working for the future (South Kirklees)

Agenda

Reports or Explanatory Notes Attached

Pages

1: Membership of Cabinet

To receive apologies for absence from Cabinet Members who are unable to attend this meeting.

2: Minutes of Previous Meetings

1 - 16

To approve the Minutes of the meeting of the Cabinet held on 19 and 26 January 2021.

3: Admission of the Public

Most agenda items will be considered in public session, however it shall be advised whether Cabinet will consider any matters in private, by virtue of the reports containing information which falls within a category of exempt information as contained at Schedule 12A of the Local Government Act 1972.

4: Declarations of Interest

17 - 18

Cabinet Members will be asked to advise if there are any items on the Agenda in which they have a Disclosable Pecuniary Interest, which would prevent them from participating in any discussion or vote upon the item, or any other interests.

5: Deputations/Petitions

The Cabinet will receive any petitions and hear any deputations from members of the public. A deputation is where up to five people can attend the meeting and make a presentation on some particular issue of concern. A member of the public can also hand in a petition at the meeting but that petition should relate to something on which the body has powers and responsibilities.

In accordance with Council Procedure Rule 10 (2), Members of the

Public should provide at least 24 hours' notice of presenting a deputation.

6: Questions by Members of the Public

Due to current Covid-19 restrictions, Members of the Public may submit written questions to the Leader and/or Cabinet Members. Any questions should be emailed to executive.governance@kirklees.gov.uk no later than 10am on 15 March 2021.

In accordance with Council Procedure Rule 11(5), the period allowed for the asking and answering of public questions shall not exceed 15 minutes. A maximum of 4 questions per person may be submitted.

7: Questions by Elected Members (Oral Questions)

Cabinet will receive any questions from Elected Members (via remote access).

In accordance with Executive Procedure Rule 2.3 (2.3.1.6) a period of up to 30 minutes will be allocated.

8: Investing in Small Town Centres

19 - 26

To consider the approach for developing programmes to support smaller town centres across Kirklees.

Wards affected: Batley East, Batley West, Cleckheaton, Heckmondwike, Holme Valley South

Contact: Simon Taylor, Head of Town Centre Programmes

9: Protocol on Concurrent Powers

27 - 56

To be (i) informed of the making of an Order creating a Mayoral Combined Authority (MCA) in West Yorkshire and (ii) consider the draft protocol between Kirklees and the other West Yorkshire Councils and the MCA dealing with consents and concurrent functions.

Wards affected: All

Contact: Nick Howe, Partnerships & Corporate Planning / Julie Muscroft, Service Director - Legal, Governance and Commissioning

10: Disposal of Freehold Reversion - Apna Centre, Prospect Street, Springwood, Huddersfield 57 - 70

To consider the disposal of the freehold reversion of the land that comprises the Apna Centre, Prospect Street, Springwood.

Wards affected: Newsome

Contact: Giles Chappell, Asset Strategy

11: Kirklees Specialist Accommodation Strategy 2021/2030 - Public Consultation 71 - 122

To consider the approval of a consultation exercise regarding the Specialist Accommodation Strategy.

Wards affected: All

Contact: Karen Oates, Housing Services / Chris Porter, Health Development

12: Place Partnerships - Proposal to improve domestic abuse outcomes 123 - 134

To consider the allocation of funding to help mitigate the impact of domestic abuse.

Wards affected: All

Contact: Chani Mortimer, Domestic Abuse and Safeguarding Partnerships / Vina Randwana, Active Citizens and Places

13: Dewsbury Market 135 - 148

To consider the Dewsbury Market project.

Wards affected: Dewsbury East

Contact: Peter Thompson, Economic Regeneration

-
- 14: Corporate Financial Monitoring Quarter 3, 2020-2021** 149 - 194
- To receive the Corporate Financial Monitoring Report, Quarter 3 (2020-2021).
- Wards affected: All
- Contact: James Anderson, Accountancy / Sarah Hill, Finance
-
- 15: Year of Music 2023** 195 - 206
- To consider investment in the development of the Year of Music 2023.
- Wards affected: All
- Contact: Kath Wynne-Hague, Cultural Development
-
- 16: Proposed changes to top-up funding allocations for children in mainstream schools with an Education Health & Care Plan (EHCP)** 207 - 228
- To consider proposed changes to top up funding allocations.
- Wards affected: All
- Contact: Jo-Anne Sanders, Learning and Early Support / David Gearing, School Funding
-
- 17: Procuring an External Business Partner - SEND** 229 - 240
- To consider the use of funding within transformation reserves to support the procurement of an external business partner to support SEND transformation.
- Wards affected: All
- Contact: Stewart Horn, Children's Services
-

18: Leeds City Region Business Rates Pool Arrangements 2021/22 241 - 250

To consider the Council's membership, and operation/governance arrangements of the Leeds City Region Business Rates Pool for 2021/2022.

Wards affected: All

Contact: James Anderson, Accountancy

19: Kirklees Stadium Development Limited - Future Options 251 - 262

To review current arrangements for KDSL, which manages Kirklees Stadium.

Wards affected: Not applicable

Contact: David Shepherd, Growth and Regeneration

20: Exclusion of the Public

To resolve that under Section 100(A)(4) of the Local Government Act 1972, the public be excluded from the meeting during consideration of the following item of business, on the grounds that they involve the likely disclosure of exempt information, as defined in Part 1 of Schedule 12A of the Act.

21. Kirklees Stadium Development Limited - Future Options (Exempt Appendix) 263 - 276

(Exempt information relating to Part 1 of Schedule 12A of the Local Government Act 1972, namely that the report contains information relating to the financial or business affairs of any particular person (including the authority holding that information). The public interest in maintaining the exemption outweighs the public interest in disclosing the information and providing greater openness in the Council's decision making).

To receive exempt information in relation to Agenda Item 19.

Contact Officer: Andrea Woodside

KIRKLEES COUNCIL

CABINET

Tuesday 19th January 2021

Present: Councillor Shabir Pandor (Chair)
Councillor Viv Kendrick
Councillor Naheed Mather
Councillor Peter McBride
Councillor Carole Pattison
Councillor Cathy Scott
Councillor Graham Turner
Councillor Paul Davies

Observers: Councillor Martyn Bolt
Councillor John Lawson
Councillor Aleks Lukic
Councillor Alison Munro
Councillor Richard Smith
Councillor Elizabeth Smaje
Councillor Will Simpson
Councillor John Taylor

Apologies: Councillor Musarrat Khan

332 Membership of Cabinet

Apologies for absence were received on behalf of Councillor Khan.

333 Minutes of Previous Meetings

RESOLVED – That the Minutes of the Meetings held on 18 November, 26 November and 15 December 2020 be approved as a correct record.

334 Declarations of Interest

No interests were declared.

335 Admission of the Public

It was noted that Agenda Item 15 would be considered in private session (Minute No. 346 refers).

336 Deputations/Petitions

No deputations or petitions were received.

337 Questions by Members of the Public

Cabinet received the following questions;

Question from James Taylor

“Does it seem ironic and of double standards that anyone who wants to make an objection to a planning application now has their address published in the public domain by Kirklees Council, yet out of the nine cabinet members at today's meeting seven of you have decided against having your home address published on the Kirklees website?”

A response was provided by the Leader of the Council.

Question from James Taylor

“I've asked Shabir before who runs the Council, elected members or officers and Shabir has always answered that he's in charge as Leader. If that's still the case, why did elected members including the Chair of Strategic Planning confirm at the full council meeting that I watched online on Wednesday that he knew nothing of these new changes to planning representations and the vast majority of other councillors and members of the public knew nothing until reading it in the Examiner, so who made these changes, you as Leader without consultation or officers?”

A response was provided by the Leader of the Council.

Question from James Taylor

“On 6th January 2021 West Yorkshire Police tweeted "Following numerous complaints from members of the public to the police, regarding the overflowing bins and litter on The Princess of Wales Precinct, in Partnership with Kirklees Council the area was tidied up in no time."

Is this a good use of Police time, them having to contact the Council to get bins emptied in the town centre and shouldn't it happen regularly without the public contacting the Police?”

A response was provided by the Cabinet Member for Culture and Greener Kirklees (Councillor P Davies).

Question from James Taylor

“In Saturday's Examiner there was a report stating "A new law will ban travellers from setting up camp on private land - and those who break the law will be fined up to £2,500 and jailed for up to three months, according to reports”.

The Telegraph says the change in the law will be announced next week, allowing police to seize vehicles and arrest people who refuse to move on when told to do so.

The change would make intentional trespass a criminal offence.

Cabinet - 19 January 2021

Landowners currently face court battles that can take days or weeks before getting an order allowing them to remove travellers from their sites because trespass is currently a civil offence."

Does Cabinet welcome this move by the Government with all the upset that many residents have suffered over the past few years in Kirklees from travellers?"

A response was provided by the Cabinet Member for Corporate Services (Councillor Turner).

Question from Andy Leader

"Could you please provide a date for completion of repairs on Ramsden Road?"

A response was provided by the Cabinet Member for Environment (Councillor Mather).

Question from Andy Leader

"Peak & Northern Footpaths Society have recently surveyed all public paths in the Colne Valley. We found over 230 paths with more than 350 problems, making them difficult or impossible for the public to use.

What extra resources and help can be provided to assist front line council staff in resolving these issues?"

A response was provided by the Cabinet Member for Environment (Councillor Mather).

338 Questions by Elected Members (Oral Questions)

Question from Councillor Bolt

"In response to Mr Taylor's question, you have just said that the situation with planning has always been that way, it's our policy etc. He did ask you who made policy. In this case can I refer you to what staff have said, that the development management privacy policy regarding the publication of planning comments on the website has recently been reviewed and updated following consultation with the Council's Legal Officer and Information Governance – no mention about elected members, stakeholders, or yourself or Cabinet Members. So to refer you back, why are Officers dictating policy which effects the public when you've said that's your job?"

A response was provided by the Leader of the Council.

Question from Councillor Lukic

"Why do my constituents in Dewsbury now have to pay to park in their town centre but your constituents and those in a number of Kirklees towns can continue to take advantage of free town centre parking?"

Cabinet - 19 January 2021

A response was provided by the Leader of the Council.

Question from Councillor Lawson

“Has our Council applied to the National Recovery Fund, for places like KAL?”

A response was provided by the Cabinet Member for Corporate Services (Councillor Turner).

Question from Councillor Simpson

“Can we congratulate and thank everyone involved in the development of the play area at Manor Rise Park in Newsome ward which has been recognised as a fantastic facility. The Officers that have worked on it have done a fantastic job, and also in my ward Councillor Turner and I have worked with them closely on the development of the play area at Skelmanthorpe Wreck. Could you elaborate, Councillor Mather, on the design award and what it means for our continuing commitment to invest in our play areas across the borough?”

A response was provided by the Cabinet Member for Environment (Councillor Mather).

Question from Councillor Munro

“Does the Council believe that a Scrutiny Panel will be able to adequately address accountability of the West Yorkshire Mayor?”

A response was provided by the Leader of the Council.

Question from Councillor Bolt

“You were quoted in various media on a campaign that you are running in partnership with police to address nuisance motorbikes and it was said that a partnership with the Council and police would tackle the problem in Kirklees hotspots. You said ‘nuisance bikes don’t only cause high level noise pollution, they can be intimidating for local communities ...if nuisance bikes cause problems in your local community please report them online to West Yorkshire Police. This behaviour will not and should not be tolerated in Kirklees’.

Could you supply, if not now, in a written answer, the number of activity days that police have had with regards to nuisance motor bikes and also can we have those broken down by wards in terms of where the public have reported issues with nuisance motorbikes?”

A response was provided by the Cabinet Member for Learning, Aspiration and Communities (Councillor Pattison).

Question from Councillor Bolt

“Calderdale have seen a lot of work going into natural flood defence measures such as ‘slow the flow’ and tree planting. What measures have Kirklees been taking in our Penning uplands to reduce the flow of water into our valley and ultimately into Mirfield?”

A response was provide by the Cabinet Member for Culture and Greener Kirklees (Councillor P A Davies).

Question from Councillor Simpson

“Given Councillor Munro’s comments I thought it may be helpful to reflect that the Council asked Corporate Governance and Audit Committee to look into West Yorkshire scrutiny arrangements and I’m Chair of that Committee. Work has been ongoing. There was a workshop last week where we invited members of all political groups from across the Council to get their ideas about how we’d like Kirklees to contribute to creating scrutiny arrangements that work for us. Councillor Turner attended that workshop, can he reflect upon it?”

A response was provided by the Cabinet Member for Corporate Services (Councillor Turner).

Question from Councillor Bolt

“Kirklees in line with West Yorkshire is pursuing the construction of a number of active travel corridors, most recently converting canal towpaths going up the Colne Valley. It’s okay building these but what thoughts are being given to maintenance? Shouldn’t we be looking at maintaining our active travel corridors?”

A response was provided by the Cabinet Member for Environment (Councillor Mather).

339

Annual RIPA Update

Cabinet received the Annual RIPA Update which provided an overview on the use of the Regulation of Investigatory Powers Act 2000 by the Council and an update on the 2020 Investigatory Powers Commissioner’s Office (IPCO).

The report advised that the IPCO undertook an inspection visit in 2016 and that a telephone inspection took place in July 2020, following which the Commissioner advised that he was satisfied that there was an appropriate level of compliance and that he noted that (i) all recommendations from the 2016 report had been implemented (ii) training had been completed and (iii) the RIPA Policy had been updated to include changes and had been reviewed in 2020.

Cabinet noted that the Council’s annual return to the IPCO had been completed and that there had been no RIPA authorisations within the past 12 months.

RESOLVED- That the Annual RIPA Update report be noted.

340 Housing Revenue Account Rent and Service Charge Setting and Key Housing Challenges

(Under the provision of Council Procedure Rule 36(1) Cabinet received a representations from Councillors Bolt and Lawson).

Cabinet received a report which provided the financial context and basis for the annual setting of rents and service charges. The report sought approval for a 1.5% (CPI +1%) increase in dwelling rents in 2021/2022, and an annual uplift of 1.5% for garage rents and other service charges. It was requested that an annual uplift of 2.75% be applied to Extra Care Services – Intensive Housing, and 2.2% to Extra Care Services – Night Time Security.

The report proposed that the Council continues to charge a target rent on all properties let to new tenants and provided context in terms of the key challenges for the Housing Revenue Account, including the CPI+1% rent increase. An appendix to the considered report set out the full schedule of proposed weekly dwelling rent, service and other charge increases to Council tenants for 2021/2022. Cabinet noted that the increases would be implemented from 5 April 2021, following the issue of notification letters prior to tenants, in accordance with the statutory four week notice period.

RESOLVED –

- 1) That, in order to comply with the requirements of the Local Government and Housing Act 1989 to have a balanced Housing Revenue Account, the Welfare Reform and Work Act 2016, and the rent standard, an increase be applied to the rents and service charges payable for social housing by CPI+1% from 5 April 2021, as detailed within the considered report.
- 2) That charges for (i) extra care services – intensive housing management, be uplifted by 2.75% and (ii) extra care services – night care services, be uplifted by 2.2%, in line with other increases.
- 3) That approval be given to the continuation of charging a target rent on all properties let to new tenants.
- 4) That the national and local financial challenges be noted in preparation for the Housing Revenue Account budget discussions in February 2021.

341 Community Infrastructure Levy - Next Steps

(Under the provision of Council Procedure Rule 36(1) Cabinet received a representations from Councillors Bolt and Munro).

Cabinet received a report which requested that, in view of proposals to reform the national planning system, consideration be given to next steps regarding the Kirklees Community Infrastructure Levy. The report advised that, following the Government announcement that it will abolish the Community Infrastructure Levy and replace it with a nationally set infrastructure levy, it was recommended that the Community Infrastructure Levy charging schedule was not, at this stage, to be adopted. It explained that this proposal took into consideration a change to planning rules which allowed contributions from developers to be pooled together and used to help fund infrastructure proposals to reduce the impacts of developments.

Cabinet - 19 January 2021

Cabinet noted that the Council may revisit the matter again at a later stage, in which case, the community would again be consulted and the most appropriate approach to support economic recovery would be determined.

RESOLVED - That the Council shall not proceed to adopt the Community Infrastructure Levy Charging Schedule at this stage and that the implementation of the CIL be reconsidered at a later stage dependent upon national government policy intentions and economic circumstances.

342 **Dewsbury Town Deal - Town Investment Plan**

Cabinet gave consideration to a report which provided an update on the Dewsbury Town Deal Board, the progress that had been made on the Town Investment Plan and sought approval for the submission of a request for investment of approx. £25m to Government. The report explained that the town was eligible for support from the Towns Fund, with access of up to £25m, and set out the proposed Town Investment Plan to be submitted to Government at the end of the month. The plan highlighted nine projects to be supported across Dewsbury.

Cabinet noted that a requirement of Town Deals was for a Town Board to be established, and that the Board had been created following guidance to prepare and agree the Town Investment Plan. The report advised that key messages highlighted during public consultation were that residents wanted more access to open space, more activities and opportunities for young people and families, a safe and vibrant town centre, and opportunities to bring the community together. The selected projects for the scheme were set out in Appendix 1 to the considered report and totalled £26.255m, reliant upon match funding of £33.6m.

RESOLVED –

- 1) That the Dewsbury Town Investment Plan, as proposed by the Dewsbury Town Deal Board, be noted.
- 2) That the level of match funding required to deliver projects, and that provision for this will be made in the forthcoming capital plan, be noted.
- 3) That it be noted that the Dewsbury Town Deal Board may make final changes to the Town Investment Plan prior to its formal submission at the end of January 2021.
- 4) That the Dewsbury Town Investment Plan be submitted to the Ministry of Housing, Communities and Local Government before the end of January 2021.
- 5) That, pursuant to (4) above the Director of Growth and Regeneration, in consultation with the Cabinet Member for Regeneration and the Dewsbury Town Deal Board, negotiate and agree the terms of any Town Deal and any ancillary agreements required.
- 6) That, following the approval of the Dewsbury Town Investment Plan, the Chief Executive be authorised to enter into any grant agreement between the Council and the Ministry of Housing, Communities and Local Government in respect of any Town Deal, and any ancillary agreements required.
- 7) That the Council's role as 'Accountable Body' for the Dewsbury Town Investment Plan and Dewsbury Town Deal Board be noted and endorsed.

343 Locality Based Unclassified Roads Programme

(Under the provision of Council Procedure Rule 36(1) Cabinet received a representations from Councillors Lawson and Smaje).

Cabinet gave consideration to a report which sought approval of methodology designed to engage with Councillors and allocate funding for the delivery of a £15m locality based unclassified road programme. Cabinet noted that the £15m 3 year locality based unclassified roads and pavement improvement budget provided additional funding to help address the backlog of unclassified roads requiring immediate repair which was estimated at £152m.

The report advised that this funding uplifted the two year Highways Capital Plan to over £44m which provided investment across the highway asset including road and pavement resurfacing, street lighting, structures, road safety, flood management, traffic signals, car parks and public transport provision.

Cabinet noted that the methodology proposed was needs based and used length of road to inform allocation of funding, with between £450-£700k per ward. The report advised that the programme had been developed from top priorities of Councillors to deliver a minimum of three schemes per ward and provided for over 120 schemes as set out in Appendix A of the considered report.

RESOLVED –

- 1) That the methodology for place-based Councillor engagement, as set out within the considered report, be approved.
- 2) That (i) the funding allocation and (ii) the creation of a detailed locality unclassified roads programme to the value of £11.8m, as set out at Appendix A, be approved.
- 3) That authority be delegated to the Service Director (Environment), in consultation with the Cabinet Member for Environment to enable amendments in accordance with the Council's financial regulations for the purposes of expediting efficient delivery of this programme.

344 Kingsgate Phase 2 - Funding from the Property Investment Fund

Cabinet received a report which advised of a request for loan support from the Property Investment Fund towards the remodelling of the Kingsgate Centre. The report explained that the request for support, via a loan from the Property Investment Fund, was for a scheme for the provision of a cinema, food and leisure facilities, in addition to the existing Kingsgate retail units. The report was submitted pursuant to the previous Cabinet approval on 22 January 2019 due to changes to the proposals.

It was advised that research had indicated that the redevelopment of the Centre would increase sales of non-food retail by 8% and that the proposal would assist in stabilising the retail environment.

An exempt appendix to the report set out the detail of the requested loan funding.

(Cabinet gave consideration to the exempt information at Agenda Item 15 (Minute No. 346 refers) prior to the determination of this Agenda Item).

RESOLVED –

- 1) That approval be given to a loan from the Property Investment Fund for the remodelling of the Kingsgate Centre, in accordance with the detail as set out within the exempt report at Agenda Item 15.
- 2) That the Strategic Director (Growth and Regeneration), in consultation with the Cabinet Members for Regeneration and Corporate Services, having sought advice from the Service Director (Legal, Governance and Commissioning) and the Service Director (Finance) be authorised to carry out appropriate due diligence on the proposal to offer a loan from the Property Investment Fund, including due diligence on WD's latest business plan.
- 3) That the Service Director (Legal, Governance and Commissioning) be authorised to enter into any documentation required to agree the Property Investment Fund loan and to protect the Council's position as lender.

345 Exclusion of the Public

RESOLVED – That under Section 100(A)(4) of the Local Government Act 1972, the public be excluded from the meeting during the consideration of the following item of business, on the grounds that it involves the likely disclosure of exempt information, as defined in Part 1 of Schedule 12A of the Act.

346 Kingsgate Phase 2 - Funding from the Property Investment Fund

(Exempt information within Part 1 of Schedule 12A of the Local Government Act 1972, as amended by the Local Government (Access to Information) (Variation) Order 2006, namely Information relating to the financial or business affairs of any particular person (including the authority holding that information).

Cabinet gave consideration to the exempt information prior to the determination of Agenda Item 13 (Minute No. 344 refers).

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Contact Officer: Andrea Woodside

KIRKLEES COUNCIL

CABINET

Tuesday 26th January 2021

Present: Councillor Shabir Pandor (Chair)
Councillor Viv Kendrick
Councillor Musarrat Khan
Councillor Naheed Mather
Councillor Peter McBride
Councillor Carole Pattison
Councillor Cathy Scott
Councillor Graham Turner
Councillor Paul Davies

Observers: Councillor Bolt

347 Membership of Cabinet

All Cabinet Members were present.

348 Declarations of Interest

No interests were declared.

349 Admission of the Public

It was noted that there were no exempt agenda items for consideration.

350 Deputations/Petitions

There were no deputations or petitions.

351 Questions by Members of the Public

No questions were asked.

352 Questions by Elected Members (Oral Questions)

Cabinet received the following questions;

Question from Councillor Scott

“What is the policy for the provision of laptops, tablets and IT equipment to Infant, Primary and Secondary Schools?”

A response was provided by the Cabinet Member for Aspiration, Learning and Communities.

Question from Councillor Bolt

“Could you outline the benefits for Kirklees from the connectivity infrastructure plan and a mass transit vision 2040 which you other Leaders have agreed and in particular does this mean the loss of the popular Spen Valley Greenway?”

A response was provided by the Leader of the Council.

353 Kirklees School Funding Arrangements - Financial Year 2021-2022

Cabinet gave consideration to a report which set out details of Kirklees schools funding arrangements for 2021-2022 in terms of (i) specific funding factors to be used and the relative weightings and values of the funding factors (ii) exceptions applications to the Education and Skills Funding Agency and approvals given (iii) central budget provision within the Dedicated Schools Grant Schools block of funding, the Central School Services Block and the Early Years Block and (iv) de-delegation arrangements for the mainstream maintained schools. The report also requested that Cabinet give approval to the outline details of the Kirklees School Funding Formula for 2021-2022, which had been submitted to the Education and Skills Funding Agency in accordance with the deadline of 21 January 2021.

The Cabinet Member advised of updates to figures as set out within the report since its publication in respect of (i) para. 2.3.7 to reflect that £0.08m would be assigned to the required correction adjustment (ii) para. 2.4.4 to reflect that the Exceptions Application in respect of Ashbrow School had now been approved and (iii) para 2.9.4 to reflect that the minimum funding guarantee mechanism was now expected to provide at least an increase in pupil funding of around 1.39%.

Cabinet noted that the Local Authority was expected to inform maintained schools of their 2021-2022 budget shares by 28 February 2021 and that the ESFA would inform academies of their budget allocations by 31 March 2021.

RESOLVED –

- 1) That the consultative process undertaken in collaboration with head teachers, through the Schools Forum, to determine the ongoing local approach to the distribution of the Dedicated Schools Grant Schools Block funding for 2021-2022, the fourth year of a ‘soft’ National Funding Formula approach and the adjustment that needs to be made to correct the identified double-funding issue be noted.
- 2) That the exceptions application that was made to the Education and Skills Funding Agency, and subsequently approved, be noted.
- 3) That the submission of the Schools Funding Formula to the Education and Skills Funding Agency for 2021-2022 be approved.

354 Calculation of Council Tax Base 2021-2022

(Cabinet were reminded of and noted the requirements of the Local Government Finance Act 1992, Section 106, in relation to voting upon this matter).

Cabinet gave consideration to a report seeking approval from Council for the various tax bases, which would apply to the Kirklees area for the financial year 2021/22 in

Cabinet - 26 January 2021

connection with the council tax. The report provided an explanation of the council tax calculation and the need to calculate a tax base for both the whole of Kirklees, and each town and parish council area. Para. 2.3 of the report set out the factors which were applied to the valuation banding and the council tax calculation.

Cabinet noted that there would be an overall reduction on the level of the taxbase, mainly due to the forecast impact of Covid-19 upon the economy and the consequential impact upon housing growth, income collection rates and the increase in the number of eligible council tax reduction claimants.

RESOLVED – That the 2021/22 Council Tax base for the whole of the Kirklees area, and the Council Tax bases for the five Parish and Town Council areas, be referred to the meeting of Council on 10 January 2021 with a recommendation of approval;

Whole of Kirklees £119,177.54
Denby Dale £5,784.34
Holme Valley £10,092.94
Kirkburton £8,936.65
Meltham £2,834.30
Mirfield £6,611.24

355 Council Annual Budget Report 2021-2022 and following years; incorporating Capital Treasury Management, General Fund, Revenue and Housing Revenue Account

(Cabinet were reminded of and noted the requirements of the Local Government Finance Act 1992, Section 106, in relation to voting upon this matter).

Cabinet gave consideration to the Council Budget Report 2021-2022, prior to its submission to Council on 10 February 2021. The report (i) reviewed the general fund revenue budget strategies over the medium term financial plan and budget proposals to achieve a balanced general revenue fund revenue budget in 2021-2022, and indicative revenue budget forecasts for the following four years (ii) incorporated the Government's announcement on the Local Government Finance Settlement for 2021-2022, and considered the level of general fund revenue budget required for Treasury Management and Central Contingencies (iii) reviewed the current levels of general fund reserves and balances and made recommendations on the level of reserves (iv) incorporated Housing Revenue Account proposals to achieve a balanced HRA in 2021-2022, and indicative revenue budget plan for the following four years, informed by the HRA 30 year business plan (v) reviewed the current levels of HRA reserves, and made recommendations on the level of reserves (vi) reviewed the multi-year plan for capital investment (vii) reviewed the 2021-2022 Treasury Management Strategy, Investment Strategy and Capital Strategy (viii) made recommendations on the Council tax requirement for 2021-2022 and (ix) incorporated a statement of assurance from the Council's statutory s151 officer in relation to the robustness of budget estimates and adequacy of General Fund and HRA reserves.

Cabinet - 26 January 2021

Having considered the content of the report and the accompanying appendices, it was agreed that the proposed budget be submitted to the meeting of Budget Council for determination.

RESOLVED - That the Motion be submitted to the Meeting of Council on 10 February 2021 with a recommendation that;

(i) General Revenue Fund

- the draft Revenue Budget 2021/2022 be approved, as attached at Appendix A
- the forecast spending and funding plans for the 2022-2026 period, as set out at Appendix A, be noted
- the forecast levels of statutory and other Council reserves, as set out at Appendix Bii, be noted.
- the strategy for the use of balances and reserves be approved (paragraph 2.13 refers)
- the Council's participation in the Leeds City Region Business Rates Pool for 2021/22 be noted and that a further report be submitted to Cabinet in March 2021 to formally agree the new arrangements
- the 2020/21 Council tax base for the whole of the Kirklees area, and the Council tax bases for the five Parish and Town Councils for 2021/22, (Appendix G refers) be approved (as determined at Agenda Item 8)
- the Council Tax requirement for 2021/2022 (Appendix G refers) be approved
- the Council's Statutory s151 Officer's positive assurance statement (paragraphs 3.3.1 - 3.3.19) be noted
- the Council's Statutory s151 Officer be given delegated authority to amend how the finally approved precepts are recorded in the Council's revenue budget in line with the final notifications received following decisions by the Office of Police and Crime Commissioner, the Fire and Rescue Authority and Parish Councils should these be received after 10 February 2021 (paragraph 3.1.3 refers)

(ii) Treasury Management

- the borrowing strategy be approved (paragraphs 2.15 – 2.23 refer)
- the investment strategy be approved (paragraphs 2.24 – 2.33 refer)
- the policy for provision of debt (minimum revenue provision) be approved (paragraphs 2.34 – 2.38 and Appendix C refers)
- that paragraph 2.38 of the treasury management report, to which recommendation 6.12 refers, be amended as follows 'the Officer recommendation is to maximise the remaining balance of MRP unwind of £49.5m, over the 2020-2024 period to support the Council's medium term budget strategy'.
- the treasury management indicators be approved (Appendix D refers)
- the Investment Strategy (Non Treasury Investments) be approved (Appendix E refers)

Cabinet - 26 January 2021

(iii) Capital

- the updated Capital Plan for 2020-2026 be approved (Appendix A refers)
- the capital strategy (including Prudential Indicators) be approved (Appendix E refers)

(iv) Housing Revenue Account

- the draft HRA budget for 2021/2022 be approved (Appendix A refers)
- the strategy for the use of HRA reserves be approved (Paragraph 2.15.5 refers)

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KIRKLEES COUNCIL			
COUNCIL/CABINET/COMMITTEE MEETINGS ETC			
DECLARATION OF INTERESTS			
Name of Councillor			
Item in which you have an interest	Type of interest (eg a disclosable pecuniary interest or an "Other Interest")	Does the nature of the interest require you to withdraw from the meeting while the item in which you have an interest is under consideration? [Y/N]	Brief description of your interest

Signed: Dated:

NOTES

Disclosable Pecuniary Interests

If you have any of the following pecuniary interests, they are your disclosable pecuniary interests under the new national rules. Any reference to spouse or civil partner includes any person with whom you are living as husband or wife, or as if they were your civil partner.

Any employment, office, trade, profession or vocation carried on for profit or gain, which you, or your spouse or civil partner, undertakes.

Any payment or provision of any other financial benefit (other than from your council or authority) made or provided within the relevant period in respect of any expenses incurred by you in carrying out duties as a member, or towards your election expenses.

Any contract which is made between you, or your spouse or your civil partner (or a body in which you, or your spouse or your civil partner, has a beneficial interest) and your council or authority -

- under which goods or services are to be provided or works are to be executed; and
- which has not been fully discharged.

Any beneficial interest in land which you, or your spouse or your civil partner, have and which is within the area of your council or authority.

Any licence (alone or jointly with others) which you, or your spouse or your civil partner, holds to occupy land in the area of your council or authority for a month or longer.

Any tenancy where (to your knowledge) - the landlord is your council or authority; and the tenant is a body in which you, or your spouse or your civil partner, has a beneficial interest.

Any beneficial interest which you, or your spouse or your civil partner has in securities of a body where -

- (a) that body (to your knowledge) has a place of business or land in the area of your council or authority; and
- (b) either -

the total nominal value of the securities exceeds £25,000 or one hundredth of the total issued share capital of that body; or

if the share capital of that body is of more than one class, the total nominal value of the shares of any one class in which you, or your spouse or your civil partner, has a beneficial interest exceeds one hundredth of the total issued share capital of that class.



Name of meeting: Cabinet

Date: 16th March 2021.

Title of report: Investing in Small Town Centres

Purpose of report: To set out and agree an approach for developing programmes to support smaller town centres across Kirklees. This report sets out the first phase of this requirement; the conditions for implementation; the resources required and seeks approval to commence the programme of engagement, plan development as well as identification and delivery of projects.

Key Decision - Is it likely to result in spending or saving £250k or more, or to have a significant effect on two or more electoral wards?	Yes
Key Decision - Is it in the <u>Council's Forward Plan (key decisions and private reports)?</u>	Key Decision – Yes Private Report/Private Appendix – No
The Decision - Is it eligible for call in by Scrutiny?	Yes
Date signed off by <u>Strategic Director</u> & name	David Shepherd – 24 th February 2021
Is it also signed off by the Service Director for Finance?	Eamonn Croston - 1st March 2021
Is it also signed off by the Service Director for Legal Governance and Commissioning?	Julie Muscroft – 1 st March 2021
Cabinet member portfolio	Cllr Peter McBride – Regeneration

Electoral wards affected:

Batley East, Batley West, Cleckheaton, Heckmondwike, Holme Valley South

Ward councillors consulted: Ward Members from Batley, Cleckheaton, Heckmondwike and Holmfirth have been consulted between 11th January 2021 and 11th February 2021.

Public or private: Public.

Has GDPR been considered?

GDPR is applicable to the Town Centre Programmes and will be considered within the development of programmes, projects, and related stakeholder engagement plans.

1. Summary

1.1 This report is presented to Cabinet for the reasons set out below:

- a. To set out, for consideration and agreement, the first tranche of town centres to benefit from additional funding allocated as part of the Council's Capital Plan. (See para: 2.4 - 2.7).
- b. To identify, and agree with Cabinet, the requirements needed to access the funding. (See para: 2.8 - 2.13).
- c. To agree project or programme types that funding can be used towards. (See para: 2.14 - 2.16).
- d. To agree the amounts of funding to be made available. (See para: 2.17 - 2.19).
To agree the Council resources to support this initiative. (See para: 2.20)
- e. To highlight an indicative timeframe for delivery, subject to projects being developed. (See para: 2.21 - 2.22).
- f. If report agreed, to authorise the Strategic Director for Growth and Regeneration to commence engagement, plan development and identification of projects stages and authorise the subsequent implementation of individual programmes in consultation with the portfolio holder for Regeneration.

2. Information required to take a decision

a. Introduction

2.1 We are already underway with a programme of work in the two principal town centres of Huddersfield and Dewsbury. The aim here is to create modern, thriving, and exciting town centres that everyone wants to visit and use. However, our ambition should not end there. We have many important centres outside of these which will require support and investment over the next few years to ensure they remain vibrant places for the communities they serve. We should recognise that these centres can play an important local role and are part of a strategy which allows local people to access a wider range of local services and contributes to a more sustainable way of living which embraces our climate change agenda.

The Impact of the Pandemic on Local Centres

2.2 The current pandemic is shining a light on local centres with more and more people using and discovering what is on their doorstep. On a positive note, lockdown has meant walking to the local food store to access everyday goods is more commonplace. Similarly, discovering local parks and community facilities will bring people together. However, if we are to continue to support our objectives for inclusion and climate change then we will want these centres not only to survive the current crisis but also to be strengthened moving forward so that they play an important part of local community life moving forward. However, these centres will require investment and businesses will need support if this ambition is to be fulfilled.

Place Based Discussions

2.3 Place based working taps into the huge pride that the people of Kirklees have for the places in which they live, work and play, and their valuable skills, strengths and local knowledge. Through the past year several conversations have been taking place across Kirklees either through Place Standard or other engagement processes. Concern for the future of town centres remains a key theme. This combined, with the national decline in town centre activity and a shifting emphasis during lockdown to a more locally based lifestyle means that widening out investment to centres other than Huddersfield and Dewsbury is now paramount.

Investing in the next set of Towns

2.4 As indicated above all centres will be feeling the impact of town centre decline because of the shift to online shopping, changing leisure habits and more recently the effects of Co-Vid19. Even though some centres are doing well they will still need investment to ensure that they continue to thrive into the long term. The revitalisation of town centres also represents a contribution to the overall economic recovery of the district as articulated by the Economic Recovery Plan. However, there needs to be careful consideration of where to invest next as the number of town and district centres dictate that not all can be developed together. This would be too difficult to manage all at once and would mean that investment may be too thinly spread.

2.5 However, the current hierarchy of towns, set out below, does help to define where we might want to target investment next. The four town centres of Batley, Cleckheaton, Holmfirth and Heckmondwike provide a convenient next stage as they are the next largest and important centres as defined by work undertaken as part of the Local Plan

Level	Centres
Principal Town Centre	Huddersfield and Dewsbury
Town Centre	Batley, Cleckheaton, Holmfirth and Heckmondwike
District Centre	Almondbury, Birstall, Denby Dale, Honley, Kirkburton, Lindley, Marsden, Marsh, Meltham, Milnsbridge, Mirfield, Moldgreen, Ravensthorpe, Skelmanthorpe and Slaithwaite
Local Centre	There are 61 local centres as set out in the Local Plan.

2.6 These four centres are important to Kirklees. They are either important town centres which provide a range of business, cultural, leisure and local retail facilities (Holmfirth) or are in areas where there is a greater expectation for local growth (Batley/Cleckheaton). They are also areas where there is already some other investment planned. For example, West Yorkshire Transport Fund (Holmfirth) or Transforming Cities Fund (Heckmondwike Bus Hub). There is also the future of Council Assets to consider (Library – Holmfirth/Heckmondwike) and Town Halls (Batley/Cleckheaton).

2.7 Based on this evidence officers would recommend that Batley, Cleckheaton, Holmfirth and Heckmondwike be selected for the next phase of town centre investment.

b. Accessing Funding and Internal Governance

2.8 A deliverable and transparent plan, including an agreed boundary, is at the heart of this process. We now have a few models – set by central government and ourselves – that could be adapted to help develop a plan. Essentially the stages of *engage – plan – fund - deliver* should underpin this process. At the end of the process areas will find themselves with an agreed list of longer-term projects that have funding and a level of agreement within their communities.

2.9 This process should be underpinned by community engagement to better understand how citizens feel about their town centre and to use feedback and insight to inform actions and priorities. The Place Standard tool has already been used in Huddersfield town centre, where citizens feedback has helped to shape the actions and priorities within a revised,

final version of the blueprint. A similar approach, potentially using the Place Standard Tool, can be undertaken to influence investment in other town centres.

- 2.10 It is envisaged that ward members working closely with their communities will be at the heart of these programmes. Subject to Cabinet decision, ward members will be briefed further and can work with officers to plan engagement and work collaboratively with citizens and other stakeholders to inform longer term investment proposals.
- 2.11 Each of the centres will benefit from short-term and long-term interventions up to a total of £1.5m. Those interventions will be informed by the engagement process with ward councillors and other stakeholders. Individual plans and projects are required to be approved by the Strategic Director for Growth and Regeneration in consultation with the relevant portfolio holder prior to implementation and delivery.
- 2.12 From an internal programme and project management governance perspective, the overall programme will sit under the Town Centre Programme Board. This is chaired by the Strategic Director for Growth and Regeneration.
- 2.13 It is also important to note that this early planning and investment in towns by the Council is only a first step towards the total regeneration of a particular area. In many cases this investment will help boost the confidence of the private sector to also invest in those areas. Importantly, any plans drawn up can provide a more compelling strategic case for government should other funding become available. A pipeline of projects for the future is also helpful.

c. Ensuring the Right Projects are Supported

- 2.14 Further investment in these centres will help to consolidate them as strong local focal points for both existing and new communities. Importantly, as outlined above, funding needs to be targeted on both short and long-term measures.
- 2.15 It is important that investment is targeted at the right types of project. These could be categorised (not in any order of priority) as:
- Supporting retail, employment, community, and local centre activity.
 - Sustainable travel and climate change measures.
 - Improved community safety.
 - Culture, art, and leisure activities; and,
 - Public realm/landscaping, heritage, conservation, and better design – including shopfronts
- 2.16 There could be a case for using some of the investment on short term place mending schemes provided it helps strengthen the identified centre.

d. Capital Allocations

- 2.17 It is proposed that the amounts for Batley, Cleckheaton, Holmfirth and Heckmondwike be set at up to £1.5m per centre to cover both short and long-term projects.
- 2.18 It should be expected that the majority of such an allocation will be used towards long term projects set out in the Action/Investment Plans identified in 2.11 above. It is not expected the short-term measures will exceed £500k.
- 2.19 This would leave a residual amount from the initial capital allocation that will go towards other centres in the authority. Officers will set up a process so that those centres not yet identified can put forward proposals for future investment. This will need to be managed carefully with a spending cap applied. This process will be subject to a future cabinet report.

e. Officer Support

2.20 The programmes for each centre cannot be delivered without resources being in place. It is proposed that the Head of Town Centre Programmes puts together a team of officers to support the programme. The cost of this, estimated at £143k per annum, will be secured from the overall approved capital allocation of £10m. Officers will provide support and expertise alongside other services within the council. Resources to undertake Place Standard engagement are already in place from within the Democracy and Place Based Working Service and will be commissioned to facilitate the delivery of the proposals set out in this report as required.

f. Indicative Timeframe for Delivery

2.21 If an approach which settles on the 4 main centres is adopted, then it is suggested that funding be spread over the next 3 years. The main principles are:

- Resource put in place – 3 months
- Short term project delivery – initial 12 – 18 months
- 6-9 months for Action/Investment Plan development in parallel with above including engagement
- Long Term Project development and delivery 30 months

2.22 The overall programme for this phase will start in 2021 and end in 2024.

3. **Implications for the Council**

- **Working with People**

Engagement exercises on each programme is expected in the identified towns as part of the process.

- **Working with Partners**

The programmes will cover a wide range of projects and initiatives which require working with different partners. The council will also work closely with its own specialist consultancies, train and bus operators, road user representative groups, equality access groups, business forums and delivery contractors.

- **Place Based Working**

Development of all programmes will involve recruiting the services and/or knowledge of local user representative and community groups. Ward councillors will take a central role and Members of the public will be consulted on their views to deliver the Programmes and address local needs.

- **Climate Change and Air Quality**

The reduction of carbon emissions is recognised as an important area for delivery. Project and programme impacts will be assessed as part of the programme and project development stages.

- **Improving outcomes for children**

Town centres need to be child and family friendly the investment programmes can help improve that element.

- **Other (e.g. Legal/Financial or Human Resources)**

The ongoing development and delivery of the small centres programme requires a number of programme and project management staff, together with design and support service staff. The Town Centre Regeneration, Housing Growth and Major Project Services are undergoing a process to quantify and provide the necessary staff resources.

Individual interventions /projects will require consideration of legal powers and procedures on a case-by-case basis particularly relating to land, planning and procurement in compliance with the Council's Contract Procedure Rules and Financial Procedure Rules. The Council has a public sector equality duty under section 149 Equality Act 2010 and an Equality Impact assessment will be considered at the appropriate stages of delivery of the programme. Individual projects will have their own risk logs.

Internal governance and monitoring arrangements will be via the officer Town Centre Programme Board chaired by a Service Director.

- **Do you need an Integrated Impact Assessment (IIA)?**

An Integrated Impact Assessment is not required at this stage.

4. Consultees and their opinions

4.1 During January 2021 discussions with ward Members from the 4 areas identified in the report above were contacted and engaged in an early discussion relating to potential issues and initiatives that could be supported in their areas. There was a good degree of support for further investment and a great understanding of the need to plan to ensure that their towns became a destination of choice for local communities.

4.2 These discussions were wide ranging. There was a desire to have a plan and join up funding and service activities to maximise opportunities. Discussions on project potential also varied but there were common themes that were evident. These were:

- Provision of community spaces and better community buildings
- Enhancing public realm and the streetscape
- The importance of green spaces and making connections to the town
- Supporting businesses to get the right offer
- Improving shopfronts
- Preserving the character of the area
- Better traffic management
- Introduction of Markets
- Linking up with other investment

5. Next steps and timelines

5.1 If Cabinet has approved the recommendations set out in this report then individual programmes can continue to be progressed to delivery subject to the conditions set out in the report.

6. Officer recommendations and reasons

6.1 Cabinet is asked to:

1. To agree the next tranche of town centres namely: Batley, Cleckheaton, Holmfirth, and Heckmondwike to benefit from additional £1.5m per centre allocated as part of the Council's Capital Plan as set out in paragraphs 2.4 and 2.7 above.

Reason: To ensure Capital allocations are directed to the next set of Town Centres

2. Agree the requirements needed to access the funding as set out in section 2.8 to 2.13 and to delegate authority to the Strategic Director for Growth and Regeneration to approve individual plans and projects in consultation with the Portfolio holder regeneration.
Reason: To ensure a consistent and transparent process is applied across the 4 centres.
3. To agree the generic list of project or programme types that funding can be used towards as set out in section 2.14 and 2.16.
Reason: To ensure projects have maximum impact.
4. To agree that £1.5m per centre is made available as highlighted in section 2.17 and 2.18.
Reason: To ensure projects can be delivered.
5. Note the indicative timeframe for delivery subject to projects and programmes being worked up.
Reason: To ensure a programme is delivered in a timely manner.
6. To note that a further report will be brought back to Cabinet dealing with the residual amount of investment as referred to in paragraph 2.19 of this report.
Reason: To ensure projects can be delivered in other centres.
7. To agree the staffing resources to support this initiative and the mechanism for doing so as set out in 2.20.
Reason: To ensure projects can be delivered.
8. Note the officer Town Centre Programme Board will oversee and monitor the delivery of the projects and capital investment programme in Small Town Centres.
Reason: To ensure projects can be delivered to programme.

7. Cabinet Portfolio Holder's recommendations

- 7.1 The Portfolio holder Regeneration - Cllr Peter McBride is supportive of the proposals

8. Contact officer

Simon Taylor – Head of Town Centre Programmes

Email: simon.taylor@kirklees.gov.uk

9. Background Papers and History of Decisions

None specifically.

10. Service Director responsible

Service Director is Angela Blake, Service Director for Economy and Skills.

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Name of meeting: Cabinet
Date: 16th March 2021
Title of report: Protocol on Concurrent Powers

Purpose of report:

To inform Cabinet of the making of an Order creating a Mayoral Combined Authority (MCA) in West Yorkshire and to provide Cabinet with a draft protocol between Kirklees and the other West Yorkshire Councils and the MCA dealing with consents and concurrent functions for approval.

Key Decision - Is it likely to result in spending or saving £250k or more, or to have a significant effect on two or more electoral wards?	No
Key Decision - Is it in the <u>Council's Forward Plan (key decisions and private reports)</u> ?	Key Decision – No Private Report/Private Appendix – No
The Decision - Is it eligible for call in by Scrutiny?	Not Applicable
Date signed off by <u>Strategic Director</u> & name	Jacqui Gedman 1 st March 2021
Is it also signed off by the Service Director for Finance?	Not applicable
Is it also signed off by the Service Director for Legal Governance and Commissioning?	Julie Muscroft 1 st March 2021
Cabinet member portfolio	Cllr Shabir Pandor

Electoral wards affected: ALL
Ward councillors consulted: N/A
Public or private: Public
Has GDPR been considered? Yes

1. Summary

- 1.1 The West Yorkshire “minded-to” Devolution Deal was announced as part of the Budget on 11 March 2020. A report submitted to Cabinet in May 2020 outlined the details of the devolution deal, its benefits for the region and the District, its people and its businesses and set out the required next steps.
- 1.2 At their meetings in September, the Combined Authority and each Constituent Council considered the outcome of the public consultation on the Scheme which has been undertaken throughout the summer. Subsequently the consultation summary report, along with representations from Leeds City Council and Kirklees Council were submitted to the Secretary of State. This submission, along with the Scheme would be used to draft the Order.
- 1.3 In response to points raised about how we work with the mayoral authority and future reporting procedures, Cabinet invited Corporate Governance and Audit Committee to consider the governance arrangements in place, including those which enable the council to hold the mayoral authority to account. In particular:
- To consider whether agreement should be sought from the Combined Authority and Mayor, when they enter office, for an annual report to be provided to Full Council for debate.
 - To consider whether arrangements should be made to invite the Mayor to Full Council to answer elected members’ questions at least once a year.
- 1.4 Subsequently the consultation summary report, along with representations from Leeds City Council and Kirklees Council were submitted to the Secretary of State.
- 1.5 During November, the Combined Authority and each Constituent Council were asked to consent in principle to the draft Order, to establish a mayoral combined authority and associated changes as set out in the ‘minded to’ Devolution Deal. It was discussed at Council in Kirklees 25th November and agreed by Cabinet 26th November.
- 1.6 Parliamentary approval of the statutory instrument to establish the mayoral combined authority was given on 29th January 2021.
- 1.7 This report concerns the draft Protocol on Concurrent Functions agreed by officers in the Combined Authority and 5 West Yorkshire Councils and attached at [Appendix 1](#). Cabinet are asked to consider and adopt the Protocol. The draft is to be approved by each constituent council’s Executive before being approved by the Combined Authority.

2. Information required to take a decision

- 2.1 The West Yorkshire Combined Authority Order 2021 provides for the election of a mayor for the area of the Combined Authority from May 2021, the Mayor to exercise the functions of a Police and Crime Commissioner, and the following functions to be conferred on the Combined Authority:
- Adult education functions from Secretary of State
 - Functions of Homes England/HCA relating to housing and regeneration
 - Functions relating to grants to bus service operators
 - Functions in relation to the designation of a Mayoral development area (MDA) and establishing a Mayoral development corporation (to be exercised by the Mayor)
 - Functions in relation to Business Rates Supplements to be exercised by the Mayor
 - Functions of the Constituent Councils to be exercised concurrently by the Combined Authority relating to:
 - education, skills and training

- housing, regeneration and planning, and
 - transport (including in relation to highways, traffic orders, traffic signs, pedestrian crossings, street works, permit schemes and bus lane contraventions).
- 2.2 Appendix 1 to this report includes a table of the functions that will be conferred on the Mayoral Combined Authority (MCA). The new functions have either been devolved or granted to the MCA by Government or are functions which shall be exercised concurrently with the Constituent Councils i.e., powers and duties which Constituent Councils hold co-extensively and which the MCA could exercise independently. In theory this could potentially cause difficulties and consequently therefore a protocol between Kirklees Council and the other West Yorkshire Councils and the MCA for dealing with concurrent functions makes sense.
- 2.3 The Constituent Councils have not lost any of their functions and it is important to stress that there are already existing concurrent powers between Councils and WYCA that work perfectly well. The draft Protocol for Concurrent Functions aims to establish the process for how the Combined Authority will exercise those functions concurrently with the Constituent Councils. The protocol does not apply to non-concurrent functions such as the PCC functions.
- 2.4 The Order confers concurrent powers on the Mayoral Combined Authority (MCA). These are powers which the Constituent Councils also hold and which the MCA could exercise independently and provides for certain decisions (termed statutory consents in the Protocol) to be made by the MCA only with the express consent of a Constituent Council.
- 2.5 Under the 2021 Order, there is:
- no transfer of any Concurrent Function to the MCA from any Constituent Council; each Constituent Council may continue to exercise any Concurrent Function in relation to its are
 - no requirement for the joint exercise of any Concurrent Function by the Combined Authority with Constituent Councils – that is, that they are not required to act together, and
 - no requirement for a Constituent Council to involve, consult or seek the consent of the Combined Authority in relation to the exercise of any Concurrent Function by a Constituent Council.
- 2.6 The Protocol is **not** intended to be legally binding and supplements the Order and any arrangements with the Constitution of the MCA. It cannot override the Order. It records the aim of the partners to co-operate and collaborate in the best interests of residents of the region, to have transparency and make best use of resources, reducing duplication. It also records the ongoing commitment of the MCA to engagement with the constituent Councils.
- 2.7 In respect of consents, it sets out that these will be sought in a formal report considered at a meeting of the MCA and that notice of the intention to seek consent will be given as early as practicable and no later than the date that a key decision notice is published (at least 28 days prior to the decision). In reality such schemes will have been discussed much earlier than 28 days prior to a formal meeting and will have passed through gateway approval processes such as outline and detailed business cases.
- 2.8 For example, the Combined Authority (CA) has the power under section 51A of the Further and Higher Education Act 1992 to give notice to the governing body of a FE college based in Kirklees requiring them to provide specified 16-19-year olds with “appropriate “education. This is an example of a non-Mayoral concurrent function in relation to Education, Skills and Training. The CA does not need “statutory consent “under the Order 2021 from Kirklees Council before deciding to issue such a notice.
- 2.9 However, when the Protocol is signed it will mean the Managing Director of the CA will notify Kirklees Council’s Chief Executive before any Key decision Notice is published, if relevant. In

addition, the CA's Managing director agrees to voluntarily consult Kirklees Council's Chief Executive (or their nominee) about the proposal to exercise the above FE power to serve the notice (except where it is agreed that is not required) in accordance with paragraph 3.3 and 3.4 of the Protocol.

- 2.10 In respect of concurrent functions, it provides that where there are significant impacts from the proposal of the MCA to exercise concurrent functions prior notice will be given to the relevant Chief Executive so that the proposal can be considered within the relevant council.
- 2.11 As with consents it is likely that larger and significant schemes where concurrent functions are being exercised will have been discussed prior to the formal notification stage. Members will therefore note that the protocol forms a 'fall back' position. It is the strength of the joint working between the MCA and the Council that will ensure that the interests of the District are properly represented. To that end, the Councils and the MCA have been undertaking a piece of work to ensure that they are 'MCA ready' for May 2021 and that partnerships are assessed and strengthened where required.
- 2.12 The Protocol does not address the scrutiny of the Combined Authority in relation to how it exercises any Concurrent Function, this will be the subject of separate arrangements, which are also currently under consideration.

Mayoral Combined Authority Governance Arrangements

- 2.13 Over the last couple of months, colleagues and members from WYCA and the 5 constituent councils as well as scrutiny have been reviewing the proposed governance and scrutiny arrangements. A formal update is expected 9th March at the West Yorkshire Combined Authority Board meeting. The papers will be in the public domain shortly.
- 2.14 Members of Corporate Governance & Audit Committee (CG&AG), chairs of Scrutiny and representatives from other parties attended a workshop 14th January to discuss mayoral accountability and the potential arrangements the Council would like to see in place.
- 2.15 CGAC will be considering proposals and agreeing how to take forward potential recommendations for holding the Mayor to account at the meeting 9th March. The report is attached at [Appendix 2](#). The committee is asked to delegate the Chair to submit a separate and independent submission to WYCA setting out CG&AC recommendations for mayoral accountability and refer the outcomes from discussions to Cabinet 16th March for their consideration.

3. Implications for the Council

3.1 Working with People

The premise of the Devolution Deal is on bringing funding and functions to a more local level. The establishment of the Mayoral Combined Authority will have staffing implications in terms of additional resources to deliver the ambition of the Deal and these will be considered at the appropriate point to ensure operational effectiveness and efficiency of the Combined Authority.

Working with Partners

The Deal will encourage collaboration on systems, structures and procedures to support the area to make decisions, set strategy and manage delivery across a range of partners in West Yorkshire. Inclusive Growth is a key priority for West Yorkshire Combined Authority and the LEP.

Place Based Working

The Deal will put in place appropriate governance structures that reflect the needs and opportunities across the West Yorkshire area and the places within it.

Climate Change and Air Quality

As part of the Deal text, the Government welcomed West Yorkshire's commitment to becoming a net zero carbon economy by 2038, with significant progress by 2030. There are, however, no immediate implications on Clean Growth arising as a direct result of this report.

Improving outcomes for children

The Deal includes measures around funding and functions focused on skills and education, including careers advice, apprenticeships and Further Education.

Other (eg Legal/Financial or Human Resources)

None. The draft Protocol is non-legally binding.

Do you need an Integrated Impact Assessment (IIA)?

No.

4. Consultees and their opinions

- 4.1 Corporate Governance and Audit Committee considered the draft Protocol on Concurrent Powers and Associated Consents at a meeting 9th March. All 5 WY Councils and the MCA have been engaged in negotiating and agreeing the draft Protocol. It is not recommended that further changes to the Protocol be sought at this stage. It is not legally binding and will be subject to an annual review. The wording represents a good compromise ensuring transparency and prior notice of decisions. A delay during which the draft Protocol is renegotiated would risk the MCA starting to operate without the safeguards that it provides.

5. Next steps and timelines

Once the draft Protocol has been agreed by all 5 Constituent Councils and the Combined Authority, it will come into use.

6. Officer recommendations and reasons

Cabinet is requested to:

- (i) Adopt the draft Protocol on Concurrent Functions and Associated Statutory Consents attached as *Appendix 1* to this report.
- (ii) Delegate authority to the Chief Executive, in consultation with the Leader, to finalise the protocol and agree any drafting amendments (should that be necessary) and sign it on behalf of the council and to agree any subsequent changes to the Protocol when it is reviewed.
- (iii) Note the report to Corporate Governance and Audit Committee on 9th March and the work done by members in the Workshop

7. Cabinet Portfolio Holder's recommendations

To adopt the draft Protocol.

8. Contact officer

Julie Muscroft – Service Director, Legal Governance and Commissioning
julie.muscroft@kirklees.gov.uk – 01484 221000

Nick Howe – Partnerships and Corporate Planning –
nick.howe@kirklees.gov.uk – 01484 221000

Karl Larrad – Legal Governance and Commissioning –
karl.larrad@kirklees.gov.uk – 01484221000

9. Background Papers and History of Decisions

West Yorkshire Devolution Deal – Review of Governance Arrangements: Cabinet 24th March 2020

<https://democracy.kirklees.gov.uk/documents/s35794/West%20Yorkshire%20Devolution%20Deal.pdf>

Devolution Deal for West Yorkshire – Review, Scheme and Consultation: Cabinet May 21st 2020

<https://democracy.kirklees.gov.uk/documents/g5962/Agenda%20frontsheet%2021st-May-2020%2015.00%20Cabinet.pdf?T=0>

Devolution Deal for West Yorkshire – Consultation Outcomes 1st September 2020

<https://democracy.kirklees.gov.uk/documents/s37197/Devolution%20Deal.pdf>

West Yorkshire Devolution – Consent to draft Order 26th November 2020

<https://democracy.kirklees.gov.uk/documents/g6606/Public%20reports%20pack%2026th-Nov-2020%2010.00%20Cabinet.pdf?T=10>

Mayoral Accountability: Report to Corporate Governance and Audit Committee 9th March 2021

[CGAC Mayoral Accountability 9 March21 v4.pdf \(kirklees.gov.uk\)](#)

10. Service Director responsible

Julie Muscroft - Service Director, Legal Governance and Commissioning

11. Appendices

Appendix 1 - *Protocol for the Exercise of Concurrent Functions and Associated Statutory Consents*

Appendix 2 - *Mayoral Accountability: Report to Corporate Governance and Audit Committee 9th March 2021*

APPENDIX 1 – Protocol for the Exercise of Concurrent Functions and Associated Statutory Consents

Protocol for the Exercise of Concurrent Functions and Associated Statutory Consents

This Protocol is dated **2021**

Parties

1. **WEST YORKSHIRE COMBINED AUTHORITY** of Wellington House, 40-50 Wellington Street, Leeds, LS1 2DE (“Combined Authority”).
2. **CITY OF BRADFORD METROPOLITAN DISTRICT COUNCIL** of City Hall, Centenary Square, Bradford, West Yorkshire BD1 1HY.
3. **BOROUGH COUNCIL OF CALDERDALE**, of the Town Hall, Crossley Street, Halifax, West Yorkshire, HX1 1UJ.
4. **THE COUNCIL OF THE BOROUGH OF KIRKLEES**, of the Town Hall, Ramsden Street, Huddersfield, West Yorkshire, HD1 2TA.
5. **LEEDS CITY COUNCIL** of Civic Hall, Calverley Street, Leeds, LS1 1UR.
6. **THE COUNCIL OF THE CITY OF WAKEFIELD**, Town Hall, Wood Street, Wakefield, West Yorkshire, WF1 2HQ.

Each a **party** together the **parties**, and the parties (2) to (6) above collectively the “**Constituent Councils**” of the Combined Authority.

1 Background and Introduction

1.1 The West Yorkshire Combined Authority (Election of Mayor and Functions) Order 2021 SI 2021/112 made on 29 January 2021 (“2021 Order”) provides for:

- the election of a mayor for the area of the Combined Authority (“Mayor”) from May 2021,
- the Mayor to exercise the functions of a Police and Crime Commissioner, and
- the following functions to be conferred on the Combined Authority:
 - adult education functions of the Secretary of State (to be exercised instead of or concurrently with the Secretary of State),
 - functions of Homes England relating to housing and regeneration (to be exercised concurrently with Homes England),
 - functions relating to grants to bus operators,
 - functions in relation to the designation of a Mayoral Development Area (MDA) and establishing a Mayoral Development Corporation (to be exercised by the Mayor)
 - functions in relation to Business Rates Supplements (to be exercised by the Mayor),

- functions of the Constituent Councils to be exercised concurrently by the Combined Authority relating to
 - education, skills and training,
 - housing, regeneration and planning, and
 - transport (including in relation to highways, traffic orders, traffic signs, pedestrian crossings, street works, permit schemes and bus lane contraventions).

Concurrent Functions

1.2 Appendix A to this protocol sets out each function (that is, power or duty) of the Combined Authority (including a function exercisable by the Mayor) conferred by the 2021 Order which is exercisable concurrently with the Constituent Councils (a “**Concurrent Function**”).

1.3 Under the 2021 Order, there is

- no transfer of any Concurrent Function to the Combined Authority from any Constituent Council; each Constituent Council may continue to exercise any Concurrent Function in relation to its area,
- no requirement for the joint exercise of any Concurrent Function by the Combined Authority with Constituent Councils – that is, that they are not required to act together, and
- no requirement for a Constituent Council to involve, consult or seek the consent of the Combined Authority in relation to the exercise of any Concurrent Function by a Constituent Council.

1.4 That is, each Constituent Council may continue to exercise any Concurrent Function within their area, and in the exercise of any Concurrent Function no Constituent Council is subject to any restriction or condition imposed by the 2021 Order.

Statutory Consents

1.5 The 2021 Order provides that the Combined Authority’s exercise of specified functions is subject to a consent provision, (“**Statutory Consent**”), to safeguard the Constituent Councils’ role in local decision-making and delivery. These are detailed in Appendix A to this protocol.

Aim of this Protocol

1.6 The aim of this protocol is to promote:

- **co-operation** and **collaboration** between the Combined Authority and the Constituent Councils in a spirit of partnership,
- **transparency** of roles and processes to engender mutual trust and confidence, and
- the **best use of resources** through co-ordination and reducing duplication between the parties.

- 1.7 The Combined Authority and Constituent Councils have agreed to follow this protocol when exercising any Concurrent Function, and in relation to any Statutory Consent.
- 1.8 The Combined Authority is committed to on-going engagement with Constituent Councils about all aspects of its work. This includes engagement about how the Combined Authority exercises its functions. Any timescales set out in this protocol therefore should be regarded as a minimum; there should be additional lead-in time in relation to the development of any projects or schemes involving the possible exercise of any Concurrent Function.

Miscellaneous

- 1.9 For some Concurrent Functions, (as indicated in Appendix A), the 2021 Order provides that a Constituent Council's duty to exercise the Concurrent Function is met when the Combined Authority carries it out. This means that provided the Combined Authority performs the duty, the Constituent Councils will not be in breach of their statutory duty if they do not do so.
- 1.10 The 2021 Order provides for a Statutory Consent in relation to some functions of the Combined Authority which are to be exercised by the Mayor, (as indicated in Appendix A), including the power to acquire land for housing development under section 17(3) of the Housing Act 1985, which is a Concurrent Function. It is intended this protocol shall extend to the Mayor once they are in office in relation to the exercise of these functions.
- 1.11 Where the Combined Authority and any relevant Constituent Council reasonably consider that the nature and scale of the exercise of any Concurrent Function is of a complex, sensitive or significant nature, then the Combined Authority and Constituent Council may agree a **bespoke protocol** to govern the way the Combined Authority exercises that Concurrent Function¹.
- 1.12 This protocol does not itself constitute an arrangement for the discharge of functions made in accordance with section 101 of the Local Government Act 1972 and/or the Local Authorities (Arrangements for the Discharge of Functions) (England) Regulations 2012. Any such arrangement may be made by separate agreement between relevant parties.
- 1.13 This protocol does not address the **scrutiny** of the Combined Authority in relation to how it exercises any Concurrent Function, which will be subject to separate arrangements.

2 Concurrent Functions – Underlying Principles

- 2.1 This protocol sets out how the Combined Authority and each Constituent Council intend to **work together** to secure that Concurrent Functions are exercised in the best interests of the inhabitants of their areas and for their

¹ The Combined Authority will send a copy of any bespoke protocol to any Constituent Council which is not a party to it, for information.

mutual benefit, although the Combined Authority and each Constituent Council acknowledge that, by law, a Concurrent Function may be exercised by the Combined Authority or a Constituent Council acting alone (subject to any Statutory Consent requirement).

- 2.2 The Combined Authority will **consult** Constituent Councils about the exercise of any Concurrent Function in accordance with paragraph 3 below.
- 2.3 The Combined Authority will exercise any Concurrent Function **reasonably** and after **taking all relevant factors or considerations into account**, including how any Constituent Council is exercising or proposes to exercise the Concurrent Function and the potential effect of a decision on any Constituent Council. In exercising any Concurrent Function, the Combined Authority will comply with the public sector equality duty under section 149 of the Equality Act 2010².
- 2.4 The Combined Authority will so far as reasonably practicable exercise any Concurrent Function in such a way as to be **compatible** with and **complementary to** the exercise of the Concurrent Function by any Constituent Council.
- 2.5 Subject to each party complying with requirements relating to data protection and the law of confidentiality, the Combined Authority and each Constituent Council agree to **share any information** as reasonably requested by any other party, to facilitate their exercise or proposed exercise of any Concurrent Function.
- 2.6 The parties will consult with each other before **approving, varying or revoking any strategy or plan** which is likely to determine or significantly affect how any Concurrent Function is exercised by the Combined Authority.
- 2.7 The Combined Authority will so far as reasonably practicable seek to develop and agree with each Constituent Council a common and consistent approach to any **monitoring arrangements** relating to any Concurrent Function exercised by the Combined Authority.
- 2.8 The Combined Authority will so far as reasonably practicable seek to develop and share **best practice** with each Constituent Council in relation to the exercise of any Concurrent Function exercised by the Combined Authority.

3 Concurrent Functions: Consultation with Constituent Councils

- 3.1 The Combined Authority will consult the Constituent Councils about any proposal by the Combined Authority to exercise any Concurrent Function, except where the Constituent Councils have agreed that no consultation is required.

² That is, will have due regard to those matters specified in S149 Equality Act 2010.

- 3.2 The Managing Director will also notify the relevant Chief Executive (or their nominee) of any proposal to exercise a Concurrent Function which would require a Key Decision by the Combined Authority as soon as practicable, and in any event before any Key Decision notice is published by the Combined Authority in relation to exercising the Concurrent Function, and unless the Chief Executive (or their nominee) agrees that no consultation is required, the Combined Authority will then proceed to consult the relevant Constituent Council in the manner set out in 3.3 and 3.4 below about such proposal.
- 3.3 The Managing Director will consult the Chief Executive (or their nominee) of any relevant Constituent Council as soon as reasonably practicable about the proposed exercise of any Concurrent Function, including the commencement date/projected timescales and the manner in which it is to be exercised.
- 3.4 Such consultation must be fair and carried out with adequate notice for responses which must be conscientiously considered by the Combined Authority with a view to reaching agreement on the exercise of the Concurrent Function.

4 Statutory Consents: Procedure

- 4.1 The 2021 Order provides for any **Statutory Consent to be given at a meeting of the Combined Authority**³. The request for any consent will therefore be set out in a report to be considered at a meeting of a Combined Authority, and any consent will be duly recorded in the minutes of the meeting.
- 4.2 The Combined Authority will seek any Statutory Consent **in a timely way**. To facilitate this, and to promote transparency, a notice of the request for Statutory Consent (Statutory Consent Request Notice) should be published on the Combined Authority's Forward Plan at least 28 clear days before the Combined Authority meeting at which it is sought, subject to this requirement being waived in exceptional circumstances by any relevant Chief Executive.
- 4.3 To further facilitate the appropriate and timely briefing by the Chief Executive (or their nominee) of the member of the Combined Authority who may provide a Statutory Consent, the Combined Authority's Managing Director will **notify the Chief Executive** of each relevant Constituent Council (or their nominee) as soon as reasonably practicable of any proposal to seek a Statutory Consent, and at the latest when the Statutory Consent Request Notice is published. The Combined Authority will provide the Chief Executive with details about the proposed exercise of the function, including the commencement date/projected timescales and the manner in which it is to be exercised.
- 4.4 In relation to any transport-related function in respect of which a Statutory Consent is required, the Combined Authority agrees that this is subject to the

³ See further the Combined Authority's Procedure Standing Orders

Combined Authority and the Constituent Councils agreeing a **Key Route Network** in respect of which the function is to be exercised.

5 Dispute Resolution

- 5.1 The Combined Authority and the Constituent Councils will act at all times in a constructive spirit of mutual cooperation and partnership to resolve disagreements.
- 5.2 Any dispute between the Combined Authority and any Constituent Council about the exercise of a Concurrent Function (whether before or after its exercise) will be referred to the Managing Director of the Combined Authority and the Chief Executive of the relevant Constituent Council with a view to resolution.
- 5.3 In default of successful resolution between the parties, any dispute will be referred to the Mayor of the Combined Authority and the Leader of any relevant Constituent Council for resolution, provided always that notwithstanding any recommendations made, any Statutory Consent of any Constituent Council will continue to be required in their absolute discretion.

6 Review

- 6.1 The Combined Authority and the Constituent Councils agree to review this protocol **annually** and before any additional concurrent functions which may be conferred on the Combined Authority in future by any other Order are exercisable by the Combined Authority.
- 6.2 The Combined Authority and the Constituent Councils may revise this protocol from time to time, provided such **revisions** are **agreed in writing** by the Managing Director of the Combined Authority and the Chief Executive of each Constituent Council.

7 Signature

Signed for and on behalf of the West Yorkshire Combined Authority

Name

Date.....

Signed for and on behalf of the City of Bradford Metropolitan District Council

Name

Date.....

Signed for and on behalf of the Borough Council of Calderdale

Name

Date.....

Signed for and on behalf of the Council of the Borough of Kirklees

Name

Date.....

Signed for and on behalf of Leeds City Council

Name.....

Date.....

Signed for and on behalf of the Council of the City of Wakefield

Name

Date

Appendix

Concurrent Functions and Statutory Consents requirements

Appendix A: Functions of the Combined Authority conferred by the West Yorkshire Combined Authority (Election of Mayor and Functions) Order 2021

Non- Mayoral functions

Note: Questions relating to the Non-Mayoral functions conferred by the 2021 Order (that is, those which are not solely exercisable by the Mayor), cannot be carried without the Mayor's vote in favour of the question.

Function	Legislation	Order Reference	Concurrent with Constituent Councils	Relevant CA member(s) to consent
Education, Skills and Training Functions				
Power to give a notice to the governing body of an FE institution requiring them to provide specified individuals 16-19 with appropriate education	Section 51A Further and Higher Education Act 1992	Article 5(2)(a)	Y*	N
Duty to promote high standards and fulfilment of potential in exercising relevant education and training functions	Section 13A Education Act 1996	Article 5(2)(b)	Y*	N
Power to secure work experience/ Duty to encourage participation in work experience/ encourage employers to participate in providing	Section 560A Education Act 1996	Article 5(2)(c)	Y*	N
Duty to exercise functions so as to promote participation by persons under section 2	Section 10 Education and Skills Act 2008	Article 5(2)(d)	Y*	N

* Any requirement for a Constituent Council to exercise this function may be fulfilled by the exercise of that function by the Combined Authority.

Function	Legislation	Order Reference	Concurrent with Constituent Councils	Relevant CA member(s) to consent
Duty to identify people in their area who are failing to fulfil their duty under section 2 to participate in education or training.	Section 12 Education and Skills Act 2008	Article 5(2)(e)	Y*	N
Duty to provide services enabling, encouraging and assisting young people and relevant young adults to participate in education and training.	Section 68 Education and Skills Act 2008	Article 5(2)(f)	Y*	N
Power to provide services enabling, encouraging or assisting young people and relevant young adults to participate in education and training.	Section 70 Education and Skills Act 2008	Article 5(2)(g)	Y*	N
Power to provide support given to young people conditional on specified action (e.g. learning support agreement).	Section 71 Education and Skills Act 2008	Article 5(2)(h)	Y*	N
Duty - this places further requirements on arrangements made by a children's services authority in England under section 10 of the Children Act 2004 (which requires authorities to co-operate with each other).	Section 85 Education and Skills Act 2008	Article 5(2)(i)	Y*	N
Housing, Regeneration and Planning Functions				
Power to compulsorily acquire land development/planning	Section 226 Town and Country Planning Act 1990	Article 11(1)(a)	Y	Requires the consent of each member of the

* Any requirement for a Constituent Council to exercise this function may be fulfilled by the exercise of that function by the Combined Authority.

Function	Legislation	Order Reference	Concurrent with Constituent Councils	Relevant CA member(s) to consent
				Combined Authority whose area contains any part of the land, or substitute members acting in place of those members.
Power to acquire land by agreement	Section 227 Town and Country Planning Act 1990	Article 11(1)(b)	Y	
Power to appropriate land	Section 229 Town and Country Planning Act 1990	Article 11(1)(c)	Y	
Power to acquire land for exchange	Section 230(1)a Town and Country Planning Act 1990	Article 11(1)(d)	Y	
Power to appropriate land held for planning purposes	Section 232 Town and Country Planning Act 1990	Article 11(1)(e)	Y	
Power to dispose of land held for planning purposes	Section 233 Town and Country Planning Act 1990	Article 11(1)(f)	Y	
Power to develop land held for planning purposes	Section 235 Town and Country Planning Act 1990	Article 11(1)(g)	Y	
Power to extinguish rights over land	Section 236 Town and Country Planning Act 1990	Article 11(1)(h)	Y	
Power to use and develop consecrated land	Section 238 Town and Country Planning Act 1990	Article 11(1)(i)	Y	
Power to use and develop burial grounds	Section 239 Town and Country Planning Act 1990	Article 11(1)(j)	Y	

Function	Legislation	Order Reference	Concurrent with Constituent Councils	Relevant CA member(s) to consent
Power to use and develop open spaces	Section 241 Town and Country Planning Act 1990	Article 11(1)(k)	Y	
Power to acquire land for housing development	Section 17 Housing Act 1985 except for <i>S17(3) (compulsory purchase) which is a Mayoral function (see below)</i>	Article 11(1)(l)	Y	Requires the consent of each member of the Combined Authority whose area contains any part of the land, or substitute members acting in place of those members.
Duty to secure buildings where land acquired under section 17	Section 18 Housing Act 1985	Article 11(10)(m)	Y	
Transport-related functions				
Power to be an authority to whom functions may be delegated by SoS/HE or agreements entered into re construct, improve or maintain trunk roads . <i>(Enabling power of SoS/HE)</i>	Section 6 Highways Act 1980	Article 19(1)	Applies to LAs as local highway authorities	Requires the consent of each member of the Combined Authority appointed by a constituent council.
Power to be an authority who may be party to agreement on highway construction, improvement, maintenance etc.	Section 8 Highways Act 1980	Article 19(2)	Applies to LAs as local highway authorities	
Power to make a traffic order re routes for heavy commercial vehicles	Road Traffic Regulation Act 1984	Article 20(1)(a)	Y	Requires the consent of each member of the

Function	Legislation	Order Reference	Concurrent with Constituent Councils	Relevant CA member(s) to consent
	Section 1 And 2(4)	Article 20(1)(b)		Combined Authority appointed by a constituent council
Power to make an experimental traffic order	Road Traffic Regulation Act 1984 Section 9	Article 20(1)(c)	Y	Requires the consent of each member of the Combined Authority appointed by a constituent council
Power to place Pedestrian crossings	Road Traffic Regulation Act 1984 Section 23	Article 21(1)(a)	Y	Requires the consent of each member of the Combined Authority appointed by a constituent council.
Power to place traffic signs <i>(Power of SoS to direct local authority traffic)</i>	Road Traffic Regulation Act 1984 Section 65	Article 21(1)(b)	Y	Requires the consent of each member of the Combined Authority appointed by a constituent council.
Duty to notify of works likely to affect apparatus in street	Section 83 New Roads and Street Works Act 1991	Article 22(1)(a)	Y	Requires the consent of each member of the Combined Authority appointed by a constituent council.
Duty to take measures where apparatus affected by major works	Section 84 New Roads and Street Works Act 1991	Article 22(1)(a)	Y	Requires the consent of each member of the Combined Authority appointed by a constituent council.
Sharing of costs of necessary measures	Section 85 New Roads and Street Works Act 1991	Article 22(1)(a)	Y	Requires the consent of each member of the Combined Authority appointed by a constituent council.

Function	Legislation	Order Reference	Concurrent with Constituent Councils	Relevant CA member(s) to consent
Sharing the costs of diversionary works between Combined Authority and undertakers	Street Works (Sharing of Costs of Works) (England) Regulations 2000	Article 22(1)(b)	Y	Requires the consent of each member of the Combined Authority appointed by a constituent council.
Preparation of Permit schemes	Section 33 Traffic Management Act 2004	Article 23(1)(a)	Y	Requires the consent of each member of the Combined Authority appointed by a constituent council.
Implementing Permit schemes	Section 33A Traffic Management Act 2004	Article 23(1)(b)	Y	Requires the consent of each member of the Combined Authority appointed by a constituent council.
Varying/ revoking permit schemes	Section 36 Traffic Management Act 2004	Article 23(1)(c)	Y	Requires the consent of each member of the Combined Authority appointed by a constituent council.
Permit schemes	Traffic Management Permit Scheme (England) Regs 2007	Article 23(2)	Y	Requires the consent of each member of the Combined Authority appointed by a constituent council.
	Part 3 of 2004 Act	Article 23(4)	Y	N
Enforce bus lane contravention	Bus Lane Contraventions (Penalty charges, Adjudication and Enforcement (England) Regulations 2005	Article 24(3)	Y	Requires the consent of each member of the Combined Authority appointed by a constituent council.
Assessments of Economic Conditions				

Function	Legislation	Order Reference	Concurrent with Constituent Councils	Relevant CA member(s) to consent
Duty to prepare economic condition assessment	Section 69 Local Democracy, Economic Development and Construction Act 2009	Article 25(1)	Y*	N
Information Sharing				
Information sharing (crime and disorder)	Section 17A Crime and Disorder Act 1998 ⁴	Articles 26(1) and 26(2)	Y	N

Mayoral Functions

Function	Legislation	Order Reference	Concurrent with LAs	Relevant CA member(s) to consent
Housing, Regeneration and Planning functions				
Power to acquire land	Section 9(2) Housing and Regeneration Act 2008	Article 27(2)(d)	N	Requires the consent of each member of the Combined Authority whose local government area contains any part of the land, or substitute members acting in place of those members.

* Any requirement for a Constituent Council to exercise this function may be fulfilled by the exercise of that function by the Combined Authority.

⁴ The Combined Authority is also a relevant authority for the purposes of Section 115 of the Crime and Disorder Act 1998 (disclosure of information).

<i>Function</i>	<i>Legislation</i>	<i>Order Reference</i>	<i>Concurrent with LAs</i>	<i>Relevant CA member(s) to consent</i>
Power to acquire land for housing development	Section 17(3) Housing Act 1985 - compulsory purchase	Article 27(6)	Y	Requires the consent of each member of the Combined Authority whose local government area contains any part of the land, or substitute members acting in place of those members.

Mayoral Development Area (MDA) functions				
MDA - designation	Section 197 Localism Act 2011	Article 27(2)(a)	N	Requires consent of each member of the Combined Authority whose local government area contains any part of the area to be designated as a Mayoral development area, or substitute members acting in place of those members; and the National Park authority if the Combined Authority proposes to exercise the function in respect of the whole or any part of the area of the Peak District National Park.
MDA - exclusion of land	Section 199 Localism Act 2011	Article 27(2)(a)	N	Requires consent of each member of the Combined Authority whose local government area contains any part of the area to be excluded from a Mayoral development area; or substitute members acting in place of those members.

<p><i>Planning functions in relation to MDA</i></p>	<p><i>Section 202 Localism Act 2011</i></p>	<p><i>Article 27(2)(a)</i></p>	<p><i>N</i></p>	<p><i>Requires consent of each member of the Combined Authority whose local government area contains any part of the area to be designated as a Mayoral development area, or substitute members acting in place of those members; and the National Park authority if the Combined Authority proposes to exercise the function in respect of the whole or any part of the area of the Peak District National Park.</i></p>
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Appendix 2 – Mayoral Accountability: Report to Corporate Governance and Audit Committee 9th March 2021



Name of meeting: Corporate Governance & Audit Committee
Date: 9th March 2021
Title of report: Mayoral Accountability

Purpose of report:

This report asks Corporate Governance & Audit Committee to consider the proposals surrounding mayoral accountability and make recommendations for further consideration.

Key Decision - Is it likely to result in spending or saving £250k or more, or to have a significant effect on two or more electoral wards?	Not Applicable
Key Decision - Is it in the <u>Council's Forward Plan (key decisions and private reports)</u> ?	Not Applicable
The Decision - Is it eligible for call in by Scrutiny?	Not Applicable
Date signed off by <u>Strategic Director</u> & name	Give name and date for Cabinet / Scrutiny reports Jacqui Gedman 1 st March 2021
Is it also signed off by the Service Director for Legal Governance and Commissioning?	Give name and date for Cabinet reports Julie Muscroft 1 st March 2021
Cabinet member <u>portfolio</u>	Give name of Portfolio Holder/s Cllr Graham Turner and Cllr Shabir Pandor

Electoral wards affected: ALL
Ward councillors consulted: None
Public or private: Public
Has GDPR been considered? Yes

Summary

- 1.1 The West Yorkshire “minded-to” Devolution Deal was announced as part of the Budget on 11 March 2020. A report submitted to Cabinet in May 2020 outlined the details of the devolution deal, its benefits for the region and the District, its people and its businesses and set out the required next steps.
- 1.2 At their meetings in September, the Combined Authority and each Constituent Council considered the outcome of the public consultation on the Scheme which has been undertaken throughout the summer. The consultation highlighted several issues including the governance arrangements for the new West Yorkshire Combined Authority.
- 1.3 In response to points raised about how we work with the mayoral authority and future reporting procedures, Cabinet invited Corporate Governance and Audit Committee to consider the governance arrangements in place, including those which enable the council to hold the mayoral authority to account. In particular:
 - To consider whether agreement should be sought from the Combined Authority and Mayor, when they enter office, for an annual report to be provided to Full Council for debate.
 - To consider whether arrangements should be made to invite the Mayor to Full Council to answer elected members’ questions at least once a year
- 1.4 Subsequently the consultation summary report, along with representations from Leeds City Council and Kirklees Council were submitted to the Secretary of State.
- 1.5 During November, the Combined Authority and each Constituent Council were asked to consent in principle to the draft Order, to establish a mayoral combined authority and associated changes as set out in the ‘minded to’ Devolution Deal. It was discussed at Council in Kirklees 25th November and agreed by Cabinet 26th November.
- 1.6 Parliamentary approval of the statutory instrument to establish the mayoral combined authority was given on 29th January 2021.
- 1.7 The Deal will devolve a range of powers and responsibilities to West Yorkshire Mayoral Combined Authority. It offers both investment and decision making which are crucial to fulfil West Yorkshire’s (WY) potential and meet current challenges.
- 1.8 The deal includes:
 - Control of £38m per year allocation of gainshare investment funding over 30 years, to drive growth and take forward WY’s priorities.
 - A five-year integrated transport settlement starting in 2022/23, and agreement to explore West Yorkshire Mass Transit 2.
 - New powers relating to transport, including easier access to bus franchising and a regional approach to control of a Key Route Network.
 - Devolution of Adult Education powers and the Adult Education Budget to shape local skills provision to respond to local needs.
- 1.9 Devolution and Mayoral Combined Authority (MCA) preparations have already had an impact on access to funding and increased opportunities for the region. These include:

- £317m Transforming Cities Fund, the largest allocation to any region, to deliver transformational walking and cycling schemes across West Yorkshire and the creation of jobs
- £67m funding for new homes on Brownfield sites.

1.10 The initial gainshare funding for the financial year 2020/2021 will be available prior to the first Mayoral election.

1.11 A workshop was set up 14th January for Members of Corporate Governance & Audit Committee (CG&AG) as well as Scrutiny Chairs and representatives from other groups not already represented on the committees to inform the discussion what arrangements the Council would like to see in place and also discuss the draft protocol on concurrent powers.

1.12 This report concerns the proposals and suggestions arising from the workshop referred to above and requests Members comment on these and that CG&AC make a separate and independent submission to the Combined Authority on holding the Mayoral Combined Authority to account.

1.13 The report also concerns the draft Protocol on Concurrent Functions agreed by officers in the Combined Authority and 5 West Yorkshire Councils and attached at Appendix 1. Members are invited to recommend that the Cabinet approve at their 16th March meeting. The draft is to be approved by each constituent council's Executive before being approved by the Combined Authority.

2. Information required to take a decision

2.1 Members of Corporate Governance & Audit Committee (CG&AG), chairs of Scrutiny and representatives from other parties attended a workshop 14th January to discuss potential arrangements the Council would like to see in place and discuss the draft protocol on concurrent powers.

2.2 It was a very positive session with members agreeing on numerous issues including:

- The lack of a “voice” for many councillors with the current structures at WYCA
- Expectation the future Mayor will attend a full Council meeting annually at least
- The Mayor to publish their plans and priorities
- Improved relationships between the respective scrutiny functions
- Provide independent Cllrs with the opportunity to create a group
- MCA to accept written questions from all councillors – and scrutiny arrangements to include ‘public representations’
- A public “Question Time” session involving the Mayor
- Increased visibility and record of key decisions

2.3 It is important to stress that although the 5 constituent councils can suggest recommendations of what they would like to see in place, it will be the elected Mayor's responsibility and decision to put in place the right level of accountability and build relationships with the respective councils.

2.4 The notes and proposals from the workshop are captured at Appendix 2.

Concurrent Powers

2.5 The West Yorkshire Combined Authority Order 2021 provides for the election of a mayor for the area of the Combined Authority from May 2021, the Mayor to exercise the functions of a Police and Crime Commissioner, and the following functions to be conferred on the Combined Authority:

- Adult education functions from Secretary of State
- Functions of Homes England/HCA relating to housing and regeneration
- Functions relating to grants to bus service operators
- Functions in relation to the designation of a Mayoral development area (MDA) and establishing a Mayoral development corporation (to be exercised by the Mayor)
- Functions in relation to Business Rates Supplements to be exercised by the Mayor
- Functions of the Constituent Councils to be exercised concurrently by the Combined Authority relating to:
 - education, skills and training
 - housing, regeneration and planning, and
 - transport (including in relation to highways, traffic orders, traffic signs, pedestrian crossings, street works, permit schemes and bus lane contraventions).

2.6 At Appendix 1 to this report includes a table of the functions that will be conferred on the Mayoral Combined Authority (MCA). The new functions have either been devolved or granted to the MCA by Government or are functions which shall be exercised concurrently with the Constituent Councils i.e., powers and duties which Constituent Councils hold co-extensively and which the MCA could exercise independently. In theory this could potentially cause difficulties and consequently therefore a protocol between Kirklees Council and the other West Yorkshire Councils and the MCA for dealing with concurrent functions makes sense.

2.7 The Constituent Councils have not lost any of their functions and it is important to stress that there are already existing concurrent powers between Councils and WYCA that work perfectly well. The draft Protocol for Concurrent Functions aims to establish the process for how the Combined Authority will exercise those functions concurrently with the Constituent Councils. The protocol does not apply to non-concurrent functions such as the PCC functions.

2.8 The Order confers concurrent powers on the Mayoral Combined Authority (MCA). These are powers which the Constituent Councils also hold and which the MCA could exercise independently and provides for certain decisions (termed statutory consents in the Protocol) to be made by the MCA only with the express consent of a Constituent Council.

2.9 Under the 2021 Order, there is:

- no transfer of any Concurrent Function to the MCA from any Constituent Council; each Constituent Council may continue to exercise any Concurrent Function in relation to its area
- no requirement for the joint exercise of any Concurrent Function by the Combined Authority with Constituent Councils – that is, that they are not required to act together, and
- no requirement for a Constituent Council to involve, consult or seek the consent of the Combined Authority in relation to the exercise of any Concurrent Function by a Constituent Council.

2.10 The Protocol is **not** intended to be legally binding and supplements the Order and any arrangements with the Constitution of the MCA. It cannot override the Order. It records the aim of the partners to co-operate and collaborate in the best interests of residents of the region, to have transparency and make best use of resources, reducing duplication. It also records the ongoing commitment of the MCA to engagement with the constituent Councils.

2.11 In respect of consents, it sets out that these will be sought in a formal report considered at a meeting of the MCA and that notice of the intention to seek consent will be given as early as practicable and no later than the date that a key decision notice is published (at least 28 days prior to the decision). In reality such schemes will have been discussed much earlier than 28 days prior to a formal meeting and will have passed through gateway approval processes such as outline and detailed business cases.

2.12 For example, the Combined Authority (CA) has the power under section 51A of the Further and Higher Education Act 1992 to give notice to the governing body of a FE college based in Kirklees requiring them to provide specified 16-19-year olds with “appropriate “education. This is an example of a non-Mayoral concurrent function in relation to Education, Skills and Training. The CA does not need “statutory consent “under the Order 2021 from Kirklees Council before deciding to issue such a notice.

2.13 However, when the Protocol is signed it will mean the Managing Director of the CA will notify Kirklees Council’s Chief Executive before any Key decision Notice is published, if relevant. In addition, the CA’s Managing director agrees to voluntarily consult Kirklees Council’s Chief Executive (or their nominee) about the proposal to exercise the above FE power to serve the notice (except where it is agreed that is not required) in accordance with paragraph 3.3 and 3.4 of the Protocol.

2.14 In respect of concurrent functions, it provides that where there are significant impacts from the proposal of the MCA to exercise concurrent functions prior notice will be given to the relevant Chief Executive so that the proposal can be considered within the relevant council.

2.15 As with consents it is likely that larger and significant schemes where concurrent functions are being exercised will have been discussed prior to the formal notification stage. Members will therefore note that the protocol forms a ‘fall back’ position. It is the strength of the joint working between the MCA and the Council that will ensure that the

interests of the District are properly represented. To that end, the Councils and the MCA have been undertaking a piece of work to ensure that they are 'MCA ready' for May 2021 and that partnerships are assessed and strengthened where required.

- 2.16 The Protocol does not address the scrutiny of the Combined Authority in relation to how it exercises any Concurrent Function, this will be the subject of separate arrangements, which are also currently under consideration.

Mayoral Combined Authority Governance Arrangements

- 2.17 Over the last couple of months, colleagues and members from WYCA and the 5 constituent councils as well as scrutiny have been reviewing the proposed governance and scrutiny arrangements. A formal update is expected 9th March at the West Yorkshire Combined Authority Board meeting. The papers will be in the public domain shortly.

3. Implications for the Council

Working with People

The premise of the Devolution Deal is on bringing funding and functions to a more local level. The establishment of the Mayoral Combined Authority will have staffing implications in terms of additional resources to deliver the ambition of the Deal and these will be considered at the appropriate point to ensure operational effectiveness and efficiency of the Combined Authority.

Working with Partners

The Deal will encourage collaboration on systems, structures and procedures to support the area to make decisions, set strategy and manage delivery across a range of partners in West Yorkshire. Inclusive Growth is a key priority for West Yorkshire Combined Authority and the LEP.

Place Based Working

The Deal will put in place appropriate governance structures that reflect the needs and opportunities across the West Yorkshire area and the places within it.

Climate Change and Air Quality

As part of the Deal text, the Government welcomed West Yorkshire's commitment to becoming a net zero carbon economy by 2038, with significant progress by 2030. There are, however, no immediate implications on Clean Growth arising as a direct result of this report.

Improving outcomes for children

The Deal includes measures around funding and functions focused on skills and education, including careers advice, apprenticeships and Further Education.

Other (eg Legal/Financial or Human Resources)

None. The draft Protocol is non-legally binding.

Do you need an Integrated Impact Assessment (IIA)?

No.

4. Consultees and their opinions

- 4.1 Members of the Corporate Governance and Audit Committee as well as members of OSMC and members from other groups not represented on the committees considered mechanisms for holding the MCA to account at its workshop and received an update on the draft Protocol. All 5 WY Councils and the MCA have been engaged in negotiating and agreeing the draft Protocol. It is not recommended that further changes to the Protocol be sought at this stage. It is not legally binding and will be subject to an annual review. The wording represents a good compromise ensuring transparency and prior notice of decisions. A delay during which the draft Protocol is renegotiated would risk the MCA starting to operate without the safeguards that it provides.

5. Next steps and timelines

Following consideration by the Corporate Governance and Audit Committee, this report will be referred to Cabinet 16th March for their consideration and recommend they adopt the Concurrent Powers protocol.

6. Officer recommendations and reasons

- 6.1 Members are requested to note the suggestions made at the workshop 14th January summarised in Appendix 2 and:
- Consider the proposals and agree how to take forward potential recommendations for holding the Mayor to account.
 - Delegate the Chair to submit a separate and independent submission to WYCA setting out CG&AC recommendations for mayoral accountability.
 - Refer this report and outcomes from the discussion to Cabinet 16th March for their consideration.
- 6.2 Recommend that Cabinet adopt the draft Protocol on Concurrent Functions and Associated Statutory Consents attached at Appendix 1 to this report to further document the basis on which Kirklees Council, other West Yorkshire Councils and the MCA work together.
- 6.3 Delegate authority to the Chief Executive, in consultation with the Leader, to agree any subsequent changes to the Protocol.

7. Cabinet Portfolio Holder's recommendations

N/A

8. Contact Officers

Julie Muscroft – Service Director, Legal Governance and Commissioning
julie.muscroft@kirklees.gov.uk – 01484 221000

Nick Howe – Partnerships and Corporate Planning –
nick.howe@kirklees.gov.uk – 01484 221000

Karl Larrad – Legal Governance and Commissioning –
karl.larrad@kirklees.gov.uk – 01484221000

9. Background Papers and History of Decisions

*West Yorkshire Devolution Deal – Review of Governance Arrangements: Cabinet
24th March 2020*
<https://democracy.kirklees.gov.uk/documents/s35794/West%20Yorkshire%20Devolution%20Deal.pdf>

*Devolution Deal for West Yorkshire – Review, Scheme and Consultation: Cabinet
May 21st 2020*
<https://democracy.kirklees.gov.uk/documents/g5962/Agenda%20frontsheet%2021st-May-2020%2015.00%20Cabinet.pdf?T=0>

Devolution Deal for West Yorkshire – Consultation Outcomes 1st September 2020
<https://democracy.kirklees.gov.uk/documents/s37197/Devolution%20Deal.pdf>

West Yorkshire Devolution – Consent to draft Order 26th November 2020
<https://democracy.kirklees.gov.uk/documents/g6606/Public%20reports%20pack%2026th-Nov-2020%2010.00%20Cabinet.pdf?T=10>

10. Service Director responsible

Julie Muscroft - Service Director, Legal Governance and Commissioning

11. Appendices

*Appendix 1 - Protocol for the Exercise of Concurrent Functions and Associated
Statutory Consents*

*Appendix 2 - Corporate Governance & Audit Committee 'Mayoral Accountability
Workshop' 14th January 2021*



Name of meeting: Cabinet
Date: 16 March 2021
Title of report: Disposal of Freehold Reversion - Apna Centre, Prospect Street, Springwood, Huddersfield

Purpose of report This report seeks to approve the disposal of the freehold reversion of the land that comprises the Apna Centre, Prospect Street, Springwood, Huddersfield

Key Decision - Is it likely to result in spending or saving £250k or more, or to have a significant effect on two or more electoral wards?	No
Key Decision - Is it in the Council's Forward Plan (key decisions and private reports?)	No
The Decision - Is it eligible for call in by Scrutiny?	Yes
Date signed off by <u>Strategic Director</u> & name	David Shepherd - 26.02.21
Is it also signed off by the Service Director Finance?	Eamonn Croston - 26.02.21
Is it also signed off by the Service Director for Legal Governance and Commissioning?	Julie Muscroft - 03.03.21
Cabinet member portfolio	Cllr Graham Turner (Corporate)

Electoral wards affected: Newsome

Ward councillors consulted: Cllr Andrew Cooper, Cllr Karen Allison, Cllr Susan Lee-Richards

Public or private: Public

GPR - Has GDPR been considered? Yes, GDPR has been considered. The information in this report does not identify any individuals.

1. Summary

- 1.1 The Apna Centre (formerly the Sikh Leisure Centre) was developed in the 1980s by the Sikh Community, working in partnership with Kirklees Council and the Kirklees Racial Equalities Council. The project formed part of a wider initiative to develop capital projects for the Pakistani, Indian and Afro-Caribbean communities.
- 1.2 The Centre comprises a large hall used to host community and charitable events, sports and recreation activities and private hire functions including weddings and other social events. Other facilities include meeting room space, an IT suite and former day care room. The basement area, which has independent access from Prospect Street has previously provided office space for a local charitable organisation and is currently occupied by a local gym club.
- 1.3 Plan reference 21-0054c (attached at Appendix A) shows edged red the extent of the land (1618 square metres) to be considered for disposal. The land is made up predominantly of that leased to the Trustees of the Sikh Social Centre plus some additional small areas historically occupied by and now forming part of the Apna Centre site. Investigations of the Highway Authority have revealed that part of the building has been built over an area of land which still forms part of the adopted highway, having not been included within the Grove Street stopping up order dated 1st December 1987. The Highway Authority have advised that a further stopping up order made under Section 116 of the Highways Act 1980 will be required to regularise this.
- 1.4 The Trustees of the Sikh Social Centre (now Sikh Leisure Centre) were granted a lease on the land from 1 January 1984 for a term of 99 years. The lease contains a covenant restricting use of the land to a community centre or such other use as the Council may agree at its absolute discretion.
- 1.5 The lease required the Trust to construct (and thereafter maintain) a community hall on the land within a period of five years from the commencement date.
- 1.6 The Council subsequently granted a supplemental lease in 1991 on neighbouring land previously forming part of Grove Street to accommodate an extension to the building.
- 1.7 The current rent passing is £5500 (five thousand five hundred pounds) per annum.
- 1.8 The Centre was originally developed at a cost of £700,000, funded in part with grant funding from the Council (£112k), Government Urban Renewal (£100k) and Sports Council monies (£30k). The balance of the cost was funded through donations and interest free loans from the Sikh community.

A further £500,000 was invested in 2005/6 in extending the Centre and creating a public bar area, first-floor function room, additional toilet facilities and disabled access. This was funded by private finance by the Sikh community.

To date the total investment made by the Sikh Leisure Centre is £958,000 which equates to 80% of the total development cost.

- 1.9 The Sikh Leisure Centre is a registered charity (Charity number: 1122132). The objects of the charity are *for the benefit of the public in particular but not exclusively the Sikh community by: 1) advancing education and promoting good health and by providing or assisting in the provision of facilities for sport, recreation and other leisure time activities and promotion of social welfare with the object of improving their conditions of life; and 2) advancing education in the intellectual, artistic, economic and cultural background of the Sikh community; and 3) such other charitable purposes as the company may determine from time to time.*
- 1.10 The Centre, now renamed the Apna Centre meaning 'Our' in Punjabi, is considered a legacy project by the Sikh community. This is reflected in the original capital investment and ongoing commitment to the facility.

2. Information required to take a decision

- 2.1 The Apna Centre is located within the Newsome Ward. It sits close to the boundary with the neighbouring Greenhead and Crosland Moor/Netherton Wards. The Centre is also well placed to serve the wider community of South Kirklees given its close proximity to Huddersfield town centre and public transport links.
- 2.2 The map attached at Appendix B shows the Lower Super Output Areas (SOAs) within the Newsome, Greenhead and Crosland Moor/Netherton wards based on the Indices of Multiple Deprivation (IMD) 2019 data produced by the Department for Communities and Local Government. All Wards share similar characteristics in that all have communities within the worst 10% of deprived nationally and significant areas within the worst 40%.

The IMD is based on seven domains which are income, employment, health deprivation and disability, education skills and training, barriers to services, crime and living environment.

- 2.3 Work carried out by the Councils Governance, Third Sector and Community Cohesion teams has identified the following priority outcomes which can be supported by the Apna Centre:
- Health and Wellbeing (including mental health and social exclusion)
 - Drug and alcohol abuse
 - Poverty
 - Homelessness
 - Hate crime
 - Anti-social behaviour
 - Youth provision
 - Support for older people

- 2.4 In the summer of 2020, the Apna Centre Trustees carried out a programme of engagement with the community, third sector and partner organisations. The engagement included online surveys, stakeholder interviews and online workshops. The engagement process was well supported with representation from a range of stakeholder partners and community anchors. The engagement process re-affirmed the importance of community facilities and the vital role they play in supporting our communities and delivering the Councils Vision and shared outcomes.
- 2.5 Participants identified a range of services and initiatives that the Apna Centre was able support with particular emphasis being place on health and wellbeing, education, training and employment and community/social events.
- 2.6 The Trustees acknowledge the need for further investment in the refurbishment and modernisation of the Centre. Having identified priorities for capital investment and potential grant funding sources, the Trustees have requested that the Council consider the transfer of the freehold reversionary interest in the Prospect Street land in order to secure the investment needed to further develop the facility.
- 2.7 Transfer of the Prospect Street land would be subject to restrictive covenants for community use with the exception of up to 30% permitted commercial use. It is widely acknowledged that in order to be sustainable community groups are increasingly reliant on income from commercial activity to support the delivery of community services.

The transfer would also be subject to the Trustees entering into a collateral agreement with the Council to give the right to the Council to hire the premises for election polling should the Council wish to do so.

Disposal at less than best consideration

- 2.8 The land at Prospect Street was valued on 9th February 2021. The valuations have been provided in accordance with the requirements of the Local Government Act 1972: General Disposal Consent (England) 2003 and the RICS Valuation –Global Standards 2017.

The unrestricted value is the best price reasonably obtainable for the property. It is the market value of the property taking into account any additional amount which might reasonably be expected to be available from a purchaser with a special interest. In general terms, unrestricted value is intended to be the amount which would be received for the disposal of the property where the principal aim was to maximise the value of the receipt. Crucially the valuation is carried on the assumption that the terms of the freehold transfer will not seek to restrict use.

The unrestricted value is £200,000.

The restricted value is the market value of the property having regard to the terms of the proposed transaction but crucially it also takes into account any

reduction in the council's expenditure on its statutory functions that will derive from the transaction.

There are no terms of the proposed transfer which are of a direct or indirect financial benefit to the Council in the delivery of statutory functions and which can be taken into account in the valuation and therefore in this case the restricted value is the same as the unrestricted value.

The restricted value is therefore also £200,000.

Cabinet is reminded that these valuations are based on the concept of "best consideration" in accordance with the requirements of S.123 of the Local Government Act 1972. These valuations are carried on the assumption that there will be no restriction on user.

It is though proposed to transfer the freehold reversion with a restriction on use to community use. Therefore, it should be appreciated that whilst the Council will forgo a capital receipt of £200,000 the actual value of the freehold reversion that will be transferred will be significantly less because the use of the land will be restricted.

- 2.9 It is proposed that the freehold of the land is transferred for nil consideration, taking into consideration that the building is owned by the applicant and the social objectives derived from it.
- 2.10 The General Disposal Consent (England) 2003 allows the Council to dispose of land at an undervalue not exceeding £2m where the disposal will help secure the promotion or improvement of the economic, social or environmental well-being of the Councils Area. In this case the unrestricted market value is £200,000 and therefore well below the £2m threshold permitted under the General Disposal Consent.
- 2.11 The transfer of the freehold at nil consideration will assist in the promotion of social well-being because it will facilitate the investment and development in a community asset.

Options

- 2.12 The Council has the following options: -
 - a) Refuse the request to transfer the freehold reversion to APNA centre to the Sikh Leisure Centre.
 - b) Refuse the request to transfer the freehold reversionary interest of the land at Prospect Street, Springwood, Huddersfield at less than best consideration.
 - c) Agree to the transfer of the land at Prospect Street, Springwood, Huddersfield to the Trustees of the Sikh Social Centre at less than best

consideration for the promotion and improvement of social, economic and environmental wellbeing.

3. Implications for the Council

- **Working with People**

The Council has worked with the Apna Centre Trustees to assess the current and future role of the Centre in supporting communities. The Trustees aspirations and vision for the Centre has been informed through engagement with the community, stakeholders and the Council.

Newsome Ward Members have been providing direct support to the Trustees and been fully engaged in the recent consultation. Members have been formally consulted as part of the Cabinet reporting process to allow them opportunity to make representations on behalf of the community.

- **Working with Partners**

Officers have worked collaboratively with the Trustees, council services and partner organisations in considering the application to transfer the freehold. The stakeholder engagement carried out by the Trustees in 2020 involved broad representation from within the community and partner organisations to ensure that needs of the community were understood and reflected in any proposals for the Centre.

- **Place Based Working**

The proposed transfer underpins Place Based Working, providing an opportunity for the more efficient and effective use of a valuable community asset. The proposed transfer provides new opportunities for inward investment to develop and improve the Apna Centre for local social, economic and environmental benefit.

- **Climate Change and Air Quality**

The Trustees are committed to investment in the refurbishment and modernisation of the Centre. Priority works include investment in a replacement boiler, heating system and improvements to the fabric of the building. These will improve energy efficiency, reduce running costs and contribute towards the Councils carbon reduction targets.

- **Improving outcomes for children**

Community assets play a crucial role in the delivery of services to all members of the community, including young people.

It is recognised that there is a requirement for additional space within the Newsome Ward to support youth provision. Engagement with the community has identified the Apna Centre as having valuable space and facilities to meet

that need. The Centre currently supports a range of sporting and recreational activities that are capable of being expanded to provide a safe space for positive childhood experiences.

- **Other (eg Legal/Financial or Human Resources)**

The transfer will result in a loss of the annual rental income of £5500 from the existing ground lease. In disposing for a nil consideration, the Council will be foregoing a potential capital receipt of £200,000.

The Council has power to transfer the freehold reversion under the Local Government Act 1972.

- **Integrated Impact Assessment (IIA)**

A Stage 1 Integrated Impact Assessment (IIA) has been carried out and is attached at Appendix C.

4. Consultees and their opinions

Cllr Cooper (Newsome Ward Member) responded - *I am happy to agree the disposal of land to the trustees of the Apna Centre. As a Newsome Ward member, I would like to continue to support the work of the trustees in developing and implementing their Business Plan to support their good work and help ensure the long-term sustainability of the Apna Centre.*

Cllr Allison (Newsome Ward Member) responded - *I am in favour of agreeing to the disposal of land to the Trustees of the Apna Centre. As a Newsome Ward Councillor, I will continue to work with and support the Trustees in making this a viable and successful venture for all our communities. We would like to meet with the Trustees at least once a year to help progress the Business Plan.*

Cllr Lee-Richards (Newsome Ward Member) responded- *I am happy to support the transfer and look forward, as a Newsome Ward councillor, to working with the trustees to support their ideas, business plan and work with the community.*

5. Next steps and timelines

- 5.1 Subject to Cabinet approval, Officers will complete negotiations and agree terms of the transfer and collateral agreement and instruct the Service Director - Legal, Governance and Commissioning to enter into and execute the transfer and collateral agreement documentation.

6. Officer recommendations and reasons

It is recommended that:

- 6.1 Cabinet approves that the Council transfers the freehold reversion to the APNA centre to the Sikh Leisure Centre at nil consideration.

- 6.2 Authority be delegated to the Service Director - Development to negotiate and agree terms for the transfer of the freehold of the land at Prospect Street, Springwood, Huddersfield (shown indicated on Plan reference 21-0054c).
- 6.3 Authority be delegated to the Service Director - Legal, Governance and Commissioning to enter into and execute all necessary documentation in connection with the transfer of the freehold of the land at Prospect Street, Springwood, Huddersfield and any associated agreements and documents including the collateral agreement for polling station use.

7. Cabinet portfolio holder's recommendations

The cabinet member welcomes this report and fully supports the recommendations in the report.

This is an important strategically placed asset and enjoys the support of the community. As we move more and more towards place based working, it is important that we do all we can, to not only encourage place-based working, but to remove any obstacles to communities who wish to grow and further develop vital community assets.

This transfer of the leasehold to a freehold enjoys the support of the ward members, who are committed to working with the trustees of the APNA centre in developing an up-to-date business plan and then helping to implement that plan. This will ensure the future viability of the centre and will see it grow and improve its offer to the local community.

I wish the APNA centre and its trustees all the best and look forward to seeing a thriving well used community facility.

8. Contact officer

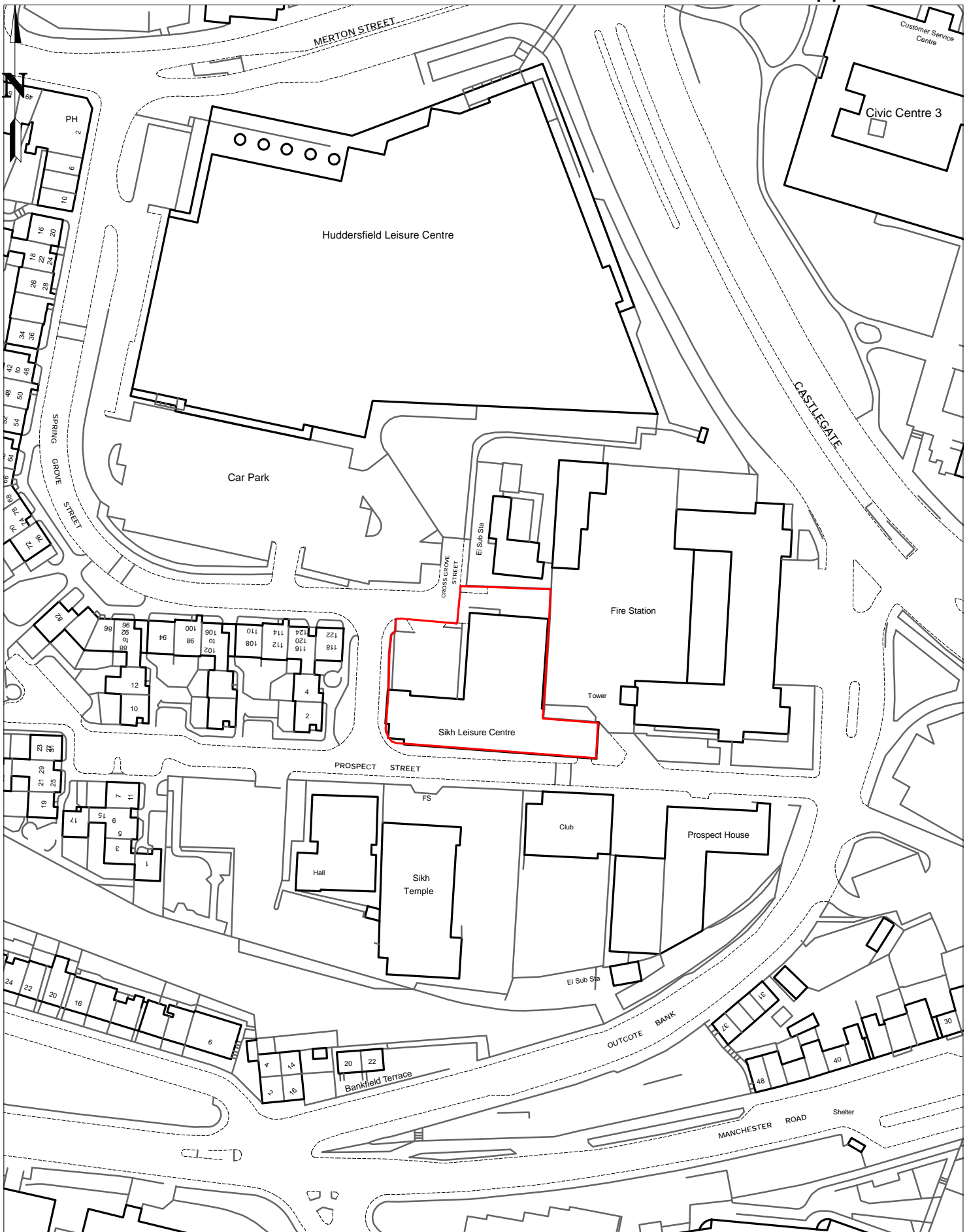
Giles Chappell (Asset Strategy Officer)
giles.chappell@kirklees.gov.uk
(01484) 221000

9. Background Papers and History of Decisions

Appendix A - Red Line boundary plan (Ref. 21-0054c)
Appendix B - IMD Ward map
Appendix C - Integrated Impact Assessment (IIA)

10. Service Director responsible

Angela Blake (Service Director - Development)
angela.blake@kirklees.gov.uk
(01484) 221000



STRATEGIC ASSETS

Plan No: 21-0054c
Scale: 1250

Produced from/based upon the Ordnance Survey mapping with the permission of the Controller of Her Majesty's Stationery Office © Crown Copyright. Unauthorised reproduction infringes Crown Copyright and may lead to prosecution or civil proceedings. (KMC Licence No: 100019241 Date:



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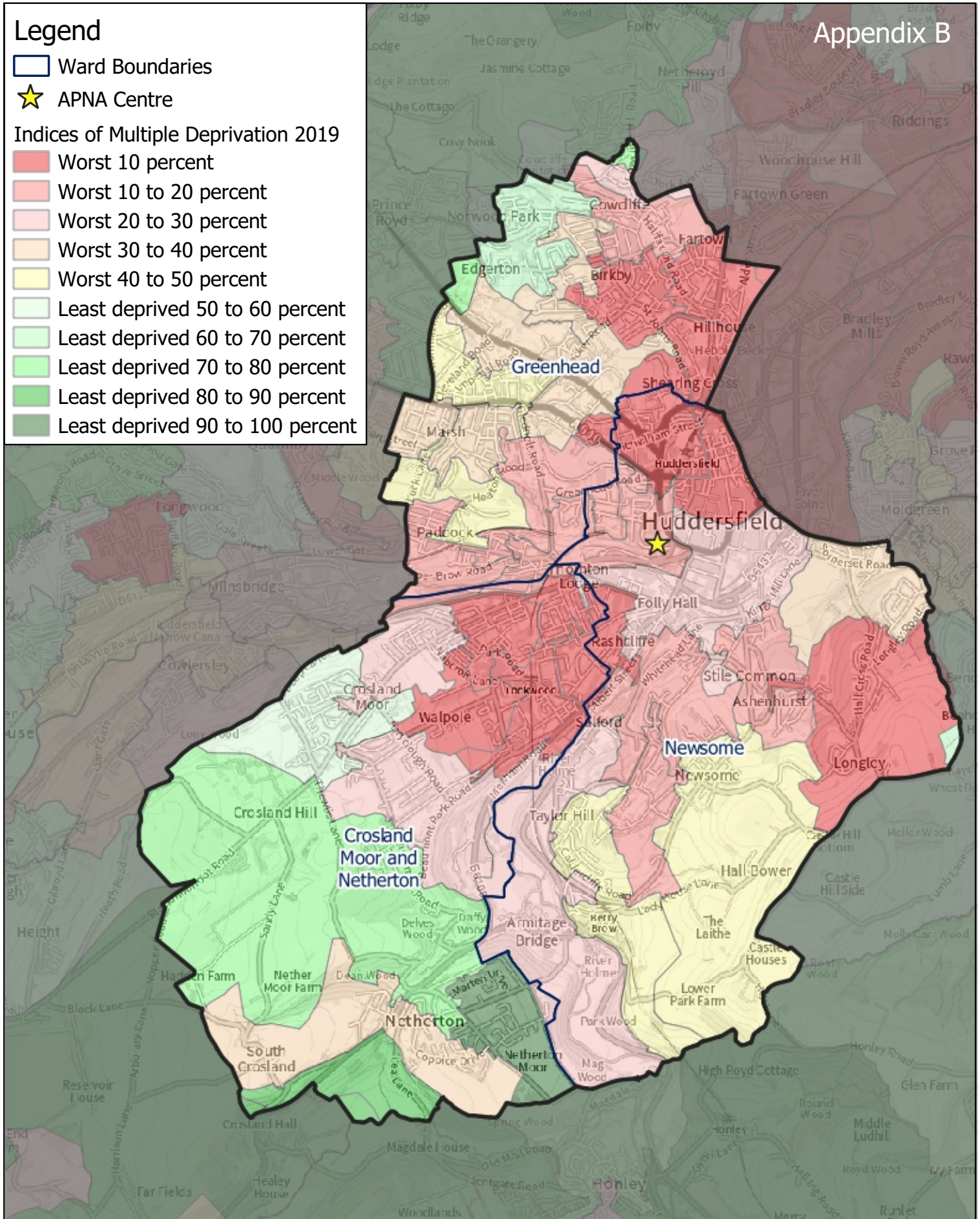
Legend

□ Ward Boundaries

★ APNA Centre

Indices of Multiple Deprivation 2019

- Worst 10 percent
- Worst 10 to 20 percent
- Worst 20 to 30 percent
- Worst 30 to 40 percent
- Worst 40 to 50 percent
- Least deprived 50 to 60 percent
- Least deprived 60 to 70 percent
- Least deprived 70 to 80 percent
- Least deprived 80 to 90 percent
- Least deprived 90 to 100 percent



Intelligence and Performance

Geographic Research Team

Indices of Multiple Deprivation (Newsome/Crosland Moor & Netherton/Greenhead)

Date: 11/02/2021

Scale: 1 - 33,000

Filename: APNA Centre and IMD.qaz



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EIA STAGE 1 – SCREENING ASSESSMENT

PROJECT DETAILS

Name of project or policy:

Freehold Reversion-Apna Centre, land at Prospect Street, Springwood, Huddersfield

Directorate:

Growth and Regeneration

Senior Officer responsible for policy/service:

Angela Blake (Service Director-Development)

Service:

Development

Lead Officer responsible for EIA:

Giles Chappell

Specific Service Area/Policy:

Corporate Disposals and Acquisitions

Date of EIA (Stage 1):

23/02/2021

Brief outline of proposal and the overall aims/purpose of making this change:

Transfer of the freehold of land at Prospect Street, Springwood, Huddersfield for the promotion and improvement of social, economic and environmental wellbeing.

ASSESSMENT SUMMARY

Theme	Calculated Scores						Stage 2 Assessment Required
	Proposal	Impact	P + I	Mitigation	Evidence	M + E	
Equalities	4	4.4	8.4	2.5	2	4.5	No
Environment		4.7	4.7	5	10	15	Yes **

NATURE OF CHANGE

WHAT IS YOUR PROPOSAL?

Please select YES or NO

To introduce a service, activity or policy (i.e. start doing something)	NO
To remove a service, activity or policy (i.e. stop doing something)	NO
To reduce a service or activity (i.e. do less of something)	NO
To increase a service or activity (i.e. do more of something)	YES
To change a service, activity or policy (i.e. redesign it)	NO
To start charging for (or increase the charge for) a service or activity (i.e. ask people to pay for or to pay more for something)	NO

** INTEGRATED IMPACT ASSESSMENT SUPPORTING INFORMATION

The outcome of the Stage 1 Integrated Impact Assessment indicates a negative Environmental Impact based on the lack of specialist advice and evidence to support the action being taken.

The proposal relates to the transfer of the Councils freehold reversionary interest in the land only. The Apna Centre building is not owned by the Council nor does the Council have any responsibility for the repair, maintenance or any improvements of the building.

The proposed capital investment put forward by the Trustees includes the replacement of the boiler and improvements to the heating system and fabric of the building. These measures will deliver environmental benefit through improved energy efficiency of the building and in turn support the Councils Carbon Neutral vision.

Officers are satisfied, based on the Councils own technical experience and knowledge that investment in modern, more efficient heating methods is shown to improve energy efficiency and therefore reduce carbon. It is therefore considered that the proposed improvements to the facility by the Trustees will deliver environmental benefit and that there is no negative environmental impact from the transfer of the freehold reversionary interest in the land. Independent specialist advice is therefore not required.

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Name of meeting: Cabinet
Date: 16 March 2021
Title of report: Kirklees Specialist Accommodation Strategy 2021 – 2030
 Public Consultation

Purpose of report: To approve a public consultation exercise in relation to a proposed new draft Specialist Accommodation Strategy 2021 2030; and for a further report to Cabinet and Council to consider the outcome of the consultation.

Key Decision - Is it likely to result in spending or saving £250k or more, or to have a significant effect on two or more electoral wards?	Yes - impact on 2 or more wards
Key Decision - Is it in the <u>Council's Forward Plan (key decisions and private reports)?</u>	Key Decision - Yes Private Report/Private Appendix - No
The Decision - Is it eligible for call in by Scrutiny?	Yes
Date signed off by <u>Strategic Director</u> & name Is it also signed off by the Service Director for Finance? Is it also signed off by the Service Director for Legal Governance and Commissioning?	David Shepherd - 17.02.2021 Eamonn Croston - 16.02.2021 Julie Muscroft - 01.03.2021
Cabinet member <u>portfolio</u>	Councillor Musarrat Khan Councillor Viv Kendrick Councillor Cathy Scott

Electoral wards affected: All

Ward councillors consulted:

At this point we are setting out our overall strategy around Specialist Accommodation in Kirklees. The outputs of work under the strategy will at that point involve ward councillors as specific sites and types of accommodation provision are identified at ward level.

Public or private: Public

Has GDPR been considered? A DPIA has been completed - Reference: - FS-Case-224404942

1. Summary

- 1.1 The newly developed Kirklees Specialist Accommodation Strategy & Plan 2021 – 2030 forms part of the overall Kirklees Housing Strategy.
- 1.2 The strategy aligns to our shared outcomes particularly “Well”, “Independent”, “Safe and cohesive” and “Efficient and Effective”. The work of delivering the strategy also follows the We’re Kirklees approach of working with people not doing to them, working with partners and Place-based working.
- 1.3 The strategy outlines the importance of quality housing and the impact it has on individuals and their wellbeing. It goes on to discuss the demographic, technological and consumer trends that are already impacting the market and are likely to continue to do so over the period of the strategy.
- 1.4 The strategy outlines how the shape of specialist accommodation will change over the next decade and the key actions required to support these changes.
- 1.5 The strategy will form part of the Council’s Policy Framework and so will require full Council to approve and adopt it on recommendation from the Cabinet subject to the outcome of the public consultation

2. Information required to take a decision

- 2.1 The Kirklees Specialist Accommodation strategy forms part of the overall Kirklees Housing Strategy; and specifically covers people that the local authority and our health partners support in a home that has been designed to meet the particular needs of different people in their homes, so that they remain as independent as possible.
- 2.2 The strategy describes each specific cohort that touch specialist accommodation. Each cohort section describes a view of where that cohort will be in ten years’ time, setting out this headline will help focus on what the fine detail is aiming at and the likely changes in provision across the period of the strategy. Each section then briefly outlines some key activities that are required and goes on to describe current supply and likely future accommodation demand.
- 2.3 **The objectives of the strategy:**
- 2.4 Our new approach to specialist accommodation is radical, but necessary. In the past we have taken small steps with regard to developing specialist accommodation locally, being more reactive than proactive. We also lacked a robust approach to the public estate and unpicking the barriers and delays to creating new developments.



- 2.5 We are clear that there are a series of **short term issues** that need to be addressed to unblock or manage issues within specialist accommodation locally. This includes assessing the impact of COVID-19 on the accommodation market and understanding the impact upon future demand numbers.

- 2.6 We want accommodation to be **appropriate**, having and developing accommodation that means individuals are as independent as possible, for as long as possible. We are firmly committed to shaping accommodation requirements with individuals. This includes working with particular groups such as older BAME people living in Kirklees. We recognise that people's needs change, we also recognise that people sometimes need to move so their needs can be better met, this could be short term or longer term as needs change.
- 2.7 We want accommodation to be **local**, we are clear that placing people a distance away from Kirklees may not generate the best outcomes for individuals. We need to develop local capacity so the specific needs of people likely to be placed out of area can be met in Kirklees.

We want specialist supported accommodation to be **affordable**; we recognise that in the past we have placed people in care homes because it has been the only option. We have begun and will continue to develop in partnership with our provider market better value, better outcome models of care that are more flexible.

- 2.8 We want accommodation to be **sustainable**. Attitudes and models of care and support continue to evolve. We need accommodation that is more flexible and can change to meet the needs of either increased numbers of people or those with needs that are different to those that might have been foreseen when a development was started. This may include things like eco-friendly design approaches to accommodation and people with different care needs living in one development or one series of developments.

2.9 Why is the strategy required?

- 2.10 Suitable housing can significantly improve people's lives, while unsuitable housing can be the source of multiple health and wellbeing issues and costs. Appropriately designed housing, that can adapt to people's changing needs as they age, has a number of benefits. These benefits include reducing demand on care and support services and enabling individuals to live independently and more flexibly in our communities.
- 2.11 As this strategy describes the current care and support estate has developed in a slightly disjointed way, we believe taking our current and potential future specialist accommodation tenants with us on a development journey will mean wishes, preferences and ultimately outcomes will be met.
- 2.12 We will work with people and organisations to develop different and innovative homes across all groups, that will enable people to have choice and means they can live as independently as possible.
- 2.13 There are likely to be models of care and support that have not been designed yet that we would want to commission or support during the life of this strategy. Homes that are adaptable, disability and dementia friendly will grow in significance locally.
- 2.14 The changes in the needs of people over the period of this strategy will drive development and demand for specialist accommodation based and other care support. How people currently or wish to live will also affect demand and types of accommodation required, more people are living alone that they were 20 years ago. As the population ages there are likely to be more people living with long term conditions that require support or home modifications so that they can remain independent.

2.15 The strategy has been developed alongside our vision and values for adult social care:

We want every person in Kirklees who needs support, including social care, to be able to live the life that matters to them - with the people they value, in the places and communities they call home, and with an equal voice in co-ordinating their support.

2.16 There are legislative and policy drivers for some of the content of this strategy, but fundamentally we want to enable our population to live as independently as possible, for as long as possible, in safe places of their choosing, with a wide range of support that best delivers the outcomes they as individuals want to achieve.

2.17 This strategy was developed in early 2020. We are closely monitoring the impacts COVID-19 will have on the objectives of the strategy, particularly those around addressing **short term issues** in the specialist accommodation market. This may require alteration as the impacts of COVID-19 are better understood. We believe the other four objectives of the strategy are robust and our longer-term aspirations remain the same for the time being.

3. Implications for the Council

3.1 Working with People

3.2 The people who currently or who in the future may live in specialist or supported accommodation are at the centre of this strategy, we want to ensure they remain as independent as possible and have a home that allows them to meet their own outcomes. A person's living environment extends beyond their home. Enabling people of all ages to live healthy and successful lives requires neighbourhoods with suitable physical, social, and community environments.

3.3 Working with Partners

3.4 The strategy has been shaped by a multi-agency board, we have also actively engaged external partners in the development of the strategy and the workplan that will deliver the aims of the strategy. The work delivering this strategy will build upon the partnerships already developed, and it is only with such working we will be able to deliver our ambitions following political endorsement.

3.5 Place Based Working

The right specialist or supported accommodation should be at the centre of each of current and new large community developments. We see the strategy delivering this through a number workstreams, we also see with robust engagement we can reflect local nuances in the building and makeup of new and existing developments.

3.6 Climate Change and Air Quality

3.7 A key objective of the strategy is around sustainability this is both economic sustainability but also environmental sustainability. We see the work of the strategy having multiple positive impacts on reducing emissions. New build or converted properties will have to meet current environmental regulatory requirements, there is also likely to be scope for new specialist accommodation to break the mould on sustainable building design and use, there are a range of accommodation developments nationally that have delivered such benefits.

- 3.8 We also see the potential for those looking to downsize and move to more specialist or supported accommodation will mean the current housing stock will be better utilised and under-occupation will be reduced which in itself can negatively affect the environment.
- 3.9 Although not explicit in the strategy we also see with a more dispersed mix of different accommodation that the staff who support individuals could be more locality based and not required to travel to larger buildings-based provision.

3.10 Improving outcomes for children

- 3.11 Our long-term plan around children and young people is to enabling families to stay together when safe, increasing local foster placements, and listening more to our looked after children. Our ultimate aim is to see less of our children and young people living outside Kirklees. Where children and young people do require residential accommodation, it will be in smaller homes that do not have the design style of institutional settings.

3.12 Other (e.g. Legal/Financial or Human Resources)

- 3.12.1 There is no legal requirement for the Council to have a Specialist Accommodation Strategy. However, it is best practice to do so.
- 3.12.2 Although the strategy relates to executive functions it will also form part of the Housing Strategy which in turn is part of the Council's Policy Framework under Article 4 of the Constitution. Therefore it requires the full Council to approve and adopt it before it can be implemented on the recommendation of the Cabinet.
- 3.12.3 There are a number of legislative drivers including, but not limited to , the Care Act 2014, Mental Health Act 1983, Autism Act 2009 and the Children Act 1989. For example, section 1 of the Care Act 2014 imposes a general duty on the Council to promote an individual's wellbeing including by reference to their day to day life (including care and support provided and the way it is provided), and the suitability of living accommodation.
- 3.12.4 The statutory Care and Support Guidance (updated June 2020) states that local authorities should develop a clear local approach to preventative support to delay or reduce the need for support. It is wider than care and support alone and should include the involvement of those responsible for public health, leisure and housing services. (see para 2.23 of the guidance).
- 3.12.5 The Care Act 2014 is clear on the limits of responsibilities and relationship between care and support and housing legislation (see s.23 Care Act 2014) .Where the Council is required to meet accommodation related needs under housing legislation it must do so under housing legislation .
- 3.12.6 Local Authorities must ensure integrated care and support including prevention with health and housing services. The guidance at para 3.5 also refers to improving advice and information on housing options and to support to live independently which contributes to requirements under the Care Act . Most accommodation for people with mental health needs will be met under section 18 of the Care Act 2014.
- 3.12.7 The Autism Act 2009 requires the needs of adults with Autism should be taken into account in local housing planning ,design and allocation in line with local priorities.
- 3.12.8 The strategy may need to be regularly reviewed in the light of emerging health legislation and the Government's approach to adult social care policy and its proposed Green paper.

3.12.9 In carrying out its consultation exercise the Council must comply with the “Gunning principles” namely:

- That consultation must be at a time when the proposals are still at a formative stage.
- The council must provide sufficient information about the proposals to consultees to enable intelligent consideration and informed responses .
- Adequate time must be given to facilitate responses .
- The product of the consideration of responses must be conscientiously taken into account in finalising any proposals .

3.12.10 The legal implications for the delivery plan arrangements and individual projects arising out of the strategy will need to be considered on a case by case basis to identify legal powers and associated risks as such initiatives progress through relevant internal council boards .

3.12.11 The Council has a duty to comply with its Financial Procedure Rules and Contract Procedure Rules and when procuring goods ,works and services above certain thresholds must procure in accordance with the Public Contracts Regulations 2015 and new rules on Subsidy Control which replace the State Aid rules.

3.12.12 Certain land transactions may be exempt from competition.

3.12.13 Section 149 of the Equality Act 2010 sets out the public sector equality duty replacing the previous duties in relation to race, sex and disability and extending the duty to all the protected characteristics i.e. race, sex, disability, age, sexual orientation, religion or belief, pregnancy or maternity, marriage or civil partnership and gender reassignment.

3.12.14 The public sector equality duty requires public authorities to have due regard to the need to:

- Eliminate unlawful discrimination, harassment, and victimisation and other conduct prohibited under that act
- Advance equality of opportunity between persons who share a relevant protected characteristic and those who do not share it; and
- Foster good relations between those who share a protected characteristic and those who do not share it, which involves having due regard, in particular, to the need to- (a) tackle prejudice, and (b) promote understanding.

3.12.15 Having due regard to the need to advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it involves having due regard, in particular, to the need to

- (a) remove or minimise disadvantages suffered by persons who share a relevant protected characteristic that are connected to that characteristic;
- (b) take steps to meet the needs of persons who share a relevant protected characteristic that are different from the needs of persons who do not share it, including, in particular, steps to take account of disabled persons' disabilities;
- (c) encourage persons who share a relevant protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low.

3.12.16 Compliance with the duties in section 149 of the Act may involve treating some persons more favourably than others; but that is not to be taken as permitting conduct that would otherwise be prohibited by or under the Act.

The Equality Duty must be complied with before and at the time that a particular policy is under consideration or decision is taken - that is, in the development of policy options, and in making a final decision. A public body cannot satisfy the Equality Duty by justifying a decision after it has been taken.

3.13 Financial implications

3.13.1 The strategy sets out our long term shaping ambitions around specialist accommodation and market development locally. At this stage it does not commit to specific spending requirements.

3.13.2 It is highly likely that there will be there will be future capital spending requirements linked to the findings of activities covered in this strategy's workplan. These requirements will be outcomes of pieces of work within the strategy, and they will be built on a sound evidence base.

3.14 Do you need an Integrated Impact Assessment (IIA)?

3.14.1 We expect a positive impact on equality issues as the strategy begins to deliver. By the very nature of those living in, or likely to require specialist or supported accommodation some of the protected characteristic groups are embedded within the objectives.

3.14.2 A Stage 1 Integrated Impact Assessment has been completed.

4. Consultees and their opinions

Nature and findings of consultation undertaken so far:

4.1 The strategy has been presented to a number of internal and partner officer groups and boards; it has also been presented at senior leadership team meetings in the directorates with an interest in the work of the strategy and at the Council's Leadership Management Team.

4.2 The consultation discussion have been over a number of months throughout 2020/21. The format has been an explanation of the rationale for developing a strategy across multiple directorates and the five key strategic aims of any work moving forward.

4.3 There has been a good response to the aims and joint nature of the strategy, as the strategy itself indicates it bring together existing directorate level intent into a joint format. This should facilitate better collaboration and developments moving forward. As the strategy has progressed through the consultation process a number of minor changes have been suggested typically around language and long term intentions for certain groups. These have been incorporated into the strategy in consultation with senior leads across different directorates.

4.4 It is intended to carry out public consultation on the draft Kirklees Specialist Accommodation Strategy including with people who require or may have a future need for this type of accommodation.

4.5 We wish to hear the views of a wide range of stakeholders. These include people living in Kirklees and Kirklees residents currently accommodated outside of the district , carers and service user groups, community and multi-agency groups and other interested parties.

4.6 Consultation responses will be reported to Members and incorporated into a final draft of the strategy.

5. Next steps and timelines

- 5.1 It is proposed officers develop an inclusive consultation plan which ensures appropriate consultation methods are identified and used to enable effective response.
- 5.2 The plan will also set out the consultation timescales.
- 5.3 Following the consultation officers will prepare a report to Cabinet which considers responses received.
- 5.4 The draft strategy to be revised taking into account consultation responses and submitted to Cabinet for approval and recommendation to full Council for approval and adoption of the strategy, as part of the Council's Policy Framework.

6 Officer recommendations and reasons

That Cabinet:-

- 6.1 Note the report and the draft Kirklees Council Specialist Accommodation Strategy 2021-30 at Appendix 1 to this report.
- 6.2 Agree to the Service Director for Skills and Regeneration carrying out a non-statutory consultation on the proposed draft Kirklees Specialist Accommodation Strategy 2021-30.
- 6.3 Requests a further report detailing the outcome of the public consultation , with the details of any proposed amendments together with a final draft of the Kirklees Specialist Accommodation Strategy 2021-30 for its approval and recommendation to full Council for its approval and adoption as part of the Council's Policy Framework.
- 6.4 Suitable housing can significantly improve people's lives, while unsuitable housing can be the source of multiple health and wellbeing issues and costs. Appropriately designed housing, that can adapt to people's changing needs as they age, has a number of benefits. These benefits include reducing demand on care and support services and enabling individuals to live independently and more flexibly in our communities

7 Cabinet Portfolio Holder's recommendations

- 7.1 The Cabinet Portfolio Holder for Housing and Democracy recommends that Cabinet support the strategy. Our commitment is to enable people to live as independently as possible, in safe places for as long as possible with the support they need. Peoples voices and choices are at the heart of what we do.

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9 Background Papers and History of Decisions

9.1 Draft Kirklees Council Specialist Accommodation Strategy 2021 - 2030

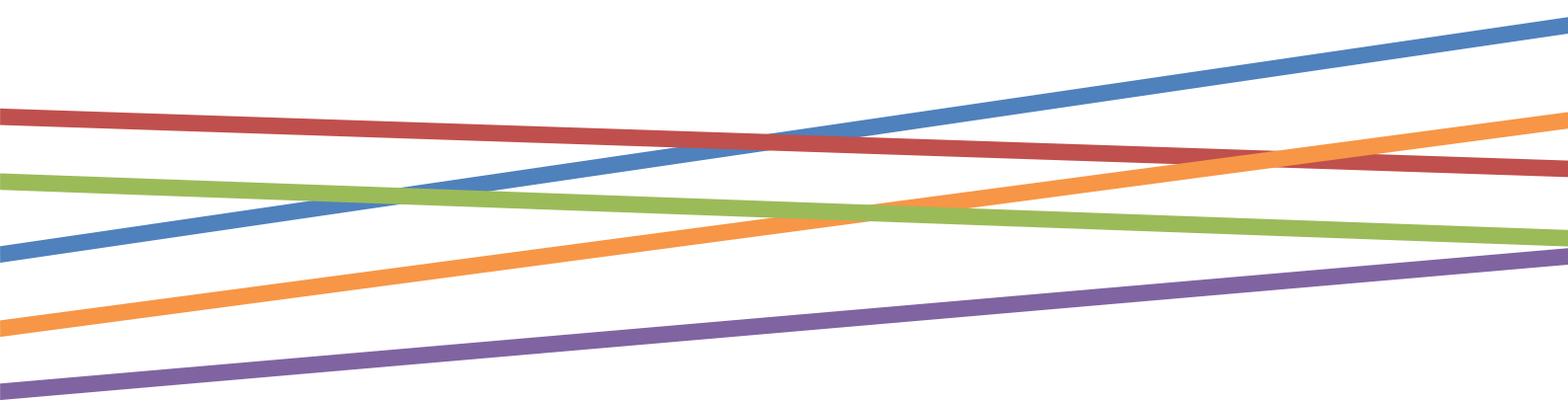
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Kirklees Specialist Accommodation Strategy 2021 - 2030

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Contents

1.	Foreword.....	4
2.	Introduction and Purpose.....	5
3.	Our overall partnership vision and outcomes.....	6
3.1	We're Kirklees.....	6
4.	Our strategic objectives for specialist accommodation.....	8
4.1	Technology and specialist accommodation.....	9
	Children and Young People cared for by the local authority.....	10
5.	Introduction.....	10
5.1	Defining types of accommodation for Children and young people cared for by the local authority.....	11
6.	By 2030.....	12
7.	Key activities.....	13
8.	Understanding current accommodation supply.....	13
9.	Understanding Future accommodation demand.....	13
	Children and young people with Special Educational Needs and Disabilities.....	15
10.	Introduction.....	15
11.	By 2030.....	16
12.	Key activities.....	16
13.	Understanding Future accommodation demand.....	16
	Adult and Older People National Context.....	18
14.	Defining Adult Accommodation Types.....	19
	Older People living in specialist housing.....	20
15.	By 2030.....	20
16.	Key activities.....	20
17.	Understanding current accommodation supply.....	20
17.1	Current Market Supply.....	20
18.	Understanding future accommodation demand.....	21
18.1	Future Market Demand.....	21
	Adults living with learning disabilities.....	22
19.	By 2030.....	22
20.	Key activities.....	22
21.	Understanding current accommodation supply.....	22
21.1	Current Market Supply.....	23
22.	Understanding Future accommodation demand.....	23
22.1	Future Market Demand.....	24
	Adults living with mental health issues.....	25
23.	By 2030.....	25
24.	Key activities.....	25
25.	Understanding current accommodation supply.....	25
25.1	Current Market Supply.....	25
26.	Understanding Future accommodation demand.....	26

26.1	Future Market Demand	26
	Adults living with a physical or sensory impairment.....	27
27.	By 2030.....	27
28.	Key activities.....	27
29.	Understanding current accommodation supply.....	27
29.1	Current Market Supply.....	27
30.	Understanding Future accommodation demand.....	28
30.1	Future Market Demand	28
	Vulnerable adults in need of specialist supported accommodation	29
31.	Context.....	29
32.	Key activities.....	29
33.	By 2030.....	29
33.1	Single people, Couples with no dependent children & ex-offenders	29
33.2	Homeless families.....	30
33.3	Young adults.....	30
33.4	People with drug or alcohol misuse needs.....	30
33.5	People who have experienced domestic abuse	30
33.6	Adult living with autistic spectrum condition	30
34.	Strategy Governance & Monitoring.....	31
34.1	Performance and monitoring.....	31
35.	Appendix One – Draft Workplan Overview	32
36.	Appendix Two – Adult and Older People Forecast Tools & Models	33
36.1	Housing Models Explained.....	33
36.2	Models applied to the local population.....	35
37.	Background Information.....	42
38.	Useful Contacts	42

1. Foreword

Suitable housing can significantly improve people's lives, while unsuitable housing can be the source of multiple health and wellbeing issues and costs. Appropriately designed housing, that can adapt to people's changing needs as they age, has a number of benefits. These benefits include reducing demand on care and support services and enabling individuals to live independently and more flexibly in our communities. There is a clear political focus on ensuring that Kirklees residents live in homes that support good health and people's wellbeing.

One of the biggest challenges we face nationally is the lack of affordable quality housing, in Kirklees we also recognise the need to develop high quality specialist accommodation for those with care and support needs.

The people who currently or who in the future may live in specialist accommodation are at the centre of this strategy, we want to ensure they remain as independent as possible and have a home that allows them to meet their own outcomes. A person's living environment extends beyond their home. Enabling people of all ages to live healthy and successful lives requires neighbourhoods with suitable physical, social, and community environments.

You will see that our aims of getting the current care and support estate fully appraised and ready for the future, along with an ongoing dialogue with current and potential tenants will allow us to "connect the dots" between what people would like and what our estate can offer.

As this strategy describes the current care and support estate has developed in a slightly disjointed way, we believe taking our current and potential future specialist accommodation tenants with us on a development journey will mean wishes, preferences and ultimately outcomes will be met.

We will continue to work with people and organisations to develop different and innovative homes across all groups, that will enable people to have choice and means they can live as independently as possible.

There are likely to be models of care and support that have not been designed yet that we would want to commission or support during the life of this strategy.

2. Introduction and Purpose

Welcome to the Kirklees Specialist Accommodation strategy, this document forms part of the overall [Kirklees Housing Strategy](#); and specifically covers people that the local authority and our health partners support in a home that has been designed to meet the particular needs of different people in their homes, so that they remain independent.

We believe supporting people to live in communities is important. We also want to reduce the number of people living in formal care settings, by increasing the range of smaller, community integrated and non-institutional style housing options available to them. We will also work with our NHS partners to reduce the incidence and duration of hospital stays. However, there will always be people who require some form of specialist accommodation commissioned or funded by the local authority who are not able to live in adapted general needs housing or may have care needs that cannot be met by community support or home care.

The changes in the needs of people over the period of this strategy will drive development and demand for specialist accommodation based and other care support. How people currently or wish to live will also affect demand and types of accommodation required, more people are living alone that they were 20 years ago. As the population ages there are likely to be more people living with long term conditions that require support or home modifications so that they can remain independent.

This strategy outlines how we intend to address the shortage of specialist accommodation and also outline our longer-term plans that will fulfil the aims of this strategy. There are specific details about types and volumes of accommodation we believe are needed for each care group, and an overall action plan at the end of this strategy. We are of course aware that new models of accommodation are likely to emerge over the duration of the strategy, we will keep a close eye on innovation and developing tastes and attitudes and modify this strategy.

Our Children's improvement plan and other strategies listed within the strategy outline our aspiration that children and young people who we are parent's for, and those with special educational needs and disabilities live and are educated in Kirklees. It is our ambition that every child has a local placement whether that be care, education or both and that their needs can be met in their own communities.

The strategy has been developed alongside our adult [vision and values for adult social care](#):

We want every person in Kirklees who needs social care to be able to live the life that matters to them – with the people they value, in the places and communities they call home, and with an equal voice in co-ordinating their care.

Our Adult Market position statement (linked below) is also a useful source of intelligence.

3. Our overall partnership vision and outcomes



3.1 We're Kirklees

We're Kirklees is the way we describe the next phase of our journey to change the way we work, whether that's internally within the council or with people and our partners, to make Kirklees an even better place to live, work, visit and invest. The we're Kirklees approach is built around 3 key principles which will be at the heart of the way we work and deliver services.

Working with people not doing to them

Working together with people and our diverse communities to solve problems and make the most of opportunities is at the heart of the way in which we will work. We want to remove barriers so that we can develop solutions together and engage people and build relationships based on trust to create positive change. We recognise the importance of tailoring the options that are available to meet the requirements of a range of groups and communities. It is our role to facilitate and enable, to create the right conditions for improving opportunities and outcomes.

This means also putting people at the heart of the decisions that might affect them and supporting local democracy and councillors in their community leadership roles.

The council has a unique role to play in supporting vulnerable adults. We are developing different ways to help people live independent lives for as long as possible, especially by enabling people to stay well and healthy. This means that as people get older, they can look after themselves using more of the support already available to them in their community. An important part of our work is preventing problems before they happen and helping people get back to living the way they want after a period of illness or injury.

Working with partners

Businesses, the voluntary and community sectors and public bodies all have a part to play in achieving our shared outcomes. We are stronger when we share our knowledge, skills and resources, and we will continue to work together, for the wellbeing of all Kirklees residents.

Place-based working

Place-based working standards helps us translate our principles and outcomes into action and impact. The people and places of Kirklees are complex and varied. We're home to very different places, and people identify not just with communities but with causes, creeds and interests.

This diversity is one of our strengths. Increasing our understanding of our differences, and also what we have in common, provides us with an opportunity to give a voice to every citizen, and work in different ways that draw on our diverse strengths, to enable people to prosper.

Our councillors really understand the diversity of Kirklees. They are important community leaders and much of their time and energy is invested in working closely with the citizens and communities they represent. Councillors develop dialogue and networks in their wards, helping to connect communities and support residents to improve their own lives, independence and wellbeing.

The grass-roots level is where real change can be delivered that makes a difference to people's lives. Making the most of the assets to be found in our diverse places and continuing to develop the capacity of citizens and communities, will support self-help and independence, address inequalities and improve outcomes.

4. Our strategic objectives for specialist accommodation

Our new approach to specialist accommodation is radical, but necessary. In the past we have taken small steps with regard to developing specialist accommodation locally, being more reactive than proactive. We also lacked a robust approach to the public estate and unpicking the barriers and delays to creating new developments.



We are clear that there are a series of **short term issues** that need to be addressed to unblock or manage issues within specialist accommodation locally. This includes assessing the impact of COVID-19 on the accommodation market and understanding the impact upon future demand numbers.

We want accommodation to be **appropriate**, having and developing accommodation that means individuals are as independent as possible, for as long as possible. We are firmly committed to shaping accommodation requirements with individuals. This includes for instance working with particular groups such as older BAME people to develop culturally appropriate homes, and with people and their families where very bespoke support solutions are needed. We recognise that people's needs change, we also recognise that people sometimes need to move so their needs can be better met, in the short term or longer term.

We want accommodation to be **local**, we are clear that placing people a distance away from Kirklees may not generate the best outcomes for individuals. We need to develop local capacity so the specific needs of people likely to be placed out of area can be met in Kirklees.

We want specialist supported accommodation to be **affordable**; we recognise that in the past we have placed people in more traditional care settings because it has been the only option. We have begun and will continue to develop in partnership with our provider market better value, better outcome models of care that are more flexible. We are also developing our own capital activity much of which supports the objectives of this strategy.

We want accommodation to be **sustainable**. Attitudes and models of care and support continue to evolve. We need accommodation that is more flexible and can change to meet needs that are different to those that might have been foreseen when a development was started. This may include things like eco-friendly design approaches to accommodation and people with different care needs living in one development or one series of developments.

4.1 Technology and specialist accommodation

Connectivity and the ability to adapt homes as needs change, to maximise technology, live independently, access services, travel easily and socialise – will be particularly important as the population ages. Levels of connectivity can determine work, education, health and care outcomes. Beyond the ability to physically travel, new technologies and digital tools have an increasingly important effect on a person's ability to stay safe, independent and interact with the world around them. Barriers to physical and virtual connectivity create issues for individuals and society. Technology will play an increasingly important role in providing accommodation-based care and support across the life course of this strategy and is woven into each of the objectives of the work and dovetailing with the [Kirklees Technology Strategy 2020 – 2025](#) throughout.

While technologies that assist in health and social care could be significant contributors to the growth in expenditure in the short term, they could potentially reduce costs significantly in the medium and long term.

Over recent years we have seen the costs of previously expensive technology coming down in price. We expect this to be a growth area, particularly as people who have grown up with increased integration of technology require care and support move to be more independent. The inclusion of technology and digital solutions cuts across the strategic objectives of this strategy.

People need specialist accommodation, but with the likely impact of climate change, it is important that accommodation is built in ways that provide benefits for both residents and the environment.

Through the work of this strategy we plan to make a significant shift to specialist accommodation that use resources more efficiently. Our view is that this would improve the quality of the built environment, create better places for people to live, and improve and protect the environment. However, building specialist accommodation to higher than usual resource efficiency standards may entail additional costs. We will work with develop to incorporate measures to: improve water and energy efficiency, reduce domestic waste generation, and improve the overall resource efficiency of new developments and their infrastructure. More details around this is covered in the [Local Plan](#) and other strategic planning documents.

Children and Young People cared for by the local authority

5. Introduction

Our long-term plan for children and young people is to enable families to stay together when safe, to increase foster placements with local families, and to listen more to our children in care. We take our role as corporate parent for our children in care very seriously and wish to provide them with the best possible childhood experiences and start in life. This will be reflected in the places that our children live and the way they are supported and cared for.

Our ambition is to see fewer of our children and young people living outside Kirklees. Where children do need to live in a children's home, it will be in smaller homes that look and feel more like a normal family home.

We will ensure that our children have the appropriate support in place to reduce isolation and the risk of exploitation.

Local Authorities along with the co-operation of partners have a statutory requirement under the Children's Act 1989 "the sufficiency duty" to: *Secure sufficient accommodation for looked after children plus to take earlier preventative action to support children and their families so fewer children become looked after. Also, consideration must be given to the needs of children in need who are at risk of care or custody.*

The following commissioning principles will support our future sufficiency:

- High quality cost effective early support and preventative services should reduce the need for costlier later interventions.
- Accommodation placements will be needs led to ensure that children in care achieve the best possible outcomes as they grow up.
- Young people will usually live in a family setting if that is in their best interests. The use of children's homes will be kept to a minimum.
- Unless it is not in their best interests to do so, children in care will normally be placed within 20 miles of the Kirklees Boundary.
- A range of community embedded provision and support will be available to meet the needs of children looked after at the age of 16 and 17, and continuity of accommodation beyond the age of 18. All of this provision must be appropriately registered and regulated.
- Accommodation will be stable, good quality and cost effective.
- We will take a place-based approach to ensure that all homes are integrated into the local community

5.1 Defining types of accommodation for Children and young people cared for by the local authority

Connected Persons Care accommodation - Residence Orders or Special Guardianship Orders. The Local Authority may place the young person with extended family or a family friend. This may be a short-term solution to allow the young person to remain with known people, and to encourage reintegration into the family home.

Foster care accommodation - Internal Local Authority or Independent Fostering Agency (IFA). The Local Authority may place a young person with a foster carer as part of their family; They may live alongside the foster carer's own children, or other children who are being fostered by the same family. Foster care enables children to remain part of a family and a community and where appropriate will be near the child's school, friends, family and hobbies.

Children's Homes the Local Authority may place a young person within a children's home if the child's needs can't be met within a foster family. This is commonly where children stay in a home with several other children. The young person will be allocated a key worker who will oversee their care and help them to make progress in all aspects of their lives; there will typically be a team to parent the children throughout the day and night.

Supported Lodgings. The aim of supported lodgings is to offer semi-independent young people the opportunity to live in the home of an approved person who will help them prepare for independent living. This will be a safe and supported environment where a young person can develop the practical skills, confidence and emotional maturity to move on and cope with living independently.

Most of the young people placed in Supported lodgings will have been living in care, some may have been homeless, or at risk of homelessness. They will all be 16 or older and encouraged to be engaged in, or actively seeking education, training or employment.

Supported lodgings providers offer opportunities for young people to develop the life skills and confidence needed to move onto independent living. They provide a spare room and some meals for each young person, but also support and assistance - to make a difference.

Semi-independent living accommodation. There are a range of supported accommodation options which can offer different services and varying levels of support. This type of provision is for young people age 16 and 17 who are moving towards independence and need support not care. The types of provision used include small group living provisions and supported tenancies for young people who are the most independent. The levels of support vary and are determined based on each individual young person's needs.

Kirklees Council also has 2 support hubs for young people, No.11 in Huddersfield and No. 12 in Dewsbury. Support, help, advice and independence training are available.

Disabled children in residential respite care. Respite services provide a break for parents of children with disabilities enabling them to have a rest, spend time with their other children or do things they wouldn't normally be able to do. The need for overnight respite care is determined by a short breaks plan which identifies what type of respite is appropriate to meet the whole family's needs. Respite can range from 1 night to a maximum of 75 nights per year.

Children living in accommodation because of an education need. There are a small group of children who require accommodation connected to a specialist education setting which is not available locally.

6. By 2030.....

We will have an extensive and highly skilled pool of local foster carers who are able to meet a wide range of children's needs. This includes caring for children with disabilities, children who are very vulnerable, children with complex needs and those with more challenging behaviours. The type of foster placements will include emergency placements, sibling placements, mother and baby placements, remand placements and placements for children who are at high risk of exploitation. Children will be matched long-term with their foster carers giving them permanence in their lives and the ability to progress and achieve in their education, health, hobbies and family time.

Foster carers will come from a variety of different communities and cultures meaning that children are placed with foster carers who understand their identity and can promote it positively.

Social workers will have a choice of foster placements for the children and young people they are responsible for and will be able to choose the right placement for their child.

We will provide good quality support to foster carers to manage more challenging placements ensuring they have access to a clinical expert and agreed levels of respite to ensure longevity of the placement.

Supported Board and Lodgings carers will provide placements for children from 16 years old into adulthood where needed. They will play a key role in supporting care leavers who are not yet ready for independence.

Children's Homes will be smaller and homely replicating a family home as much as possible. They will be in high quality buildings purpose built or bought with highly skilled and committed managers and staff teams who have experience of looking after children whose needs mean that they need residential care to make progress in their lives. The care provided will be clinically informed by regular clinical input into children's behaviours which is flexible and responsive to need.

We are making a significant capital investment to add capacity to our children's homes for children with disabilities and children with emotional and behavioural difficulties (EBD). We have already bought a property for use as an EBD home; our future plans include working with our children to co-design a new-build children's home. This will include involving young people to learn new skills by being involved with the construction process.

Our residential disability short breaks service will be co-located with our daytime provision and new education provision supporting children with learning and physical disabilities. This will be an excellent resource which is purpose built and will offer a richer experience to children on short breaks plans.

Semi-independent provision will be regulated meaning that children who need this type of provision will be in provision that is independently quality assured by a national body.

We will focus on accommodation options for care leavers (over 18) to help them make the successful transition into an independent adult life. The accommodation available will ensure that care leavers who are not yet ready for full independence have a range of options where they can continue to develop independence skills whilst being supported appropriately in the community.

7. Key activities

- Recruit and retain a larger number of Kirklees Council foster carers reducing the reliance on Independent Fostering Agency placements
- Specifically recruit certain types of foster carers i.e. long-term carers, emergency carers, remand carers and carers for disabled children.
- Build a new children's home involving children in every aspect of the process
- Build a new short breaks disability residential provision co-located with other services
- Focus on a wider range of accommodation options for care leavers

8. Understanding current accommodation supply

Kirklees currently provide accommodation via several different delivery/purchasing arrangements. Kirklees have council run children's homes, foster carers and connected foster carers. The balance of placements is individually commissioned from the private sector and third sector via the Yorkshire and Humber regional framework contracts (White Rose), via the Kirklees 16+ Supported Accommodation framework or by spot purchasing directly from providers.

9. Understanding Future accommodation demand

The growth of family settings will be our priority to enable the majority of children to live in an environment that is as close to being at home with their family as possible.

Specialist accommodation for children with complex needs and disabilities needs to be more bespoke and enable children to be cared for within a group setting, but with their own space and facilities so that complex behaviours can be managed without having an impact on other children. Assistive technology will play a much greater role in caring for these children

We intend to increase internal residential capacity by building and buying new high-quality homes to enable our children to live and be supported in Kirklees.

What this means for the market:

We see opportunities for small scale children's homes and semi-independent accommodation as part of existing communities and new larger developments across Kirklees.

There are opportunities for larger homes for family placements to be developed as part of general needs housing.

Children and young people with Special Educational Needs and Disabilities

10. Introduction

In Kirklees we have a number of children with special educational needs who require both specialist accommodation and education provision. We want all of our children to feel valued and to have the best facilities and opportunities available to them. Our aim for this group is that they are at the centre of their holistic support planning, they are able to live in appropriate accommodation locally and are able to be educated in local schools.

We are working hard to ensure there is the right balance of accommodation and educational provision for this group, at the time it is required. There are instances where accommodation is available locally, but specialist education placements are only available away from Kirklees, this is being addressed through the development of sufficient specialist educational provision locally.

There are more details about the long-term vision and plans for children and young people in the Kirklees sufficiency plan, Corporate Parenting Strategy and SEND sufficiency master plan.

In Kirklees we currently have a mixture of council run and private sector homes and respite facilities for children with SEND. We intend to develop new, high quality homes and facilities to ensure that children can thrive, develop and become as independent as possible.

The following commissioning principles will support our future sufficiency:

- For young people with Special Educational Needs/High Needs, where possible, they will live in Kirklees, have their needs met by local health & support services and receive their education in local schools.
- High quality cost effective early support and preventative services should reduce the need for costlier later interventions.
- Accommodation and education placements will be needs led to ensure that looked after children in care achieve the best possible outcomes as they grow up.
- Young people will usually live in a family setting if that is in their best interests. The use of children's homes will be kept to a minimum.
- Accommodation and school places will be stable, good quality and cost effective.
- We will take a place-based approach to ensure that all homes are integrated into the local community

11. By 2030.....

We will have developed local sites to provide modern homes that our children will be proud to grow up in. This includes sites for specialist accommodation for those with the most complex health, educational, and emotional and behavioural needs.

We will provide local wrap around support for our children to ensure their wellbeing. This includes activities and leisure opportunities, mental health support and education.

We will also have a detailed understanding of the impact of keeping children in Kirklees on local education placements and health care services and the investment and approach needed to manage this.

We are making a significant capital investment to add capacity to our children's homes. This will include both the adaptation and refurbishment of existing homes and the construction of new, high quality homes. This work will change the way that children with complex needs are cared for in residential care including better use of assistive technology and a homelier environment that still lends itself to good infection control.

We will provide effective 'step down' facilities for children and young people who require a high level of support with mental health, learning difficulties and autism.

We will provide a 'safe space' for children and young people in times of crisis.

12. Key activities

- Identify sites to build new homes and respite facilities to meet the needs of children with SEND.
- Refurbish and develop existing buildings and facilities to a high standard.
- Address the identified increasing and unsustainable pressure on the existing special school places across the borough and across all types of SEND. This will allow us to balance the education and accommodation requirements of children in this group.
- In addition, some of our existing special schools in Kirklees are generally at or over capacity and some of our existing buildings and sites present challenges in terms of suitability. More details around this are covered in the sufficiency master plan.

13. Understanding Future accommodation demand

To build on our ambition for all children and young people in Kirklees to achieve well by getting a good education and to go to school as close to where they live as possible, we want to balance the accommodation and education offer so children do not need to leave Kirklees because of an education need despite there being appropriate accommodation locally. This will require a range of accommodation options which will be detailed through the actions of this strategy and other plans outlined above.

What this means for the market:

There are opportunities for a range of education provision to be developed to stem the outward flow of children and young people being placed educationally outside Kirklees despite accommodation being available locally.

There are opportunities for a range of specialist homes and facilities to be developed to enable children with SEND to access high quality provision locally.

Adult and Older People National Context

A great deal is changing in health, social care and housing and there are significant challenges ahead. Budget reductions, demographic pressures, technological change, and changing expectations of consumers have resulted in a need to re-think the way specialist accommodation markets operate.

The UK population is growing in size and more people are living longer. The demand for support services is therefore rising, as more adults with long-term and multiple health conditions and disabilities are living longer.

In particular, the number of adults aged 85 or over, the age group most likely to need care, is rising faster than the population as a whole. The overall UK adult population grew by 8% between 2009 and 2019, while the number aged 85 or over rose by 25% in the same period.

The advances over recent decades in medical science, diagnosis and treatment of progressive disabling conditions, has meant that there are increasing numbers of people with complex support requirements who are living much longer in our communities. Successfully meeting this demand will mean changes to how accommodation and care models operate.

For a number of years public policy has encouraged greater personalisation for those in receipt of care and support. This policy drive will continue, particularly in light of the Care Act that came into effect in April 2015. The Act fundamentally reformed the law on adult social care, placing a stronger emphasis on prevention and wellbeing, information and choice, support for carers, and market oversight.

Regulation has also altered over the past few years and will continue to evolve across adult and children's accommodation. CQC having recently updated their registering right support guidance to say that they expect providers to show how their service meets the needs of people in line with best practice. If they do not follow best practice in any way, they must provide compelling evidence that demonstrates how their approach will deliver appropriate and person-centred care. We support genuine innovation where providers can demonstrate that their model aligns with the service model and positive outcomes can be achieved.

The Regulator of Social Housing (RSH) and LGA¹ has also been engaging with providers of specialist supported accommodation whose business model is predicated on taking long-term leases from property funds, to establish whether the issues with provider risk are replicated elsewhere. As a result of this work, the RSH has published a number of regulatory judgements² and notices where it has identified concerns about the governance or financial viability of these providers.

¹<https://www.local.gov.uk/specialised-supported-housing-guidance-local-government-and-nhs-commissioners>

²<https://www.gov.uk/government/publications/regulatory-judgements-and-regulatory-notices>

14. Defining Adult Accommodation Types

In order to understand this sector, it is important to be clear what sort of accommodation we are talking about. It is important to remember that these groupings are not necessarily separate developments, and multiple groups could be living within a single development.

Specialised supported housing (Group's B, C, E, and F) means³ supported housing:

Which is designed, structurally altered, refurbished or designated for occupation by, and made available to, residents who require specialised services or support in order to enable them to live, or to adjust to living, independently within the community.

Which offers a high level of support, which approximates to the services or support which would be provided in a care home, for residents for whom the only acceptable alternative would be a care home.

Group A – General Needs Accommodation. People living in their own homes (rented or owned), they may have care and support needs, some of these homes have been adapted or modified to better meet people's needs. This group could be receiving **floating/ outreach support** or **home care** to meet their needs.

Group B – Supported Accommodation. A person living in their own home, but the accommodation is grouped together (rented) with onsite support.

Group C – Shared Supported Accommodation. People living in a house/flat sharing with others (rented) receiving onsite support and companionship from fellow tenants.

Group D – Shared Lives. Adults living as part of families that are not their own, this is most commonly used by adults with a learning disability.

Group E – Housing with Support (Sheltered or Retirement housing) for older people some locations have communal facilities and onsite non-care support. They are linked remotely to support through pull cords and other assistive technology; home care may also be supporting people in this setting.

Group F – Housing with Care (Extra Care housing). Extra care units primarily aimed at over 55's are self-contained homes with design and support features to enable self-care and independent living. The principle is to allow people to maintain an independent lifestyle, but they may need some extra care to do that, with extra facilities and services such as personal care, meals and overnight care and support onsite.

Group G - A care home with or without nursing, intensive onsite 24-hour care and support, within this group there are care settings that specialise in the care of different care groups.

³ Social Housing Rents (Exceptions and Miscellaneous Provisions) Regulations 2016 available at: <http://www.legislation.gov.uk/ukxi/2016/390/made>

Older People living in specialist housing

In Kirklees we are seeing the same issues as other areas of the country, our population is changing. There were around 439,000 people in Kirklees in 2019. If the predicted population growth is correct by 2030 there will be 459,600 people in Kirklees, this is an extra 20,000 people, of which 16,300 will be over 65, taking the overall over 65 population to 95,600. Older people living alone also expect to grow by 22% over the next 10 years to just under 32,000.

15. By 2030.....

It is our ambition to increase capacity in extra care which offers better outcomes for many people who live in this type of accommodation. We also expect care home placement numbers to remain relatively static but with shifts towards more specialist dementia and nursing care.

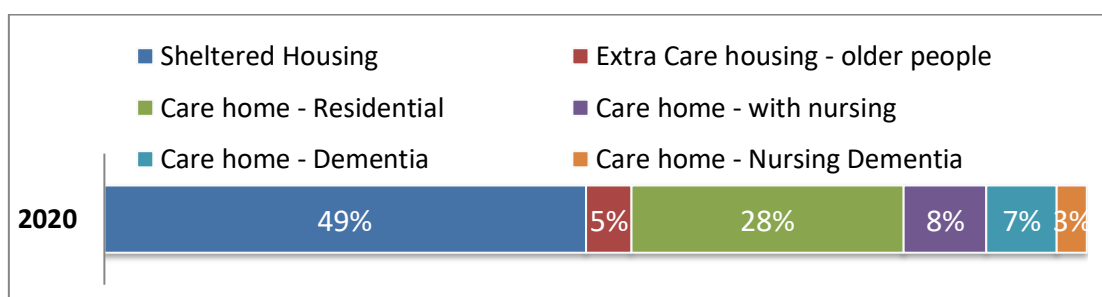
16. Key activities

- Reduce the numbers of people in inappropriate accommodation because of a lack of viable and appropriate alternatives.
- Increase the dialogue with those likely to enter specialist accommodation including BAME and other communities.
- Increase the use of assistive technology to increase choice and control for people.
- Increase extra care capacity.
- Increase specialist dementia accommodation.

17. Understanding current accommodation supply

There are just under 4,000 older people living in the different types of specialist accommodation locally. The current supply of accommodation for older people has its roots in historic models of care where care homes were dominant. We have seen small growth in extra care, however because this has emerged as a care option over the past 5-10 years or, so it is still only a small part of the market. We see extra care growing in market share moving forward because it offers improved outcomes and independence for people.

17.1 Current Market Supply

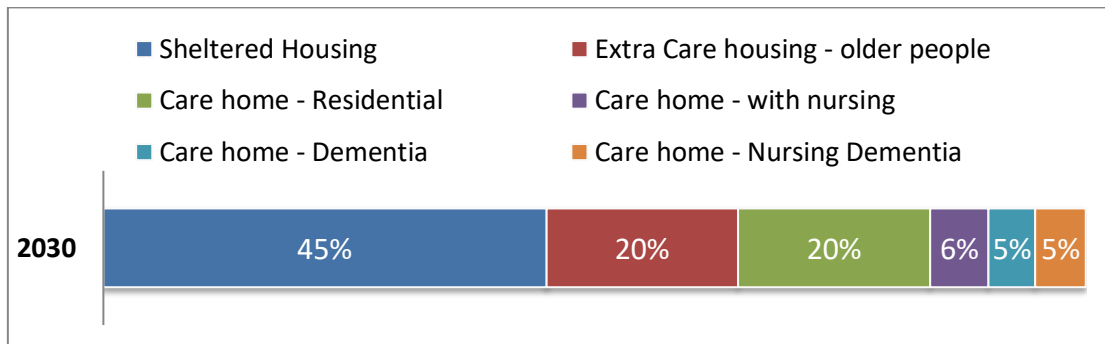


18. Understanding future accommodation demand

Using population forecasts we are able to estimate the likely future demand for accommodation commissioned by the local authority, because we are looking to actively change the future shape of the market by increasing the use of extra care.

18.1 Future Market Demand

This chart shows our ambition for the mix of accommodation by 2030.



What this means for the market:

We are open to a range of accommodation scenarios; however, we do not see care homes growing at the same pace as other parts of the sector, except in dementia nursing provision.

Demand is likely to grow for extra care and sheltered accommodation if the ranges of ownership and finance options are made available particularly to meet the needs of those funding their own accommodation. We will closely monitor the impact of changes to supported people funding and the proposed changes in rent legislation.

We will work with care organisations and developers to establish design principles and support the development of appropriate sites.

There are more detailed forecasts in appendix two of this document, and further demand data will be delivered by the activities of this strategy.

Adults living with learning disabilities

19. By 2030.....

We want more people to be as independent as possible, this means fewer people will live in care home settings. We intend to grow locality based or small site supported and shared supported accommodation options to meet the demand described below. We want to further reduce our dependency on care home placements within Kirklees and in out of area placements; we also want to increase Shared Lives capacity.

We want to maintain a number of short breaks places that can be accessed as people need them. We also want to see increasing numbers of shared accommodation options, people tell us living in small groups as part of a transition to living independently helps them adapt to living on their own.

20. Key activities

- Reduce the number of local authority funded care home placements in Kirklees.
- Reduce the number of out of area care home placements Kirklees Council currently fund.
- Increase significantly the number of smaller, community integrated and non-institutional style local supported living developments.
- Increase the range of independent supported living developments; more specialist clustered flat developments, more disabled friendly developments, more shared home developments.
- Increase Shared Lives capacity.
- Better succession planning with individuals and families for people preparing to leave the family home.

21. Understanding current accommodation supply

There are just under 700 people in this group living in the different types of specialist accommodation locally. Our current supply is too reliant on care home provision; too many people are placed outside Kirklees. We have a significant over supply of care homes in Kirklees beyond what is needed to meet local need, one third of care homes beds in Kirklees have people from other local authority areas placements in them.

There are issues with the age and quality of some care home stock, some care homes opened over 25 years ago and would not meet current CQC registration requirements, and we recognise they are coming to the end of their commercial life. Over the last 10 years national policy has been to support people with a learning disability to live in their own home.

In Kirklees we have seen a wide range of models of accommodation and support develop, the council now supports more people to live in their own home than in a care home, we need to continue to develop more specialist accommodation models to meet growing demand and replace old care home stock.

A special note on Transforming Care:

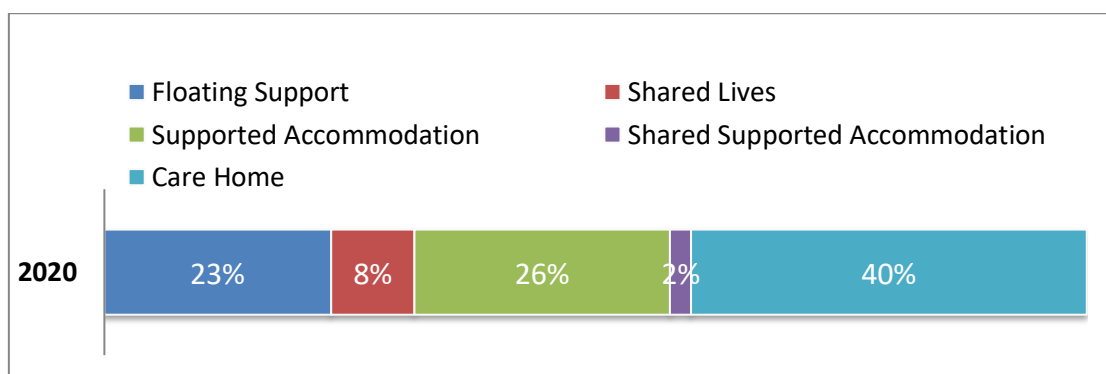
Transforming Care is a national response programme in response to the Winterbourne View scandal, the programme will transform community services to reduce the number of people who access treatment and assessment units or secure hospitals. This programme will be delivered by April 2023; it will be driven by the local Transforming Care Board who will signal to the market the future services required locally.

As part of our local [Transforming Care plan](#); there will be development opportunities for providers to develop high specification bespoke specialist community based complex needs accommodation comprising of Care Homes and supported living.

One of the biggest challenges to deliver this ambitious programme will be the development and retention of a highly skilled workforce to meet the needs of the Transforming Care cohort in a community setting.

21.1 Current Market Supply

This chart shows the current mix of the learning disability accommodation market.



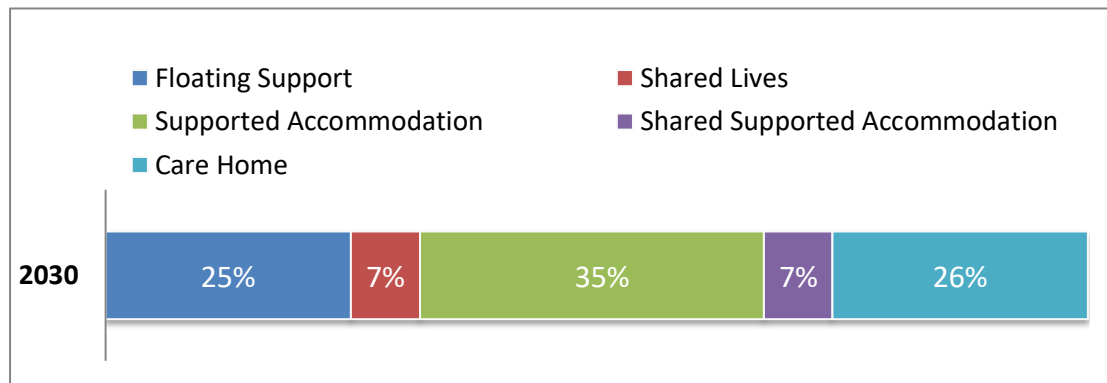
22. Understanding Future accommodation demand

We expect to see the vast majority of people living with learning disabilities being accommodated locally. More people want to live in their own home, often leaving the care of their parents at a much younger age than in the past. We are also seeing increasing numbers of children and young people with disabilities that are likely to require support as adults. (Additional details can be found in our [KJSA SEND Section](#))

We expect the number of people supported to live independently in their own home to increase by at least 100 over the coming five years.

22.1 Future Market Demand

This chart shows our ambition for the mix of accommodation by 2030. You will see significant changes across most care settings, the action plan at the end of this document outlines how this will be achieved.



What this means for the market:

Increasing numbers of people with learning disabilities want to live independently. We want to see smaller individual developments or small developments as part of larger developments in the community, the key to their success will be co-produced planning with people with a learning disability and their families and other stakeholders. We will support the market to develop appropriate supported living accommodation.

Whenever possible this accommodation should provide long term assured tenancies and enable therapeutic care and support. Accommodation arrangements and care and support will be kept separate whenever possible to give people greater choice and control.

Right support, right care, right culture guidance from CQC will impact providers of specialist accommodation, namely:

There is a clear need for the service and it has been agreed by commissioners.

The size, setting and design of the service meet people's expectation and align with best practice.

People have access to the community.

The model of care, policies and procedures are in line with best practice.

There are more detailed forecasts in appendix two of this document, and further demand data will be delivered by the activities of this strategy.

Adults living with mental health issues

23. By 2030.....

We want increasing numbers of people living with mental health issues to live independently. We also see a broader number of cases moving between the different types of accommodation in the diagram below; for instance, people stepping up support if their condition worsens then stepping back down to floating support as things improve. We recognise that these transitions need to be well planned and timely, so the individual is part of the decision-making process rather than having rapid moves forced upon them.

We want to reduce our reliance on residential care but maintain a number of short term places that can be accessed as people need them. We also want to see increasing numbers of shared accommodation options, people tell us living in small groups as part of a transition to living independently helps them adapt and ease the jumps between residential and living alone.

24. Key activities

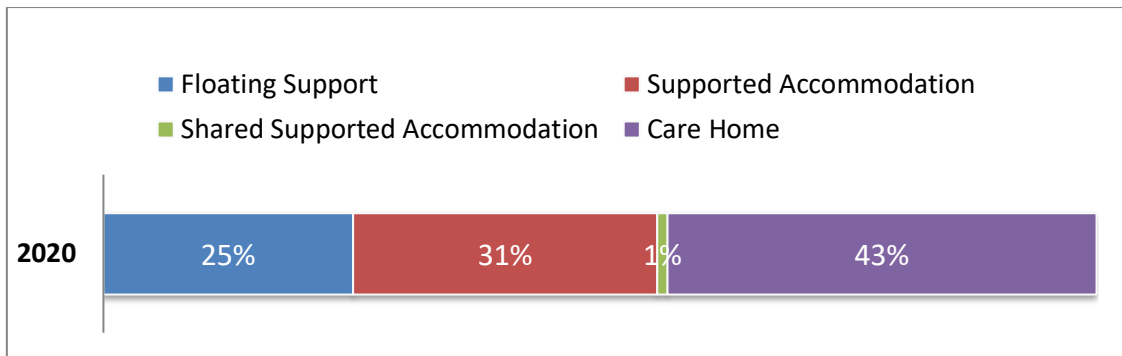
- Reduce the number of Kirklees funded care home placements in Kirklees
- Reduce the number of out of area care home placements in Kirklees.
- Support Kirklees funded out of area residents to return to Kirklees if they wish to.
- Increase the number of smaller, community integrated and non-institutional style local supported living developments.
- Increase in the range of supported living developments; including more specialist clustered flat developments and more early onset dementia friendly developments.

25. Understanding current accommodation supply

There are just under 160 people in this group living in the different types of specialist accommodation locally. There are a number of people with mental health issues that live in residential settings, we believe with a better range of supported living options some of this group could be better accommodated in the community. People living with mental health issues in the community need less purpose-built specialist accommodation. Instead a wider range of support levels including floating and onsite staff better suits the needs of this cohort. There will remain a need for people to periodically access residential support if their condition worsens but it is more of a short term step up rather than a permanent move. The diagram below shows the current shape of commissioned accommodation locally.

25.1 Current Market Supply

The following chart shows the current mix of the mental health accommodation market.

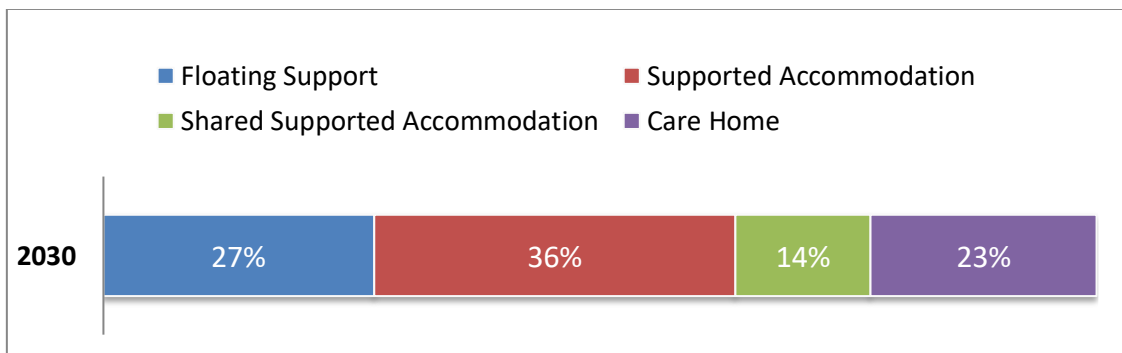


26. Understanding Future accommodation demand

There are likely to be modest increases in the numbers of people requiring accommodation because of a mental health issues locally. At the moment we commission accommodation for around 145 people, we expect this to increase over the next ten years. This may be affected by section 117 and continuing care funded accommodation becoming the responsibility of the local authority.

26.1 Future Market Demand

This chart shows our ambition for the mix of accommodation by 2030. We intend reductions in care home places with supported and shared supported accommodation picking up demand.



What this means for the market:

There is a broad range of provision, but capacity and flexibility are a problem. We are experiencing an increasing demand for flexible supported accommodation across the complexity spectrum.

There is a need for some intensively supported accommodation provision involving 24-hour support; people with forensic history may need this support. This would be a step between regular accommodation and hospital or care home settings, the best model would most likely be small group accommodation.

There are more detailed forecasts in appendix two of this document.

Adults living with a physical or sensory impairment

27. By 2030.....

An increasing number of people with a physical/sensory impairment are starting to recognise that with the right accommodation and support they could live independently in the community. As this develops further, and the need for locally funded care home placements reduce, care homes may wish to consider how they might develop their service to meet the needs of people with a complex/specialist physical/sensory impairment. As with other care groups our ambition is for people to move back to Kirklees who live in accommodation outside the area and increase the number of people who live as independently as possible.

28. Key activities

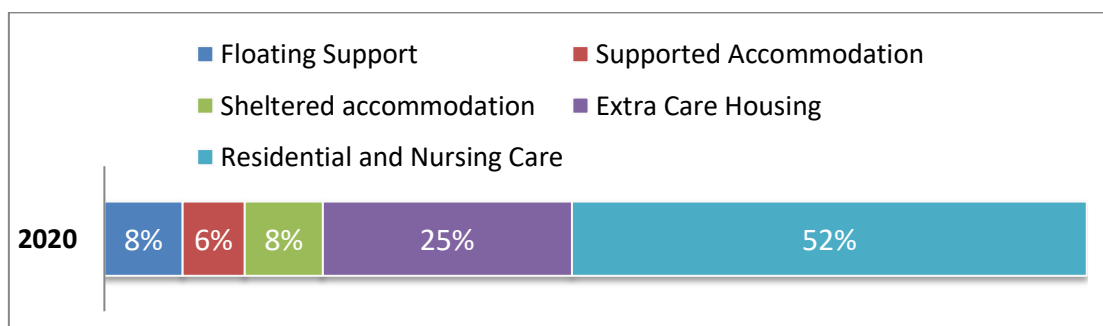
- Reduce the number care home placements in Kirklees.
- Support Kirklees funded out of area placements returning to Kirklees if they wish.
- Increased generic supported living accommodation that includes accessible accommodation for wheelchair users.
- Increased extra care that is suitable for people with a physical /sensory impairment.
- Better plan with people as they plan to leave the family home and parental carers.

29. Understanding current accommodation supply

There are just over 100 people in this group living in the different types of specialist accommodation locally. There are some people with a physical/sensory impairment who live in a residential care setting of which some are there because their own home cannot be adapted. We believe with a better range of supported living options in Kirklees some of this group of people could be living more independently in supported living accommodation.

29.1 Current Market Supply

This chart shows the current mix of the physical disability, sensory impairment market.

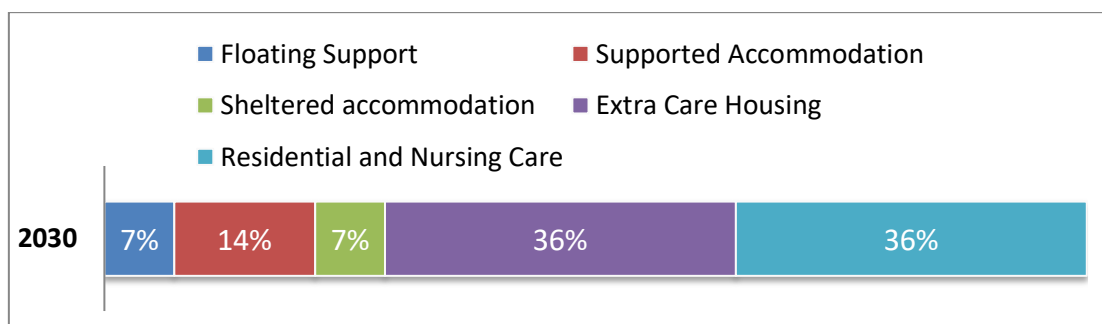


30. Understanding Future accommodation demand

There are likely to be modest increases in the numbers of people with a physical/sensory impairment requiring accommodation locally. At the moment we commission accommodation for around 110 people, we expect this to increase over the next ten years; however, the shift in where people want to live is likely to change significantly.

30.1 Future Market Demand

This chart shows our ambition for the mix of accommodation by 2030. As with other care groups we see a reduced care home offer and increased choice in other settings.



What this means for the market:

There remains a lack of local supported living options for people with a physical disability; some younger adults are living in residential care when they would rather be living independently in the community. The biggest area of demand is supported living accommodation with onsite 24/7 care.

Younger people with a physical disability are developing greater expectations regarding where they live and are increasingly looking at supported living as an option.

Not all people want to live alone; some people with a physical disability would prefer to live in extra care type accommodation.

There are more detailed forecasts in appendix two of this document, and further demand data will be delivered by the activities of this strategy.

Vulnerable adults in need of specialist supported accommodation

31. Context

This part of the strategy covers a wide range of people with varying needs. Some of these needs have previously been considered within this strategy, for example, mental health. Some have short to medium term accommodation requirements, others need accommodation and support whilst stepping down or moving on from more complex or institutional type settings such as prison, the armed forces or the care of the Local Authority and others require support to be able to move away from homelessness and live happy, healthy independent lives within mainstream housing. There are just under 400 people in this group living in these different types of specialist accommodation locally.

Our focus is centred on taking preventative, early, effective and integrated actions with people who are more at risk of becoming [homeless](#). If homelessness cannot be prevented, we will work to enable people to move into a settled and secure home with the right type of support and as quickly as possible, successfully moving on from homelessness.

32. Key activities

- Develop new or re-model existing commissioned accommodation for single homeless adults in North Kirklees.
- Develop a corporate view on supporting vulnerable young adults, alongside any proposed regulation from Ofsted.
- Articulate the current and future support models required for each group.
- Ensure an adequate supply of affordable housing for individuals and the local authority.

33. By 2030.....

33.1 Single people, Couples with no dependent children & ex-offenders

There is an overarching ambition to see an increased supply of more homes, of all types, in Kirklees. We want to make greater use of good quality and affordable private rented accommodation, with the appropriate levels of support needed to ensure that tenancies are successfully maintained, and private landlords are confident in letting to this cohort of people.

We also want to increase the availability of commissioned supported accommodation for single homeless households, particularly in North Kirklees. This type of accommodation not only ensures that people have decent accommodation available to them, but also offers a positive framework which contributes to people achieving more positive outcomes and being enabled to move forward with their lives.

33.2 Homeless families

We want to see an increase in the amount of homes that are affordable and able to accommodate families, including larger family households, in the areas where they need to live. Important factors to consider here include access to and location of schools, family and other support networks, and ability to travel to work or college.

33.3 Young adults

For young adults we want to see a range of accommodation types to support increased wellbeing and reduces the risk of adverse outcomes such as exploitation. This accommodation includes both supported and semi supported independent living. Most importantly we want to see support providers who are enabled and equipped to support young people who present with complex and challenging behaviours which threaten the sustainability of their accommodation and lead to poor outcomes. This type of support builds on the work of council and KNH housing support teams and volunteer based mentoring schemes for young adults.

33.4 People with drug or alcohol misuse needs

Our ambition is that people with complex needs including drug or alcohol misuse coupled with homelessness including rough sleeping are enabled to access a suitable, settled home as quickly as possible with the wrap around and tailored support needed to combat issues such as substance misuse that affect their health and wellbeing. In order to do this, we need to see an increased supply of housing which will offer people the choice of how and where they live for example, within a more group living arrangement or independently with support available.

33.5 People who have experienced domestic abuse

Evidence shows that those experiencing domestic abuse are more likely to face housing and/or homelessness issues, the role of Housing Providers is key to ensure that supported housing and adequate refuge accommodation or support to stay at home is available locally and able to respond to these needs.

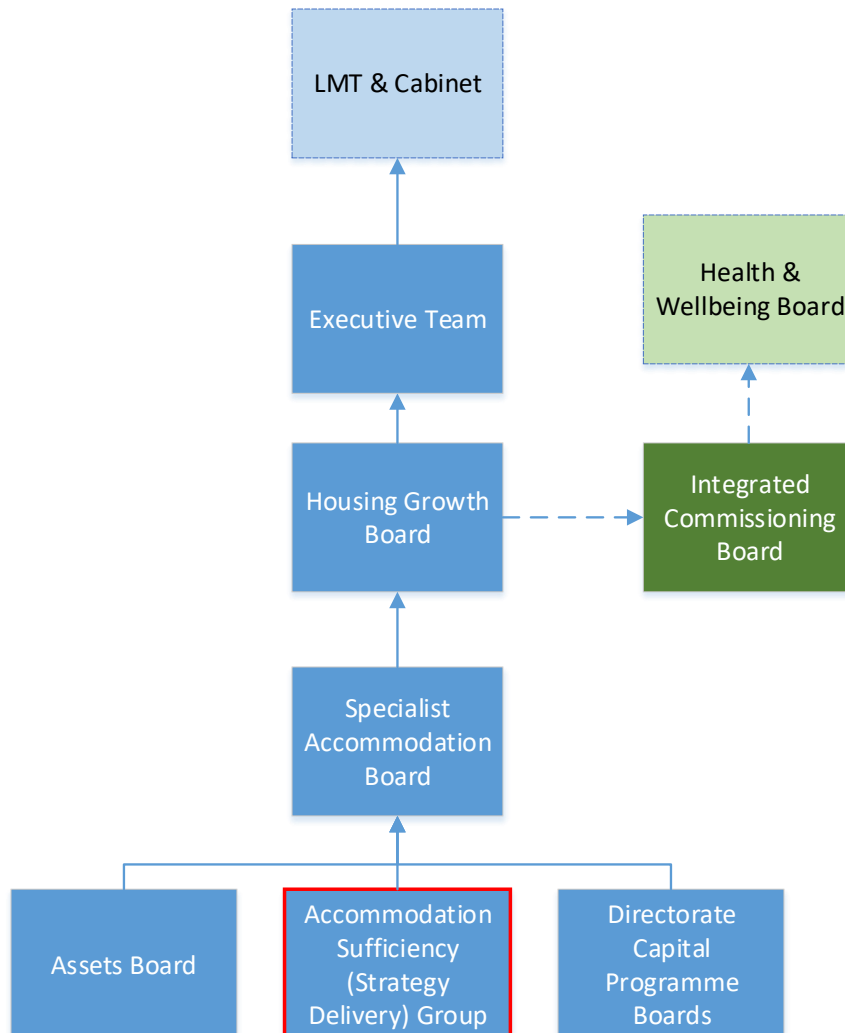
Where it is appropriate and safe for the individual who is affected by domestic abuse to remain within their home and they wish to do so we will continue to implement Sanctuary measures which make the home more secure against the threat of further domestic abuse and violence.

33.6 Adult living with autistic spectrum condition

There are a small number of adults whom because of their autism will require some form of specialist accommodation with support. Some of this cohort because of other needs will be supported in the learning disability or mental health element of this strategy. However, some will require bespoke housing solutions which will feature technology such as virtual assistants to support independence. This is relatively new area which will develop over of the course of this strategy.

34. Strategy Governance & Monitoring

This strategy and plan is held and delivered by the Accommodation Sufficiency group, as the diagram below suggests it report through the Specialist Accommodation Board to the Housing Growth Board and the joint health and social care Integrated Commissioning Board.



34.1 Performance and monitoring

There will be ongoing monitoring of the strategy plan through the delivery group, this will include:

- The progress towards outcomes in each task.
- Numeric progress towards cohort management and developments delivered.
- Annual review of the strategy and its aims.

35. Appendix One – Draft Workplan Overview

A Address short term issues	B Appropriate - Accommodation	C Local - Accommodation	D Affordable - Accommodation	E Sustainable - Accommodation
<p>What we need to do:</p> <p>1 Calculate and manage user profile and risk in the current portfolio</p> <p>2 Actively managing the needs and expectations of those who might require specialist accommodation</p> <p>3 Work much more closely with those supporting disabled and looked after children who might need adult accommodation</p> <p>4 Improve assessment and review capacity to enable people to step down to more independent living where appropriate</p> <p>5 Establish a joint specialist accommodation team</p>	<p>1 Maximise independent living across all care groups</p> <p>2 Articulate the required spectrum and mix of business models for accommodation in each care group locally</p> <p>3 Support care homes to deregister and develop as extra care or supported living accommodation</p> <p>4 Begin and sustain a dialogue with the adult population to understand their long-term accommodation thinking</p> <p>5 Liaise with planning and development to ensure general needs housing is more adaptable.</p>	<p>1 Bring home those placed out of Kirklees, where it is the right thing for the individual</p> <p>2 Use the entire public estate to develop care accommodation</p> <p>3 Explore the range of freehold and leasehold arrangements for sites to be developed</p> <p>4 Articulate and manage risks associated with other LA's placing in Kirklees.</p> <p>5 Connect users and developments into place level plans and reflect required community assets in development plans.</p>	<p>1 Establish clear routes to market for required capital developments</p> <p>2 Move people out of care homes into extra care or supported accommodation</p> <p>3 Instigate care models that ensure care and accommodation costs are robust and of best value</p> <p>4 Develop a response to financial barriers of development such as Sect-106, CIL and business rates</p> <p>5 Establish the right balance of void payments and nomination rights by actively managing the accommodation cohort</p>	<p>1 Develop new accommodation to meet longer term needs</p> <p>2 Ensure the development of more flexible accommodation that change use within its depreciation cycle</p> <p>3 Maximise the use of care and environmental technology in all specialist accommodation</p> <p>4 Develop a robust approach to how people in supported accommodation access health and other services</p>

36. Appendix Two – Adult and Older People Forecast Tools & Models

36.1 Housing Models Explained

There are a number of tools that can help understand potential future demand for accommodation support, they are summarised below and have been applied to the local population across each of the groups covered by this strategy. **These models are likely to be significantly modified as a result of the actions of this strategy.**

Name: SHOP (Strategic Housing for Older People) tool from Housing LIN

Care groups covered: Older People

What it does: The tool originated from the “More Choice, Greater Voice a toolkit for producing a strategy for accommodation with care for older people 2008” which outlined the potential future demand for older people accommodation including sheltered, extra care and residential provision in the public and private sector. It takes national data on demand for various types of accommodation and apply that to the population at a local authority level. This generates a number of units that are likely to be required by the local population.

Name: Housing for older people supply recommendations (HOPSR) Model from Sheffield Hallam University with Cambridgeshire LA’s

Care groups covered: Older People

What it does: HOPSR uses the average of the top 100 local authorities in terms of older people housing supply per 1000 over 75-year olds. It then applies this to the population locally to suggest a recommended level of supply against the current profile. Data is sourced predominately from the Elderly Accommodation Counsel (EAC) which is a known national source of older people accommodation data.

Name: Right Size Model

Care groups covered: Older people retirement

What it does: Using data of national averages of retirement housing suggests a per 1000 rate for the 65+ population in any area.

Name: Kirklees Comparator Group Model

Care groups covered: All

What it does: The idea would be to capture regional and local authority/CCG comparator information by care group and accommodation type. This would allow local, regional and potentially national data to be compared against the current market and the future demand based on population change. It would also mean we are comparing ourselves to authority areas with a similar geodemographic make up to our own.

Name: National Average (England) for accommodation Model

Care groups covered: All

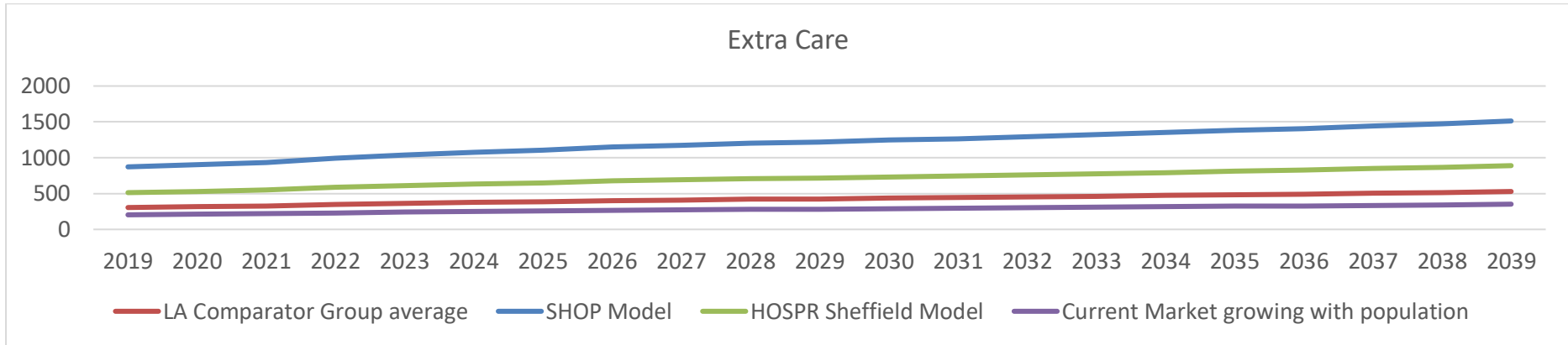
What it does: Using data that came from "Supported accommodation review - The scale, scope and cost of the supported housing sector November 2016" an England average across all care groups has been established against which the local market can be reviewed.

Name: Current Market Population Growth Model

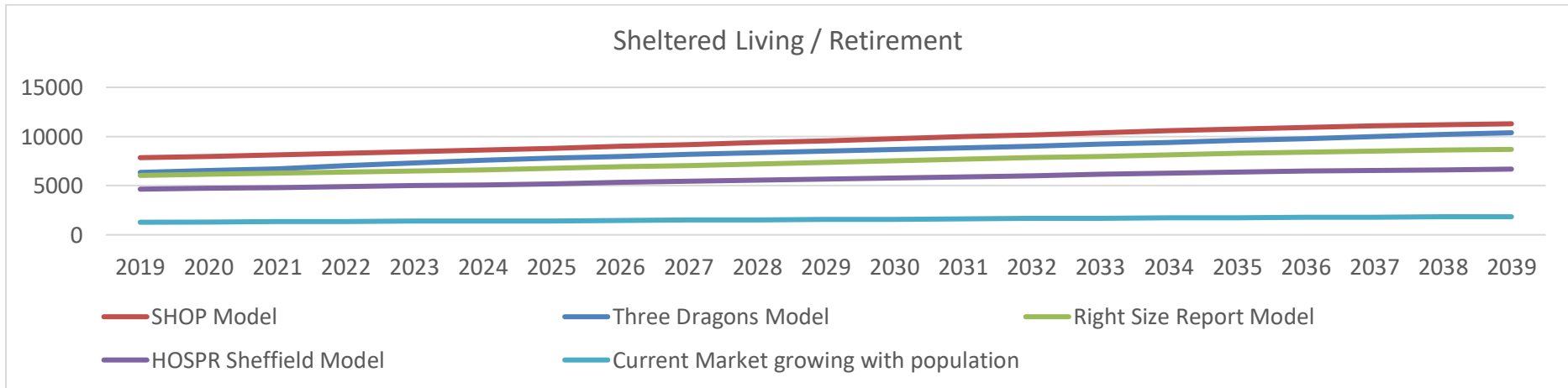
Care groups covered: All

What it does: This would simply take the current market and grow it at the same rate of the predicted population growths in each cohort within the care market. So, in effect we would just keep pace with population and nothing else.

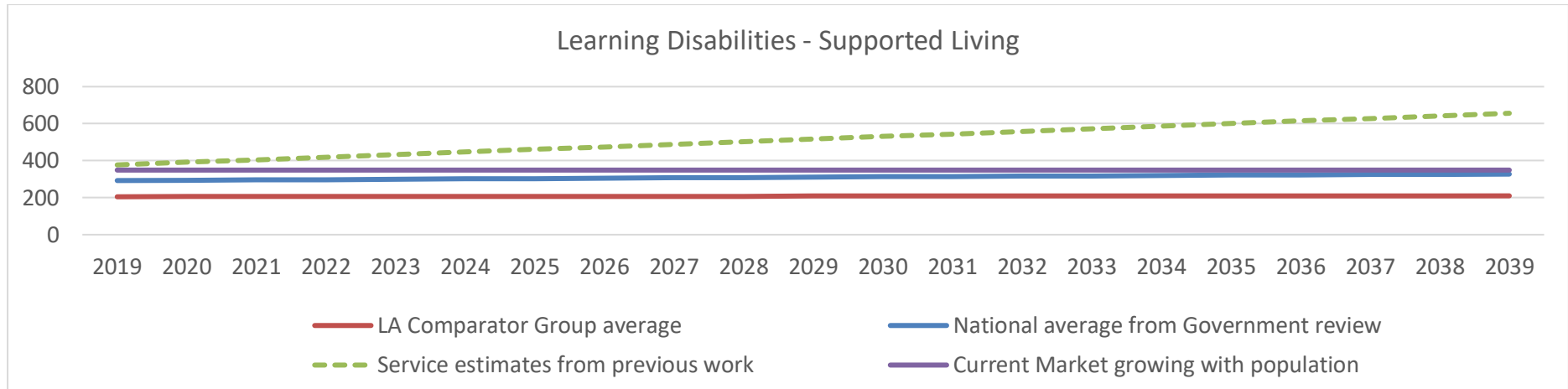
36.2 Models applied to the local population



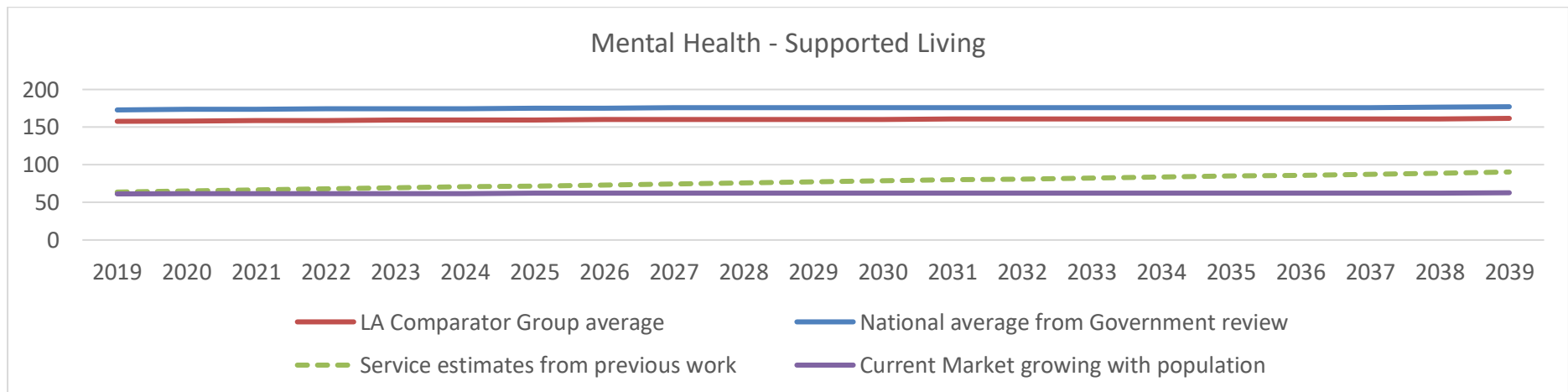
In terms of numbers of units Kirklees trails behind comparators and national models. This gap will continue to grow over the coming years. The local plan to develop 500 units of extra care would put us above comparators and below the HOSPR model.



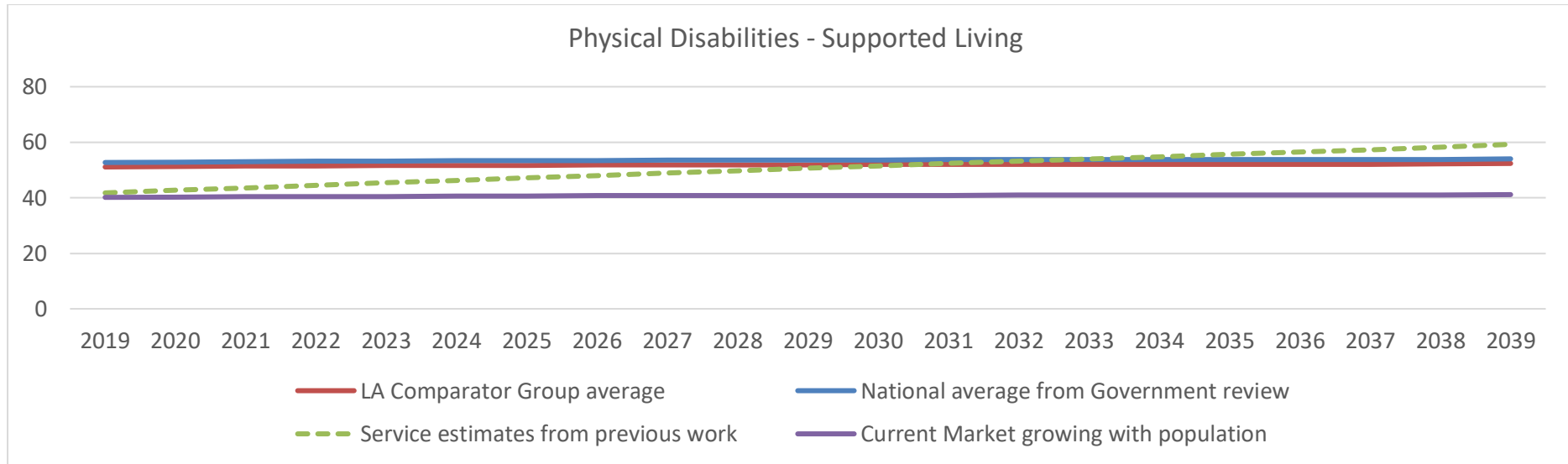
Sheltered and retirement should be looked at alongside extra care, there have been instances locally where a more rounded retirement model would have potentially better suited people who have ended up in local extra care.



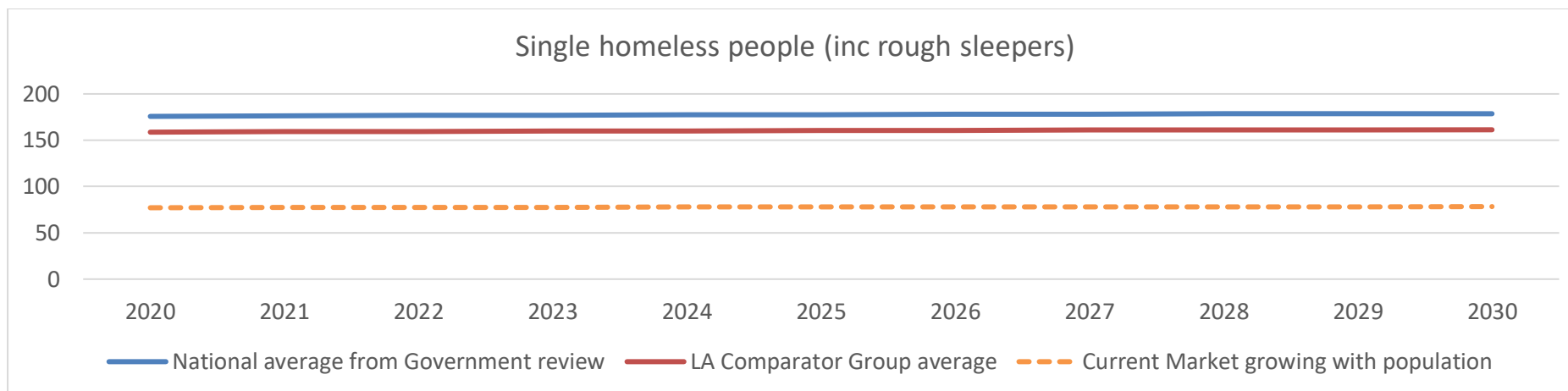
There has been some work locally to add service intelligence to growth trends, it is important to note this is a headline numbers, and a variety of need levels and accommodation types are within this number.



Locally we are below comparator and national trends. There is a gap in provision between more acute settings and lower level supported housing, this is an opportunity and as with learning disability there are sub markets within the headline figures shown in this chart.



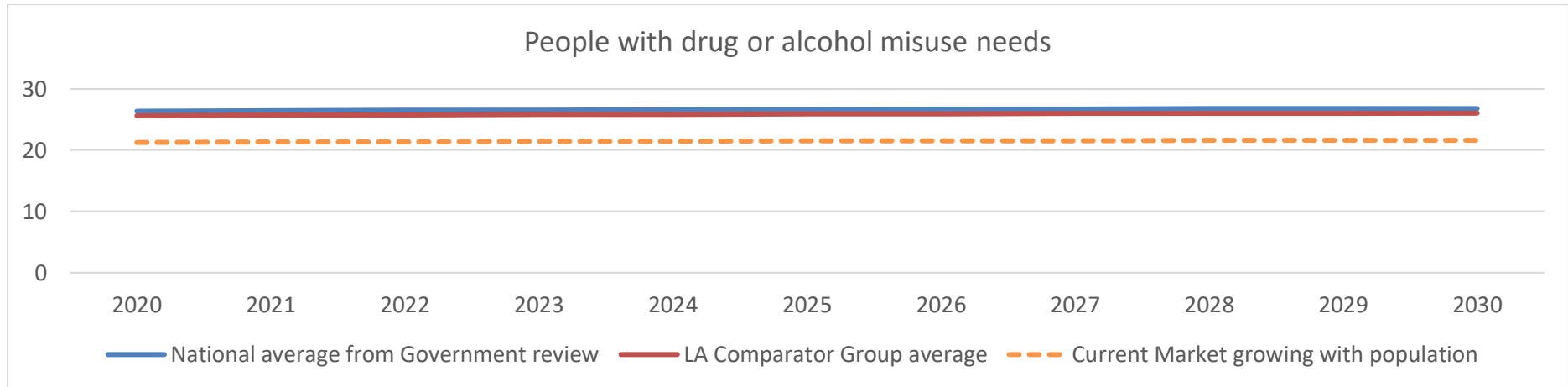
There is growth in the number of units required by those living with physical disabilities, this is due to younger adults wishing to be more independent, and also supported living leading to better outcomes for service users who previously had ended up in a care home setting because no community living options were available. As with all groups the desire to move from a care home model of care to supported community living will create demand in this group.



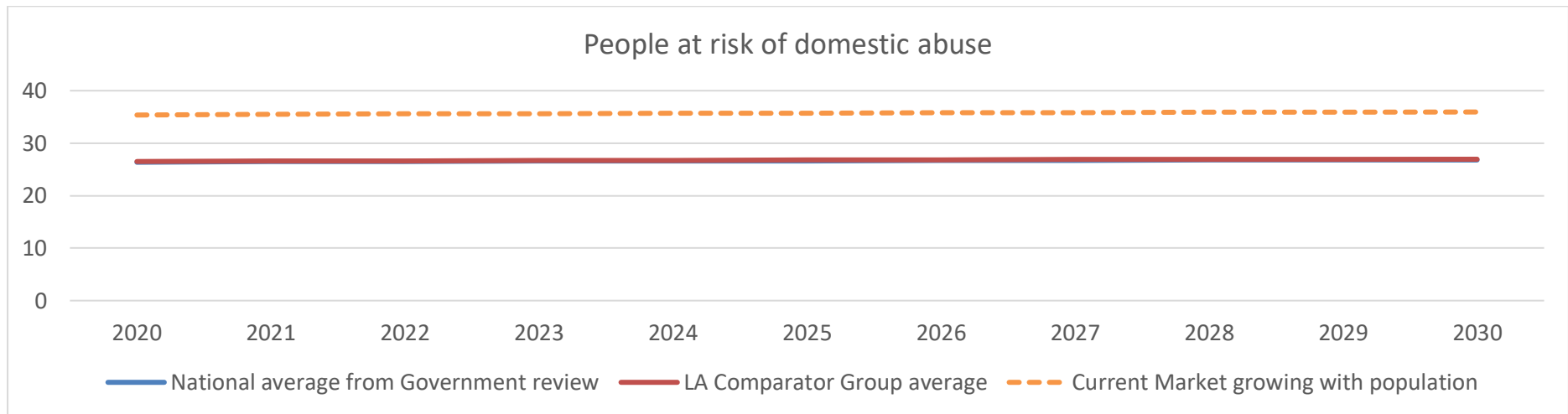
Locally we track well below comparator and national trends for our population, there have been discussions about local need for this sort of provision in north Kirklees. The chart graphically shows this need for around 80 units against other comparators.



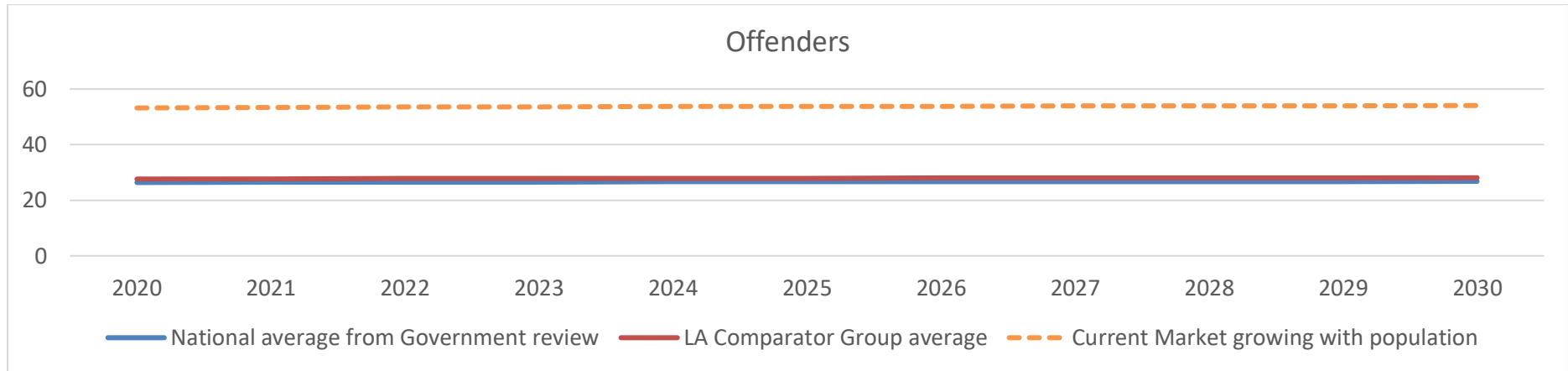
Similar to single homeless people there is a gap between us and comparator trends. There are a small number of specialist units locally, but there are likely to be families in general needs or other accommodation that could be in this group.



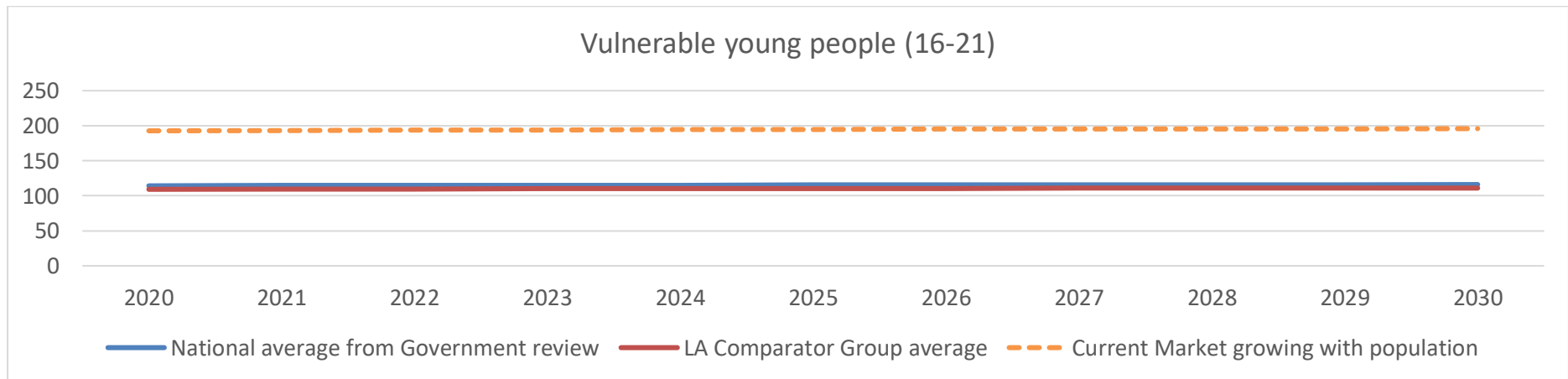
Locally we track slightly below the trends of others, but the variance in units is minimal, and there are likely to be people in this cohort that are in general needs housing.



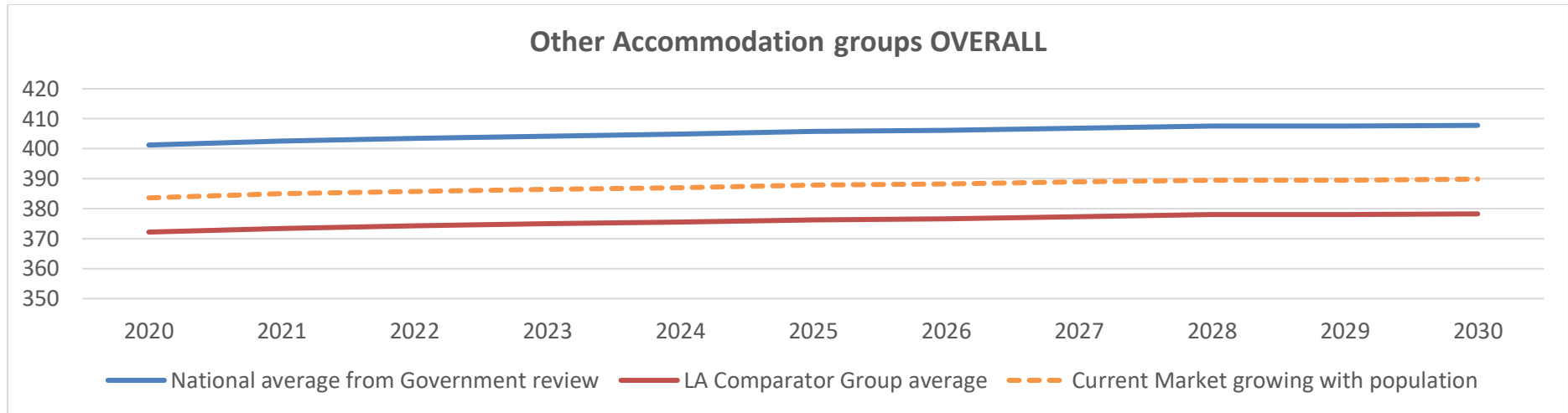
Locally we track slightly below the trends of others, but the number of units and variance is small.



The number of units for this cohort is above comparator groups but is likely to be linked to our proximity to prisons, and again there are likely to be people in this cohort that are in general needs housing.



The number of units available locally is higher than comparators, it is not clear why this is the case. The demand in this cohort is expected to be fairly static providing there are options for people to move into general needs housing that meets their needs.



This chart is the overview of Homeless, Domestic Abuse, Substance issues, Offenders and vulnerable young people. You can see here we are above our comparators but below the national average. As local demand data becomes available we will update these charts.

37. Background Information

Kirklees Adult Market Position Statement

<https://www.kirklees.gov.uk/beta/adult-social-care-providers/adult-social-care-strategies-vision-plans.aspx>

Kirklees - Partners and professionals information

<http://www.kirklees.gov.uk/beta/partners-professionals.aspx>

Kirklees Joint Strategic Assessment

<http://observatory.kirklees.gov.uk/jsna>

38. Useful Contacts

Helen Geldart – Head of Housing

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Stewart.horn@kirklees.gov.uk

Laura Caunce – Head of Children’s Sufficiency

Laura.caunce@kirklees.gov.uk

Simon Baker – Head of Commissioning Partnerships and Market Development

Simon.baker@kirklees.gov.uk

Tony Bacon – Partnership Commissioning Manager – Mental Health

Tony.bacon@kirklees.gov.uk



Name of meeting: Cabinet
Date: Wednesday 16 March 2021
Title of report: Place Partnerships - proposal to improve domestic abuse outcomes

Purpose of report:

To consider allocating funding of £400,000 from the Place Partnership Domestic Abuse themed budget to build capacity, train and equip staff and communities to recognise the signs of domestic abuse and make links to local support networks to help mitigate the impact of domestic abuse.

Key Decision - Is it likely to result in spending or saving £250k or more, or to have a significant effect on two or more electoral wards?	No – spend will take place over 2 financial years
Key Decision - Is it in the <u>Council's Forward Plan (key decisions and private reports)?</u>	No
The Decision - Is it eligible for call in by Scrutiny?	Yes
Date signed off by <u>Strategic Director</u> & name	Rachel Spencer-Henshall – 26.02.2021
Is it also signed off by the Service Director for Finance?	Eamonn Croston – 01.03.2021
Is it also signed off by the Service Director for Legal Governance and Commissioning?	John Chapman on behalf of Julie Muscroft – 02.03.2021
Cabinet member <u>portfolio</u>	Cllr Cathy Scott, Housing and Democracy

Electoral wards affected: All

Ward councillors consulted: All

Public or private: Public

Has GDPR been considered? Yes

1. Summary

Place Partnerships were established at Annual Council in May 2019 and involve a number of wards working together to address strategic issues. Their current themes are to improve mental health and domestic abuse outcomes, with funding allocated to support this.

A budget of £400,000 in total has been allocated by the Council to the seven Place Partnerships in to tackle domestic abuse and build local community capacity and resilience.

The Domestic Abuse funding is pooled across the seven place partnerships to ensure consistent provision and maximum impact across Kirklees, however there is an expectation that delivery will respond to the priorities and needs in each area rather than a universal offer. Accordingly, the funding will be used to deliver place-based improvements across all Place Partnerships. Councillors have also requested that the funding be used for activities that are sustainable without the need for ongoing funding, as this allocation is provided on a one-off basis.

From September to November 2020, the Service Manager for Domestic Abuse and Safeguarding Partnerships consulted with each Place Partnership to determine their priorities for this funding. Overwhelmingly, partnerships identified that they are concerned about:

- How we enable communities to identify and respond effectively to domestic abuse, particularly amid concerns that there is not enough awareness of coercive control and/or that abusive relationships are normalised in some families; and
- The impact of domestic abuse on our children and young people, and how we can support professionals working with families, particularly in schools, to put effective support in place.

The Domestic Abuse Strategic Partnership (DASP) is already planning activities (to be funded through the Domestic Abuse Budget) that will assist with addressing some of these concerns. There will also be opportunities to commission additional support for victims and children through funding provided by the Ministry for Housing, Communities and Local Government, which will be provided to all Tier 1 authorities with the introduction of a new statutory duty to support victims and children in safe accommodation. Kirklees will be allocated £918,922 in support of this work, and MHCLG are currently developing a memorandum of understanding with local authorities to define the scope of this funding.

There is ongoing work to engage communities and to support professionals across the partnership and the third sector that are working with families (i.e. in Pennine Domestic Abuse Partnership's new offer to support victims transition from safety to long-term recovery, Children's implementation of the Formulation Model, Early Support's 'Family Hubs', the new Youth Engagement Service offer and Education Psychology offer around emotion coaching) so it will be key to support work in these areas in a way that complements this offer without adding to its complexity for staff working in the community.

Given this context, and following consultation with the Domestic Abuse Strategic Partnership to ensure the place partnerships' budget can build on and add value to planned activity it is proposed that this funding be prioritised to: -

- Build capacity and train staff and voluntary community sector organisations to identify signs of domestic abuse early, to know how and where to signpost for support so intervention can take place at the earliest opportunity; and
- Equip staff in all our communities to mitigate the impact of domestic abuse on our children and young people, and to support professionals working with families, particularly in schools, to respond effectively to domestic abuse.

Given this context, and to build on and add value to planned activity it is recommended that this funding be used to recruit four Domestic Abuse Consultant and Community Engagement roles on a

two-year fixed term contract, each linked to one of the four place based Community Hubs (not to confuse with school hubs) in order to upskill staff across the partnership and increase their confidence in supporting families affected by domestic abuse; lead on engaging under-represented victims in services; and build capacity and train community assets to recognise the signs of domestic abuse and ensure links are made to local support networks and locally based activity. The four posts will be allocated particular ward areas and each Place Partnership will have a designated point of contact for any queries, recommendations for engagement or project work and/or concerns relating to domestic abuse.

And to recruit a community engagement/communications lead on a one-year fixed term contract to establish place based survivor forums that represent the diversity of victims of domestic abuse and can provide input into our communications activity and messages we give to staff during training; and work with local community groups to increase our communications and engagement activity (i.e. supporting community groups to become accredited with the White Ribbon campaign, which supports men to stand against male violence against women).

Current multi agency response to domestic abuse in Kirklees

The DASP provides oversight of domestic abuse arrangements in Kirklees through delivery of the Domestic Abuse Strategy 2019-21.

As part of the work of the strategy, it is already planning activities (to be funded through the Domestic Abuse Budget) that will assist with addressing some of the priorities identified by Place Partnerships. Specifically, the DASP will be:

- Working with the third sector to review our current branding and communications activity across the Council through a dedicated communication plan, including links to national initiatives (i.e. ask for ANI scheme being rolled out in pharmacies).
- Working with the Youth Intervention Team (that have worked directly with schools to address gender inequality, misogyny and the pressure on young men to be dominant in their relationships with women) to expand on this offer in schools.
- Supporting the Parenting Team to engage with partners in the third sector to implement Caring Dads, a child centred parenting programme aimed at abusive fathers.
- Working with the University to ensure our response to victims, perpetrators and children affected by domestic abuse is evidence based and able to respond to local need; and
- Implementing a programme of skills-based training for professionals across the partnership and in the third sector that work with families to improve our engagement with victims; our understanding of the impact of coercive control on children and young people; and capacity to hold perpetrators to account for their abusive behaviour.

It is also important to note that the Ministry for Housing, Communities and Local Government will be providing new funding to assist local areas to meet a new statutory duty to provide support to victims and children in safe accommodation. It is envisaged that the funding will be provided from the beginning of April 2021, pending royal assent of the Domestic Abuse Bill. The DASP will be undertaking a comprehensive mapping exercise of current provision in the community to comply with new statutory duty and is likely to recommend that the new funding be used to provide ongoing, specialist support to children affected by domestic abuse.

Existing priorities in communities, schools and early help

Through our coordinated community response to Covid-19 restrictions, we have brought together the council, councillors, partners, voluntary and community groups and individual volunteers to offer practical assistance to people in need. Any work undertaken to support our communities to tackle domestic abuse should build on this strong foundation.

Similarly, there is ongoing work across the partnership, including in the third sector, to support professionals working with families. It will be essential to link in with these existing initiatives to

ensure that our proposals complement ongoing work and do not add to the complexity of the offer for frontline professionals. Specifically: -

- Pennine Domestic Abuse Partnership are developing a new programme of work to assist victims of domestic abuse to transition from safety to long term recovery. Victims will be offered a package of tailored 1-1 support that could include economic abuse, honour-based abuse, recognising the impact on children etc.
- Children's Services are implementing the Formulation model for developing a shared understanding of a family's needs. (In those cases where short term interventions have not sustained long term improvements, Formulation aims to better understand why previous interventions did not sustain positive change; and to upskill practitioners to work restoratively with families to develop a shared understanding of their strengths and needs. This can travel with the family into different services and reduce the number of assessments needed).
- Early help is moving to a place-based approach to delivering services, including their 1-1 work with families and prevention work.
- Educational Psychology is currently running a pilot on 'emotion coaching' with those schools that are involved in Mental Health Support Team pilots (39 schools in phase one and an additional 35 schools involved in the second wave of funding).
- Existing provision through Early Support case consultants (working with schools to support professionals and deliver preventative interventions); and Education Safeguarding provide training and support to schools, including with Operation Encompass notifications (police sharing information about incidents where children are linked).
- Community safeguarding to understand the impact of child sexual exploitation on our communities and to ensure our commissioning arrangements and service delivery respond effectively to those affected and support our communities to heal.
- Further strengthening of the community anchor network to build local resilience, using learning from mutual aid groups and the wider third sector, including the development of Communities Champions based within anchor organisations.

2. Information required to take a decision

Given the ongoing work described above, the Place Partnership funding provides a valuable opportunity to better coordinate our efforts and strengthen our reach through the local area hubs. Therefore, it is proposed that the funding be used to recruit four Domestic Abuse Consultant and Community Engagement roles and a community engagement/communications lead, who will: -

- Upskill our staff across the partnership and third sector to increase their confidence in supporting families affected by domestic abuse (establishing 'casework clinics' and support to enable professionals across agencies to receive advice and guidance on a live domestic abuse case; and delivering training to professionals about our approach to domestic abuse in Kirklees and how they can access further support).
- Deliver preventative programmes to support groups in communities /listening circles to build capacity within the community to recognise and challenge abuse behaviour.
- Lead on engaging victims that are under-represented in our services (i.e. Victims who are LGBT+, from BAME communities, disabled, older people and young people); and
- Build relationships, capacity and train community assets to recognise the signs of domestic abuse and ensure links are made to local support networks and provision.
- Establish survivor forums that represent the diversity of our communities and can provide input into our communications activity and messages we give to staff during training.
- Work with local community groups to increase our communications activity (i.e. supporting community groups to become accredited with the White Ribbon campaign, which supports men to stand against male violence against women); and
- Support consultant roles to capture feedback from professionals and the local community to inform further training and learning opportunities.

Further detail about these roles and proposed line management structure are provided in Appendix 1.

The budget required to deliver this work over 2 years is set out below: -

Role/ activity	£220,000 (2021/22)	£180,000 (2022/23)
4 x Domestic Abuse Consultant and Community Engagement roles (grade 10, 2-year secondment)	£169,822	£173,218,
1 x communications/community engagement role (grade 9, 1 year secondment)	£38,270	
Community engagement activity (hosting costs, room hire etc)	£10,000	£10,000
Total	£218,092	£183,218*

*NB: shortfall to be met through domestic abuse core budget

Evaluation

An evaluation framework will be developed to monitor the impact of these roles in the community and on professional practice.

To inform this work, a multi-agency partnership has been established to consider our current response to families affected by domestic abuse, including measuring professional knowledge/confidence in working with domestic abuse, capturing lived experience and service user feedback on their experience of services, and exploring datasets and performance information that can inform this work.

Anticipated outputs

As part of the evaluation framework, we will develop a series of outputs to report on the work undertaken by this staff, including summaries of: -

- Work done with communities to increase knowledge, awareness and confidence in responding appropriately to domestic abuse (including training, events, attendance at established groups and details of other engagement activity).
- Feedback that has been provided by local community groups, people with lived experiences, and professionals working in the community; and
- How collated feedback has (or will be) used to inform training for staff,

We will also review operational arrangements for staff working across Place Partnerships and make adjustments to working patterns (i.e. changing days of work in particular places); places of work; and/or areas to be covered to ensure that each area has equal representation.

It is also envisaged that reports will be fed back to Place Partnerships on a quarterly basis.

Anticipated Outcomes

Kirklees agencies are committed to shared outcomes for people in Kirklees to live in cohesive communities, feel safe and be protected from harm. Key to delivering this outcome, Kirklees is aiming to achieve: -

- A thriving voluntary and community sector; and
- High quality joined up and accessible services which safeguard children and adults from harm.

The proposed allocation of funding under Place Partnerships will support these aims through a number of outcomes, as demonstrated below: -

- Community engagement activity: -
 - Increased number of community specialists that respond appropriately to domestic abuse and can be a champion for the domestic abuse agenda within the community.

- Greater engagement of victims from groups that are currently under-represented in reports to Police and engagement with specialist domestic abuse agencies.
- Changes to operational processes to ensure they are more inclusive.
- Domestic abuse consultancy: -
 - Increased staff confidence in responding to domestic abuse cases
 - Greater family engagement in support
 - Reductions in re-referrals
 - Behaviour change
 - Reduction in reported incidents
 - Reduction in statutory intervention:
 - Reduction in numbers of LAC children
 - Reduction in number the number of children subject to a CPP plan
 - Reduction in the number of children subject to a CIN plan
 - Reduction in inappropriate referrals to the Front Door
 - Reduction in referrals for 1-1 targeted early support

*The consultancy aspect of these roles will also be included in an outcomes framework that is being developed by the Early Support.

Sustainability

Given the one-off nature of available funding, the intention is for these roles to build capacity within the community and in existing services.

The roles will be subject to a rigorous evaluation framework and, following 12 months in post, we will begin to explore options for sustainability, whether that is through accessing other sources of funding to extend the roles or for elements of their work to be 'handed over' to established roles. For example:

- there are a number of Safeguarding Consultant roles within the Early Support Service, and across the system, that will subsequently be able to offer specific advice and support to professionals working in domestic abuse cases.
- community based roles within the council may continue to deliver preventative domestic abuse programmes.
- the DA Strategic Partnership will build on the initial work undertaken by these posts to increase engagement of victims that are currently under-represented (i.e. victims who are LGBT+, from BAME communities, disabled. Older people, male victims or young people).
- established survivor forums will continue to feed into our communications activity and messages we give to staff during training. Coordination of this activity will fall within the Council Domestic Abuse and Strategic Partnerships team.
- local community groups will continue to feed into our communications planning and activity through an established communication working group; and
- the Domestic Abuse Strategic Partnership will have established mechanisms to capture feedback from professionals and the local community to inform further training and learning opportunities.

3. Implications for the Council

- **Working with People**

Place Partnerships and partner organisations via the DASP have informed the need for this programme of support. Through engagement with them their experiences have informed the agreed outcomes and priorities set out in this report.

- **Working with Partners**

The place partnership approach is data and intelligence led and involves stakeholders and partners, including from the third sector, working together to identify the outcomes that are most important and how these could be addressed.

- **Place Based Working**

Place partnerships involve a number of wards working together to address strategic issues. A framework has been developed that utilises data, intelligence and insight, gathered through engagement with partners and stakeholder, that is specific to each place to inform collaborative approaches that will help maximise impact on outcomes in those places.

As previously mentioned, the domestic abuse funding is pooled across the seven place partnerships to ensure consistent provision and maximum impact across Kirklees with an expectation that delivery will respond to the priorities and needs in each area rather than a universal offer.

- **Climate Change and Air Quality**

No change

- **Improving outcomes for children**

This proposal links through the Children and Young People's Plan's ambition for children to feel safe in a loving secure family and a strong cohesive community as outlined above.

- **Other (e.g. Legal/Financial or Human Resources)**

The legal power for grants is section 1 of the Localism Act 2011 (general Power of Competence). Also, the council must when providing grants comply with Financial Procedure Rules contained in the Council's Constitution and in particular FPR 20.7 to 20.13.

Place partnerships have been allocated a total budget of £400K to tackle domestic abuse. This proposal is seeking funding of £400k to build capacity, train and equip staff and communities to recognise the signs of domestic abuse and make links to local support networks to help mitigate the impact of domestic abuse.

Do you need an Integrated Impact Assessment (IIA)?

A stage one assessment has been carried out. This indicated a positive impact and no detriment to the protected categories, and that a stage two assessment is not necessary.

4. Consultees and their opinions

The DASP is a multi-agency group that involves colleagues from the Council and a range of external and third sector partners such as Pennine Domestic Abuse Partnership, Women's' Centre the Police, Locala, Department of Work and Pensions, South West Yorkshire Trust, Calderdale and Huddersfield Foundation Trust and Connect Housing.

The approach and outline summarised above was shared with the DASP at their meeting in December and was felt to complement the work of the partnership and its direct work with communities about recognising domestic abuse and responding to it appropriately was welcomed.

The Chair of the DASP, Jo Richmond, Head of Communities has commented that these proposals provide a welcome opportunity to engage directly with our communities to tackle domestic abuse and ensure that there is collective ownership of our Communities Board's response to victims, perpetrators and children affected by domestic abuse.

5. Next steps and timelines

Subject to Cabinet decision, the Service Manager for Domestic Abuse and Safeguarding Partnerships will start the recruitment process with the aim of commencing delivery by June 2021. An evaluation framework will be developed to monitor the impact of this approach and progress reports will be reported to Place partnerships on a quarterly basis.

6. Officer recommendations and reasons

The Cabinet is asked to approve £400,000 revenue funding from Place Partnerships Domestic Abuse budget to deliver place partnerships priorities to: -

- Build capacity and train staff and voluntary community sector organisations to recognise the signs of domestic abuse and ensure links are made to local support networks and provision; and
- Equip staff in all our communities to mitigate the impact of domestic abuse on our children and young people, and to support professionals working with families, particularly in schools, to respond effectively to domestic abuse.

Reasons for the recommendation – to meet the seven place partnership’s shared priorities that will: -

- Enable communities to identify and respond effectively to domestic abuse, particularly amid concerns that there is not enough awareness of coercive control and/or that abusive relationships are normalised in some families; and
- Help improve the impact of domestic abuse on our children and young people by supporting professionals working with families, particularly in schools, to put effective support in place.

7. Cabinet Portfolio Holder’s recommendations

The Cabinet Portfolio holder for Housing and Democracy, Councillor Cathy Scott, supports the recommendations in this report and would ask Cabinet to approve funding of £400,000 from the Place Partnership domestic abuse theme budget as outlined in section 6 of this report.

Reasons for recommendation - to meet the place partnerships agreed outcomes to build capacity and equip staff and voluntary sector organisations to recognise the signs of domestic abuse, ensure links are made to local support networks and help mitigate the impact of domestic abuse on our children and young people by supporting professionals working with families, particularly in schools, to respond effectively to domestic abuse.

8. Contact officer

Chani Mortimer, Service Manager (Domestic Abuse & Safeguarding Partnerships), email chani.mortimer@kirklees.gov.uk Tel 01484 221000

Vina Randhawa, Democracy Manager (Active Citizens & Places), email vina.randhawa@kirklees.gov.uk Tel 01484 221000

9. Background Papers and History of Decisions

Annual Council 22nd May 2019 – item 7 Ward and Place Partnerships – establishment of place partnerships

10. Service Director responsible

Rachel Spencer- Henshall, Strategic Director Corporate Strategy, Commissioning & Public Health

Domestic Abuse Consultant and Community Engagement roles

It is recommended that these roles each cover designated Place Partnership areas and undertake:

- Case consultation work, to be based in a council owned building in the relevant local area hub; and
- Community engagement work, to be based in an anchor or third sector organisation within the relevant hub.

The proposed line management structure for these roles is set out at Appendix 3.

Case Consultant work

- Being trained in the ‘Safe and Together’¹ model for engaging with families affected by domestic abuse, which is being rolled out across the partnership.
- Offering ‘casework clinics’ to enable professionals across the partnership and the third sector an opportunity to get advice and support on a live domestic abuse case.
- Offer brief (i.e. usually an hour, no more than half day) training on either the Safe and Together model, specific domestic abuse issues (i.e. economic abuse) or our local services; and
- Capturing feedback from professionals on further training or learning opportunities that would assist them.

It is envisaged that this work would identify training needs, barriers to accessing services and/or referral mechanisms that are proving to be problematic for professionals on the front line. Accordingly, there will need to be established processes to enable these consultants to feed into the development of training plans (both across the partnership and in single agencies) and identify where changes in process or approach within particular organisations or across multi-agency arrangements may be required. Responsibility for establishing and overseeing these processes will lie within the Domestic Abuse and Safeguarding Partnerships team.

Community engagement work

- Spending one day a week engaging with local community groups to raise awareness of domestic abuse and ensure links are made to local support networks and provision.
- use community development approaches to enable members of the community to develop collective responses domestic abuse, including interventions which will engage and involve communities and individuals.
- Working with well-placed third sector organisations to improve our reach with victims that are currently under-represented in our referrals for support, specifically:

○LGBT+	○BME communities	○People with disabilities	○Older People	○Male victims	○Young people
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It is envisaged that across work case consultancy and community engagement will identify barriers to accessing services and/or referral mechanisms that are proving to be problematic for people in the community. Accordingly, there will need to be established processes to enable these consultants to

¹ Safe and Together an internationally recognised, evidenced based systems change framework that provides skills-based training and tools for professionals working with families that increase accountability for perpetrators as parents, reduce victim-blaming and improve outcomes for children and families.

feed into the development of training plans (both across the partnership and in single agencies) and identify where institutional advocacy may be required.

The Community Engagement/Communications lead role (articulated further below) will be able to support with collating some of this feedback.

It is envisaged that the officers would stagger their working patterns to ensure that case consultation clinics and professional/community based training activities were available four days a week; and each officer had protected time to reflect on their work, coordinate their activities and collate feedback, as follows:

Officer	Mon	Tues	Weds	Thurs	Fri
Batley and Spen	CC Clinic	Training			Targeted engagement
Dewsbury and Mirfield	Targeted engagement	CC Clinic	Training		
Huddersfield		Targeted engagement i.e. Brunswick Centre	CC Clinic	Training	
Rural			Targeted engagement	CC Clinic	Training

	Case consultant work, including training for professionals		Coordination of activity, reflection work, updating records etc		Community engagement activity
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This timetable is indicative and would need to be flexible to tap into existing community networks/ meetings as required. However, it is envisaged that each officer would dedicate one full day each week to case consultation and 40% of their time to community engagement.

It is envisaged that the roles would meet regularly with each other (and the communications/ community engagement officer) to share best practice, collate feedback from communities and professionals, highlight the need for institutional advocacy and feed into the development of communications activity and training plans.

It is also envisaged that the roles would meet regularly with place partnerships to share, discuss and plan community engagement, provide an opportunity for councillors to feed in local intelligence, issues and opportunities and to update on progress.

Domestic Abuse Community Engagement/Comms lead role

Survivor Forums

This role would establish survivor forums that can inform our activity across the partnership. This role would establish whether we needed to establish more than one; whether specific groups were commissioned for specific pieces of work; and/or how we ensure that the voices of under-represented victims are heard through survivor forums.

In the first instance, survivor forums could provide feedback on our communications activity and be a valuable source of input into the messages that we give to communities.

Going forward, it is envisaged that this role could support survivor forums to improve the training that we give to professionals. Through conducting exercises around the key messages, we aim to give survivors, the forums could provide an opportunity to explore the disconnect between what professionals say and what survivors hear.

It is also envisaged that survivor forums could shape the development of our service planning and commissioning arrangements.

Support case consultant/community engagement roles

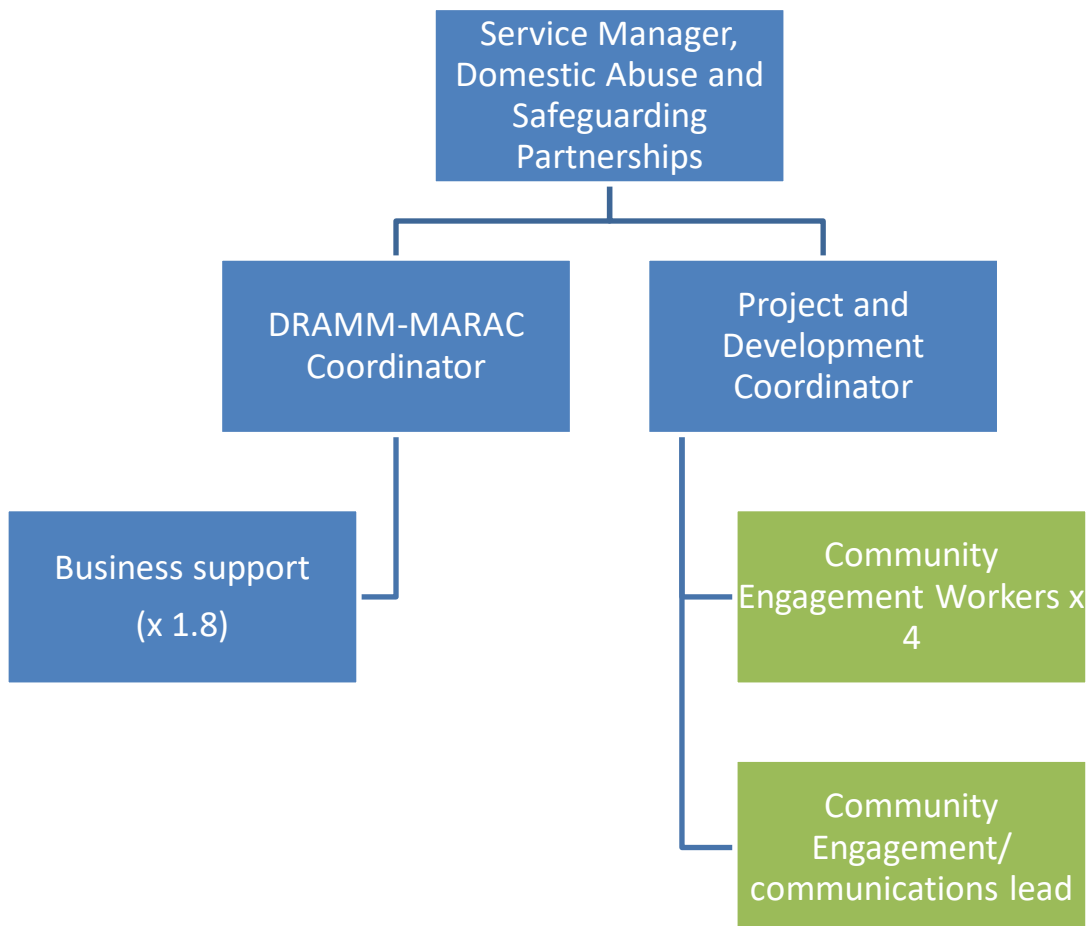
This role would work closely with the case/consultant community engagement roles to capture feedback that can:

- Feed into communications activity.
- Inform the development of training plans (both across the partnership and in single agencies); and
- Evidence the need for changes in process or approach within particular organisations or across multi-agency arrangements.

Support the Domestic Abuse Forum

This role could play a key role in rejuvenating the domestic abuse forum and coordinating some of the activity that will be tasked to the forum (i.e. engaging with sporting clubs/music venues around domestic abuse).

Proposed line management structure



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Name of meeting: Cabinet
Date: 16 March 2021

Title of report: Dewsbury Market

Purpose of report: To seek Cabinet approval to the Dewsbury Market project, including approval of capital funds, proposals for decanting traders while the works are carried out; public consultation on the detailed plans for the new market and other actions necessary to implement the project.

Key Decision - Is it likely to result in spending or saving £250k or more, or to have a significant effect on two or more electoral wards?	Yes Expenditure greater than £250,000
Key Decision - Is it in the <u>Council's Forward Plan (key decisions and private reports)?</u>	Key Decision – Yes Private Report/Private Appendix – No
The Decision - Is it eligible for call in by Scrutiny?	Yes
Date signed off by <u>Strategic Director</u> & name	David Shepherd - 4th March 2021
Is it also signed off by the Service Director for Finance?	Eamonn Croston - 25th Feb 2021
Is it also signed off by the Service Director for Legal Governance and Commissioning?	Julie Muscroft - 3rd March 2021
Cabinet member <u>portfolio</u>	Cllr Peter McBride – Regeneration

Electoral wards affected:

Dewsbury East

Ward councillors consulted:

Cllr Scott, Cllr Firth, Cllr Lukic

Public or private: Public.

Has GDPR been considered?

GDPR has been considered.

1. Summary

- 1.1 Dewsbury Market is the economic heart of Dewsbury town centre. As well as being an important source of employment and provider of services to the local population; the Market is critical to the vibrancy of the town centre as a whole. Whilst Dewsbury Market remains a large and popular market, it has been in decline for a number of years, particularly since the recession of 2008/10. This has manifested itself in decreasing footfall and rising vacancy rates. The financial performance of the Market has similarly been affected.
- 1.2 If the fortunes of the Market and the town centre are to be turned around then investment is needed to improve the Market offer and to make it more attractive to customers. The importance of the Market has been recognised by the Dewsbury Town Deal Board support; including a bid for £6.6m of Towns Fund grant within the Dewsbury Town Investment Plan.
- 1.3 This report is presented to Cabinet for three primary reasons; as set out below:
 - a. To inform Cabinet of the proposals to transform Dewsbury Market; by carrying out substantial capital works to the Market and improving the quality and range of products and services on offer
 - b. To seek approval of the project and specifically approve use of capital funds to enable the scheme to be implemented
 - c. To seek approval to the proposals to relocate the market while construction takes place and for the revenue resources necessary to implement the decant.

2. Information required to take a decision

Background

- 2.1 Dewsbury Market is located within the heart of Dewsbury Town Centre, it is a major draw for the town and is one of its unique assets. Footfall and activity is significantly higher on market days compared to non-market days. Having a vibrant market is critical to the health of the town centre as a whole.
- 2.2 The Market site and boundary is shown in Appendix One. The site covers c8,300 m² and currently accommodates just under 400 stalls/units. These are split across three distinct areas, the Market Hall, the semi-covered Market and the open market. Stalls are held on leases or offered on daily licences. Vacancy rates are now effectively over 40% and realistically it is very unlikely that the Market will need the existing number of stalls in the future. The Market has a high level of representation in some lines e.g. clothes/cloth and little or no coverage in others. The range and quality of goods and services on offer needs to be improved if more customers are to be attracted to the market, spend longer there and therefore spend more money. The physical nature of the market needs to be upgraded to provide a better environment for customers, to provide enhanced facilities to display goods and greater flexibility in use of the space to allow events and more opportunities for food and beverages.
- 2.3 Feasibility work, consultation and market research has been undertaken in order to develop the project proposals and a Market vision. The feasibility study examined the existing nature and potential of the market, its social and economic context and lessons that could be learned from other UK markets. It concluded that with the right

investment there could be a bright future for Dewsbury Market. From this work and discussions with key stakeholders, a vision was produced.

The Market Vision

2.4 The Market vision is:-

“Kirklees Markets are family friendly, safe, social spaces which offer unique, personal, ethical shopping experiences alongside opportunities to test ideas, eat, learn and be entertained”.

For Dewsbury Market this will mean :-

- Develop an offer which appeals to a younger demographic and celebrates the cultural diversity of the surrounding communities
- Reduce the physical size of the Market
- Increase the food offer
- Enable an evening economy to develop
- A mix of cafes, street food, goods, dry goods and entertainment space

2.5 The public's views on the vision were tested by the market research carried out in autumn 2020 and this provided strong support for the vision and the type of interventions proposed. The vision provides the overall context for the changes that are proposed.

2.6 In parallel to the above the Council has renegotiated all the market traders' leases. The new temporary leases include a rent reduction and are outside the Landlord and Tenants Act 1954. The new temporary leases give the Council greater control over moving tenants and ending leases, where desired, which will be critical to the effective delivery of the project. In addition, in November 2020, The Council appointed BDP Architects to undertake the early stage design for the project; with the option to be appointed for detail design once appropriate Cabinet approval had been given for the project.

Proposals

2.7 The Market will undergo a 'root and branch' improvement, including a complete overhaul of the physical fabric and services, changes to product offer, introduction of leisure uses and improvements in operational practices. The project will see the transformation of the current 400 stall market into a new consolidated market of approximately 200 stalls that will be transformed into a flexible space for both shopping and leisure. The project will create a modern and vibrant market that is multi-functional and can respond to the changing requirements of customers and the catchment.

2.8 The project will see the removal of all the current stalls and introduction of new ones across the whole of the market. It will involve the complete refurbishment of the historic Market Hall and provision of high quality stalls focussed on food sales. Within the semi covered market there will be new stalls with an emphasis on food and drink and the creation of a flexible space suitable as a 'food court' and for events.

2.9 All of the open market stalls will be cleared and new stalls and layout created. Across the whole Market the overall quality of offer will be improved and the range widened

to fill current gaps in provision and with more food, drink and leisure opportunities offered. The rationalisation of the market will release some land for alternative uses at the northern end of the Market. The precise size and boundary of this surplus land will be established as part of the detailed design and consideration is currently being given to the options for this land.

2.10 The investment will halt the decline of the Market and build a sustainable future for the Market, bringing with it a positive impact on the town as a whole and an increase in footfall.

Temporary Market/Decant

2.11 It is important that the Market continues to trade effectively while the changes to the Market are being carried out. A temporary closure of the Market lasting over a year, would cause significant harm to the Market, its traders and the town centre; both in the short and longer term. A temporary closure of the Market to enable works to take place has therefore been ruled out as an option and the focus has been on the options to decant traders.

2.12 The overall objectives for the decant are as follows:-

- Continued and successful trading of the Market while construction takes place.
- To support town centre trading
- Facilitate the effective operation of the main construction contract (time and cost)
- Effective management of risk, particularly health & safety.

2.13 It is estimated that the works will take a minimum of 12 months from March 2022 and therefore any temporary arrangements will need to last at least a year. However it will not be possible for traders to remain in their current locations while the construction work is carried out and therefore a number of options have been considered, including:-

1. Decanting within the boundary of the existing Market Site – this would involve multiple decants over the period of the works contract
2. Relocation of all the Market off site to one site within or close to the ring road
3. Relocation 'on street' within the town centre

2.14 Experience of other market projects in the U.K. has shown that those Councils which have planned and adequately invested in temporary markets have benefited from the continuation of healthy trading. Those that have not, have damaged the markets in the process of trying to improve them and undermined the whole purpose of the investment.

2.15 Having considered the pros and cons of each option officers recommend option 3. This would involve the relocation of traders onto four interconnected streets/areas; Foundry Street (between Corporation Street & Market Place), Market Place, the western footpath of Longcauseway (in front of the Prince of Wales precinct) and the forecourt of the Town Hall. The latter potentially extends to half the width of Town Hall Way and would require a temporary Traffic Regulation Order. Appendix Two shows the area within which it is expected to temporarily locate the market. It is estimated that 50-60 large temporary 'units' will need to be provided with the balance

being ‘pop up’ stalls. Precise layout of stalls will be developed as the decant design progresses.

2.16 Option 3 is preferred as it keeps the Market within the core of the town centre, giving it the best opportunity to trade well; supporting town centre trade and minimising the disruption to traders and the construction programme. Moving traders off site will enable the construction works to be completed earlier than compared to decanting on site, which in turn will bring cost savings compared to contractors working amongst an active market. In addition having the active market separate from the construction site minimises issues related to health and safety and makes for a better customer experience. Of the options available it provides the best prospect for the continuing vibrancy of the Market & town centre while work is undertaken.

2.17 The amount of space available ‘on street’ in option 3 is less than the total space currently occupied by traders on the Market. There will therefore be a need to rationalise space and traders in order to accommodate traders in the new location. There may be the possibility to mitigate this issue by using some of the vacant shops on these streets for stallholders. Officers will explore this possibility with owners of the premises and if this proves to be cost effective will add this to the provision.

Timescales

2.18 The key milestones in the current programme are outlined in Table One below.

Table One: Dewsbury Market - Key Milestones & Actions	
Date	Milestone/ Activity
16 March 2021	Cabinet approval of project
April – June 2021	RIBA Stage 3 – outline designs
July 2021	Public Consultation on draft plans
August 2021	Submission of Planning Application for Market project
Aug – Nov 2021	RIBA Stage 4 – detail designs
Dec 2022	Towns Fund Detailed Approval
Nov – Jan 2022	Tendering
Jan/Feb 2022	Decant undertaken
March 2022	Construction commences
Summer 2023	Project complete – new market opens

2.19 The milestones above are provisional at this moment and will be subject to change as the detailed design is undertaken and the programme refined. The planning and implementation of a timely decant of traders in early 2022 will be a critical to meeting the overall programme. To achieve this the units will need to be put in place on the designated streets well in advance of Christmas 2021.

Risks

2.20 There are a number of key risks in delivering this project. Particular risks worth highlighting at this stage include:-

- Decant – impact on both short and medium term performance of the Market
- Funding – uncertainty over outcome of Towns Fund application

- Expenditure – expenditure on fees and decant set up will be in advance of having all capital funding in place.
- Impacts of Covid – long term impact on customer habits
- Programme – unanticipated events & delays
- Outcomes – project does not deliver the benefits anticipated

2.21 Officers will continue to review the project risk register as the scheme progresses, in order to ensure that all risks are identified and managed appropriately so that the project delivers the intended benefits, to budget and programme.

3. Implications for the Council

- **Working with People**

3.1 The Council held town centre public consultations on the Dewsbury Blueprint and workshops in the town centre during the early part of 2020. This included a town centre presence via a blueprint shop. The Market project formed part of the Blueprint and the responses received provided general support to the improvements to the town and the Market.

3.2 In autumn 2020 the Council undertook market research into the public's views on Dewsbury Market. Telephone interviews were carried out with over 1,000 people and this was followed up with 4 focus groups. The results of the research provided widespread support for the Market vision (89% of respondents agreed with the vision) and confidence that with the improvements proposed the Market could attract more people, for a longer amount of time.

3.3 The Dewsbury Town Deal Board commissioned research on the local peoples priorities. Of the projects put forward, 66% thought that the Market should be revitalised, the second highest scoring project, after the Arcade.

3.4 For the next stage of the project it is proposed to carry out consultation on the detailed plans for the new market with key stakeholders and the public. This will occur in summer 2021, prior to submission of a planning application for the project and will enable feedback from the consultation to be taken into account in the detailed designs.

3.5 There will also be consultation details of the decant. This will be limited to those directly effected by the proposals and as required by the requirements of the legislative powers used to implement the temporary market.

- **Working with Partners**

3.6 A Traders representative group has been established at Dewsbury Market and the Markets Service holds regular meetings with the group to update them on progress on the project and gather views on the vision and emerging proposals. This will continue through the development phase of the project. Dewsbury Town Deal Board will be part of the future consultations about the Market.

- **Place Based Working**

3.7 Developing the Market Vision has been a place based approach as it has considered the specific circumstances of Dewsbury and consulted with residents within a 5 mile

radius. The project is a key part of the Strategic Development Framework (2018), Dewsbury Blueprint and Dewsbury Town Investment Plan all of which contribute to place based working.

- **Climate Change and Air Quality**

3.8 The design of the Market, particularly the provision of services will have reduction of carbon emissions as an objective. In future greater emphasis will be placed upon improved ethical practices and reduced environmental impact at the Market e.g. less use of plastic bags. The greater use of the Market which is highly accessible to many local people will help to support sustainability objectives.

- **Improving outcomes for children**

3.9 The Market vision is to create a much more family friendly space with children's activities which will encourage families to spend time together.

- **Legal**

3.10 The Dewsbury Market is a statutory market under the Food Act 1984. There are two possible options to temporarily relocate the market. One option is to relocate the market as a statutory market temporarily onto surrounding streets /highway (as opposed to relocation onto council owned or controlled land entitling it to use the land for market purposes). The alternative option is for the Council to follow the procedures in section 3 and schedule 4 to the Local Government (Miscellaneous Provisions) Act 1982 to formally adopt a statutory licensing scheme for streets in which trading takes place to create licensed streets . This is being investigated by officers. This will require market traders to obtain licences or consents from the Council for time limited street trading during the refurbishment of the market.

3.11 It is likely that a Temporary Road Traffic Regulation Order will be required under section 14 of the Road Traffic Regulation Act 1984. In addition the Council will need to consider whether stalls and kiosks placed in the streets will require planning permission.

3.12 Procurement of consultancy and works contracts will be carried out in accordance with the Council's Contract Procedure Rules and the Public Contracts Regulations 2015 ; and UK Subsidy rules .

3.13 In carrying out a public consultation, the council must comply with the "Gunning principles" namely :

- that consultation must be at a time when the proposals are still at a formative stage
- The council must provide sufficient information about the proposals to consultees to enable intelligent consideration and informed responses
- The product of the consideration of responses must be conscientiously taken into account in finalising any proposals.
- Before making a decision, section 149 Equality Act 2010 requires that the decision-maker considers the need to promote equality for persons with the following "protected characteristics": age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex, sexual orientation. Each decision-maker must, therefore, have due regard to the need to:
 - (i) eliminate discrimination, harassment, victimisation and any other conduct prohibited under the Equality Act 2010.

- (ii) advance equality of opportunity between persons who share a relevant protected characteristic and those do not share it. This involves having due regard, in particular, to the need to:
 - remove or minimise disadvantage suffered by persons who share a relevant protected characteristic.
 - take steps to meet the needs of persons who share a relevant protected characteristic that are different from the needs of people who do not share it (in relation to disabled people, this includes, in particular, steps to take account of disabled persons' disabilities);
 - encourage persons who share a protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low.
- (iii) foster good relations between persons who share a relevant protected characteristic and those who do not share it. This involves having due regard, in particular, to the need to tackle prejudice and promote understanding.

- **Financial**

3.14 The total estimated capital cost of the Dewsbury Market project is £15 Million and a cost breakdown is provided in Table Two below. This excludes the revenue cost of decanting traders which is dealt with separately below. The majority of the capital expenditure will occur in financial year 2022/23 when contractors are on site. The majority of fee expenditure (75%) will be incurred up to the letting of the contract in early 2022

Table Two: Dewsbury Market Budget Capital costs		
Item	£,000	Comments
Fees (non design)	100	Mkt Research, External advice
Surveys & Investigations	60	
Design Fees	1,670	External & Internal fees
Works	11,560	Assumes 60 week contract. Start Q1 2022; including landlord fit out and contingencies.
Decant (capital costs only)	810	Purchase of Containers
Complementary works	800	Improvements to pedestrian access to Market on adjacent streets. Work to 'opportunity area'. Provisional Sum.
Total	15,000	
Footnote: Excludes decant revenue costs, compensation payments.		

Capital Funding

3.15 Cabinet on 28th January 2021 agreed the new 4 year capital plan which included an allocation £8.326 Million for Dewsbury Market. The Council, on behalf of the Dewsbury Town Deal Board, submitted a Town Investment Plan (TIP) to Government at the end of January 2021. This requested a total of £25 Million funds from Government under the Towns Fund programme. The TIP included Dewsbury Market as a named project within the plan and a request for £6.6 Million of Towns Fund towards the capital costs of the Market project. The Government have indicated that they will give an in-principle decision on the TIP by the end of March 2021. If positive, the Council will then need to agree Heads of Terms with the Government. If the Heads of Terms for the TIP is successfully signed off in April 2021, then there is 12 months for the project business

case to be approved. The Market has been highlighted as a 'fast track' project which offers the possibility of being approved before the prior to the final sign off of the overall programme.

Temporary Market/Decant

- 3.16 Experience elsewhere has shown that Council's that have invested in good quality temporary market facilities have had the benefit of continued satisfactory trading and being able to move all the desired traders back into the improved permanent market. Furthermore, it is important that officers are able to proceed with plans for the decant as soon as possible; if the decant is not to hold up the delivery of the overall project. This will mean the initial set up costs for the decant will need to be expended prior to all the capital funding being in place. The same issue applies for all the advance design work.
- 3.17 The decant has an estimated gross cost of £2.3Million (exc VAT). The purchase of containers can be capitalised and this is accommodated in the capital costs outlined in Table 2 of this report. This will leave a balance of £1.5Million of revenue costs. Approximately half of these costs will be incurred in 2021/22 to establish the new temporary market with the balance being split over financial years 2022/23 and 2023/24. These revenue costs can be met from the strategic investment reserve.
- 3.18 The proposal to move the whole market off the existing site while the work take place on the main Market site has the benefit of shortening the length of the main works contract. This will, other things being equal, generate cost savings on the main contract. Authority is sought to delegate the decision on the details of the decant to the Strategic Director (Environment & Climate Change) who has operational responsibility for the Market.

Market Business Plan

- 3.19 A business plan has been drawn up for the operation of the Market once the new Market has been opened. Income will be heavily dependent upon the levels of occupancy achieved in the new Market, but in the initial settling in period the target is to achieve an operational surplus of not less than the last full year (2018/19) prior to the impact of Covid. Once the Market is fully operational and events programmes begin to properly established then it is hoped that financial performance in subsequent years will surpass that achieved in 2018/19.

- **Integrated Impact Assessment (IIA)**

- 3.20 An integrated Impact Assessment (IIA) is not required at this stage.

- **Climate Change Emergency**

- 3.21 The Councils policy on the Climate Change Emergency will be considered as part of the design process and will include both construction and operational phases of the project.

4. Consultees and their opinions

- 4.1 The Market is a prominent element of both the Dewsbury Blueprint and the Dewsbury Town TIP, The consultation for the TIP generated 502 responses and 66% agreed with the proposal to revitalise the Market, it being the second highest projects in the TIP, behind the Arcade. The responses from the Blueprint

consultations generated a high degree of support for the Blueprint programme; including the Market.

- 4.2 There is a trader representative group for Dewsbury Market and officers have consulted them at appropriate times on the project and they are supportive of the vision and the outline proposals. The relevant Kirklees Portfolio Holders and local Members have been consulted on progress on a regular basis and are supportive of the project. The market research and focus groups referred to earlier in the report provided significant support for the plans to transform the Market.

5. Next steps and timelines

- 5.1 If Cabinet approve the recommendations set out in this report then officers will appoint BDP to undertake the full design process (RIBA stages 3- 6); commence detailed planning for the decant and procure the goods and services necessary to implement the decant.
- 5.2 Following completion of the outline designs, a public consultation will be undertaken during the early summer on the plans for the Market project and once feedback has been taken into account a planning application will be submitted. Table One above has details of the key milestones.

6. Officer recommendations and reasons

- 6.1 Cabinet is asked to:

1. Approve the Dewsbury Market Project as described in this report

Reason: To enable the project to proceed.

2. Approve the allocation of the £8.4 million of capital resources to fund the project

Reason: To provide the funding to enable the project to proceed.

3. Subject to approval of Towns Fund grant for the project authorise the Strategic Director (Growth & Regeneration) to implement the project

Reason: To give the necessary authority to implement the project once all the capital funding is in place.

4. Approve the proposals for the temporary market outlined in the report and attached plans; and authorise the Strategic Director (Environment & Climate Change) to implement the scheme and in conjunction with the Service Director (Legal, Governance and Commissioning) to agree the preferred legal powers to use in this case namely, either the licensed street trading option or alternatively to establish a temporary statutory market and take all necessary steps and actions in accordance with the chosen legal powers and Kirklees's constitutional requirements to implement the proposal.

Reason: To enable the decant to be implemented without unnecessary delay.

5. Approve revenue resources of £1.5 Million for the provision of the temporary Market and agree that this is funded from the strategic investment reserve.

Reason: To provide the funding necessary to enable the decant to be implemented.

6. Note the intention to carry out public consultation during the summer 2021 on the detailed plans and proposals for the Dewsbury Market project

Reason: To ensure that the public and key stakeholders have the opportunity to comment on the detailed plans prior to their submission of the planning application.

7. Cabinet Portfolio Holder's recommendations

- 7.1 The Cabinet lead for Regeneration and Culture & Greener Kirklees have both been briefed on the report and are supportive of the proposals.

8. Contact officer

Peter Thompson – ER Project Manager

Email: peterr.thompson@kirklees.gov.uk

9. Background Papers and History of Decisions

1. Strategic Development Framework 2018
2. Dewsbury Blueprint
3. Dewsbury Town Investment Plan
4. Cabinet 28th January 2021 – Council Budget Report 2021/22 & future years

10. Service Director responsible

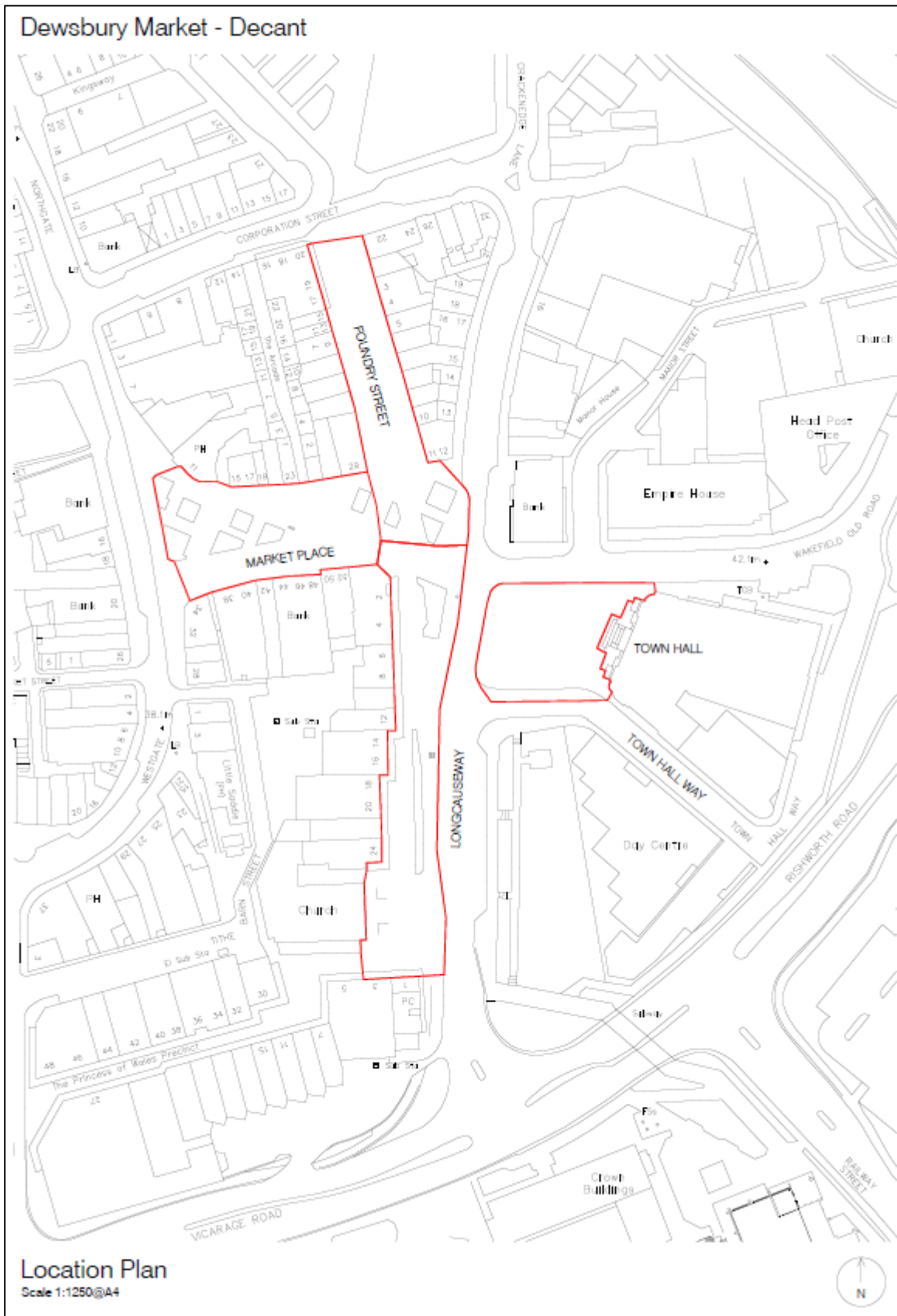
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APPENDIX ONE: DEWSBURY MARKET - BOUNDARY



APPENDIX TWO: LOCATION OF THE PROPOSED TEMPORARY MARKET





Name of meeting: Cabinet

Date: 16 March 2021

Title of report: Corporate Financial Monitoring Report, Quarter 3, 2020/21

Purpose of the Report

To receive information on financial monitoring for General Fund Revenue, Housing Revenue Account (HRA) and Capital Plan, as at Quarter 3 (month 9), 2020/21. and to approve some expenditure as well as the mitigation of PFI affordability double count on schools.

Key decision – is it likely to result in spending or saving £250k or more, or to have a significant effect on two or more electoral wards?	Yes
Key decision - is it in the <u>Council's Forward Plan (key decisions and private reports)</u>?	Key decision - Yes
The Decision - Is it eligible for “call in” by Scrutiny?	Yes
Date signed off by Strategic Director & name	Rachel Spencer Henshall – 08.03.21
Is it also signed off by the Service Director for Finance?	Eamonn Croston – 08.03.21
Is it also signed off by the Service Director – Legal, Governance & Commissioning?	Julie Muscroft – 08.03.21
Cabinet member portfolio - Corporate	Give name of Portfolio Holders Cllr Graham Turner

Electoral wards affected: None Ward
Councillors Consulted: None

Public or private: Public

GDPR: This report contains no information that falls within the scope of General Data Protection Regulations.

1. Summary

1.1 General Fund

- 1.1.1 The Council's revised General Fund controllable (net) revenue budget for 2020/21 is £306.2m. The budget includes planned (net) revenue savings in-year of £2.8m.
- 1.1.2 The revised budget includes a number of planned transfers from reserves during the year, with the most significant being £1.5m from the Revenue Grants reserve, £0.9m from the Strategic Investment Support reserve, £0.8m from the Public Health reserve, and £0.4m from the Rollover reserve.
- 1.1.3 There is a forecast overspend of £1.9m against the £306.2m revised budget at Quarter 3; equivalent to 0.6%.
- 1.1.4 There has been a net £3.6m reduction in the forecast overspend position since Quarter 2. This is largely due to numerous further Government funding announcements allocated to Councils to cover specific aspects of the national response to the pandemic. These additional funding streams have been applied, where applicable, against eligible spend in the Quarter 3 projections.
- 1.1.5 It is acknowledged that at Quarter 3, the 2020/21 financial forecasts and underlying assumptions remain volatile with national and local measures to reduce the spread of COVID-19 infection under constant review. The Council's Executive Team will continue to enact management actions as appropriate to support the local recovery effort within the parameters of public health protection and guidance and aim to deliver a break even position as far as possible by year end.
- 1.1.6 The forecast revenue outturn as at Quarter 3, including estimated COVID-19 impacts, is shown at Appendix 1 and summarised in Table 1 below. Headline variances are described in more detail in sections 1.3 to 1.8 of this report.

Table 1 - Overview of 2020/21 General Fund forecast revenue outturn position as at Quarter 3

	Revised Budget	Outturn Forecast	Variance	Variance made up of:		
				COVID-19 Costs	COVID-19 Income Losses	Other
	£000	£000	£000	£000	£000	£000
Children & Families	77,907	82,016	4,109	3,551	370	188
Adults & Health	108,747	117,367	8,620	7,413	758	449
Growth & Regeneration	17,419	19,270	1,851	671	2,419	(1,239)
Environment & Climate Change	28,802	41,970	13,168	2,848	9,626	694
Corporate Strategy, Commissioning & Public Health	33,923	42,163	8,240	5,940	1,821	479
Central Budgets	39,414	40,960	1,546	-	168	1,378
General Fund Total	306,212	343,746	37,534	20,423	15,162	1,949
COVID-19 Support Grant Offset		(27,090)	(27,090)	(20,423)	(6,667)	-
COVID-19 Income Loss Compensation		(8,495)	(8,495)		(8,495)	-
Revised General Fund Total	306,212	308,161	1,949	-	-	1,949

1.2 COVID-19

- 1.2.1 The Council continues to respond effectively to the COVID-19 crisis. It has in place an organisational wide range of measures in collaboration with key partners, taking on board Government direction to spend 'whatever it takes' in priority areas to support and protect the borough's most vulnerable residents, and support the national effort to protect the NHS and businesses.
- 1.2.2 As reported extensively through the year, the organisational measures in place alongside other financial implications from Government social distancing measures, are having a significant and ongoing impact on the Council's finances and Government funding contributions to date acknowledge this. This Council, working with the Local Government Association (LGA), Special Interest Group of Metropolitan Authorities (SIGOMA) and other sectoral and stakeholder lobbying will continue to work with Government to ensure the Council is appropriately compensated for COVID-19 related pressures.
- 1.2.3 The financial forecast at Quarter 3 includes officers' best estimates of future spend and income losses likely to materialise from the ongoing COVID-19 emergency in 2020/21. It is acknowledged that the forecasts continue to be fluid at this time and will remain thus over the remaining months of the financial year; continually informed by emerging national measures from Government.
- 1.2.4 Full year forecasts as at Quarter 3 include estimated net COVID-19 impacts of £35.6m on the General Fund. This consists of £20.4m additional spend and £15.2m of lost income. It should be noted that the quantum reported here is net of spend that is eligible to be funded through specific grants allocated to councils to cover particular aspects of the response to the pandemic; £18.6m specific grant funding has already been applied against eligible costs in the Quarter 3 projections.
- 1.2.5 There are also impacts on the Collection Fund, with significant income losses in-year across Council Tax and Business Rates as described in section 1.10 below. Further details of forecast spend and lost income attributable to COVID-19 are outlined in sections 1.3 to 1.8 below and also summarised in Appendices 1 and 2 to this report.
- 1.2.6 Government has allocated £4.6 billion un-ringfenced COVID-19 funding to date to the local government sector nationally in response to the national emergency. The Council's share of this is £35.8m, allocated in four tranches of £12.2m, £12.1m, £3.9m and £7.6m respectively. Of this, £1.1m of tranche 1 funding was used to cover COVID 19 pressures in the 2019/20 financial year and the tranche 4 funding is currently held as a contingency.
- 1.2.7 At Quarter 3, £27.1m has been drawn down from the COVID-19 Risk Reserve to offset the £20.4m estimated net additional COVID-19 spend in 2020/21; with a further £6.7m allocated against the balance of uncompensated income losses.
- 1.2.8 In July 2020, the Government announced a support package for income losses from sales, fees and charges (SFCs) "as part of a comprehensive plan to ensure councils' financial sustainability for the future". Councils will receive funding for 75% of these income losses but only where they exceed 5% of the overall SFCs budgeted by the authority. SFC income losses must be irrecoverable and unavoidable and satisfy certain criteria set out in the scheme in order to be deemed eligible. Councils have been asked to submit claims to Government for such losses periodically throughout the course of 2020/21, with a reconciliation exercise also expected to take place at year-end.

- 1.2.9 As at Quarter 3, there are forecast income losses of £15.2m due to COVID-19. Based on the published guidance regarding eligible income losses, and following the logic outlined above, officers have estimated that Kirklees are due to receive £8.5m compensation in-year from Government. This leaves £6.7m of income losses unfunded through the scheme, against which unringfenced COVID-19 grant funding has been applied.
- 1.2.10 The income compensation figure of £8.5m is a prudent estimate based on the most up to date scheme guidance. However, it is recognised that projections and underlying assumptions remain volatile. Emerging intelligence will be factored into subsequent income loss and compensation projections throughout the remainder of the financial year.
- 1.2.11 As noted earlier, there have been various further funding announcements made by Government, covering specific aspects of the national response to the pandemic. These include grant streams to local authorities such as two tranches of the Infection Control Fund to support adult social care providers to reduce the rate of COVID-19 transmission; Kirklees allocation £8.4m in total, and Test and Trace funding to enable councils to develop and action plans to reduce the spread of the virus in their area; Kirklees allocation £2.4m.
- 1.2.12 Following the move to Local COVID-19 Alert Levels, and subsequent second national lockdown from the 5 November 2020 for 28 days, Local Authorities were also eligible for a payment from the Contain Outbreak Management Fund (COMF) to support proactive containment and intervention measures. Kirklees received £8 per head in November 2020; equating to £3.5m. An expansion of the COMF was later set out in the COVID-19 Winter Plan published on 23 November whereby regular payments, up to a maximum of £4 per head, will be paid to Local Authorities facing higher restrictions until the end of the financial year. This is in recognition of the ongoing public health and outbreak management costs of tacking COVID-19. Kirklees received the maximum funding allocation for the period 2 to 29 December 2020, equating to £1.8m, reflecting the Council's Tier 3 status during that time.
- 1.2.13 All spend relating to these additional funding streams is assumed to be fully funded in-year and as such, is not included within the £20.4m COVID-19 costs described above. As noted in paragraph 1.2.4, a total of £18.6m specific grant funding has been applied within the Quarter 3 monitoring projections. A further £7.8m funding has also been received through Clinical Commissioning Group funding, targeted to cover COVID-19 associated costs related to aspects such as hospital discharge and follow-on care. A full list of Government funding allocations for COVID-19 are listed at Appendix 7 together with Kirklees' allocations where known.
- 1.2.14 There have also been a range of financial support measures put in place by Government to support businesses through the COVID-19 crisis. The Council has implemented a number of national measures locally for 2020/21 including an extension of 100% business rate reliefs for all businesses with a rateable value of up to £51k, and for specific businesses in retail, hospitality and leisure above £51k rateable value.
- 1.2.15 The Council has also administered the Government grant schemes put in place to support eligible businesses with their business costs during the pandemic; processing grant payments to businesses on the Government's behalf, with approximately 8,600 grant payments to businesses, totalling £96.6m, and a further 842 discretionary grant payments at a sum of £5.2m having been paid across to businesses. A further package of funding for eligible businesses was launched as part of the COVID-19 Winter Plan, once again to be administered on Government's behalf by Local Authorities. To date, Kirklees have processed in the region of 11,500 of these additional grant payments.

totalling £26.6m.

- 1.2.16 Financial Support measures have also been taken for individuals, with the introduction of additional council tax reliefs provided to recipients of working age Local Council Tax Support (LCTS) schemes during the COVID-19 emergency; see also paragraph 1.10.2. Funding for this was through an initial national £500m Hardship Fund; of which Kirklees' allocation was £5.0m. This funding can also be used to support economically vulnerable households through local welfare provision.
- 1.2.17 On 1 May 2020 Cabinet noted and endorsed the decisions taken by the Chief Executive using her emergency powers for the period from 16 March 2020, including the decision to allocate £1m of the Council's £5.0m Hardship Funding to Local welfare provision. On 10th July, Government announced Supplementary Hardship Funding of £551k for Kirklees (£63m nationally) to support people who are struggling to afford food and other essentials due to COVID-19. This funding will be used alongside the £1m allocated from the initial Hardship Fund allocation to deliver appropriate interventions to those in greatest need, through the existing Kirklees Local Welfare Provision Scheme.

1.3 Children & Families

Learning – High Needs

- 1.3.1 The National Fair Funding (NFF) regime was implemented by Government from 2018/19. The High Needs block under the new NFF acknowledges the level of previous under-funding, and Government intention was to increase Kirklees' annual allocation by £7m in comparison to the 2017/18 baseline. Due to transitional arrangements, this was to be phased over a 7 year period, at about £1m per annum. This phasing was reflected in existing budget plans.
- 1.3.2 The Council has reported extensively on the fact that since the 2014 Children and Families Act was implemented, there has been a significant rise in the number of Education Health & Care Plans (EHCPs) within Kirklees. The total number of EHCPs within Kirklees now stands at over 3,000; an increase of approximately 44% from comparable figures in 2015. The rising demand and cost pressures show no sign of slowing down, both locally and nationally, with continued growth of EHCP numbers expected in future years.
- 1.3.3 For Kirklees, there is a significant and increasing funding pressure against the High Needs block of the Dedicated Schools Grant; to the extent that the Council's General Fund has supported unfunded DSG pressures at £4.4m in 2017/18 and £8m in 2018/19. There was a further overspend of £12.9m in 2019/20 (equivalent to 34.85% of the High Needs funding allocation) which was transferred to the balance sheet in full at year-end, as a funding deficit against DSG. This reflected updated Government guidance for the treatment of High Needs overspends from 2019/20 onwards. A link to the guidance is included below:

[Pre-16 schools funding: local authority guidance for 2021 to 2022 - GOV.UK](#)

- 1.3.4 Government has acknowledged the extent of current and growing spend pressures on high needs through the 2019/20 Spending Round (SR2019) announcement in September 2019, which included £700m additional funding for high needs in 2020/21. This was subsequently confirmed through the Local Government Finance Settlement with the Council's share at £6.1m for 2020/21. This includes the minimum £1m annual uplift for Kirklees as part of transitional arrangements to mitigate the £7m baseline 2018/19 under-funding (see also paragraph 1.3.1 above).

- 1.3.5 The 2020/21 Dedicated Schools Grant (DSG) High Needs funding allocation for Kirklees is £43.1m, inclusive of the £6.1m additional funding noted above. At Quarter 3, the forecast in-year pressure on High Needs spend in excess of the DSG funding allocation is £7.6m (equivalent to 17.63%). As per the updated Government guidance referenced in paragraph 1.3.3 above, this spending pressure will be transferred to Kirklees' balance sheet at year end, thereby increasing the DSG Deficit to an estimated £19.8m by 31 March 2021. This is illustrated in Appendix 3.
- 1.3.6 A change to the school funding regulations in February 2020 has meant that Councils can no longer choose to add their own funds into the Dedicated Schools Grant account without permission being granted from the Secretary of State. During officer discussions with the Education & Skills Funding Agency about the implications of the regulation change, the ESFA clarified retrospectively that there had been a high level ESFA funding amendment in respect of Kirklees' 2019-20 DSG base schools block allocation.
- 1.3.7 This meant that from 2019-20 the Schools Block effectively factored in funding responsibility for the PFI affordability gap previously funded by the Council. ESFA guidance regarding the 2019-20 funding settlement at the time included no specific reference to an element of the overall funding calculation being adjusted to compensate for the PFI affordability gap. The above only recently come to light, in effect it means there has been an inadvertent double-count of the affordability gap funding by the local authority and the Department for Education (DfE) both in 2019-20 and in 2020-21, from which schools have benefitted.
- 1.3.8 As set out in more detail in the School funding arrangements 2021/22 report, approved at Cabinet on 26 January 2021, the double-count will be corrected from 2021-22 through a one-off adjustment to the overall level of funds to be distributed to the mainstream school sector.
- 1.3.9 It is proposed that the Council will effectively self-contain the accumulated 2019-21 double count through a combination of the following; utilising current year PFI affordability base budget resources within Learning Services, and drawdown for earmarked Council PFI affordability reserves; both measures allowable within DfE guidelines. Dedicated Schools Grant allocations for 2021/22 were released by the Government in December 2020. The published figures suggest that Kirklees will see a significant increase in High Needs Block funding for 2021/22, with an allocation of £48.8m; an increase of £5.6m on the 2020/21 figure. This represents the maximum increase of 12% per head of population. An eventual uncapped High Needs Block funding allocation of £55.2m has been illustrated for the Council under the High Needs NFF but, as yet, there is no firm indication when that level of funds will be made available.
- 1.3.10 High Needs remains an area of significant and growing pressure on Council budgets nationally and locally, and officers will continue to review and update current and future year forecasts informed by national and local intelligence. It is anticipated that medium term, growth pressures may be mitigated at least in part through other measures, with the Council currently working on the implementation of a ten point action plan with key educational partners across the district. The budget plans, included in the recent Annual Budget Report to Council on 10 February 2021, reflect the Council's commitment to SEND investment (both revenue and capital) over the medium term. This is further reflected in a number of SEND proposals elsewhere on this Cabinet agenda as part of the overarching Council SEND transformation agenda.
- 1.3.11 The Council will also continue to engage with DfE, Schools Forum and other key

stakeholders, using the framework of the updated operational guidance on schools funding 2021/22, to consider options to manage down the accumulated DSG deficit over time.

Learning and Early Support

- 1.3.12 Currently there are 250 children with Education Health and Care Plans (EHCP's) using Post-16 Home to School Transport; an increase of 53 from the previous year. There are also a further 60 pupils assessed to use the service once COVID-19 restrictions have been lifted. Current arrangements allow for transport providers to continue to be paid for the overall quantum of eligible children, thereby ensuring that the service can resume in full once the restrictions are no longer in place. The increase in the number of pupils requiring transport is reflected in a forecast pressure of £0.6m on Post-16 Home to School Transport.
- 1.3.13 This pressure also links into other school transport pressures highlighted in paragraph 1.6.1 further below, and the Council is currently exploring a range of alternate approaches, working with pupils, parents, schools sector and providers, to deliver more innovative and tailored transport options while reducing overall cost pressures. An additional £1.1m was built into base budgets going forwards as part of the 2020/21 Annual Budget Report to address the estimated residual ongoing pressure in this area, with £550k allocated to Post-16 budgets and the remaining £550k allocated to Schools Transport budgets within Environment. A further review of the baseline was undertaken as part of the recent 2021/22 Annual Budget report, with an additional £0.3m added into Children's base budget, and £1.2m added into Environment, from 2021/22 onwards.
- 1.3.14 The increased number of approved applications for funding support from Special Educational Needs and Disability Inclusion Fund (SENDIF) has resulted in a forecast additional investment requirement of £0.5m. The fund primarily supports 2-4 year olds with special educational needs who attend a Private Voluntary and Independent (PVI) or mainstream school nursery setting. Numbers of children accessing the fund have so far increased from 406 to 465 during 2020/21 and estimates are that this growth will continue in the current year alongside a growth in complexity of need.
- 1.3.15 The service has strengthened the resources in the Early Years SEN Inclusion Team and are providing training to nursery settings to upskill their workforce so that they can meet the needs of the children rather than having to access SENDIF. This is intended to help mitigate pressures on this budget going forward. The 2021/22 annual budget report factored this ongoing investment need into approved budget plans.
- 1.3.16 The above additional investment requirement has been managed in-year by savings of £0.5m on employee budgets due to vacant posts over the period April to December. The underspends are earmarked to fund new posts in Family Support Hubs and are consequently one-year savings only.

Child Protection and Family Support

- 1.3.17 Within the External Residential Placements and Independent Fostering Placement budgets there is a pressure of £2.0m relating to increased numbers of Looked after Children (LAC). As at Quarter 3, LAC numbers were 684; an increase of 58, or 9%, since July 2019. Work is ongoing within the service to address these pressures by looking to safely move children to less costly placements whilst continuing to achieve successful outcomes. This pressure is offset by savings of £1.8m on employee budgets across the service.

Resources, Improvements and Partnerships

- 1.3.18 Within Resources, Improvements and Partnerships there is an underspend of £0.8m. This has arisen due to a combination of savings on supplies and services, underspends on demand led budgets (Internal Foster Carers) and employee savings across the service. £0.5m of the underspend relates to demand led budgets and this should be looked at in conjunction with the overspend highlighted above in Child Protection and Family Support of £2.0m.

COVID-19 Impacts – Children and Families

- 1.3.19 Within Children and Families there is forecast additional spend of £3.6m due to COVID-19; £2.7m of which relates to Child Protection and Family Support. In the main this is made up of £0.1m external residential costs, including delayed moves for children who have turned 18 and have been unable to move out, £0.6m for similar delayed moves in supported accommodation/supported lodgings, £0.1m costs for extended and emergency foster placements and £0.3m for the development of a new out of hours service to deal with placement issues during the pandemic. There is also a £0.7m staff cost pressure associated with Crescent Dale and other Children's residential homes used to cope with additional demands due to COVID-19, and £0.2m increased costs in the Youth Offending Team due to the deferral of trial dates.
- 1.3.20 There are forecast COVID-19 spend pressures of £0.9m within Learning and Early Support; largely £0.6m payments to schools, third party providers and voluntary groups to ensure vulnerable children have access to healthy food and activities during the holidays.
- 1.3.21 There are forecast income losses within Learning and Early Support of £0.4m; £0.2m of which reflects the impact of school closures on budgeted Attendance Penalty Notice income. The remainder relates to reduced income from the Duke of Edinburgh scheme.

1.4 Adults and Health

- 1.4.1 The overall projected position for Adults is an overspend of £0.4m. Within this, there are notable variances across key demand-led headings, with some elements offsetting others. Within Independent Sector Home Care there is a £3.1m overspend; due to capacity measures implemented last year to support providers, and also a shift in market patterns as a result of COVID-19. The level of weekly hours provision of home care (and therefore cost) has risen significantly since October (when the measures were put in place), and also since March 2020 as the pandemic took hold. There is also a projected additional demand on Self Directed Support of £0.7m, mainly in relation to Learning Disability clients.
- 1.4.2 There is an underspend projected on Independent Sector Residential & Nursing placements of £3.4m, predominantly around the Older People cohort. Again, this is due to shifting patterns in the market, and the impact of the pandemic. Note that this underspend is offset by the homecare overspend (see paragraph 1.4.1 above), with the latter including the funding of individuals who would otherwise have moved into residential care. Note also that these figures do not reflect the costs of other provider support measures implemented in response to COVID-19.

COVID-19 Impacts – Adults and Health

- 1.4.3 The pandemic has had a significant impact on the Social Care market, as evidenced by some of the variances listed above. Adult social care providers have seen significant operational and financial pressures, including additional vacancies arising

in care homes, additional costs of providing services in the context of COVID-19, impacts on cash flow, and uncertainty within the market. Such challenges have been well documented locally, regionally and nationally.

- 1.4.4 Officers have been working closely with the two Kirklees Clinical Commissioning Groups (CCG's) to establish a programme of practical support to social care providers, particularly care home providers.
- 1.4.5 An in-year support package for providers was put in place in light of the pandemic. A number of measures were implemented, with support provided to care home providers and also to Domiciliary Care/Extra Care/Supported Living providers. Key elements within this were a 5% premium paid to care home providers in addition to the business as usual % uplifts that were applied for the new financial year, and also payments made to cover the 3 days after death of a resident. Alongside this there has been specific, targeted support where required. A programme has also been undertaken with the two CCG's to support hospital avoidance and early hospital discharge. Assistance was provided to Domiciliary Care by paying on planned hours rather than actuals. Alongside all of these there has also been specific, targeted support for all providers.
- 1.4.6 The Council also continues to utilise nationally announced Government funding allocated for Social Care. This includes Infection Control Funding, Rapid Testing Funding, and the Workforce Support funding. The utilisation of this has continued through the year and is ongoing.
- 1.4.7 Officers are continuing to liaise with social care providers as to the continuing impacts seen from COVID-19, and how this is affecting the market.

1.5 Growth and Regeneration

Economy and Skills

- 1.5.1 There is a projected underspend of £0.3m within Business and Skills as a result of pausing some non-essential workstreams to prioritise the COVID-19 response. It is anticipated that some of these activities will be commissioned during Quarter 4.

COVID-19 Impacts – Growth and Regeneration

- 1.5.2 Across Growth and Regeneration there are pressures totalling £3.1m with respect to COVID-19; £2.4m of which relate to income losses. £2.1m of the losses sit within Growth and Housing and these include £1.0m on Markets, £0.6m on Planning Fees and £0.2m on Building Control Fees. There is also projected additional spend of £0.7m on temporary accommodation facilities provided during the pandemic. Within Economy and Skills there is a projected £0.3m projected income loss relating to Commercial Properties.

1.6 Environment and Climate Change

Environment

- 1.6.1 Within Environment there is a projected overspend of £1.2m on Schools Transport; in the main linked to special educational needs demand (links also to the Learning - High Needs Section 1.3 of the report earlier). An additional £550k was built into Environment base budgets going forwards as part of the 2020/21 Annual Budget Report, as noted in paragraph 1.3.10. A further review of this baseline was undertaken as part of the recent 2021/22 Annual Budget Report, adding a further £1.2m into Environment base budgets

for Schools Transport from 2021/22 onwards. There is also a £0.3m short-term pressure in Bereavement due to an income shortfall projection relating to the Cremator Replacement project.

COVID-19 Impacts – Environment

- 1.6.2 At Quarter 3, the most significant variances within Environment and Climate Change relate to the projected impacts of COVID-19, with a total full year estimated pressure of £12.5m across both spend and income budgets; the latter offset in part by the Government income loss compensation scheme.
- 1.6.3 COVID-19 related spend pressures are estimated to be £2.8m. These include additional spend of £1.2m on Waste services associated with traffic management at household waste sites and additional vehicles and hired staff for collections, £0.4m on School Catering, including the provision of 'grab bags' for pupils during school closures, £0.4m on Personal Protective Equipment (PPE) and £0.2m for cremator works and temporary mortuary facilities. There is also a further £0.1m pressure estimated within Schools Transport, linked in the main to the potential impact of social distancing measures going forwards. This is in addition to the overspends already noted in paragraphs 1.3.11 and 1.5.1 above, linked to special educational needs demand.
- 1.6.4 Within Growth and Housing there is also a forecast additional spend of £0.6m for temporary accommodation facilities provided during the pandemic.
- 1.6.5 There are substantial projected income losses of £9.6m across Environment and Climate Change; the most significant being £4.6m on Parking Fees and Fines, largely as a result of national lockdown measures on non-essential businesses, home working due to social distancing and local measures to encourage high street footfall through extension of resident free parking in the borough's major towns; plus a further £2.5m on Catering due to school closures. Other forecast losses include £0.6m on Trade Waste, £0.5m on Town Halls and Public Halls and £0.5m on Public Protection. Details of further projected income losses as at Quarter 3 can be found at Appendix 2b.
- 1.6.6 The 2021/22 Annual Budget Report includes provision within central budgets to reflect the likelihood of continued income loss from sales, fees and charges and commercial rents as a result of COVID-19, over the medium term. This includes £5m service income loss provision in 2021/22, reducing by £1m per annum, through to 2025/26, in anticipation of the recovery of the local economy.

1.7 Corporate Strategy, Commissioning and Public Health

COVID-19 Impacts – Corporate Strategy, Commissioning & Public Health

- 1.7.1 There is forecast additional spend of £5.9m within Corporate Strategy, Commissioning and Public Health relating to COVID-19; £4.4m of which sits within Public Health and People. This largely reflects provision for up to £4m payment to Kirklees Active Leisure (KAL) in 2020/21 to address the net revenue losses incurred as a result of enforced closure of leisure centres during the pandemic, and ensure KAL's financial sustainability and future recovery post-COVID-19.
- 1.7.2 It should be noted that the income compensation scheme outlined in paragraph 1.2.9 compensates for COVID-19 related losses from Council owned leisure services, or through a planned management fee, where there is an arms-length relationship. However, the income compensation scheme does not cover other 3rd party provider arrangements such as Kirklees Active Leisure (KAL) Trust.

1.7.3 On 22 October 2020, Government announced a £100m funding package aimed at outsourced local authority leisure centres. The package will support the recovery going forward of those services deemed to be most in need; however retrospective funding deficits will not be eligible. Allocations are bid-based, and a submission was put forwards by the Council with joint sign off from KAL for funding of £1.1m. It is anticipated that authorities will be notified of the success of any bids by the end of February 2021.

1.7.4 Within Finance, there is a forecast COVID-19 related £1.8m income loss on Welfare and Exchequer due to temporary suspension of recovery action for non-payment and the suspension of court hearings during the pandemic.

1.8 Central Budgets

1.8.1 There is a forecast overspend of £1.4m in Central Budgets relating to the approved 2020/21 employer pay offer of 2.75%. Original Central Budgets for 2020/21 included pay inflation at 2%. Central Budgets have been uplifted by £1.4m in the recent 2021/22 annual Budget report to account for this unfunded element of the 2020/21 pay award.

1.9 General Fund Reserves

1.9.1 The forecast year end reserves position at Appendix 3 reflects the Council's reserves strategy and approach reported and approved at Budget Council on 10 February 2021.

1.9.2 General Fund reserves and balances are estimated to reduce through 2020/21 by £16.9m; from £115.7m at the start of the year to £98.8m as at 31 March 2021. The movement includes the Quarter 3 forecast overspend of £1.9m and the estimated High Needs overspend of £7.6m, together with planned drawdowns in the year of £3.9m; including £1.5m from the revenue grants reserve, £0.8m from the Public Health reserve, £0.9m from the Strategic Investment Support reserve and £0.4m from the Rollover reserve.

1.9.3 The remaining £3.5m reduction reflects the net movement on the COVID-19 Risk reserve; namely the addition of tranche 2 to 4 COVID-19 Support funding totalling £23.6m, and the drawdown of £27.1m to offset the additional pressures attributable to the pandemic, as noted in section 1.2 earlier.

1.9.4 As at Quarter 3 it is projected that £7.6m of the un-ringfenced COVID-19 Support funding will not be utilised in-year. This will remain in the COVID-19 risk reserve and will roll forwards into 2021/22 to fund ongoing pressures arising from the pandemic.

1.9.5 The forecast reserves level as at 31 March 2021 includes £10.0m relating to statutory schools reserves (which cannot be re-directed for non-school uses) and £0.3m ringfenced Public Health reserves. This leaves forecast usable reserves of £88.5m; equivalent to 29.3% of the original 2020/21 net revenue budget of £302.3m. If the estimated £19.8m DSG deficit referred to in paragraph 1.3.5 is removed from this calculation, then the usable reserves level is adjusted to £108.3m, or 35.8%. For comparator purposes, based on the recently updated CIPFA resilience index using 2019/20 revenue outturn data, the median percentage across the 36 metropolitan Councils on this particular indicator was 35% as at 31 March 2020, accepting that this data is a snapshot in time from 9 months back.

1.9.6 The significance of this indicator is that it features as part of CIPFA's suite of 'financial resilience' performance indicators being developed to support officers, members and other stakeholders as an independent and objective suite of indicators that measure the relative financial sustainability and resilience of Councils, given extensive and ongoing

national coverage and concern about financial sustainability across the local government sector.

- 1.9.7 Forecast financial resilience reserves as at 31 March 2021 are £35.2m, net of the forecast Quarter 3 overspend. This is currently below the minimum £37m requirement recommendation by the Chief Financial Officer to carry forward into 2021/22, as set out in the approved 2021/22 Annual Budget Report to Council on 10 February 2021. It is expected however, that the Council's Executive Team will continue to enact a range of management actions as appropriate to support the local recovery effort within the parameters of public health protection and guidance and, with continuing Government support, will aim to deliver a break even position as far as possible by year end. This would enable financial resilience reserves to be maintained at the 2020/21 opening balance of £37.1m.

1.10 Collection Fund

- 1.10.1 The Collection Fund accounts separately for council tax and business rates income and payments. At Quarter 3, there is a projected in year deficit of £30.1m; £2.6m with respect to Council Tax and £27.5m from Business Rates.
- 1.10.2 The projected £2.6m in-year deficit from council tax is based on a forecast 98.6% achievement against planned income of £190.0m. This assumes the application of Kirklees' share of the £4.9m Hardship Funding to offset additional discounts applied to current working age recipients of Local Council Tax Support (LCTS); see also paragraph 1.2.16. As at Quarter 3, there have been in the region of 12,700 such recipients; or 49% of the total current working age LCTS caseload. The in-year deficit also includes a forecasted increase in the bad debt provision as a direct result of the impact of COVID-19 on the ability of taxpayers to pay their council tax bills.
- 1.10.3 The 2020/21 budget calculations, pre-COVID-19, assumed approximately 23,000 working age LCTS recipients. Revised figures show a significant increase in claimants to 26,000, equivalent to a 13% rise, as at Quarter 3. It is estimated that in the region of £5.4m income will be lost in-year, prior to offsets from the Hardship Fund, as a result of the increased working age LCTS claimants and additional hardship discounts. £1.7m of this loss relates to one-off £150 payments awarded to LCTS claimants.
- 1.10.4 The projected in-year Business Rates deficit of £27.5m equates to a forecast achievement of 46.6% against planned income (local share) of £51.5m. Of this, £23.6m of the deficit is 'technical' in nature, as it relates to a downward income adjustment as a result of the expanded retail discount scheme, first announced by Government in March 2020 in response to the pandemic after 2020/21 budgets had already been set. The additional reliefs awarded to businesses will be funded in full by Central Government through section 31 grant payments to the General Fund in-year. The £3.9m balance of forecast deficit relates to the forecast impact of COVID-19 on business activity.
- 1.10.5 Taking into account the opening balance and repayments to the General Fund in year, the above in-year projections result in underlying forecast deficits at 31 March 2021 of £3.9m for council tax and £3.6m for business rates (excluding the extended reliefs income adjustment and corresponding s31 grant offset).

Table 2 – Collection Fund Summary

Collection Fund forecast (Council Share)	Council Tax	Business Rates	Total
	£000	£000	£000
(Surplus)/Deficit at 1 April 2020	1,180	(3,685)	(2,505)
Re-payments to/(from) General Fund 20/21	58	3,377	3,435
In year Financial Performance	2,635	27,480	30,115
(Surplus)/Deficit at 31 March 2021	3,873	27,172	31,045
s31 grant for expanded retail discount	-	(23,643)	(23,643)
Remaining unfunded deficit (notional)	3,873	3,529	7,402

- 1.10.6 Any in-year deficit or surplus on council tax income and business rates income is carried forward into the following financial year through the Collection Fund. This means there is a timing delay when the financial impact of COVID-19 on the Collection Fund would hit Council finances; effectively 2021/22.
- 1.10.7 As part of the financial support package to councils announced in July, as referred to in paragraph 1.2.8 earlier, Government indicated that Local Authorities would be able to spread Collection Fund deficits as at 31 March 2021 over the following three years to 2023/24.
- 1.10.8 SR20 confirmed that the Government will compensate Local Authorities for 75% of irrecoverable losses in Council Tax and Business Rates income in respect of 2020/21. Updated budget plans in the 2020/21 Annual Budget Report to Council included an estimate of £5.7m compensation for these tax losses. This income is split equally across the first three years of the MTFP to mirror the spread of the collection fund deficit. Final tax loss compensation payments will only be known once the final collection fund position is agreed at the current year end.

North and West Yorkshire Business Rates Pool

- 1.10.9 Kirklees is part of the North and West Yorkshire Business Rates Pool in 2020/21. The levy gain to the Pool in 2020/21 is 50%; the remaining 50% is returned to Government. The financial model underpinning the Pool estimated a potential overall gain to the Pool in the region of £10.7m in-year. This has subsequently been adjusted downwards to £9.7m and will continue to be reviewed in light of ongoing COVID-19 impacts on local economies impacting on member authority levy payments into the Pool.
- 1.10.10 Pool members agreed at the time of the application that any levy income would be allocated to member authorities using the approach previously used for the two predecessor pools (The Leeds City Region Pool and the North Yorkshire Pool). Kirklees share would therefore be in the region of £660k but as noted above, overall Pool levy projections remain fluid for the remainder of 2020/21.
- 1.10.11 The wider economic effects on the regional economies of the pool members presents a risk to pool funding. Government's pooling prospectus notes that the nature of the pooling arrangement is to provide a safety net at 92.5% for authorities who see significant reductions in their income from the rates reduction scheme. The Memorandum of Understanding for the Pool therefore reflects that if an authority falls into safety net the loss of income should be met by the retained levies from the other authorities.
- 1.10.12 If there is not enough in retained levies, the net loss will be shared amongst all members of the Pool (including those in safety net). Whilst monitoring will be ongoing

throughout the year, the final unaudited position for the Pool will be confirmed in May 2021, when authorities will be able to finalise their own positions for the year. Current monitoring shows that all members are above their safety net positions but, given the prevailing uncertainty, the position will continue to be closely monitored.

1.11 Housing Revenue Account

- 1.11.1 The Council's Housing Revenue Account (HRA) accounts for all Council housing related revenue expenditure and income in a separate statutory (ring-fenced) account. The forecast revenue outturn at Quarter 3 is a deficit of £1.8m against an annual turnover budget of £91.5m in 2020/21; equivalent to 2.0%.
- 1.11.2 The deficit includes an increase on the KNH fee of £0.2m, projected additional grounds maintenance costs of £0.1m and an estimated overspend of £0.1m on Right to Buy Administration. There are also projected variations totalling £0.8m on income; £0.4m of which relates to the COVID-19 emergency. This reflects a projected £0.3m under collection of rent income and £0.1m under collection of service charges.
- 1.11.3 Further pressures linked to COVID-19 include increased material costs due to demand over lockdown, and additional workforce pressures relating to salary costs for operatives that work on planned/capital schemes. Forecasts as at Quarter 3 assume such costs will be covered by existing KNH reserves. This position will be reviewed and updated regularly through subsequent monitoring rounds.
- 1.11.4 Forecast HRA reserves at 31 March 2021, net of set asides for business risks and investment needs and a minimum working balance, is £56.9m. A summary of the HRA outturn and reserves position can be found at Appendix 4.

1.12 Capital

- 1.12.1 The Council's Annual Budget to Budget Council on 10 February 2021 also revised the capital plan budget for 2020/21 to £134.2m (£114.3m General Fund; £19.9m HRA). Subsequent to this, capital budgets have been further reviewed and a further £8.7m (£8.1m General Fund slippage; £0.6m HRA slippage) re-profiled into later financial years; see also Appendix 6. Also £0.4m additional grant adjustments have been made.
- 1.12.2 The Council's revised capital budget for 2020/21 is £125.9m. The forecast capital outturn at Quarter 3 is £114m; forecast £11.9m variance.
- 1.12.3 The Quarter 3 position is summarised in Table 3 below, categorised by Council primary outcomes as set out in the Corporate Plan, which illustrates how the Council's investment proposals align with the Council's ambitions for its residents. Each primary outcome is further structured between strategic priorities, baseline work programmes and one-off projects.

Table 3 – Forecast Capital Outturn 2020/21 at Quarter 3

By Category	Revised Budget £000	Actuals to Date £000	Annual Forecast £000	Variance £000
Achieve & Aspire	13,374	5,736	13,321	(53)
Best Start	956	15	956	0
Independent	1,587	249	1,455	(132)
Sustainable Economy	69,601	29,772	58,250	(11,351)
Well	10,813	3,911	10,747	(66)
Safe & Cohesive	10	5	10	0
Clean & Green	7,845	1,470	7,945	100
Efficient & Effective	2,440	467	1,927	(513)
General Fund	106,626	41,625	94,611	(12,015)
Independent –Strategic Priorities	4,949	2,120	4,982	33
Independent - Baseline	14,345	9,212	14,383	38
Housing Revenue Account	19,294	11,332	19,365	71
Total Capital Plan	125,920	52,957	113,976	(11,944)

- 1.12.4 A summary breakdown of the capital outturn position is provided at Appendix 5, along with key variances highlighted.
- 1.12.5 Officers will continue to review capital budget profiles in year, including any more detailed recommendations for potential re-profiling of scheme budgets between years (allowable under Financial Procedure Rules 3.10-3.15), as part of the regular financial reporting cycle; the next key milestone being the Financial Outturn Report to Cabinet and Council in July 2021.
- 1.12.6 This report also includes a number of specific capital scheme proposals for Cabinet approval in line with Council Financial Procedure Rules. The first three proposals will be met from the existing borrowing capacity within the overall plan and are thus already built into the figures above. Schemes requiring approval are outlined below:

Adults Social Care Intermediate Care Homes – Call System Replacement

- 1.12.7 The nurse call systems currently in use at Ings Grove House and Moorlands Grange were commissioned prior to the homes opening in 2006. There have not been any upgrades to the functionality of the systems since they were installed and as a result they have not kept pace as call technologies have developed. The limitations of the call systems have become more apparent as the usage of the homes has changed from purely residential to intermediate care offering rehabilitation and support.
- 1.12.8 Ings Grove House and Moorlands Grange play key roles in supporting local hospitals manage patient flow, accepting discharges from both CHFT and Mid Yorks. Accessing a fully functioning nurse call system that enables residents to call for assistance when they need it is key to keeping them safe due their stay, ensures residents have a means of contacting staff and reduces the risk of a re-admission to hospital as a consequence of a delayed response to a medical emergency.
- 1.12.9 Cabinet are requested to approve £120k towards the cost of the call system replacements to be funded from the existing Day Services Support for Vulnerable Adults programme line in the Capital Plan.

1.12.10 Currently, enabling works linked to the approved scheme for Vine Street Depot have been identified at Emerald Street up to £300k, which includes the purchase of modular units. The funding is recommended to be met from existing resources identified within the Depot Works/Waste Management Plant/Infrastructure line.

Batley Town Hall

1.12.11 It is proposed to pull forward works planned for 2023/24 on improving technical equipment and changing rooms at Batley Town Hall (£75k) into the final quarter of this financial year. This is to take advantage not only of the building currently being closed due to COVID-19 restrictions, thereby removing the need to close the building and disrupt bookings in a future year; but also to take advantage of synergies with similar improvement works currently on site at Dewsbury Town Hall. The remaining works which form the bulk of the Sustainability of Major Town Halls (Service Development) capital plan will be brought forward in a Cabinet Report for formal approval in due course.

Liquidlogic Children's and Delegation Portal

1.12.12 A proposal for a self-funded investment in the Council's Children's Early Help Module and Social Care case management system is requested for Cabinet approval. The Liquid Logic system has a 'Children and Families Portal' which uses a platform to enable service users to interact with their record, social worker, lead professional or SEN Co-ordinator online. Key functionality of the Children's Portal includes the ability for parents and children to contribute towards for example Education Health Care Plans or CLA Care Planning processes and engage directly with the Council.

1.12.13 In addition to this, it allows prospective adopters and foster carers to submit expressions of interest and other recruitment related documentation online. The Liquidlogic Children's Portal can be embedded into the Councils' existing corporate website and configured to reflect the style and format accordingly. Aligning to the Corporate Digital Strategy, this technology will be one of the drivers for Children's Services to move to 'Outstanding', which is one of our Corporate priorities.

1.12.14 The 'Delegation Portal' enables multi-agency contribution to be made directly into the Liquidlogic systems in a manageable and secure way. Social Workers require contributions from external professionals in assessments and plans and this portal allows them to assign forms or part of forms to external professionals which are in turn updated automatically by external professionals without the need for manual intervention by Social Workers.

1.12.15 Cabinet is asked to approve the additional £109k self-funding to be added to the capital plan in 2021/22 for the above new scheme. Associated savings identified within the Children's Service revenue budget will be utilised to cover both the ongoing annual support costs of £16.2k and annual financing costs of £16k.

2 Information required to take a decision

2.1 The Appendices accompanying this report provide a more detailed breakdown of the Quarter 3 financial monitoring position, as follows:

- i) Appendix 1 sets out by service area, the forecast General Fund revenue outturn position in 2020/21
- ii) Appendix 2 summarises the forecast full year impact on General Fund of COVID-19, for both additional costs and lost income.

- iii) Appendix 3 summarises the forecast reserves and balances movements in-year,
- iv) Appendix 4 summarises the forecast HRA financial position including movements in HRA reserves in-year;
- v) Appendix 5 sets out by Outcome area the forecast capital outturn position in 2020/21 and the reasons for the more significant forecast capital variances across strategic priority and baseline capital schemes.
- vi) Appendix 6 shows capital budget re-profiled into future years of the capital plan;
- vii) Appendix 7 lists the funding streams received by the Council to tackle the COVID-19 emergency;
- viii) Appendix 8 is the Corporate Risk Register, updated as at January 2021.

2.2 The corporate risk register at Appendix 8 summarises the key strategic risks or barriers to achieving the corporate objectives. It also provides visibility about the management actions which are either in place or brought into action to mitigate the impact of these risks. Many of these are of a financial nature and provide contextual information when setting the council's budget. There isn't a direct link, but they do help to inform the level of reserve held by the council.

2.3 Individual risks vary over time, and the need to set aside reserves changes depending on the underlying budget provisions. The risk assessment reflects the approved budget plans updated for emerging and changing medium and significant risk, including COVID- 19 impact.

3 Implications for the Council

3.1 Working with People

3.2 Working with Partners

3.3 Place Based working

3.4 Climate Change & Air Quality

3.5 Improving Outcomes for Children

3.6 Other (eg Legal/Financial or Human Resources)

3.6.1 Council officers have implemented processes to capture COVID-19 related costs across the totality of Council activity. In addition, Government has requested monthly returns on the financial impact of COVID-19, starting from April 2020, to help inform Government intelligence on the scale of financial impact on Councils. The financial impact on Council finances is also significant across a range of Council income streams, with national lockdown measures having a material short-term impact on fees and charges across Council service activity. There are also significant pressures on council tax and business rates income.

3.6.2 Government has allocated significant additional COVID-19 funding to Councils through 2020/21. The local government sector continues to engage with Government to ensure Councils receive appropriate funding compensation, and at this stage it is anticipated that in spite of continuing COVID-19 challenges, the year-end general fund revenue

will broadly be brought in line with budget.

- 3.6.3 As at Quarter 3, net pressures arising from COVID-19 are estimated to total £42.1m across both General Fund and Collection Fund; net of spend that is eligible to be funded through specific grants allocated to councils to cover particular aspects of the response to the pandemic. This is adjusted down by the Council's share of tranches 1 to 3 of un-ringfenced Government funding; (£27.1m net of £1.1m used to offset 2019/20 COVID-19 financial impacts).
- 3.6.4 Tranche 4 of further un-ringfenced COVID-19 grant funding was allocated to Kirklees in October 2020 at £7.6m. Going forward, this will be released where appropriate to offset the continued impacts of measures to manage the spread of COVID-19 infection and to support the national and local recovery plan thereafter.
- 3.6.5 Compensation will also be received for lost income through the national funding package for local government, announced in early July as part of a "comprehensive plan to ensure councils' financial sustainability for the future". The funding package compensates councils for 75% of income losses from sales, fees and charges, where the losses are greater than 5% of the council's planned income receivable. At Quarter 3, it is estimated that Kirklees will receive approximately £8.1m income compensation through this scheme.
- 3.6.6 Government have also announced that Councils may spread Collection Fund deficits arising in 2020/21 over three years to 2023/24. Under usual circumstances, any in-year deficit or surplus on council tax and business rates income is carried forward through the Collection Fund to the following year. Quarter 3 forecasts indicate a potential overall year-end deficit of £31.0m, prior to the offset of additional s31 business rates grants.
- 3.6.7 It is acknowledged that at Quarter 3, the 2020/21 financial forecasts and underlying assumptions remain somewhat volatile. National and local measures to manage the spread of COVID-19 infection in parallel to the national and local recovery plan continue to be under constant review.
- 3.6.8 The COVID-19 response is ongoing, with a further national lockdown enforced in January 2021, alongside the nationwide scaling up of the COVID-19 vaccination programme. The impact of COVID-19 continues to be a significant draw on existing Council, Partner and community capacity and is likely to continue to do so at least through the first half of 2021/22.
- 3.6.9 The financial settlement 2021/22, while largely being a one-year settlement only, included further "one-off" COVID-19 funding support to Councils in 2021/22. This will give the local government sector some additional breathing space at least over the next 12 months, and Government more time to consider its longer-term plans for public finance in response to the unprecedented current economic uncertainty. The longer term impacts of COVID-19 on individuals, communities and the most vulnerable are only likely to add to already increasing demand management pressures on essential Council services.
- 3.6.10 The Council's refreshed reserves strategy recently approved in the 2021-26 budget plans is directed at strengthening organisational flexibility and financial resilience over the medium to longer term in account of future funding uncertainty and the continued pressures facing Councils as outlined above. Any projected overspend would in the first instance effectively be transferred to reserves at year end and offset by financial resilience reserves, as indicated at Appendix 3.
- 3.6.11 Forecast financial resilience reserves as at 31 March 2021 are £35.2m, net of the forecast Quarter 3 overspend. This is currently below the minimum £37m requirement recommendation by the Chief Financial Officer at least to the start of 2021/22, as set out

in the 2021-26 Annual Budget Report. It is expected however, that the Council's Executive Team will continue to enact a range of management actions as appropriate to support the local recovery effort within the parameters of public health protection and guidance and, with continuing Government support, will aim to deliver a break even position as far as possible by year end. This would enable financial resilience reserves to be maintained at the 2020/21 opening balance of £37.1m.

- 3.6.12 The recent Annual Budget Report to Council in February incorporated a more detailed review, quantification and sensitivity analysis on a range of budget and other risks as part of the refreshed Medium Term financial Plan (MTFP). This also incorporated a further review of COVID-19 financial impacts anticipated to affect the Council's budget beyond 2020/21.
- 3.6.13 The COVID-19 risk reserve will provide additional short-term resilience for unfunded COVID-19 financial pressures, as well as targeted support to some of the borough's most financially vulnerable individuals and households.
- 3.6.14 A fundamental review of the 5 year plan was undertaken in the summer to re-phase and reprioritise capital plan priorities in line with the Councils Economic Recovery Plan. The re-phased plan was presented as part of the recent Annual Budget Report and will continue to be reviewed and refreshed on an ongoing basis through the remainder of the corporate annual reporting cycle. This will include consideration of further re-phasing and prioritisation of schemes within existing plans and any emerging new capital proposals, affordability considerations and external funding opportunities.

4 Consultees and their opinions

This report has been prepared by the Service Director Finance, in consultation with the Executive Team.

5 Next Steps and timelines

To present this report to Cabinet as part of the Quarterly financial monitoring reporting cycle.

6 Cabinet portfolio holders recommendations

The portfolio holder agrees with the recommendations set out in this report.

7 Officer recommendations and reasons

Having read this report and the accompanying Appendices, Cabinet is asked to:

General Fund

- 7.1 note the 2020/21 forecast revenue overspend of £1.9m as at Quarter 3;
- 7.2 note the 2020/21 forecast £7.6m High Needs overspend which as per current DfE guidance will roll forward into 2021/22 on the Council balance sheet as a negative reserve;
- 7.3 approve the proposed mitigation of the PFI affordability double count on schools funding over the 2019-20 as set out at paragraph 1.3.9;
- 7.4 note that in conjunction with the assumed continued support of Central Government

to adequately compensate the Council for COVID-19 pressures, the Council's Executive Team continue to identify opportunities for spending plans to be collectively brought back in line within the Council's overall budget by year end;

7.5 note the forecast year-end position on corporate reserves and balances;

Collection Fund

7.6 note the forecast position on the Collection Fund as at Quarter 3;

HRA

7.7 note the Quarter 3 forecast HRA position and forecast year-end reserves position;

Capital

7.8 note the Quarter 3 forecast capital monitoring position for 2020/21;

7.9 approve the re-profiling across years of the capital plan as set out in this report and at Appendix 6;

7.10 approve £120k capital proposal for Call System Replacement in the Adults Social Care Intermediate Care Homes;

7.11 approve £300k enabling works at Emerald Street Depot;

7.12 approve the release of funding from the Sustainability of Major Town Halls – Service Development capital programme line for works at Batley Town Hall as set out in this report;

7.13 approve a £109k new self-funded capital proposal for Liquid logic Childrens and Delegation Portal, to be added to the plan, as set out in this report;

8 Contact Officer

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9 Background papers and History of Decisions

Annual budget report 2021-26, Budget Council, 10 February 2021

Quarter 2 Financial Monitoring Report, Cabinet 18 November 2020

2020/21 Budget Strategy Update Report, Cabinet 20 October 2020

Quarter 1 Financial Monitoring Report, Cabinet 1 September 2020

COVID-19 Impact on Council Finances Report, Cabinet 21 May 2020

Annual budget report 2020-23, Budget Council, 12 February 2020

Financial Outturn and Rollover Report 2019/20, Cabinet 28 July 2020

10 Service Director responsible

Eamonn Croston, Service Director Finance.

Appendix 1

Strategic Director portfolio responsibilities	Annual					Variance made up of:		
	Controllable Budget (Net)	Planned use of reserves	Revised Budget	Forecast	Variance	General COVID-19 Spend	COVID-19 Income Losses	Other
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Child Protection & Family Support	39,388	33	39,421	42,248	2,827	2,681	-	146
Resources, Improvements & Partnership	20,591	-	20,591	19,777	(814)	-	-	(814)
Learning & Early Support & Schools	17,870	25	17,895	19,991	2,096	870	370	856
Sub Total (Children & Families)	77,849	58	77,907	82,016	4,109	3,551	370	188
Customers and Communities	11,449	148	11,597	11,983	386	883	462	(959)
ASC - Older People and Physical Disability	19,158	61	19,219	28,020	8,801	6,530	-	2,271
ASC - Learning Disabilities and Mental H	64,554	-	64,554	63,948	(606)	-	296	(902)
Adults Sufficiency	13,377	-	13,377	13,416	39	-	-	39
Sub Total (Adults & Health)	108,538	209	108,747	117,367	8,620	7,413	758	449
Growth & Housing	7,132	1,670	8,802	11,067	2,265	671	2,095	(501)
Economy & Skills	8,365	252	8,617	8,203	(414)	-	324	(738)
Sub Total (Growth & Regen)	15,497	1,922	17,419	19,270	1,851	671	2,419	(1,239)
Environment	28,420	382	28,802	41,970	13,168	2,848	9,626	694
Sub Total (Environment & Climate Change)	28,420	382	28,802	41,970	13,168	2,848	9,626	694
Strategy, Innovation & Planning	14,411	35	14,446	15,339	893	744	16	133
Public Health & People	(388)	827	439	5,185	4,746	4,448	35	263
Governance & Commissioning	10,164	(40)	10,124	11,003	879	698	13	168
Finance	8,394	520	8,914	10,636	1,722	50	1,757	(85)
Sub Total (Corporate Strategy, Commissioning & Public Health)	32,581	1,342	33,923	42,163	8,240	5,940	1,821	479
Central	39,414	-	39,414	40,960	1,546	-	168	1,378
General Fund Total	302,299	3,913	306,212	343,746	37,534	20,423	15,162	1,949
COVID-19 Support Grant Offset				(27,090)	(27,090)	(20,423)	(6,667)	-
Estimated COVID-19 Income Loss Compensation				(8,495)	(8,495)		(8,495)	-
Revised General Fund Total				308,161	1,949	-	-	1,949

Forecast Full Year COVID-19 Costs to be Funded from COVID-19 Support Grant

£k

Children and Families	3,551
Child Protection and Family Support	2,681
Learning, Early Support and Schools	870
Adults and Health	7,413
Adults Social Care Operation	6,530
Customers and Communities	883
Growth and Regeneration	671
Growth and Housing	671
Environment and Climate Change	2,848
Environment	2,848
Corporate Strategy, Commissioning and Public Health	5,940
Finance	50
Governance and Commissioning	698
Public Health and People	4,448
Strategy Innovation and Planning	744
Grand Total	20,423

Full Year Projected External Income Losses related to COVID-19

Row Labels	Sum of 2020/21 Full Year Projection £k
Catering	2543
Parking - Off Street Parking	2406
Parking - On Street Parking	1843
Welfare and Exchequer	1757
Markets	965
Planning Fees	636
Trade Waste	610
Town Halls & Public Halls	547
Public Protection	452
Registrars	366
Other	3,037
Total Income Losses	15,162
Full Year Budgeted Income	56,702
Estimated Proportion of Annual Income Lost	27%

Appendix 3

General Fund Earmarked Reserves

	Reserves position as at 1st April 2020 Incl. Budget Report approved reserve transfers	Other In Year Transfers to Reserves	Revised Balance on Reserves	Planned Drawdown in-year Covid 19	Planned Net Drawdown in-year Other	Unplanned use of Reserves (Forecast Variance & High Needs Overspend)	Budget Update Report approved transfers	Forecasted Reserves position as at 31st March 2021
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Schools Balances	(9,967)		(9,967)		-	-		(9,967)
DSG Deficit	14,396		14,396		(2,184)	7,600		19,812
Total Statutory (School Reserves)	4,429	-	4,429		(2,184)	7,600		9,845
Earmarked								-
Financial Resilience Reserves	(37,146)		(37,146)		-	1,949		(35,197)
Earmarked (Other)								-
Rollover	(656)		(656)		368	-		(288)
Revenue Grants (various)	(9,095)		(9,095)		1,518	-		(7,577)
Public Health	(1,150)		(1,150)		827	-		(323)
Stronger Families Grant	(1,011)		(1,011)		-	-		(1,011)
Insurance	(1,900)		(1,900)		-	-		(1,900)
Ward Based Activity	(1,199)		(1,199)		34	-		(1,165)
Social Care Reserve	(2,195)		(2,195)		157	-		(2,038)
Property and Other Loans	(3,000)		(3,000)		-	-		(3,000)
Adverse Weather	(2,432)		(2,432)		68	-	2,364	(0)
Strategic Investment support	(4,229)		(4,229)		920	-		(3,309)
Waste Management	(5,684)		(5,684)		-	-		(5,684)
Mental Health	(1,400)		(1,400)		25	-		(1,375)
Business Rates	(2,000)		(2,000)		-	-		(2,000)
Covid-19 Response	(11,099)	(23,629)	(34,728)	27,090	201	-	(2,364)	(9,801)
School PFI	(2,184)		(2,184)		2,184	-		0
Demand Reserve	(15,706)		(15,706)		-	-		(15,706)
Place Partnership Theme	(2,000)		(2,000)		-	-		(2,000)
Other	(6,037)		(6,037)		(205)	-		(6,242)
Total - Earmarked Other	(72,977)	(23,629)	(96,606)	27,090	6,097	-	-	(63,419)
Sub Total Earmarked Reserves	(110,123)	(23,629)	(133,752)	27,090	6,097	1,949	-	(98,616)
GENERAL BALANCES	(9,998)		(9,998)					(9,998)
Grand Total	(115,692)	(23,629)	(139,321)	27,090	3,913	9,549	-	(98,769)
Total usable reserves (excluding schools and public health)	(104,575)	(23,629)	(128,204)	27,090	3,086	9,549	-	(88,479)

£2.2m School PFI reserve assumed to part offset High Needs DSG deficit for element relating to General Fund contribution to schools PFI.

HOUSING REVENUE ACCOUNT 2020/21 - MONTH 9

	Year to Date			Annual			Variance from (Previous Month)	Change In Variance
	Controllable Budget (Net)	Actuals	Variance	Revised Budget	Forecast	Variance		
	£'000	£'000	£'000	£'000	£'000	£'000		
Repairs & Maintenance	20,653	20,712	59	26,992	26,992	(0)	0	(0)
Housing Management	26,259	26,400	141	35,152	35,819	667	632	35
Other Expenditure	225	655	430	25,699	25,983	284	279	5
Total Expenditure	47,137	47,767	630	87,843	88,794	951	911	40
Rent & Other Income	(66,338)	(65,858)	480	(91,480)	(90,670)	810	829	(19)
Revenue Contribution to Capital Funding	0	0	0	3,637	3,637	0	0	0
Planned transfer to HRA Reserves	0	0	0	0	0	0	0	0
Total	(19,201)	(18,091)	1,110	0	1,761	1,761	1,740	21

HRA RESERVES

	Balance at 31 March 2020	Approved Movement in Reserves	Balance at 31 March 2021
	£'000	£'000	£'000
Set aside for business risks	(4,000)		(4,000)
Forecast in Year Surplus/Deficit		1,761	1,761
To support the Capital Investment Programme		2,341	2,341
Set aside to meet investment needs (as per HRA Business Plan)	(55,518)		(55,518)
Working balance	(1,500)		(1,500)
Total	(61,018)	4,102	(56,916)
*Planned in year transfer from HRA			

	Annual Budget Report Plan £'000	Budget Adjustment incl Re- profiling £'000	Qtr 3 Revised Budget £'000	Actuals to Date £'000	Forecast £'000	Variance £'000	Variance %
General Fund							
Aspire & Achieve	14,178	(804)	13,374	5,736	13,321	(53)	0%
Best Start	956	0	956	15	956	0	0%
Independent	2,370	(783)	1,587	249	1,455	(132)	(8%)
Sustainable Economy	75,749	(6,148)	69,601	29,772	58,250	(11,351)	(16%)
Well	11,116	(303)	10,813	3,911	10,747	(66)	(1%)
Safe & Cohesive	10	0	10	5	10	0	0%
Clean and Green	7,484	361	7,845	1,470	7,945	100	1%
Efficient & Effective	2,440	0	2,440	467	1,927	(513)	(21%)
GENERAL FUND TOTAL	114,303	(7,677)	106,626	41,625	94,611	(12,015)	(11%)
Housing Revenue Account		-					
Strategic Priorities	6,162	(1,213)	4,949	2,120	4,982	33	1%
Baseline	13,776	569	14,345	9,212	14,383	38	0%
HOUSING REVENUE TOTAL	19,938	(644)	19,294	11,332	19,365	71	0%
CAPITAL PLAN TOTAL	134,241	(8,321)	125,920	52,957	113,976	(11,944)	(9%)

Capital Monitoring Key Highlights – General Fund

Activity Level	Annual Budget £'000	Variance for the year £'000	Comments
Sustainable Economy			
<u>Strategic Priorities</u>			
Emergency Active Travel	2,194	(1,784)	Funding was confirmed towards the end of last year. Initial spend has been incurred on project management, design time and consultation. The majority of the grant will be spent in 2021-22 with a scheme completion date of March 2022.
Dewsbury Town Centre Action Plan	3,539	(1,736)	Slippage on schemes such as Heritage Action Zone (-£910k), Better Spaces Strategy (-£252k) and Town Fund Accelerated Grant (-£219k)
Huddersfield Town Centre Action Plan	2,808	(940)	Slippage on schemes. Funds are expected to be rolled forward into the following financial year.
<u>Baseline</u>			
Highways	26,020	(7,666)	Sizeable increase in the overall yearly budget by 30% relative to 2019-20. Logistical impacts of COVID on Council construction teams and other external contractors have affected the timing of scaled up delivery.
Total	34,561	(12,126)	

Corporate Capital Budget Monitoring 2020/21 – Q3 Re-profiling

	2020/21	2021/22 to 2024/25
	£'000	£'000
General Fund		
Achieve & Aspire		
<i>Strategic Priorities:</i>		
Reprovision of Special School	(37)	37
Libraries	(10)	10
<i>Baseline:</i>		
Capital Maintenance Grant	(585)	585
<i>One Off Projects:</i>		
SEND Provision	(332)	332
Commissioning option appraisals - SEN	161	(161)
Achieve & Aspire Total	(803)	803
Independent		
<i>One Off Projects:</i>		
Assistive Technology Consultant	(15)	15
Social Care Case Management System–Care First	(768)	768
Independent Total	(783)	783
Sustainable Economy		
<i>Strategic Priorities:</i>		
Property Investment Fund (103 New Street)	(1,550)	1550
Site Development - Soothill	(3,137)	3137
Homes England	(15)	15
Dewsbury Riverside	25	(25)
Huddersfield Town Centre Action Plans	542	(542)
Dewsbury Town Centre Action Plans	(446)	446
<i>Baseline:</i>		
Housing Private – Disabled Facilities Grant	(430)	430
Corporate Landlord	(1,335)	1335
Corporate Landlord Suitability	(80)	80
Play Strategy	(300)	300
Sustainable Economy Total	(6,726)	6,726
Clean and Green		
<i>Strategic Priorities:</i>		
Depot Works	200	(200)
Clean & Green Total	200	(200)
GENERAL FUND RE-PROFILE	(8,112)	8,112

Corporate Capital Budget Monitoring 2020/21 – Q3 Re-profiling (continued)

	2020/21	2021/22 to 2024/25
	£'000	£'000
Housing Revenue Account:		
Strategic Priorities:		
Housing Growth	(562)	562
IT System	(277)	277
Council House Building	(374)	374
Baseline:		
Housing Capital Plan	1,693	(1,693)
Compliance	(465)	465
Fuel Poverty	(659)	659
HOUSING REVENUE ACCOUNT RE-PROFILE	(644)	644
TOTAL CAPITAL PLAN RE-PROFILED	(8,756)	8,756
Overall Funding:		
Borrowing (General Fund)	(3,220)	3220
Grants (General Fund)	(4,511)	4511
Receipts, ring-fenced (General Fund)	(381)	381
HRA funding	(644)	644
TOTAL FUNDING RE-PROFILED	(8,756)	8,756

COVID-19 Funding Streams

Funding Stream	National Total	Kirklees Allocation	Description (as per the relevant Gov.uk website)
COVID-19 Support Grant (Tranche 1 & 2)	£3,194m	£24.325m	Un-ringfenced grant to help offset Government directed additional Council spend
COVID-19 Support Grant (Tranche 3)	£500m	£3.894m	Supplementary un-ringfenced grant to help offset Government directed additional Council spend
COVID-19 Support Grant (Tranche 4)	£900m	£7.638m	Further allocation in October 2020 to ensure Councils have the resources required to respond to the pandemic.
Hardship Fund	£500m	£4.956m	The Government has provided billing authorities in England with a £500 million hardship fund to enable them to support economically vulnerable people and households in their local area by providing them with a further reduction in their council tax.
Hardship Fund supplementary funding	£63m	£550k	Councils have responded quickly and effectively to the complex challenges faced by local communities and this funding will help them continue to provide much needed crisis support to households who are struggling to afford food, fuel and other essentials."
Re-open High Streets Safely fund	£49.964m	£389k	<p>To prepare for the reopening of non-essential retail when the scientific advice allows, to help councils in England introduce a range of safety measures in a move to kick-start local economies, get people back to work and customers back to the shops.</p> <p>It will also support a range of practical safety measures including new signs, street markings and temporary barriers. This will help get businesses get ready for when they can begin trading safely, not only in high streets and town and city centres, but also in other public spaces like beachfronts and promenades.</p>
Adult Social Care Infection Control Fund	£600m	£4.553m	The Adult Social Care Infection Control Fund was announced in May and is worth £600 million. The primary purpose of this fund is to support adult social care providers, including those with whom the local authority does not have a contract, to reduce the rate of COVID-19 transmission




Funding Stream	National Total	Kirklees Allocation	Description (as per the relevant Gov.uk website)
			in and between care homes and support wider workforce resilience.
Adult Social Care Infection Control Fund (round 2)	£546m	£3.805m	The Adult Social Care Infection Control Fund has been extended until March 2021, with an extra £546 million of funding. This is a new grant, with revised conditions from the original Infection Control Fund. It brings the total ringfenced funding for infection prevention and control to £1.146 billion. The grant should be fully spent by 31 st March 2021 on infection control measures.
Small Business Grant Fund & Retail, Hospitality & Leisure Grant Fund	£12,333m	£113.65m	The Small Business Grant Fund (SBGF) supports small and rural businesses in England with their business costs during coronavirus. The Retail, Hospitality and Leisure Grant Fund (RHLGF) supports businesses in the retail, hospitality and leisure sectors with their business costs during coronavirus.
Local Authority Discretionary Fund	£616.65m	£5.244m	Aimed at small or micro businesses who were not eligible for the small business grant fund or the retail, leisure and hospitality fund
Test and Trace Service	£300m	£2.381m	Local authorities will be central to supporting the new test and trace service across England. Recognising this, the Government announced that £300 million will be provided to all local authorities in England to develop and action their plans to reduce the spread of the virus in their area
Rough Sleeping contingency fund	£3.196m	£12k	Rough sleepers, or those at risk of rough sleeping have been supported by £3.2 million of initial emergency funding if they need to self-isolate to prevent the spread of COVID-19. This funding was announced in March and has been made available to all local authorities in England and reimburses them for the cost of providing accommodation and services to those sleeping on the streets to help them successfully self-isolate. Funding covers period to 30 June 2020
Next Steps Accommodation Programme	£266m	£162k	There are two different aspects to this fund. One aspect is for long-term accommodation and support for rough sleepers and the remainder is for interim accommodation and support for the 15,000 vulnerable people accommodated during the pandemic.



Funding Stream	National Total	Kirklees Allocation	Description (as per the relevant Gov.uk website)
COVID-19 funding for schools	Not specified	Max funding allowance per school	Schools can claim for specified COVID-19 related costs up to a maximum of the following funding allowances: £25k per school with 250 or less pupils; £30k if 251-500 pupils; £50k if 501 to 1000 pupils; £75k if over 1000 pupils; special schools and alternative provision – all schools £50k. Funding allowance available covers the period March to July 2020.
Business Improvement Districts	£6.1m	£10.7k	The money will go to Business Improvement Districts (BIDs), local business partnerships that bring local authorities, developers and communities together to provide local leadership, drive regeneration and deliver projects and additional local services. These monies will be distributed via a grant to local authorities to be passed on to BIDs and will cover funding for 3 months and contribute to their operational costs over a 3 month period.
Compliance and Enforcement	£30m	£239.4k	There is flexibility over how the funding is used, provided it is for the purposes of compliance and enforcement of measures to control the spread of COVID-19.
Self Isolation Support	Not Specified	£500 for those on lower incomes who cannot work from home and have lost income as a result	this new Test and Trace Support payment of £500 will ensure that those on low incomes are able to self-isolate without worry about their finances. Just under 4 million people who are in receipt of benefits in England will be eligible for this payment, which will be available to those who are required to self-isolate from 28 September.
Leisure Centre Support	£100m	Unknown at this stage	Understood to be a bidding process with funds prioritised to those outsourced leisure services deemed most in need. Further details on the scheme will be set out in due course by the Department for Digital, Culture, Media and Sport.
Contain Outbreak Management Fund	Up to £465m	£3.5m	Financial support for Local Authorities tailored to Local COVID-19 alert levels. Funding to support specific activities dependent on alert level. Further to the announcement of the second national lockdown, all authorities will receive the maximum £8/head.
Contain Outbreak Management Fund - extended scheme	Not specified	Max of £4/head every 28 days from 2 nd Dec to the end of the financial year	As set out in the COVID-19 Winter Plan published on 23 November, the Contain Outbreak Management Fund will be increased so that it can provide regular payments to Local Authorities facing higher restrictions until the end of the financial


Funding Stream	National Total	Kirklees Allocation	Description (as per the relevant Gov.uk website)
			year. This further funding recognises the ongoing public health and outbreak management costs of tackling COVID-19.
Local Restrictions Support Grant (Closed)	£1.005bn	£7.166m	Funding for the period 5 Nov to 2 Dec paid across by Councils to local businesses. Allocations based on categories of businesses relevant to the closures imposed by Government.
Local Restrictions support Grant (Open)	£0.128bn	£3.970m	Offered as part of the wider set of measures to support the nation's economy and its businesses in response to Coronavirus (COVID-19) and specifically for businesses that were still open but have been severely impacted by Local COVID Alert Levels 'High' (LCAL 2) and 'Very High' (LCAL 3) restrictions since 1 August to 4 November 2020.
Additional Restrictions Grant (ARG)	£1.130bn	£8.796m	This grant is ringfenced for business support only, but Local Authorities can determine how much funding to provide to businesses from the ARG funding provided, and exactly which businesses to target.
Further Restrictions Grants to Businesses	Not specified	£36.149m	Extension of the grants above covering the period 5 th Jan 2021 onwards.
Funding for Clinically Extremely Vulnerable	£32m	£268k	Enable Councils to provide support to clinically extremely vulnerable people who need it.
Winter Grant	£170m	£1.488m	To enable LAs to provide support to families with children, other vulnerable households and individuals from early December 2020. Covers the period until the end of March 2021.
Rapid Testing Fund	£149m	£1.123m	Funding to support additional rapid testing of staff in care homes, and to support visiting professionals and enable indoors, close contact visiting where possible.
Workforce Capacity Fund	£120m	£930k	Funding to provide additional care staff where shortages arise, support administrative tasks so experienced and skilled staff can focus on providing care, and help existing staff to take on additional hours if they wish with overtime payments or by covering childcare costs.
Community Testing Funding Grant	Unknown	£4.9m to date	Funding allocated to support LA testing programme




Funding Stream	National Total	Kirklees Allocation	Description (as per the relevant Gov.uk website)
Community Champions Local Authority Fund	Up to £25m	£495k	To support work with residents impacted by the pandemic.

Risk No	Risk – Description of the risk	Management actions already in place to mitigate the risk	Control Opptnty	Trend
	Emergency & Immediate Risk			
0	The current national emergency as result of the Covid 19 coronavirus has huge implications on the Kirklees community, and the Council.	There are additional risks and impacts on the council (and community) in the short and medium term, which relate to community, operational and financial matters This is an ever-changing position, which requires regular reconsideration until the current crisis is declared under control/has passed, with a substantial number of areas of uncertainty.	L	↑
	Community Impacts & Risks	The current national emergency has a serious and significant risk to the community citizens and services users, with particular concerns about the impact on specific user groups.		
1	<p>The council does not adequately safeguard children and vulnerable adults, as a result of increased complexity, referral volumes and a lack of service capacity to respond to the assessed need.</p> <p>This risk may have worsened as a result of the full and partial coronavirus lockdown, with reduced referrals, an unwillingness of third parties to make referrals and a reduced ability to investigate. the basic controls described above remain valid</p>	<ul style="list-style-type: none"> • Disclosure & Barring Service (DBS) checking, staff training, supervision, protection policies kept up to date and communicated. • Effective management of social work (and related services); rapid response to any issues identified and from any Safeguarding Practice Reviews (Children), Safeguarding adults reviews and Domestic Homicide Reviews • Active management of cases with media interest • Review of current practices following the child sexual exploitation in other authorities and the emerging requirements. • Ensure that workloads are balanced to resources. • Staff and skill development to minimise dependence on key individuals. • Use of agency staff and or contractors when necessary • Ideal manager training • Development of market sufficiency strategy; consider approaches to support the development of the available service offer both locally and regionally. • Ensure competence of the Safeguarding Boards and that they are adequately resourced to challenge and improve outcomes • Ensure routine internal quality assessment • Take effective action after Safeguarding Practice Reviews (Children), Safeguarding adults reviews and Domestic Homicide Reviews • Effective listening to messages about threats from other parts of the council and partner agencies 	H	↑ (Covid related- otherwise probably neutral)

		<ul style="list-style-type: none"> Proactive recognition of Members role as “corporate parent” Childrens Improvement Board to assist governance and quality improvement Ensure effective record keeping <p><i>Responsible for this risk – R Parry and M Meggs</i></p>		4X5=20
2	Legacy issues of historical childcare management practices, and particularly, the heightened national attention to Child Sexual Exploitation and historical abuse cases leads to reputational issues, and resource demands to address consequential matters.	<ul style="list-style-type: none"> Additional resources and expertise allocated to new and historical Child Sex Exploitation (CSE) and other legacy work, as required. Risk matrix and risk management approach implemented with the police and partners. Understand relationship with the Prevent strategy, and issues linked to counter terrorism Take steps per risk 7 to seek to avoid ongoing issues Ensure effective record keeping <p><i>Responsible for this risk –M Meggs</i></p>	LM	 4x4=16
3	Failure to address matters of violent extremism and related safer stronger community factors, including criminal exploitation, create significant community tension, (and with the potential of safeguarding consequences for vulnerable individuals).	<ul style="list-style-type: none"> Prevent Partnership Action Plan. Community cohesion work programme Local intelligence sharing and networks. Status as a Prevent Priority Area provides funding for a Prevent Coordinator Post and enables the development of bids for additional funding. Counter terrorism local profile. Awareness that campaigns such as black lives matter may give cause to action and reaction. Global events can create ongoing potential issues and tensions, (national risk status raised recently) which the council needs awareness and mitigations strategies West Yorkshire Violence Reduction Unit will assist Anti-Lockdown protest risks or may create social tensions <p><i>Responsible for this risk – R Parry and M Meggs (& J Greenfield)</i></p>	M	 4x5=20
4	Significant environmental events such as severe weather impact on the Council’s ability to continue to deliver services.	<ul style="list-style-type: none"> Effective business continuity and emergency planning (including mutual aid) investment in flood management, gritting deployment plans. Winter maintenance budgets are supported by a bad weather contingency. Operational plans and response plans designed to minimise impacts (e.g. gully cleansing for those areas which are prone to flooding.) Emergency Planning risks for current year reflect risks of (e.g.) staff sickness for both services such as gritting and meeting home care commitments-. This is always difficult, but more fragility than normal due to covid. <p><i>Responsible for this risk – C Parr</i></p>	M	 4x5=20




5	<p>Risk of infection with a high consequence infectious disease (HCIDs airborne) with the consequent impacts of pressure on services through demand, and a reduced ability to deliver services resultant from staff absences and similar.</p> <p>International transmission of HCIDs issues can also affect supply chains with the consequence of availability of products</p>	<ul style="list-style-type: none"> • National mitigation actions controlled through UK Government and devolved administrations. • Advice/instruction to/from, Chief Medical Officer, PHE, Health and Social care system. and schools (from DfE). • More local mitigations controlled through Public Health, Health protection. • Local lockdown processes in line with statutory positions • Business continuity planning and arrangements invoked. • Preparations for risk of recurrence • Understanding supply change and alternatives, and mitigations to retain essential existing suppliers where appropriate • Appropriate advice and Information cascaded to Kirklees citizens and staff <p><i>Responsible for this risk –Rachel Spencer Henshall & all of ET</i></p>	L	 5x5=25
The UKs relationship with the EU				
6	<p>The process of establishing new relationships between the UK and the EU lead to the following consequences and impacts:</p> <ul style="list-style-type: none"> • Supply chain issues (probably only a short term risk) • The economic outlook (with a lack of clarity) impacting on levels of trade and investment. • Impacting on business rates and housing growth, • Imports attract tariffs, which leads to increased costs -and inflation • Uncertainty about migration impacting on labour markets, particularly in key sectors like health and social care • The general uncertainty affecting the financial markets could lead exacerbate recessionary tendencies. 	<p>These risks are largely addressed elsewhere in the Matrix. Local businesses may consider that coronavirus related risk is a more severe threat now and impacts from the revised trading arrangement are likely to emerge over time;</p> <ul style="list-style-type: none"> • Monitor government proposals and actions, and their impact on council, partner services and local businesses • Working with the WY Combined Authority, and other WY local authorities and partners • Continue to lobby, through appropriate mechanisms, for additional resources and flexibilities in the use of existing funding streams to e.g. Local Government Association (LGA) • Be aware of underlying issues through effective communication with partners, service providers and suppliers and other businesses about likely impact on prices and resources. • Ensure that budgets anticipate likely cost impacts • Local intelligence sharing and networks. • Continue to work with local employer representative bodies e.g. FSB, MYCCI to make best use of existing resources and lobby for additional resources to support businesses in the post EU period • Service and financial strategies kept under review to keep track of developments related to the UKs changed trading relationship with the EU. • Utilise supplementary resources to cushion impact of any cuts and invest to save. 	LM	



	<ul style="list-style-type: none"> The potential for increased cuts in core government funding (as a result of economic pressures) in the context of ongoing increases in demand for council services. 	<ul style="list-style-type: none"> Ensure (to the extent possible) adequacy of financial revenue reserves to protect the council financial exposure and that they are managed effectively not to impact on the council essential services Working Group continues to monitor implications. <p><i>Responsible for this risk –all ET</i></p>		4x4=16
	The finances of the Council	The current national emergency has a serious and significant risk to the councils financial position-		
7	A failure to achieve the Councils savings plan impacts more generally on the councils finances with the necessity for unintended savings (from elsewhere) to ensure financial stability	<ul style="list-style-type: none"> Significant impacts on incomes (as a result of coronavirus impacts and similar), and cost pressures on certain service areas Established governance arrangements are in place to achieve planned outcomes at Cabinet and officer level Escalation processes are in place and working effectively. Alignment of service, transformation and financial monitoring. Tracker developed which allows all change plans to be in view and monitored on a monthly basis Programme management office established and resourced Monthly (and quarterly) financial reporting <p><i>Responsible for this risk - E Croston & ET</i></p>	M	 4x5=20

		Responsible for this risk - E Croston		2x5=10
11	Exposure to uninsured losses or significant unforeseen costs, leads to the necessity for unintended savings to balance the councils finances. Insurance market unwilling to cover certain risks.	<ul style="list-style-type: none"> • Ensure adequacy of financial revenue reserves to protect the council financial exposure and managed effectively not to impact on the council essential services. • Consider risks and most cost-effective appropriate approach to responding to these (internal or external insurance provision). • Awareness of risk activity that is not insured or uninsurable. <p>Responsible for this risk - E Croston & J Muscroft</p>	H	 4x4=16
12	<p>The financial regime set by government causes a further loss of resources or increased and under-funded obligations (e.g. in relation to social care), with impact on the strategic plans.</p> <p>This relates to the essential dependence on initial and medium-term financial support from government as a consequence of impact on the council's finances from coronavirus.</p> <p>Future national budget position and allocation of funding to local authorities.</p>	<p>The current crisis has resulted in some changes to national finance proposals- but major and fundamental changes to national government funding of crisis costs and implications (e.g. loss of tax and trading revenues) impact more heavily. The government has promised continuing resource to meet coronavirus consequence, but it is unclear if this will be adequate, if the government will seek to risk share, and the financial consequence in the medium term. In the longer- term risks remain.</p> <ul style="list-style-type: none"> • Monitor government proposals and legislation, and their impact on council and partner services. • Continue to lobby, through appropriate mechanisms, for additional resources e.g. Local Government Association (LGA) • Be aware of underlying issues through effective communication with citizens, partners, service providers and suppliers about likely impact on resources • Ensure that budgets anticipate likely impacts • Ensure adequacy of financial revenue reserves to protect the council financial exposure and managed effectively not to impact on the council essential services. <p>Responsible for this risk - E Croston & ET</p>	L	 5x5=25
	Other Resource & Partnership Risks	The current national emergency has a serious and significant risk to the councils position with regard to commercial and community suppliers, information management /technology/cyber, health and safety- addressed in more detail in the special report		
13	<p>Council supplier and market relationships, including contractor failure leads to;</p> <ul style="list-style-type: none"> • loss of service, • poor quality service • an inability to attract new suppliers (affecting competition, 	<ul style="list-style-type: none"> • Avoid, where possible, over dependence on single suppliers • More thorough financial assessment when a potential supplier failure could have a wide impact on the council's operations but take a more open approach where risks are few or have only limited impact. • Recognise that supplier failure is always a potential risk; those firms that derive large proportions of their business from the public sector are a particular risk. 	MH	

	<p>and to replace any incumbent contractors who have failed)</p> <ul style="list-style-type: none"> • complexities and difficulties in making arrangements in respect of significant and long running major outsource contracts, and their extension and renewal. 	<ul style="list-style-type: none"> • Need to balance between only using suppliers who are financially sound but may be expensive and enabling lower cost or new entrants to the supplier market. • Consideration of social value, local markets and funds recirculating within the borough • Understanding supply chains and how this might impact on the availability of goods and services • Be realistic about expectation about what the market can deliver, taking into account matter such as national living wage, recruitment and retention issues etc. • Develop and publish in place market position statement and undertake regular dialogue with market. • Effective consultation with suppliers about proposals to deal with significant major external changes • Early consultation with existing suppliers about arrangements to be followed at the end of existing contractual arrangements • Realign budgets to reflect real costs • Commission effectively • Ensuring adequate cash flow for smaller contractors <p style="text-align: right;"><i>Responsible for this risk – J Muscroft</i></p>		<p>5x4=20</p>
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14	<p>Management of information from loss or inappropriate destruction or retention and the risk of failure to comply with the Council's obligations in relation to Data Protection, Freedom of Information legislation and the General Data Protection Regulations (GDPR) leading to reputational damage, rectification costs and fines. Cyber related threats affecting data integrity and system functionality. (Volume of working from home may increase risks or change their perspective)</p>	<ul style="list-style-type: none"> • Thorough, understandable information security policies and practices that are clearly communicated to workforce and councillors • Effective management of data, retention and recording. • Raised awareness and staff and councillor training • Compliance with IT security policy. • Compliance with retention schedules. • Compliance with information governance policy. • Business continuity procedures. • Recognition of increased risk from homeworking (e.g. destruction of paper records), and whether there is a need for additional security, training or other matters • Comply with new legislation around staff access to sensitive data. • Council has a Senior Information Risk Owner ("SIRO") officer and a Data Protection Officer (DPO) who are supported by an Information Governance Board • Development of action plan to respond to GDPR requirements and resourcing requirements as appropriate • Increased awareness of officers and members as to their obligations • Proactive management of cyber issues, including additional web controls <p><i>Responsible for this risk – J Muscroft</i></p>	<p>H (INFO) M (CYBER)</p>	<p>↑</p> <p>4x5=20</p>
15	<p>Health and safety measures are inadequate leading to harm to employees or customers and possible litigious action from them personally and/or the Health and Safety Executive.(and the potential of prosecution and corporate /personal liability)(and in particular issues of fire safety,)</p>	<ul style="list-style-type: none"> • Ensuring appropriate H&S responses re Coronavirus (appropriately balancing statutory obligations, desirable positions and commerciality/business risk) • New Fire Safety Policy approved and being implemented with improved monitoring of fire risk • Prioritised programme of remedial works to buildings to tackle fire safety and other issues • Review work practices to address H&S risks • Monitor safety equipment • Improved employee training as to their responsibilities, as employees and (where appropriate) as supervisors. Improved employee work practices • Approval of additional resources to improve corporate monitoring regime. <p><i>Responsible for this risk – R Spencer Henshall</i></p>	<p>H</p>	<p>↑</p> <p>3x5=15</p>

16	Exposure to increased liabilities arising from property ownership and management, including dangerous structures and asbestos, with reputational and financial implications.	<ul style="list-style-type: none"> • Active site management • Routine servicing and cleansing regimes (including coronavirus compliance in both operational and managed tenanted commercial property) • Work practices to address risks from noxious substances • Property disposal strategy linked to service and budget strategy • Review of fire risks Develop management actions, categorised over the short to medium term and resource accordingly. • Prioritisation of funding to support reduction of backlog maintenance • Clarity on roles and responsibilities particularly where property management is outsourced <p style="text-align: right;"><i>Responsible for this risk – C Parr</i></p>	H	 4x4=16
17	A funding shortfall in partner agencies) leads to increased pressure on community services with unforeseen costs.	<ul style="list-style-type: none"> • Engagement in resilience discussions with NHS partners • Secure funding as appropriate • Consider extension of pooled funds • Understanding potential impacts on demand for council services • Accept that this may lead to an increase in waiting times • Strengthen partnership arrangements to ascertain whether other funding or cost reduction solutions can be introduced. • Assess dependency on voluntary organising, and impacts that coronavirus has on their sustainability, and consider actions. <p style="text-align: right;"><i>Responsible for this risk – R Parry & all ET</i></p>	L	 4x4=16
18	The risk of retaining a sustainable, diverse, workforce, including <ul style="list-style-type: none"> • aging and age profile • encouraging people to enter hard to recruit roles (which often have low pay, or challenging hours or tasks) • encouraging entrants to professional roles where pay is often below market levels. • and ensuring that the workforce is broadly content, without whom the council is unable to deliver its service obligations. 	<ul style="list-style-type: none"> • Effective Workforce Planning (including recruitment and retention issues) • Modernise Human Resources policies and processes • Increased accessibility to online training managers/ employees. • Selective use of interim managers and others to ensure continuity of progress regarding complex issues • Ensure robust change processes including Equality Impact Assessments (EIA's) and consultation. • Understand market pay challenges • Promote the advantages of LG employment • Emphasise the satisfaction factors from service employment • Engage and encourage younger people through targeted apprenticeships, training, and career development (and recognising that young peoples skills, knowledge, and expectations may be impacted by coronavirus) • Ensuring awareness to ensure employees safety and health (including stress) 	H	 4x4=16

		<ul style="list-style-type: none"> Consider issues about a workforce reflective of the community, inclusion, diversity and coronavirus issues <p><i>Responsible for this risk – R Spencer Henshall</i></p>		
19	National legislative or policy changes have unforeseen consequences with the consequence of affecting resource utilisation or budgets.	<ul style="list-style-type: none"> Reprioritise activities Deploy additional resources Use of agency staff or contractors where necessary Development of horizon scanning service <p><i>Responsible for this risk – all ET</i></p>	L	 5x4=20
20	Compliance with the councils own climate change commitments, and or statutory climate change obligations fails to achieve objectives and ambitions, and or causes unanticipated costs or operational consequences	<ul style="list-style-type: none"> Reconsideration of priorities and potential achievability within timescales Monitoring of achievements Effective project planning and costing Awareness of local consequences Awareness of local consequences of national commitments and obligations Lobbying for financial and other government support in relation to the costs of meeting obligations WYCA related projects will require assessment of carbon impacts <p><i>Responsible for this risk – C Parr</i></p>	M	 4x4=16

All risks shown on this corporate matrix are considered to have a potentially high probability, or impact, which may be in the short or medium horizon 20210111

TREND ARROWS

Worsening	
Broadly unchanged	
Improving	

CONTROL OPPORTUNITIES

H	This risk is substantially in the control of the council
M	This risk has features that are controllable, although there are external influences
L	This risk is largely uncontrollable by the council

Risk Factor Probability Likelihood, where 5 is very likely and 1 is very unlikely Impact The consequence in financial or reputational Risk Probability x Impact

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Name of meeting: Cabinet
Date: 16th March 2021
Title of report: Year of Music 2023

Purpose of report: To approve the investment in the development of Year of Music, delivered with communities and supporting the recovery from Covid-19

Key Decision - Is it likely to result in spending or saving £250k or more, or to have a significant effect on two or more electoral wards?	Yes
Key Decision - Is it in the <u>Council's Forward Plan (key decisions and private reports)</u>?	Key Decision – Yes Private Report/Private Appendix – No
The Decision - Is it eligible for call in by Scrutiny?	Yes
Date signed off by <u>Strategic Director</u> & name Is it also signed off by the Service Director for Finance? Is it also signed off by the Service Director for Legal Governance and Commissioning?	Colin Parr, Strategic Director, Environment & Climate Change 08.03.21 Eamonn Croston, Service Director, Finance – 05.03.2021 Julie Muscroft, Service Director, Legal, Governance and Commissioning – 03.03.2021
Cabinet member portfolio	Cllr Paul Davies

Electoral wards affected: All

Ward councillors consulted: None

Public or private: Public

Has GDPR been considered? Yes

1. Summary

- 1.1 The ambition is to deliver a Year of Music 2023 programme that is embedded in: communities; children, young people & families; education (school to higher education); health and wellbeing; and the economy (including music industry).
- 1.2 This is a place-based programme built on our cultural identity and heritage. It differentiates itself with other cultural programmes, as this is about creating the conditions for music to fulfil its position and support the shared outcomes for Kirklees.
- 1.3 Year of Music has an additional role in supporting the economic and cultural recovery from COVID-19. The global pandemic has hit our communities and the music sector hard and 2023 provides an opportunity to mark the recovery from the challenges it has brought. The yearlong initiative will be a vehicle to support organisations and communities to heal, recover and build back better. Year of Music 2023 will provide a celebratory year to bring everyone together, shine a light on communities, activity and opportunities and move to a positive ambitious district looking to the future.
- 1.4 This year's support of £239,687 ensures the sector is invested in and supported to be able to deliver a year of music, whilst also going on a transformation process to ensure the sector is more resilient and viable for the future. Without this investment, the engagement and development of the Blueprint programmes becomes much more difficult especially with regard to the Cultural Heart development. We will be less able to attract music events and activity to the town park and support community engagement for the capital investment in music via the Queensgate Events space. It will reduce our ability to secure the UNESCO status of a Creative Place for Music, for which we will bid in 2021 – a bid which is about acquiring a designation based on our history and approach; it is not a bid for resource.
- 1.5 The report also requests the underwriting of costs for 2022/23 and 2023/24 in case the funding, sponsorship and sales targets are not reached. There are plans to make several funding applications once a team is in place.

2. Information required to take a decision

Background:

- 2.1 In recognising the scale of Year of Music (YoM) 2023, it should be recognised that our current capacity limits the development and delivery of this year long initiative. Without additional capacity and resource, we cannot achieve our ambitions to ensure that our initiative can be differentiated from our neighbours, especially Leeds 2023.
- 2.2 This report is to consider the proposed way forward following the Cabinet approval of the approach to deliver Year of Music on 2nd June 2020. The published decision is referred to below:

“That approval be given to the approach to the Year of Music 2023 in principle, including the UNESCO bid, and that further details on the programme and funding strategy be submitted at a later date.”
- 2.3 Further work has been done to explore what a place-based approach truly looks like and how this may impact what the final programme might look like and to consider how this will be achieved. This also follows years of consultation and engagement dating back to 2014. The Year of Music also acts as a district wide engagement programme to support the cultural led regeneration in the Blueprints, specifically Huddersfield, with the ambition to

build a new events space to act as the physical embodiment and legacy to the 2023 programme.

- 2.4 In addition to the setting up of structures, processes and systems, new projects have been piloted, such as: linking Kirklees with the USA for a young person’s song writing project; wellbeing choirs for staff; public pianos (pre-COVID); and support to music venues during the pandemic.
- 2.5 Up until now, the early development work for YoM has been funded through the Business Rates Pool including three part-time posts. One of these posts has now ended and the other two are due to end in spring 2021. There is no further resource in place to continue planning and delivery of the programme including the post year evaluation in 2024. YoM is additional to the core work of the Creative Development Team and other Council services, external partners and community groups and so needs additional funding and staffing to deliver it.
- 2.6 Some aspects of YoM are already funded as part of the Creative Development budget and work programme (the three-year commissions for music festivals and the partnership with Opera North have already been approved by Cabinet). These are:

	2021/2022
Kirklees Concert Season – partnerships with Opera North to deliver Orchestral and Chamber concerts, marketing and engagement	60000
Huddersfield Contemporary Music Festival commission	30000
Marsden Jazz Festival commission	5000
Cleckheaton Folk Festival commission	5000
Total	100000

- 2.7 To move forward with the YoM programme, supporting the delivery and COVID recovery, the following is proposed for the next three financial years, with view to extend certain areas through ongoing review and external funding approaches.

£239,687 for 2021/22 is requested funding from the Council’s £3m earmarked reserves set aside to support development activity that supports the Council’s inclusive investment ambition. It is also requested that a further £354,687 for 2022/23 and £264,687 for 2023/24 are underwritten in case several funding bids are not successful and sponsorship and sales targets in 2023 are not reached. No inflationary increases have been included for salaries. The three year budget is broken down below:

	2021/22	2022/23	2023/24	Total
1 x YoM Co-ordinator, Grade 8 FTE with oncosts £25,481 + 24.94%	31836	31836	31836	95508
1 x Community Project Officer, Grade 10 FTE with oncosts £31,346 + 25.83%	39443	39443	39443	118329
1 x dedicated Marketing and Press Officer, Grade 10 FTE with oncosts £31,346 + 25.83%	39443	39443	39443	118329
1 x Artistic Programmer, part-time Grade 12 with oncosts £37,890 + 26.50%	23965	23965	23965	71895
Commission Hoot Creative Arts to deliver a Health and Wellbeing project	10000	10000	10000	30000
Huddersfield Carnival	15000	30000	10000	55000

External contract for Funding/ Commercialisation expertise	10000	10000	0	20000
Year of Music - match fund pot supporting other funding bids e.g. NLHF Townsounds bid for £120k	30000	20000	0	50000
Evaluation commission	10000	15000	15000	40000
KCS - Organ concerts - music programme/broadcast	20000	20000	20000	60000
Materials, messages, posts, adverts, filming, website hosting - www.musicinkirklees.co.uk	10000	10000	10000	30000
Kirklees Concert Season – commission to Opera North to support the delivery of the Stadium gig	0	15000	15000	30000
hcmf// - commission to enhance 2023 festival	0	10000	0	10000
Marsden Jazz Festival – commission to enhance 2023 festival	0	10000	0	10000
Cleckheaton Folk Festival – commission to enhance 2023 festival	0	10000	0	10000
Community YoM Micro Grants Pot - micro grants of £250 - £1000	0	10000	0	10000
Project Budget - delivery of commissions/projects	0	50000	50000	100000
Total	239,687	354687	264687	859061

- 2.8 The Co-ordinator, Community Project Officer and Artistic Programmer posts increase capacity within the Council and the funding for partners will enable greater support and engagement with communities.
- 2.9 It is crucial that the YoM programme is supported by strong marketing strategies and promotional campaigns. The council's Communications Team presently does not have the capacity to support YoM to the level necessary and so additional capacity needs to be resourced. Engagement and community buy in is crucial to achieve a successful Year of Music embedded within our communities and valued by our citizens and so requires a dedicated and specialist communications role. This post will be responsible for capturing stories, maximising the impacts and case studies and ensuring we are strongly differentiated in the region and can compete and contribute to the regional cultural offer. This post idea has come from consultation with the Strategic Head of Communications on the best options. This work will be supported with a budget to implement marketing and communication plans.
- 2.10 The commission for evaluation expertise will establish an evaluation framework with the community and music sector to effectively measure the impact of the YoM. This will help us to understand the impact of the programme as well as taking best case learning forward. This is important, as YoM is about celebrating who we are and what we do, and how music can maintain its supportive role across our 7 shared outcomes.
- 2.11 The funding expertise will bring much needed support for both the Council in developing bids but also to increase the skillset and expertise of the community to raise funds and develop resilient strategies for economic viability and resilience.
- 2.12 The budget to support the Kirklees Concert Season supports the transition to a new delivery model as the Borough Organist, who was funded through ticket sales, has retired. This funding not only ensures we can work with audiences and the community to develop a new approach to these Huddersfield lunchtime concerts but will enable us to continue to develop approaches trialled through COVID. This approach has seen

streaming of concerts to care homes and has encouraged broader reach for the programme delivered in partnership with the Lawrence Batley Theatre and the University of Huddersfield.

- 2.13 The budget for Huddersfield Carnival, is to support the Huddersfield African Caribbean Carnival Trust to move forward on their plans to reinvigorate the event. The new committee has developed new business plans and strategies, which were being implemented prior to Covid. However, this has now all been impacted by Covid which is leading to a delay in their ability to transform the Carnival into an event for the future.
- 2.14 The ask will also establish a match fund budget, to assist organisations to submit bids to trusts and foundations. A contribution from the Local Authority is seen as a positive confirmation of priority for an area and supports the assessment process. This budget is to help lever inward investment into the district, for example we have a bid developed for the extension of the pilot project Townsounds (www.townsounds.co.uk). This heritage project aims to document the music heritage of the district through oral history and sounds of the diverse communities of Kirklees. The bid has been developed by an independent oral historian with a proven track record and is being submitted to National Heritage Lottery Fund for £120k supported by £5k of Council match funding. In addition, it is proposed to create a micro grants scheme to support community groups and volunteer led music groups to develop special events and projects for 2023.
- 2.15 Although at the heart of the Year of Music will be grassroots, community activity, there will also be a series of high-profile commissions and events to attract national media attention and visitors plus provide something special for citizens. Local festivals will be supported to programme something they would usually not be able to afford and it is proposed to deliver a programme of large scale concerts and gigs in parks, town centres and the John Smith Stadium.

3. Implications for the Council

Working with People

The Year of Music programme has been developed through open planning and engagement and with partners, organisations, community, voluntary and education groups and individuals.

We have run open engagement sessions within the Growing Cultures space within Queensgate Market (pre-Covid) and two open sessions in Dewsbury and Huddersfield on what Year of Music is and can be. Ongoing engagement will be delivered through the number of working groups (internal and external); through the establishment of a Music Partnership Board to take strategic overview; and through online planning sessions (during Covid) moving to face to face when able.

Every step of the way, we consider how we enable the culture of others, realise their ideas and how music can be used to support those we work with to achieve success in their ambitions or goals.

In addition to this, we will encourage all partners and festival organisers to acquire the 'We're Good to Go' industry standard for events. This standard reassures audiences that the event adheres to Government and public health guidance, which is especially important considering learning from Covid.

The project initiation document has been developed with contributions from People Services, to ensure we have tested our thinking and are working with people from all backgrounds.

Working with Partners

Since 2019 to September 2020, we have worked directly with 46 music organisations; supported and connected with the music festivals across the district; and we are developing a project with international organisations (US – I'll Fly Away Foundation, Stax Music Academy, Tennessee, Memphis, the University of Arkansas and the Grammy Museum, Mississippi, Memphis).

We are currently auditing all the choirs and community groups in Kirklees to develop the grass roots strand of work.

We have also started to reach out to the non-music specific organisations and festivals to ensure YoM reaches as many people as possible, such as the Huddersfield Literature Festival and linking WOVEN in Kirklees to YoM – especially as our rich and diverse music heritage and offer is as a result of our textile history and industry.

Collaboration is a founding principle of the Year of Music.

Place Based Working

The whole basis of the Creative Development Team's work is in place-based cultural development and the Year of Music is no different. The strategy to develop music as a key theme within our cultural plans has been borne out of the strong musical heritage of the district. It is inherent within our district's DNA and can therefore be used to promote the place and create a sense of identity and belonging. The work builds on the Kirklees Music Policy and the reports on the sector and infrastructure assessment.

Climate Change and Air Quality

Within the Year of Music, once we are clear on capacity, we intend to set up a Green Group for Music, to explore how we can address the music industry impact on the environment. This has begun to happen through the Festivals Group. This work needs to be deepened and strengthened to become more meaningful and impactful.

Further to this, we will work with our partners and festival organisers to encourage engagement with the international ISO 20121 standard for Sustainable Events, in an attempt to move beyond the Green Pledges that have been made by major festivals such as Glastonbury.

Improving outcomes for children

YoM has a children and young people strand. This is being led by the Music Education Hub, a consortia of music organisations and schools. The Music Education Hub is also connected and supported by EVOKE, the Kirklees Local Education Partnership. In addition to this, we have established an internal working group for children and young people across different departments in the Authority.

The Director for Children's Services is engaged and supportive of the YoM initiative and wants to ensure we reach all children, from looked after children, pupil referral units and for activity in and out of mainstream education.

Other (e.g. Legal/Financial or Human Resources)

This is an ask for £239,687 for 2021/22 so that a team can be established which can plan the programme, raise funding and sponsorship and further develop programmes with the community.

In addition to this, there are other funding opportunities being explored to deliver projects. For example, a successful £100K bid was submitted to the West Yorkshire Combined Authority for Gainshare funding which will be used towards music industry development. £250k has been included in the Dewsbury Town Investment Programme bid to ensure Dewsbury has a strong programme and presence within YoM. A programme strand has also been written into the West Yorkshire Cultural Recovery Plan to enable us to bid for around £1 million from the Devolution and Economic Recovery Funds.

It is important to highlight that at this stage the overall project costs for the Year of Music are not fully known, as the programme is still be developed. However, it will be a shared responsibility with our partners to raise the funds to deliver the content of the Year of Music. Cabinet is requested to note the indicative amounts for years 2022/23 and 2023/24 and agree to underwrite the budgets if funding, sponsorship and sales targets are not met.

Financial impact:

We know that in 2018, the £40,000 investment in the music festivals of hcmf//, Marsden Jazz Festival and Cleckheaton Folk Festival levered an additional £1,197,020 of funding and earned income – approximately £30 generated per £1 of council investment. Further to this, the 2018 economic impact of these festivals was assessed. The report concluded that combined, the festivals have an economic impact of £2.2m to Kirklees. The total impact therefore is £3.4m, which equates to £85 of wider economic impact per £1 of Council investment into these three festivals.

Some of the resources we are requesting would quantify the economic impact of the Year of Music.

This is supported by looking at the [Hull City of Culture](#) evaluation, where we see impressive impacts of a year-long national programme (clearly, this is a national award across all art forms, so we would look to a % of this reach):

- Over 2,800 events, cultural activities, installations and exhibitions took place in 2017, attracting a total audience of 5.3 million.
- Over half of the audiences were from Hull with nearly all residents (over 95%) attending at least one cultural activity during the year. The evaluation evidenced a new confidence in local people, with significant increases (+9%) in residents' willingness to take part in a range of cultural and non-cultural activities, including volunteering and sport.
- The projected value of tourism in 2017 is on track to contribute in excess of £300m to the economy.

Do you need an Integrated Impact Assessment (IIA)?

An integrated impact assessment has been written as part of the project planning and is the guiding principles used to ensure we reach diverse communities and work to develop approaches to tackle inequalities and support the Covid recovery of the sector and of communities.

4. Consultees and their opinions

Our research and evaluation to date highlighted the importance of music:

- 2020 Huddersfield BID – What do you want to see in the town?
 - *Respondents stated live music was important to the town.*
- 2020 Conversations about music and the Sound Space,
 - *There is a huge need and wish to explore, play and listen to music and use it to connect with others.*
- 2019 Kirklees Youth Alliance, [2020 Vision](#):
 - *Young people would like provision in the region to include music making activities and singing.*
- 2019 Kirklees Libraries, [Annual Review 2018-19](#)
 - *Delivering high quality live music events for children and young people at Huddersfield Library, offering access to cultural opportunities.*
- 2019 Music Festivals Economic Impact report, SPIRUL.
 - *£3.4m economic impact of Cleckheaton Folk Festival, hcmf// & Marsden Jazz Festival.*
- 2019 Year of Music Consultation Workshops – Huddersfield and Dewsbury.
 - *A diverse and community place-based approach was essential, plus the need to improve the infrastructure including a new venue.*
- 2019 The Blueprint – a 10-year strategy for the regeneration of Huddersfield.
 - *The investment and creation of a music/ events space (Sound Space) was welcomed and supported.*
- 2019 360 Approach to Music – Interviews with key decision makers and influencers, Sound Diplomacy.
 - *Music was a vehicle to support delivery of various agendas from health, education, community to business.*
- 2019 Growing Cultures, Jean McEwan - to explore ideas for what the future culture of Huddersfield look like.
 - *There was a strong appetite for opportunities to listen, play and see all kinds of music.*
- 2018 Alternative Accommodation Evaluation, Bonner & Hindley – a pilot programme supporting music tourism addressing the lack of Hotel accommodation for visitors to Marsden Jazz Festival and Huddersfield Contemporary Music Festival.
 - *Highlighted potential to increase this to support additional tourism and generate income for the area.*
- 2017 Music Infrastructure Survey, Sound Diplomacy.
 - *Key strengths identified; recommendations made to address infrastructure restrictions to further embrace the music industry in Kirklees.*
- 2017 Kirklees Music Mapping, Fiona Harvey.
 - *Overall picture is of a vibrant music scene in Kirklees with ambition and determination to succeed, grow and prosper.*
- 2015/6 Culture Kirklees consultation.
 - *Music was important, resulting in the ‘World Class Music’ outcome.*

Music focussed groups established to support YoM to date listed (does not include the internal Council working group) in appendix 1.

5. Next steps and timelines

- 5.1 To achieve and deliver YoM 2023, the programme needs to be developed with partners and the community for summer/autumn 2022, in order to be ready to go to design and print for the programme. This gives approximately 18 months to do everything required to run and deliver a successful place-based programme.
- 5.2 We are working at pace with partners to develop this programme, raise the necessary funds and establish the long-term working which leads to a lasting legacy. It is therefore recommended that Cabinet delegates authority to the Service Director Culture and Visitor Economy to support delivery activity and implement the Year of Music programme so that decisions can be made quickly as long as they remain within the budget envelope outlined in this report.
- 5.3 A Music Partnership Board is being established to oversee the delivery of Year of Music. The Cabinet member for Culture and Environment is a member of this Board. Internally, a cross service project team will be established which reports through to a programme board chaired by the Service Director Culture and Visitor Economy.
- 5.3 Details of the developments and programme will be shared through Portfolio Briefings and when the communications post is recruited to, regular newsletters and updates will be prepared for all members and the community.
- 5.4 The investment will allow the project to move to the next stage.

6. Officer recommendations and reasons

- 6.1 Members are requested to approve the allocation of £239,687 in 2021/22 for the development of the Year of Music 2023 programme. This will ensure that work can continue to plan the programme, engage partners and communities and submit funding and sponsorship bids as the relevant skills will have been secured to successfully deliver the programme and ambition.
- 6.2 Members are also requested to approve the underwriting of the budget for 2022/23 of £354,687 and for 2023/24 of £264,287. This is so that the ambitions for the Year of Music can still be achieved even if funding, sponsorship and sales targets are not met due to the uncertain economic environment caused by Covid-19.
- 6.3 Members are requested to approve delegation to the Service Director, Culture and Visitor Economy to support delivery activity and implement the Year of Music programme as outlined in this report and to approve individual projects within the budget envelope. This is so that planning and delivery can happen at pace.
- 6.4 Members should note the timescale in 5.1 as a significant period of time is required to plan for a year long programme of activity which is marketed well to ensure sales targets are achieved.
- 6.5 Members should also note the level of staffing resource required to achieve an ambitious programme like Year of Music if we are to truly collaborate with our partners and the community and deliver a quality programme.
- 6.6 It is recommended that officers report back to Cabinet in September 2022 before the programme is launched publicly with an update about funding and sponsorship and with details about the programme.

- 6.7 It is also recommended that the request for funding for 2022/23 if funding targets have not been met should be submitted through the 2022 budget process. If further council funding is required in 2023/24 because funding, sponsorship and sales targets have underperformed, officers should submit a request in September 2023.

7. Cabinet Portfolio Holder's recommendations

Portfolio briefing held on February 4th, 2021.

Cllr Davies agreed to the officer recommendations detailed at Section 6 of the report in support of the development of the Year of Music and its role in the Covid recovery. Cllr Davies has agreed to sit on the Music Partnership Board to ensure oversight of the project.

8. Contact officer

Kath Wynne-Hague, Strategic Lead for Cultural Development
Kath.wynne-hague@kirklees.gov.uk
01484 221000 (ext 71216)

9. Background Papers and History of Decisions

The approach to deliver Year of Music was approved by Cabinet on 2nd June 2020. The published decision is referred to below:

“That approval be given to the approach to the Year of Music 2023 in principle, including the UNESCO bid, and that further details on the programme and funding strategy be submitted at a later date.”

10. Service Director responsible

Current vacancy at Service Director Level
Adele Poppleton, Head of Culture & Tourism
Colin Parr, Strategic Director, Environment and Climate Change.

Appendix 1; List of key music organisations engaged with to date

Groups - Consultation			
Group Name	First Name	Last Name	Organisation
Music Development Group	Graham	McKenzie	hcmf//(Huddersfield Contemporary Music Festival)
	Rebekah	Smith	Student Union
	Thomas	Schmidt	University of Huddersfield
	Aaron	Cassidy	Centre for Research in New Music - University of Huddersfield
	Richard	Whitelaw	Marsden Jazz Festival
	Kathy	Aveyard	Cleckheaton Folk Festival
	Aaron	Snowdon	The Parish
	Thom	Meredith	Musica Kirklees
	Gavin	Clayton	Hoot
	Phil	Boughton	Opera North
Classical Music Group	Ruth	Holmes	Huddersfield Philharmonic Orchestra
	Christopher	Woodhead	Slaithwaite Philharmonic Orchestra
	John	Harman	Huddersfield Choral Society
	Jeremy	Garside	Huddersfield Choral Society
	Phil	Boughton	Opera North
	Thomas	Schmidt	University of Huddersfield
	Chris	Pulleyn	& Piano
Music Venues Group	Sam	Hodgson	Northern Quarter
	Peter	Carr	Picturedrome
	James	Brown	15 Union Street
	Noah	Burton	Small Seeds
	Jake	Burdass	BASSment Studios
	Aaron	Snowdon	The Parish
	Duncan	Sime	Magic Rock
Music Festivals Group	Chas	Ball	Marsden Jazz Festival
	Barney	Stevenson	Marsden Jazz Festival
	Kathy	Aveyard	Cleckheaton Folk Festival
	Deanna	Norman	Cleckheaton Folk Festival
	Aaron	Snowdon	Parish Music
	Matt	Short	Students Union Music Festivals
	Kevin	Peterkin	VIP Entertainment
	Sophie	Simpson	Unified Youth
	Serena	Johnson	Unified Youth
	Graham	McKenzie	hcmf//
	Rosie	Hughes	hcmf//

	Mary	Agnes Krell	Grand Northern Ukulele Festival	
	Nikki	Hampson	Shepley Spring Folk Festival	
	Paige	Phillip	Huddersfield Carnival	
Health and Wellbeing	Paul	Bissell	University of Huddersfield	
	Thomas	Schmidt	University of Huddersfield	
	Barry	Tolchard	University of Huddersfield	
	Emily	Parry-Harries	Kirklees Council	
	Deborah	Marsland	Kirklees Council	
	Deborah	Munt	Independent	
	Rob	Webster	NHS (via his PA)	
	Gavin	Clayton	Hoot	
	Music Education Hub	Abi	Mitchell	hcmf//
		Jayne	Price	University of Huddersfield
Niki		Matthews	Musica Kirklees	
Thom		Meredith	Musica Kirklees	
Judi		Sims	Musica Kirklees	
Tony		Johnson	Bradford Education Hub	
Anne		Lawton	Woodley School & College (Special School)	
Clare		Thomas	Brockholes C of E School	
Evelyne		Barrow	St Aidans C of E Academy	
Helen		Turnbull	Netherhall Learning Campus	
Kevin		Rivett	Calderdale Music Trust	
Stephanie		Simm	Arts Council England	
Andy		Williams	Independent	
RepreZent (diversity)		Milton	Brown	KLTV
	Hardeep	Sahota	Virsa	
	Lynda	Hornsby	Dark Horse Theatre	
	Supriya	Nagarajan	Manasamitra	
	Heidi	Johnson	Yorkshire Sound Women Network (University of Huddersfield)	
	Elizabeth	Dobson	Yorkshire Sound Women Network (University of Huddersfield)	
	Mandeep (Mandy)	Samra	Town Sounds	
	Ryoko	Akama	Artist	
Others: Independent Musicians / Groups / Festivals / Venues	Ray	Brown	Mrs Sunderland Festival	
	Ann	Tallboys	Mrs Sunderland Festival	
	Adam	Stroyan	Vinyl Tap	
	Qaisar	Mahmood	Radio Sangam	

Name of meeting: Cabinet

Date: 16th March 2021

Title of report: Proposed changes to top-up funding allocations for children in mainstream schools with an Education Health & Care Plan (EHCP) from 1st April 2021

Purpose of report: Kirklees maintained schools and academies have recently been consulted about options for changing the way top-up funding allocations are made to support children in school having an Education Health & Care Plan (EHCP).

Details of the consultation proposals and recommendations will be outlined in order to make a decision for the financial year 2021-22

This report should be read with the report titled “**Procuring an External Business Partner to support SEND work in mainstream education settings, using the council’s transformation reserves**” which is also on this cabinet agenda for consideration and decision.

<p>Key Decision - Is it likely to result in spending or saving £250k or more, or to have a significant effect on two or more electoral wards?</p>	<p>Yes</p> <p>If yes give the reason why The decision affects all of Kirklees and would have an impact of an increase in spending of more than £250k</p>
<p>Key Decision - Is it in the <u>Council’s Forward Plan (key decisions and private reports)</u>?</p>	<p>Key Decision – Yes</p> <p>Private Report/Private Appendix – No</p>
<p>The Decision - Is it eligible for call in by Scrutiny?</p>	<p>Yes</p>
<p>Date signed off by <u>Strategic Director</u> & name</p> <p>Is it also signed off by the Service Director for Finance?</p> <p>Is it also signed off by the Service Director for Legal Governance and Commissioning?</p>	<p>Mel Meggs 8th March 2021</p> <p>Eamonn Croston 7th March 2021</p> <p>Julie Muscroft 7th March 2021</p>
<p>Cabinet member portfolio</p>	<p>Cllr Carole Pattison – Learning, Aspiration and Communities Cllr Viv Kendrick – Children’s Services Cllr Graham Turner – Corporate Services</p>

Electoral wards affected: ALL

Ward councillors consulted: No

Public or private: Public

Has GDPR been considered? Yes, no individuals are identified in this report

1. Summary

Improving the outcomes for some of our children with special educational and additional needs is at heart of our inclusive ambition to tackle key inequality issues in Kirklees. By investing in and working with our children and young people and their families at the earliest opportunity will support us to help them achieve the best possible outcomes. We want:

- All our children and young people to have the best start in life
- Our children and young people to be proud to come from Kirklees
- Our children and young people with Special Educational Needs and Disabilities (SEND) to live and be educated in Kirklees
- Our children and young people with Special Educational Needs and Disabilities to make good educational progress, have high aspirations and good life opportunities.

The transformation of Special Educational Needs and Disabilities (SEND) system and securing the financial sustainability of the High Needs block are corporate priorities for Kirklees.

As part of a planned strategy of helping more children and young people to be placed in and thrive in local mainstream educational settings, the purpose of this report is to seek approval to make changes to funding top-ups for children with an Education Health and Care Plan (EHCP) educated in mainstream schools and academies in Kirklees from 1st April 2021 as part of the wider SEND transformation programme that is currently underway.

This is a fundamental part of our strategy to secure and build on the capacity and expertise that exists in mainstream schools to continue to support children and young people's needs by ensuring our funding model is fit for purpose to enable our schools to do this as well as supporting a wider range of need.

The outcomes we are looking to achieve are to see improvements for our children whilst ensuring that over time, our High Needs funding is directed appropriately across the system. Alongside this report which specifically focusses on top ups for Mainstream, in a complementary report also being presented to Cabinet, approval is being sought for the procurement of a long term delivery partner to support the next steps transformation of our SEND provision in Kirklees.

2. Information required to take a decision

2.1. Background

Fundamental changes were introduced nationally as part of legislative reforms under the Children and Families Act 2014, and the Special Educational Needs and Disability code of practice: 0-25 years 2015. Since that time and like other local areas, Kirklees have experienced an increased demand for Education, Health and Care Plans, and, subsequent rises in costs. This in part has led to significant pressure on the High Needs Block of the Dedicated Schools Grant (DSG).

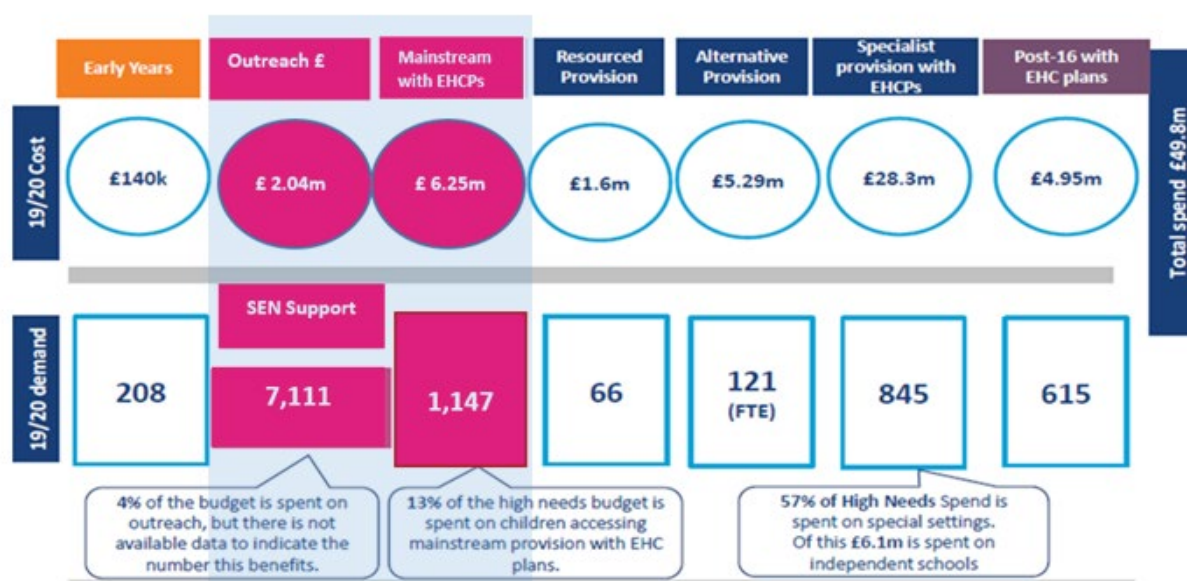
Over the past two years, there has been a greater in depth understanding of the issues across the SEND system and the opportunities that exist to realise our ambitions for the best possible outcomes for our children and young people. Working across the high need system, with our parents and carers, partners, and from some early work commissioned from an external provider, we recognise that we need to align our funding proportionately across the system to ensure that children and young people's needs, the provision we make to meet needs and our spend are tightly interlinked so we enable the best outcomes possible.

Like many other authorities, over recent years Kirklees Council has seen rising numbers of children with SEND who need additional support. Current trajectories in terms of expenditure are unsustainable in the medium to longer term. Key pressures in Kirklees include:

- 44% rise in children with an EHCP since 2015.

- 9% growth in High Needs Block outturn between 16/17 & 17/18.
- Fixed period and permanent exclusions in the SEND cohort have risen sharply and above national trends. (The reasons for the rise in exclusions is complex and there is no one single factor but unmet needs for many young people is a significant issue)

Impower, a recognised national expert in the area of SEND, were commissioned by Kirklees to do some initial diagnostic work with us. This identified that the bulk of our current spending is high cost but is delivering only moderate outcomes and that our spending is focussed on the most intensive level of provision. The aim is to pivot to a situation of sustainable cost provision with high outcomes by realigning our spend proportionately away from high cost specialist provision to earlier intervention and mainstream provision. An explicit outcome we are seeking is to ensure that we maximise inclusivity and have more of our children who can be educated with their peers in mainstream schools whilst receiving the appropriate support to progress and develop. This report focuses on the differences that can be made for our children's outcomes by making changes to the way we align our funding top ups for Children with Education Health and Care plans that are educated in mainstream provision. A summary of the analysis is provided in the chart below.



The top up values in Kirklees have not been reviewed or increased since 2013. Following lengthy discussions and engagement at Kirklees Schools Forum, detailed modelling using local data about the numbers of young people needing support and comparing that with statistical neighbours and national benchmarking was undertaken by Council officers together with a subgroup of Schools Forum representatives and proposals were developed for a new, more fit for purpose model of funding. These proposals were subject to a 4 week consultation with schools in Autumn 2020. Kirklees Council Cabinet are now asked to approve a proposed new approach and that implementation begins from April 2021. This change would affect the funding of all existing Education Health and Care Plans (EHCPs) and new EHCPs in mainstream settings.

To make the changes to our top ups will cost an additional £1.26m. The changes fundamentally contribute to creating the conditions to secure and build on the capacity and expertise that exists in mainstream schools by providing a more appropriate level of funding to support more children. We need to realign our approach so that children can receive support at the earliest opportunity. By changing to a new funding model would mean that our schools are better equipped to continue to support children and young people's needs. In addition, this would enable schools to develop capacity to meet a wider range of need because of our overarching SEND system transformation, because we are creating capacity with effective outreach services, Early Help and

our Inclusion Support Offer, reviewing our Graduated Approach¹, and ensuring we have the right capacity in our Specialist Provision. As the report will illustrate, doing nothing is not an option as costs will continue to escalate and we miss vital opportunities to secure the best possible outcomes for our children and young people.

2.2. The High Needs Block

The high needs funding system supports the provision for children and young people with special educational needs and disabilities (SEND) in line with the Children and Families Act 2014. The Children and Families Act (2014) extended the statutory duties local authorities hold relating to SEND across the 0-25 age range. Kirklees Council has a key role in determining how the funding is allocated to schools and providers to meet the needs of children and young people with SEND. Schools and providers are also required under the duties outlined in the Children and Families Act 2014 to co-operate with local authorities on arrangements for children and young people with SEND.

2.2.1. Explanation of the funding for Children with an Education, Health and Care Plan

To provide for pupils with SEND, mainstream schools need to fund the first £10k (element 1 and 2) from their core budgets, (taken from the schools block element of the DSG).

- **Element 1:** a basic £4,000 per pupil allocation that's schools receive for all children on roll
- **Element 2:** up to a further £6,000 for the additional needs of a child or young person
- **Element 3** 'top up' funding this is the funding which is taken from the High Needs Block and drawn down following an Education, Health and Care and Assessment and the Local Authority issuing an EHCP if required.

In Kirklees, there are currently 5 funding categories or 'top up bands' that make up the Element 3 funding.

Band	Amount
A - Exceptional	£ 6,900
B - Profound	£ 3,300
C - Severe	£ 1,900
D - Significant	£ 500
E - Mild/moderate	£ -

2.2.2. Department for Education (DfE) Led National High Needs Funding System 2021/22

The DfE is currently consulting (10th February – 24th March) about '*Possible changes to two specific factors in the high needs national funding formula, which is the formula the department uses to allocate funding to local authorities for children and young people with complex needs.*' One of the factors used to determine funding is based on historic spend to ensure differences in local circumstances are acknowledged, and the consultation says this factor probably doesn't reflect the current situation in a local area at present and are looking to seek views about how to achieve this, initially for 2022/23. What this means is that the way the funding system is constructed ie with element 1, 2 and 3 is likely to remain the same for at least the financial year 2021/22 and 22/23. Our refreshed approach for Mainstream top ups is valid to implement.

¹ The graduated approach – a spiral of support in the new SEND Code of Practice the categories of School Action and School Action plus have been replaced by a single category called SEN Support. Where a pupil is identified as having SEN, to enable the pupil to participate, learn and make progress schools should take action to: • remove barriers to learning • put effective special educational provision in place. SEN support should arise from a four part cycle, known as the graduated approach, through which earlier decisions and actions are revisited, refined and revised, leading to a growing understanding of the pupil's needs and of what supports the pupil in making good progress and securing good outcomes. (NASEN 2014)

2.2.3. Current position

Chart B is an illustration of the proportion of pupils nationally that are identified as having a Special Educational Need in data released in 2020. Overall, there are 15.4% of the whole pupil population in this group. The blue section shows that 12.1% of children’s needs are being met at SEN support (with the vast majority being educated in mainstream education), and 3.3 % have an Education Health and Care Plan of which 1.6% are being educated in a mainstream school. In Kirklees 1.9% of the pupil cohort with an Education Health and Care Plan are being educated in a mainstream school.

Chart B : The percentage of all pupils in schools in England at SEN support and with an Education Health and Care Plan.

DfE published data July 2020

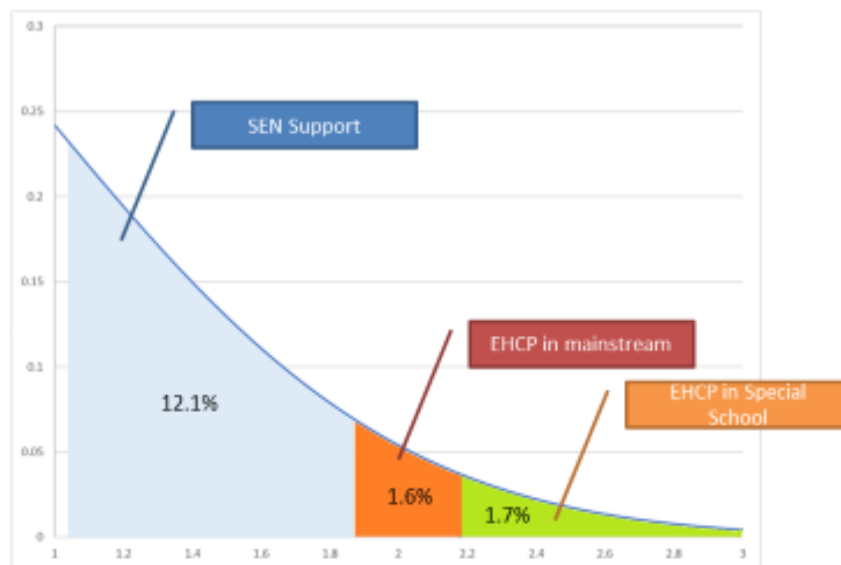
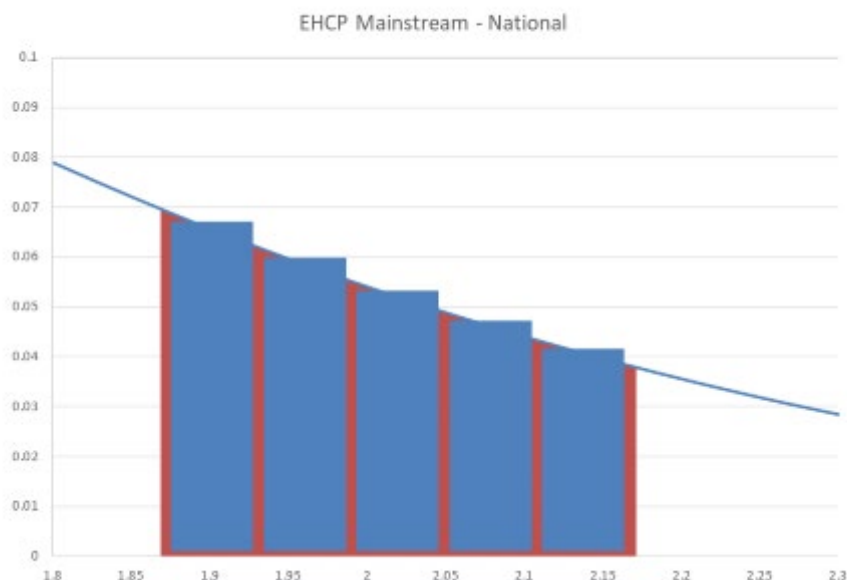


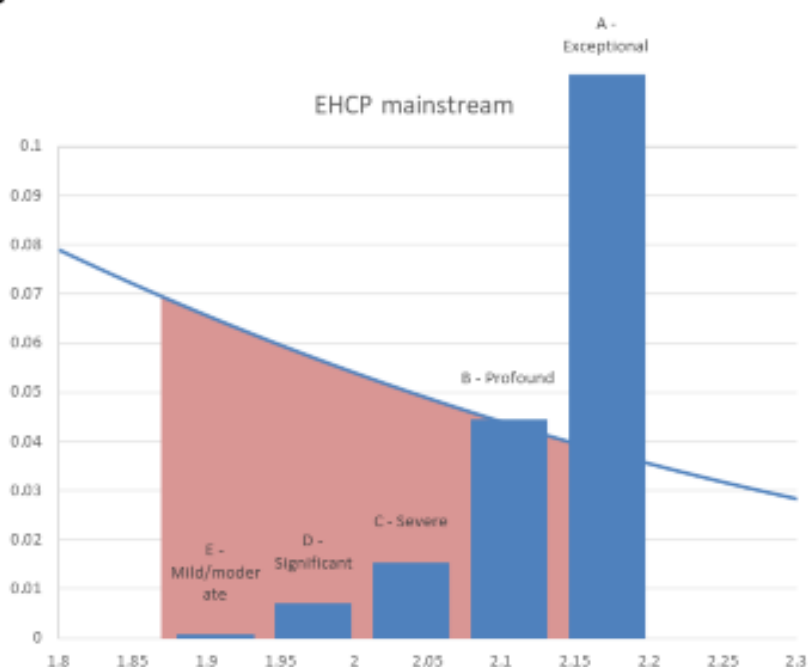
Chart C illustrates that an effective model of funding (the blue bars) that meets need for the pupils who have an Education Health and Care Plan in mainstream schools would follow the curve.

Chart C



In Kirklees, as Chart D shows, this currently is not the case. Analysis shows that there are missed opportunities to invest in expert support for our children at lower levels of need as our existing model is not providing the right levels of funding. This is having an impact where EHCPs are pushed to higher bands as a result.

Chart D: The distribution of top up funding in Kirklees Mainstream Schools



2.3. The review

Reviewing the existing model and addressing the fact that no uplift has been attributed to the rates of Element 3 since 2013/14 has been necessary to harness opportunities that this could be rectified. Discussions at Kirklees Schools Forum led to the development of a smaller working group to develop options for consideration in 2020. The group consisted of Headteacher representatives from Primary, Secondary and Special Schools, as well as Local Authority officers from Finance and Learning. Key principles were agreed to underpin the work undertaken that should seek to:

- Sufficiently fund the provision described in the Children and Young People's EHCP (this is described in Section F of an EHCP) in order to meet need.
- Align with the principles of the SEND Code of Practice 2015 and related legislation and regulations.
- Promote the graduated approach and build capacity to meet needs of Children and Young People at SEN Support if appropriate.
- Have safeguards in place to protect the schools notional SEN budget when EHCP numbers are disproportionately high.
- Enable straightforward and transparent financial administration.

Two approaches were developed and discussed by Schools Forum and a wider consultation with schools took place in September and October 2020.

2.4. The 2 models

The table below shows the numbers of pupils in Kirklees from the school census in January 2021 across each of the existing Element 3 top ups, the amount of funding aligned currently and how much spend is being incurred.

School age cohort as at 1st January 2021			
Band	Pupil Count	Amount	Cost of Cohort
A - Exceptional	884	£ 6,900	£ 6,099,600
B - Profound	269	£ 3,300	£ 887,700
C - Severe	77	£ 1,900	£ 146,300
D - Significant	33	£ 500	£ 16,500
E – mild/moderate		-£ 0	£ 0
Total	1263		£ 7,150,100

2.4.1. Model 1 - To link top ups to the level of support required to make the provision in the EHCP

Overview

- The cost to a school in Kirklees of 1 hour of support is determined (see Appendix 1 for methodology).
- 30 hours of support a week is regarded in the model as 100% support.
- The hourly cost of support is indexed to pay scale to ensure funding rises with future increase in staffing costs.
- The percentage of support provided by Element 2 (notional budget), £6k, can be calculated.
- Support required above Element 2 is divided into 5 steps Mainstream (M)1 to M5 covering and the hourly cost can be used to assign a funding level to each step.
- The provision in Section F of the EHCP will quantify the amount of support needed to meet need. This level of support, if over element 2 will map onto one of the steps which will determine the funding for that EHCP.

The new funding top ups would be calculated as below with pupil numbers at Jan 2021 mapped across from the current approach;

Top up	% Support	Band Value	Pupil count	Cost of Cohort
M5	96% - 100%	£ 12,226	-	
M4	81% - 96%	£ 10,107	-	
M3	66% - 81%	£ 7,341	884	£6,489,444
M2	51% - 66%	£ 4,577	269	£1,231,213
M1	33% - 51%	£ 1,597	110	£175,670
		Total	1263	£7,896,327

2.4.2. Model 2 - To link top ups to the level of support required to make the provision in the EHCP and delegate up to 50%

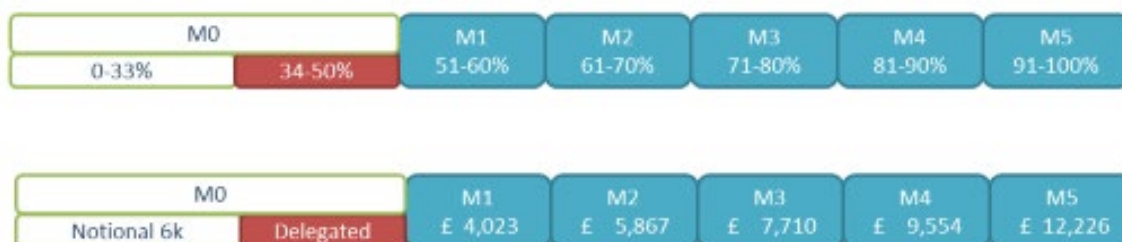
Overview

- The cost to a school in Kirklees of 1 hour of support is determined.
- 30 hours of support a week is regarded in the model as 100% support.
- The hourly cost of support is indexed to pay scale to ensure funding rises with future increase in staffing costs.
- The percentage of support provided by Element 2 (notional budget), £6k, can be calculated.

- Support from 50% to 100% is divided into 5 steps, Mainstream (M)1 to M5. The hourly cost can be used to assign a funding level to each step.
- The provision in Section F of the EHCP will quantify the amount of support needed to meet need. This level of support, if over 50%, will map onto one of the steps which will determine the funding for that EHCP.
- The population of pupils from the percentage of support provided by Element 2 up to 50% is projected using the 'Normal Distribution' and National EHCP figures. This funding is then calculated and delegated to schools in proportion to school roll.

The new funding top ups would be calculated as below with pupil numbers at Jan 2021 mapped across from the current approach;

Top up	% Support	Band Value	Pupil count	Cost of Cohort
M5	91% - 100%	£ 12,226	-	
M4	81% - 90%	£ 9,554	-	
M3	71% - 80%	£ 7,710	884	£6,815,640
M2	61% - 70%	£ 5,867		
M1	51% - 60%	£ 4,023	269	£1,082,187
MO	(delegated)			£688,600
		Total	1263	£8,586,427



Delegated element to accommodate notional 33% - 50% of population - rationale

Where a Child or Young Person may need between 33% and 50% support and this can be met at SEN Support, this additional feature in Option 2 is in place to provide sufficient funding to do so, creating maximum opportunities for meeting need at the earliest opportunity. It is predicated on the assumption that the notional £6k is insufficient to support the graduated approach. 15 hours of support a week (50% in this model) can be considered to be reasonable for provision of an EHCP (though not the only consideration, reasonable endeavours being another). Option 2 would also therefore safeguard against an increase in referrals. (See Appendix 2 for methodology)

2.4.3. Options 1 & 2 – SEN Floor funding

Both options would have an additional feature which protects a school's SEN funding against the impact of disproportionately high numbers of pupils with an EHCP in their setting.

Schools are expected to use their notional SEN funding to provide for the first £6,000 of the provision in a pupil's EHCP. A high number of pupils with an EHCP in a setting can impact on the remaining budget left to support those pupils on SEN Support.

This approach identifies an amount that can be regarded as the 'floor'. Additional funding would be provided to ensure that the funding remaining for SEN Support does not fall below this floor. The floor funding has been calculated as £176,238 based on the pupil cohort in January 2021.

The floor funding is described in more detail in Appendix 3

2.4.4. The additional overall cost of model 1 and 2

Based on the pupil numbers and existing top up bands at January 2021 a summary of the additional expenditure has been provided below.

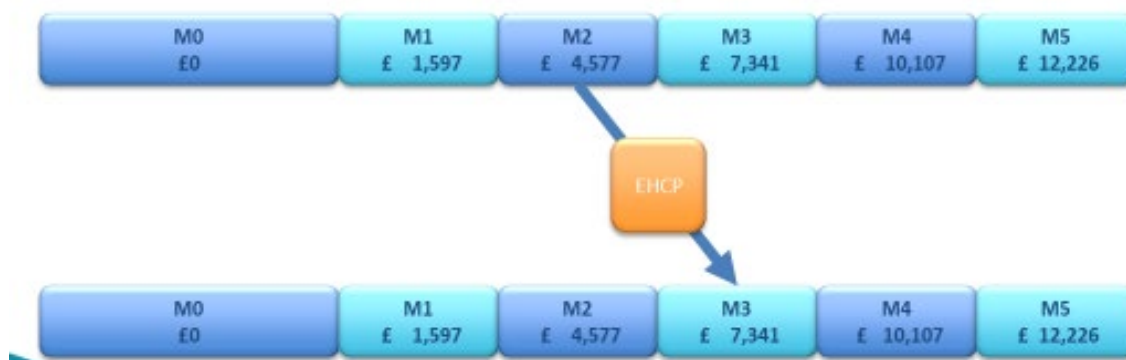
SUMMARY			
OPTION 1	2021-22 Initial mapping		£746,227
	Additional cost once transition to new system achieved		£334,036
	Cost of funding floor protection		£176,238
	Total annual cost compared to current banding system		£1,256,501
OPTION 2	2021-22 initial mapping		£1,436,327
	Saving once transition to new system achieved		-£346,412
	Cost of funding floor protection		£176,238
	Total annual cost compared to current banding system		£1,266,153

This shows that the cost of implementing model 1 is £1.257m and model 2 is £1.266m. Model 2 is marginally higher but creates a better opportunity for enabling early support.

2.4.5. The process for implementation – Model 1

Each of the current top ups would be mapped onto the revised top ups in the first instance. The SEND Code of Practice expects that the provision detailed in the EHCP is 'Specific and quantified', and EHCPs at Annual Review would be modified to enable this specificity. This would allow each EHCP on an individual needs led basis to be aligned more appropriately with the new funding model, and to be specifically funded to meet the provision identified in the plan. Floor funding would be assigned where applicable.

Over time, as part of the anticipated transition to "normal distribution" once assessment processes have been adapted Kirklees could expect to turn the curve so that spend is proportionately aligned to need. It is anticipated that this approach is likely to take between 1-3 years to achieve.



2.4.6. The process for implementation – Model 2

Current top ups would be mapped directly onto the nearest revised top up. These EHCPs can be reviewed in their normal cycle and assigned a band according to specific and quantified provision in Section F of their plan. It may be the case that on review the support described in Section F falls below 50%. In this case all procedures would still follow the code of practice and align with legislation. In particular, if an EHCP is still required to secure provision described in the plan, it will not be ceased and a plan with no funding (M0) will be issued. There is no intention by the local authority to use this process to systematically reduce the number of EHCPs. The SEND Code of Practice expects that the provision detailed in the EHCP is ‘Specific and quantified’ and at Annual Review would be modified to enable this specificity.

This would allow each EHCP on an individual needs led basis to be aligned more appropriately with the new funding model, and to be specifically funded to meet the provision identified in the plan. Funding from 34% to 50% is delegated directly to schools to enable support at the earliest opportunity to be maximised. Funding from 51% to 100% support would be divided into 10% steps and delivered through top-ups and floor funding would be assigned where applicable.



Over time, as part of the anticipated transition to "normal distribution" once assessment processes have been adapted Kirklees could expect to turn the curve so that spend is proportionately aligned to need. This approach is likely to take between 1 and 3 years to achieve.

The foundations for both models presented are that:

- The SEND Code of Practice 2015 requires the provision described in ‘Section F’ of the EHCP to be, where possible, specific and quantified.
- Quality and expertise of staff is the most significant element of cost in an EHCP.
- Incidence of need follows a ‘normal distribution’.

2.5. Preferred model

Both models are very similar and both have merit which has been summarised in the table below, however, model 2 builds on model 1 and enables a greater opportunity for investment upfront to promote the graduated approach and grow capacity at SEN support.

Principles	Model 1	Model 2
Sufficiently fund the provision described in the pupil's EHCP in order to meet need.	✓	✓
Align with the principles of the SEND Code of Practice 2015 and related legislation and regulations.	✓	✓
Promote the graduated approach and build capacity to meet needs of pupil at SEN Support if appropriate.	✗	✓
Have safeguards in place to protect the schools notional SEN budget when EHCP numbers are disproportionately high.	✓	✓
Enable straightforward and transparent financial administration.	✓	✓

Therefore, the preferred option for implementation is model 2, including the floor protection factor. To invest in our mainstream funding bands represents a shared opportunity to create the conditions to enable more children achieve their aspirations, secure better outcomes whilst being educated with their peers wherever possible in mainstream schools.

In broad terms, for every pupil that can be supported effectively in a mainstream placement could increase our Special School capacity by 1 and reduce external placements by 1. Where we can meet need locally, this could realise a net saving on average of £40k per pupil. This means that over time, the savings would cover the costs of implementing the new approach.

It is key to see this increase in top up funding as part of the wider plan to address the High Needs issues and needs to be linked with the 10 point improvement plan, our work with an external improvement partner (see the other report on the agenda relating to this), our future capital investment and the development of early intervention and prevention services all of which would result in more children having their educational needs met within Kirklees. This in turn, realises wider benefits, reducing social care costs from out of area residential placements. The re-banding of SEND funding allocations will increase investment in mainstream schools which would incentivise the inclusion of more children in mainstream schools and should help us to operate effectively and within the funding envelope for High Needs.

3. Implications for the Council

3.1. Working with People

Co-production with Children, parents, carers and our families is core to the principles of the Children and Families Act. The proposals recognise that should we implement a new model, there will need to be work undertaken to ensure that the new approach is well understood by families as part of Section F of the Education Health and Care Plan and is well understood by our mainstream schools.

3.2. Working with Partners

The proposals have been developed with our schools and support the wider SEND transformation programme. They align to strategies under development that we commissioned Impower to do some early diagnostic work on, including the Valuing SEND mapping tool. That early work and the investment in further work to help transform our approach to SEND is the subject of another report on the agenda at cabinet today.

3.3. Place Based Working

We want children and young people to be able to attend their local mainstream school, and to enable the best opportunities for inclusion. Investing into our mainstream top-ups would support this ambition.

3.4. Climate Change and Air Quality

The aspiration for SEND strategy is that less young people will leave or travel outside of Kirklees. By having services more local / accessible within existing settings to where people live in communities, this can have an impact on their mode of travel. Services development and extending our capacity will need to factor in such environmental consideration as the transportation review.

3.5. Improving outcomes for children

Across the partnership, Kirklees have taken much action to improve SEND services for children and young people aged 0 to 25. This is now captured as part of a clear 10 point improvement plan. With the development of our “Inclusive Ambitions” (see Appendix the direction for the service is to work towards shared vision and equal partnership with a clear pathway of improvement across a range of partners striving for the best outcomes for children and young people with SEND.

In modelling the proposals, meeting the needs of children and young people and their preparation for adulthood has been an underlying principle in order that this is funded appropriately in our mainstream schools.

3.6. Other (eg Legal/Financial or Human Resources)

These proposals are in line with requirements in the Children and Families Act 2014 and the SEND Code of Practice 2015. The modelling and the financial implications have been detailed in the report and appendices.

The High Needs Block of the Dedicated Schools Grant is allocated to local authorities to make provision for local children and young people with SEND. It is the one block of DSG grant funding where the Schools Forum does not have formal powers and responsibilities over the usage of the funds (although it is good practice to keep the Forum informed of changes being considered, provide regular monitoring updates, listen to High Needs funding problems raised via the Forum representatives etc.) It is formally a Council responsibility to commission specialist places for the higher need C & YP and decide how children with SEND should be funded for their needs when attending a mainstream school.

The 20/21 High Needs allocation is £43.2m with projected spend being approximately £50.2m resulting in an in- year pressure of £7m. There is already an historic deficit of £12m and therefore as at 31st March 2021 the cumulative deficit will be approximately £19m.

Whilst additional funding of £5.6m will be made available in 21/22 it is expected that unless we reform our funding approach costs will continue to increase. In terms of tracking the return on this investment we will need to look at this as part of the wider SEND transformation programme. These changes will provide schools with a more appropriate level of funding to support more children in mainstream and help build on the existing relationships we have with schools to support our children with SEND.

If we do nothing, our costs will continue to escalate through more children being educated outside of Kirklees schools, and this will have knock on effects for social care budgets as some of these placements will result in residential costs as well as transport costs. Whilst this investment may not see children currently placed outside of Kirklees return, it will help to stem the flow of children to external organisations.

4. Consultees and their opinions

Discussions at Schools Forum have been supportive of moving to revised funding model. On balance, Model 2 being the preferred option. A consultation document was prepared and circulated, and an online consultation event took place, which was recorded and made available to review for those that couldn't attend.

Formal responses to the consultation were low (only 3 written responses were received), but all 3 expressed support for the changes proposed. In addition, positive feedback was received from the small number of attendees (15) at the 'live' online consultation meeting and from Schools Forum. It is understood that it is because there is support from Schools Forum, and this has been communicated back through sector representation at those meetings, that accounts for the relatively low level of formal responses received.

5. Next steps and timelines

The proposed models anticipate that implementation begins from 1st April 2021.

Subject to member decision, officers would begin to work on implementation by mapping existing EHCPs onto the new top up system, and ensuring any new EHCPs reflected the new top up system in Section F. An assessment would be made for individual school budgets and floor funding applied where eligible.

Training and development would be undertaken alongside the implementation of the new model. Communication would be undertaken with parents and carers, Schools Forum and all schools in Kirklees. This would integrate with the work that would be undertaken with external improvement partner should Cabinet approve the report alongside this one that seeks permission to procurement.

6. Officer recommendations and reasons

Officers recommend that changes are made from the current arrangements for Mainstream Top Ups to a new model from April 1st 2021.

Of the two options Cabinet are asked to approve model 2, this is because it better aligns with the wider transformation programme and underlying principles we are seeking to achieve for Children and Young People with SEND and create maximum opportunities for needs to be met at the earliest opportunity. Model 2 will,

- Sufficiently fund the provision described in the pupil's EHCP in order to meet need.
- Align with the principles of the SEND Code of Practice 2015 and related legislation and regulations.
- Promote the graduated approach and build capacity to meet needs of pupils at SEN Support if appropriate.
- Have safeguards in place to protect the schools notional SEN budget when EHCP numbers are disproportionately high.
- Enable straightforward and transparent financial administration.

Members are asked to delegate authority to the Strategic Director for Children's Services in consultation with the Service Director for Finance to undertake the required implementation processes to make sure that the new top ups are in place with effect from 1st April 2021.

7. Cabinet Portfolio Holder's recommendations

As Cabinet Portfolio Holders, we are supportive of the revision of the approach and investment in top ups for our children with an Education, Health and Care Plan that are educated in mainstream schools. This is because we appreciate that it will support our ambitions in Kirklees, and wherever possible we want children and young people to be supported within our borough, and where appropriate in their local school. Essentially, implementing the officer recommendations better equips our mainstream schools to enable them to provide pupils with the support they need when they need it. We can see that this, alongside the wider improvements we are delivering will contribute to creating the conditions for achieving our system wide inclusive ambitions.

8. Contact officer

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jo-anne.sanders@kirklees.gov.uk

David Gearing – School Funding Delegation Manager 01484 221000
david.gearing@kirklees.gov.uk

9. Background Papers and History of Decisions

- Children and Families Act 2014
- SEND Code of Practice 2015

- *Review of national funding formula for allocations of high needs funding to local authorities: changes for 2022-23*

https://consult.education.gov.uk/funding-policy-unit/high-needs-nff-proposed-changes/supporting_documents/High%20needs%20NFF%20review%20consultation%20document.pdf

10. Service Director responsible

Jo-Anne Sanders – Service Director for Learning and Early Support 01484 221000
jo-anne.sanders@kirklees.gov.uk

Appendix 1 – Cost per hour calculation

NB. This calculation was based on costs (including some assumptions made about pay awards in 2021) as at the time of consultation...these figures have been updated to reflect the actual position and the hourly rate is now calculated (using the methodology below) as **£16.17**. The purpose of including this appendix is to illustrate the methodology used to arrive at the hourly rate.

1 - Average ETA salary

The table below uses the current mainstream school payroll data to determine the average pay of all support staff and Educational Teaching Assistant staff in mainstream schools.

Spinal point	Amount	Total in Mnstrm	Sum	ETA in Mnstrm	Sum
SP3	£ 18,427	1	£ 18,427		
SP4	£ 18,795		£ -		
SP5	£ 19,171	76	£ 1,456,996	1	£ 19,171
SP6	£ 19,555	490	£ 9,581,950		£ -
SP7	£ 19,946	125	£ 2,493,250	121	£ 2,413,466
SP8	£ 20,344	76	£ 1,546,144	76	£ 1,546,144
SP9	£ 20,751	69	£ 1,431,819	69	£ 1,431,819
SP11	£ 21,590	617	£ 13,321,030	576	£ 12,435,840
SP14	£ 22,912	33	£ 756,096		£ -
SP15	£ 23,370	11	£ 257,070		£ -
SP17	£ 24,313	107	£ 2,601,491		£ -
SP19	£ 25,295	4	£ 101,180		£ -
SP20	£ 25,801	7	£ 180,607		£ -
SP22	£ 26,844	27	£ 724,788		£ -
Total		1643	£ 34,470,848	843	£ 17,846,440
Average			£ 20,980.43		£ 21,170.15

2 - Mapping onto a spinal point

The spinal point SP10 has been deprecated, but if the mid-point of SP9 and SP11 is calculated this corresponds almost exactly to the average of ETA above.

Spinal Point	Salary April 2020
SP9	£ 20,751
'SP10'	£ 21,171
SP11	£ 21,590

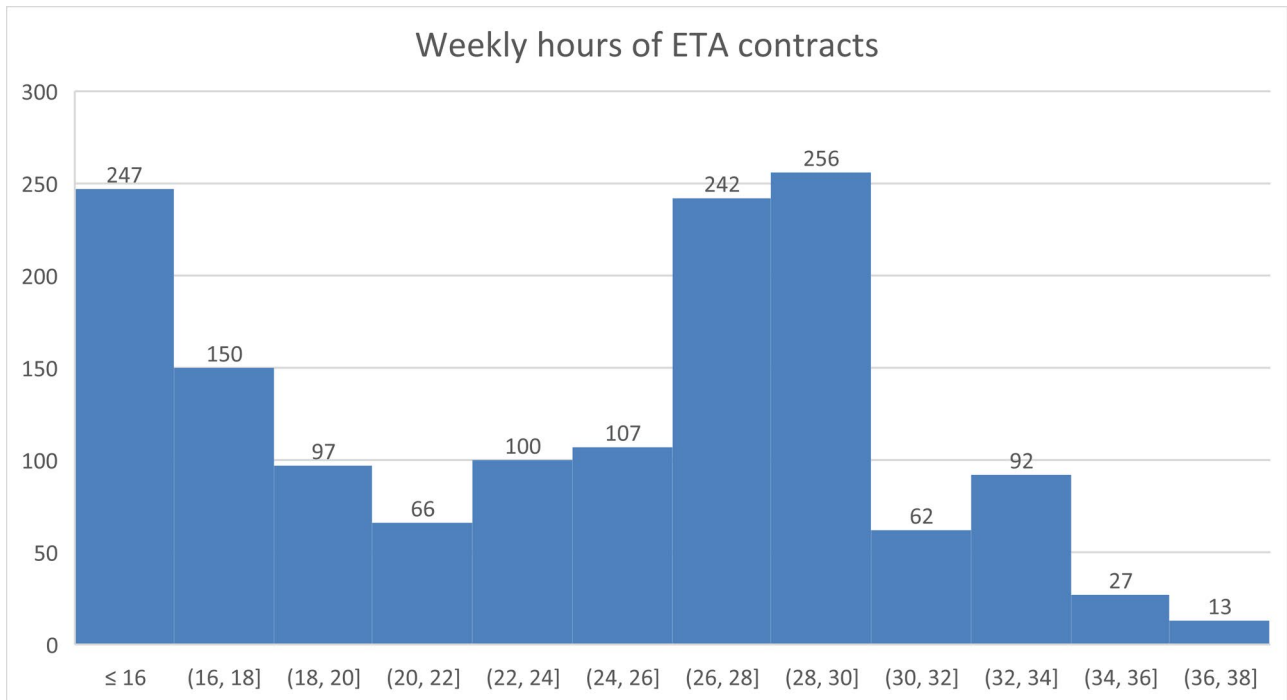
3 – On-costs

On-costs of 21.78% are used to represent the actual cost to the school.

Spinal Point	Salary April 2020	w/oncosts
'SP10'	£ 21,171	£ 25,781

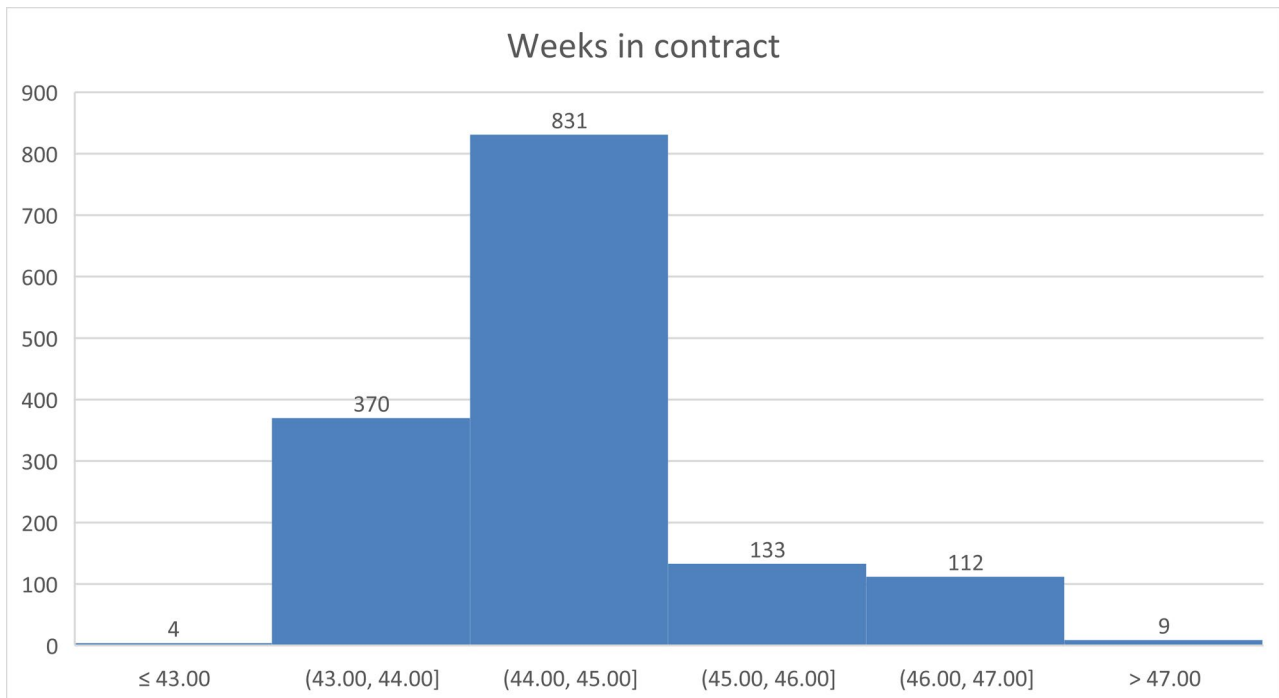
4 - Are schools incurring costs over and above 30 hours per week?

Payroll data shows that 86.85% of ETA staff are contracted to work 30 hours or less a week. Therefore, schools are not generally incurring involuntary costs due to staff contracted over 30 hours a week.



5 - Are schools incurring costs due to ETA contracts outside of term time?

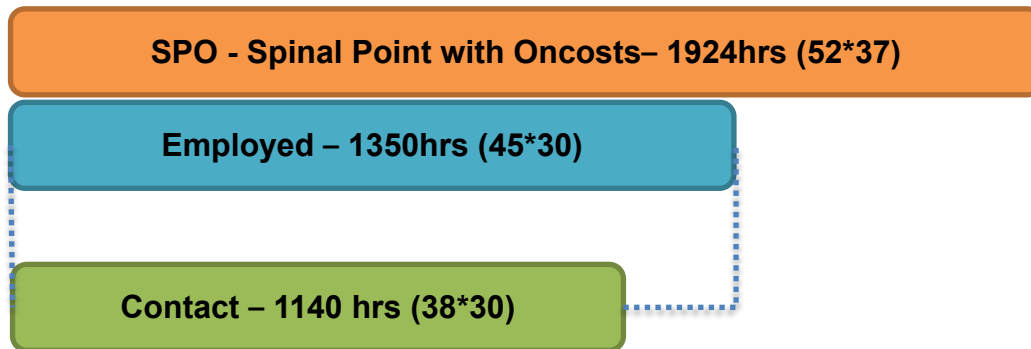
Payroll data shows that the average length of contract for an ETA is very near to 45 weeks per year (44.82 weeks). This is 7 weeks more than the 38 weeks of term time contact.



Therefore, schools are incurring costs outside of term time as a result of employing ETAs to meet the needs of CYP during term time.

6 – Calculating the hourly rate.

As a result of point 5, the hourly rate for support should be scaled up to accommodate the need for schools to employ ETAs the additional 7 weeks of the year outside of term time.



In this approach the ETA cost per hour is calculated by

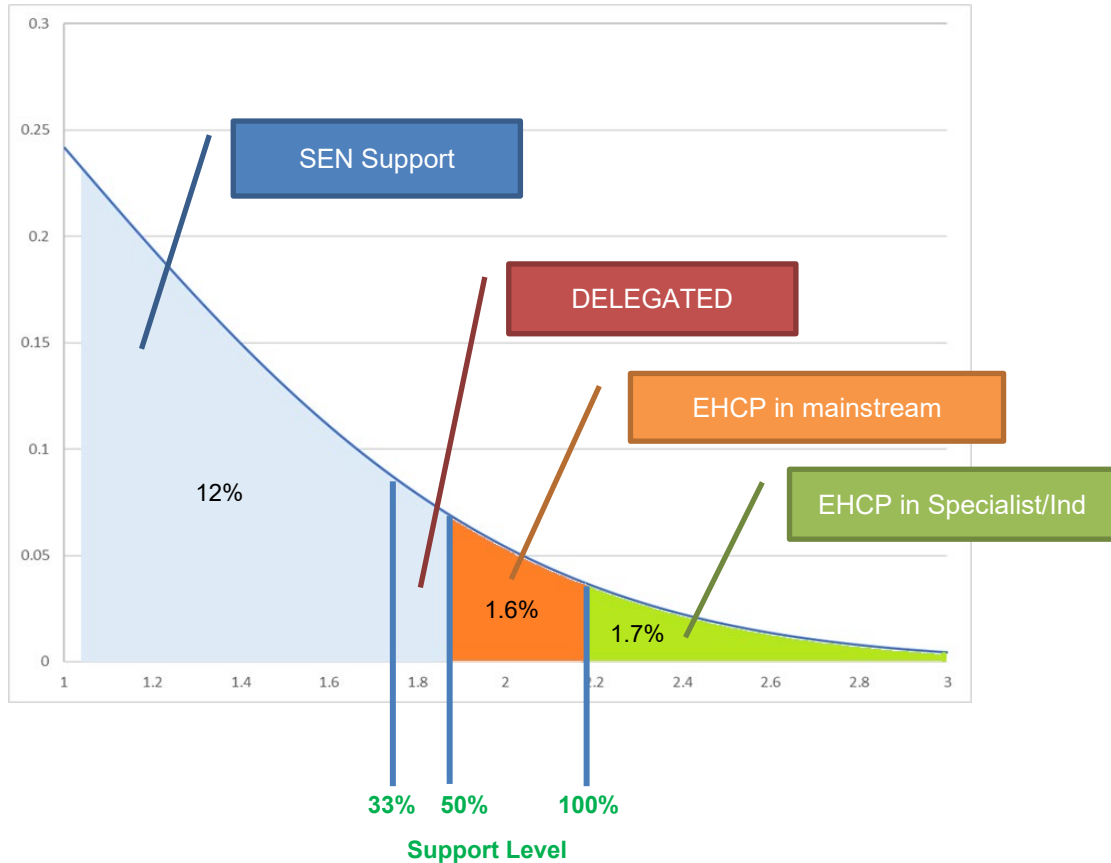
$$((\text{SPO} / 1924) * 1350) / 1140$$

Using the SP10 amount with on-costs from point 3 this gives

$$\text{ETA cost per hour} = ((£25,781 / 1924) * 1350) / 1140 = \underline{\underline{£15.87}}$$

Spinal Point	Salary April 2020	With on-costs	Hourly ETA Support Cost
'SP10'	£ 21,171	£ 25,781	£ 15.87

Appendix 2 – Calculation of delegated element 3 (33% to 50%)



Key figures for this calculation

National EHCP in Mainstream	= 1.620%	
National EHCP in other specialist or independent	= 1.695%	[DfE]
Kirklees school population	= 66968	[DfE]

Sourced from

<https://explore-education-statistics.service.gov.uk/data-tables/permalink/3c799147-5909-4a93-b4b6-2760d1f7c449>

Method

To avoid confusion here, percentages indicating support levels will be coloured green. Percentages indicating populations of Children and Young People will remain black.

The **Normal Distribution** is used to project the numbers of pupils between 33% and 50% support levels.

We know that 1.695% of school population have an EHCP and are in Specialist or Independent settings. This point can be regarded as the upper bound of the mainstream population (100% support).

As the percentage of pupils with an EHCP and in mainstream is 1.620% we can regard this point as the lower bound (50% support)

In the normal distribution the area under the curve represents the population. The linear x axis is called the **standard deviation**.

This method

- uses the two percentages of population provided as the upper and lower bounds of the mainstream EHCP population,
- calculates their standard deviation

- uses these standard deviations to project down to the 33% point and find the standard deviation there
- uses bands of 1% increment from 33% to 50% to calculate the projection of numbers of pupils at each of these bands, the equivalent funding at that band and hence the total delegated funding is calculated at **£688,600** (based on pupils as at January 2021)

Appendix 3 – Floor funding Rationale

Floor funding provides financial protection for schools with a disproportionate number of pupils with an EHCP. Schools are expected to use their notional SEN funding to provide for the first £6,000 of the provision in a pupil’s EHCP. A high number of EHCPs in a setting can impact the remaining budget left to support those pupils on SEN Support. This approach identifies an amount that can be regarded as the ‘floor’. Additional funding will be provided to ensure that the funding remaining for SEN Support does not fall below this floor.

Method

Key figures in this method

- The school’s notional SEN budget
- School’s headcount
- The number of pupils who have EHCPs attending the school
- National figures for pupils on SEN Support – currently 12%
- Hourly support cost to school
- The following calculation aims to ensure there is a minimum retained to ensure at least 2 hours of support per week for every child on SEN Support.

$$\text{Floor} = (\text{School Headcount}) * (\text{min hours per week}) * (\text{wks}) * (\% \text{SEN Sup}) * (\text{ETA cost})$$

If a school’s notional SEN budget falls below the floor due to the impact of the number of EHCPs then a top up will be provided.

Example - School A

School A has:

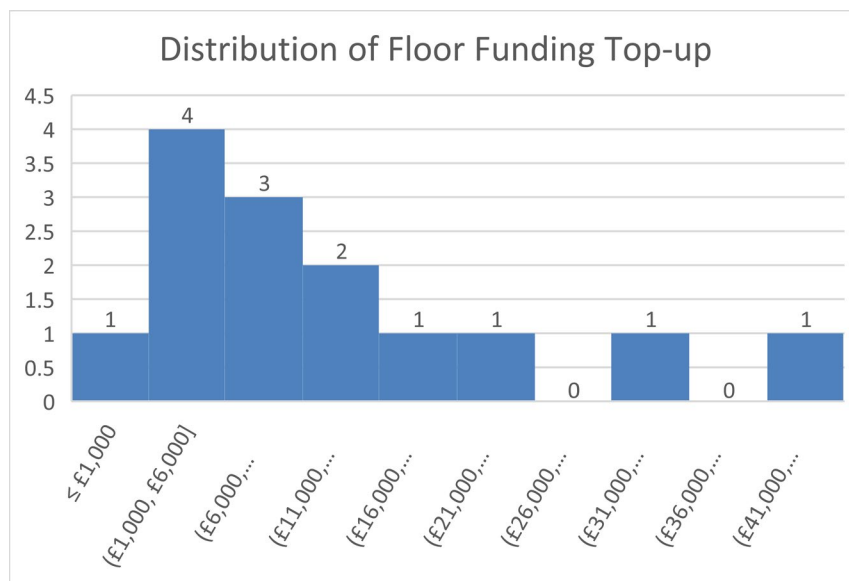
- A notional SEN budget of £25,000
- A Headcount of 83
- 4 Pupils with EHCPs

Notional Budget remaining after 4 * £6k is subtracted = £25,000-£24,000 = £1,000

This is below the floor, so the difference is provided to school as a top-up.

Implementation

It is proposed that this top-up is provided on a termly basis (pro-rata) alongside other financial functions. As with previous elements this factor is indexed to ETA pay scales so will be proofed against inflation. On figures updated for January 2021, this approach would contribute an additional £176,238 to schools.



Kirklees Inclusive Ambitions (Developed in Workshops Autumn/Winter 2020)

1. We will have a renewed focus on responsive and holistic early intervention for children and young people, refocusing resources to produce a varied multi agency offer including the use of the community and assistive technology and building the skills of the workforce to work preventatively.
2. Families and carers feel empowered and supported. They have strong knowledge of the support available and there is a clear culture of trust between professionals and families. This will enable a shared understanding of needs; the joint support required to meet them and a clear focus on aspirations.
3. Children and young people feel included across the community and within education settings. Schools are celebrated and held accountable for their pupil centred inclusive practice, and the contribution of individual's with additional needs is better understood across the system. This will mean that more children are able to be supported in mainstream settings across Kirklees.
4. Children and young people are able to thrive within their education settings and are supported to access an education that is flexible and empathetic to their needs. Needs are addressed in a proactive and individual way. Schools focus on and measure an individual's holistic outcomes, recognising success outside of purely academic achievements.
5. The system works in an integrated way, using its resources to take a holistic and targeted approach to needs whilst creating a seamless journey for children, young people and their families. This means that bureaucracy is reduced, and that children and young people are able to receive the right support at the right time.
6. Professionals are empowered to meet the needs of children and young people and support them to achieve their aspirations. This is achieved through embedding a shared culture of proactivity; holistic skills and knowledge across the workforce; and creating clear pathways for meeting needs.
7. Children and young people are supported to have clear aspirations for the future, with a focus on independence and preparing for adulthood. Throughout a young person's journey, they are supported to achieve their aspirations through the support they receive. Ultimately, this will mean more young people enter education, employment and training as they progress into adulthood

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Name of meeting: Cabinet

Date: 16th March 2021

Title of report: Procuring an External Business Partner to support SEND work in mainstream education settings, using the council’s transformation reserves

Purpose of report: For agreement to commit to use the funding within the transformation reserves to support the procurement of an external business partner to support key strands of SEND transformation in Children’s and Adult services.

The paper will outline how the work in improving the early identification of understanding of SEND for children with special education needs and disabilities will support the ability of mainstream schools to provide appropriate settings for a larger number of children with Education Health and Care Plans (EHCPs) with the objectives of improving the outcomes and attainment for these children and providing a sustainable financial model for SEND expenditure.

The report should be read with the report titled “Proposed changes to top-up funding allocations for children in mainstream schools with an Education Health & Care Plan (EHCP) from 1st April 2021” which is also on this cabinet agenda for consideration and decision.

Key Decision - Is it likely to result in spending or saving £250k or more, or to have a significant effect on two or more electoral wards?	Yes
Key Decision - Is it in the <u>Council’s Forward Plan (key decisions and private reports)</u>?	<p>Key Decision Yes</p> <p>Issue details - Proposed changes to top-up funding allocations for children in mainstream schools with an Education Health & Care Plan (EHCP) Kirklees Council</p> <p>Also linked to Transformation Fund Portfolio funding</p> <p>Private Report/Private Appendix – No</p>
The Decision - Is it eligible for call in by Scrutiny?	Yes
<p>Date signed off by <u>Strategic Director</u> & name</p> <p>Is it also signed off by the Service Director for Finance?</p> <p>Is it also signed off by the Service Director for Legal Governance and Commissioning?</p>	<p>Mel Meggs – Strategic Director – Children’s Services – 08/03/2021</p> <p>Eamonn Croston – 07/03/2021</p> <p>Julie Muscroft – 07/03/2021</p>
Cabinet member portfolio	Cllr Viv Kendrick – Cabinet member for Children

	Cllr Carole Pattison – Cabinet member for Learning, Aspiration and Communities Cllr Turner – Cabinet member for Corporate.
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Electoral wards affected: All wards are affected

Ward councillors consulted: Not applicable.

Public or private: Public

Has GDPR been considered? Yes

1. Summary

1.1 The council has had a transformation agenda for some years. It recognises that if we are to address the most difficult challenges that we face, we need to work collaboratively across the whole organisation and beyond, into local and regional partnership working and further, and across sectors. That is the only way to address 'systemic challenges', i.e. problems that it will take more than the council to solve. It is with this in mind that the council has a collection of programmes grouped under a 'Transformation' heading (or portfolio) which involves the whole organisation. They represent long-term change priorities and will continue for some time.

1.2 The transformation of the Special Educational Needs and Disabilities (SEND) system and securing the financial sustainability of the High Needs block is a transformational priority for Kirklees. It contains a commitment to fund, through Reserves a number of the above activities, in addition to that allocated within Service budgets.

1.3 The commitment to SEND improvement outlined in this report represents the first recommended draw-down from those transformation reserves to support and enable transformation activity in 2021-22. There will be further 'asks' brought to Cabinet in the coming months relating to the council's other transformation priority areas, all of which will seek to ensure we have the right expertise, skills and experience to enable the delivery of sustainable change and improved outcomes for the people and communities of Kirklees.

1.4 This report will outline the need to work across a number of SEND work streams to meet our aspirations in improving the outcomes for children and young people (0 to 25). As part of a planned strategy of helping more children and young people to be placed in and thrive in local mainstream educational settings top-up allocations for children with EHC Plans will be increased. This is a fundamental part of our strategy to secure and build on the capacity and expertise that exists in mainstream schools in order to continue to support children and young people's needs as well as enabling schools to meet a wider range of need.

1.5 To support of this development there is a need to improve our early identification processes and support. There is a need to re-orientate resources away from high needs and special school provision, towards early intervention and family support. This will require a transformation programme to deliver culture change in how we do things as much as systemic improvement across the system.

1.6 The decision required is for Cabinet to support the funding of an external improvement partner to work in partnership with us during the next phase of SEND transformation. A financial envelope of £1,000,000 has been identified to support the SEND Transformation programme and a proportion of this is proposed to be used to fund the proposed contract with an external delivery partner. This would be for an initial 12 month period, to be reviewed in terms of potential extensions and the criteria for the review will be outlined in the tender specification.

1.7 This proposed tender is a key strand in the broader transformation and investment proposals in relation to SEND such as schools banding proposals, investment in our estate and settings in the SEND MasterPlan. It will help to consolidate and strengthen the set of recently agreed Inclusive Ambitions across the SEND partnership contributing significantly to creating the conditions for success (Appendix 1).

1.8 It should be read alongside the report titled “Proposed changes to top-up funding allocations for children in mainstream schools with an Education Health & Care Plan (EHCP) from 1st April 2021” which is on the cabinet agenda today and which sets out in some detail the approach to funding allocations in mainstream schools. The outcome of this piece of work as outlined in this report will be a key factor in achieving success in support the number of children with EHCPs in mainstream education settings

2. Background

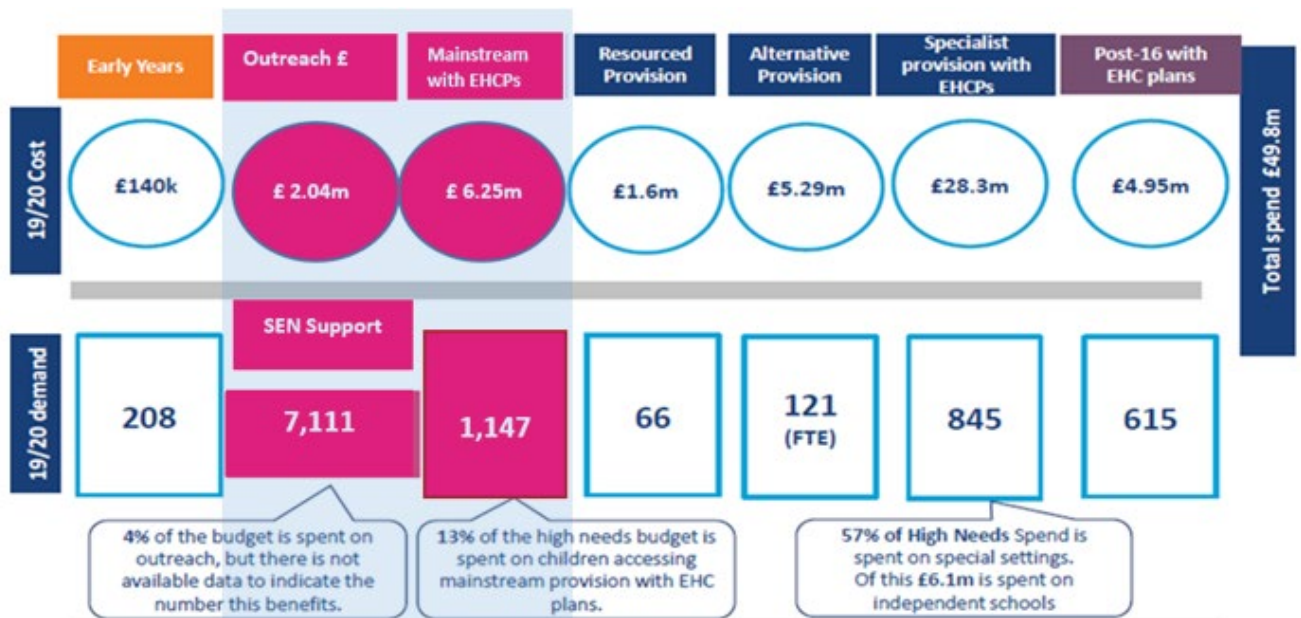
2.1 Local Authorities across the country have experienced significant and sustained pressures on the High Needs funding block in recent years. Investment has grown but a lack of early intervention has meant that demand for specialist support continues. Despite £1.5bn growth in High Needs Block budget allocations across the country over the last 2 years there is a forecasted national overspend pressure of £653m due to rises in children in special schools & alternative provision. When compared to regional and national comparators our outcomes for children with SEND are relatively low.

2.2 Working to achieve statutory compliance with the Children & Families (2014 Act) has required a much greater commitment to the principles of Co-production and a parent led approach. Whilst this has achieved much in terms of a focus on outcomes for the child and family, this approach has contributed to the increase in spending on SEND provision. Kirklees Council has seen rising demand across SEND & High Needs over recent years. Current trajectories are unsustainable in the medium to longer term. A “do nothing” approach will see the costs continue to escalate through more children being educated outside of Kirklees schools and this will have knock on effects for social care budgets as some of these placements will result in residential costs as well as transport costs. This investment may not see children currently placed outside of Kirklees return, but will help to stem the flow of children to external organisations.

2.3 Key pressures in Kirklees include:

- 44% rise in children with an EHCP since 2015.
- 9% growth in High Needs outturn between 16/17 & 17/18.
- Fixed period and permanent exclusions in the SEND cohort have risen sharply and above national trends. (The reasons for the rise in exclusions is complex and there is no one single factor but unmet needs for many young people is a significant issue)

2.4 Impower, a recognised national expert in the area of SEND, were commissioned by Kirklees to do some initial diagnostic work with us. The diagnostic review carried out by Impower identified that the bulk of our current spending was high cost but delivered only moderate outcomes and that our spending was focussed on the most intensive level of provision. The aim is to pivot to a situation of sustainable cost provision with high outcomes by shifting our investment away from high cost specialist provision to earlier intervention and mainstream provision (see report referenced in 1.8). An outcome we are seeking is to ensure that more children attend mainstream school settings in Kirklees and receive the appropriate support to progress and develop here. This will help us to deliver the best possible outcomes within a sustainable financial envelope. This is a long- term programme with benefits expected to be fully realised over a 3 to 5 year period (see related report referenced in 1.8.) A summary of the analysis is provided in the chart below.



What Have We Done?

2.5 Transformation of the SEND landscape and achieving financial sustainability for the High Needs funding block is a key corporate priority. Much progress has already been made, in terms of:

- Creation of a SEND Transformation & Commissioning group to oversee the improvement journey and a 10 point plan.
- An agreed set of Inclusive Ambitions (Appendix 1) has been developed across the partnership
- The SEND Masterplan and Capital Programme has been established
- Review of Alternative provision, Resourced provision and Inclusion offer
- Revision of the school funding band model
- We have developed a new Inclusion, Advice and Support offer, which facilitates early identification and prioritisation of needs.
- We have refreshed our Local Offer website and its content, with an emphasis on co-production and improved quality of information. Whilst this is a statutory requirement, it plays a key role in early access to provision
- Work is in progress to embed an outcomes tool to identify more effectively early support options
- We have established a trajectory board involving both Adults and Children's to ensure oversight, grip and pace of the programme of work and set clear trajectories in terms of demand and activity

2.6 Internal staff and resources have gone some way to drive some of the above achievements, but the capacity, knowledge and skills provided by IMPOWER have been invaluable in terms of providing us with the conditions for success alongside pace and focus a whole system. The information and analysis from IMPOWER's diagnostic review informed the fast forward phase which led to the development of our Inclusive Ambitions across Kirklees. It also informed the implementation of three demand led interventions:

- The trajectory demand management approach
- Trailing an outcome tool and
- Implementation of our Inclusion Support offer.

This activity completes the first phase of the programme and informs our requirements in relation to the requirements from a longer term improvement partner.

2.7 Given the scale of the programme it is recognised there is insufficient resource available in Kirklees to deliver the full ambition and necessary improvements required for the SEND transformation. Engaging an external partner will provide capacity to support delivery focus, and maintain pace and impact helping to deliver the conditions for success. The following proposal we believe is a balanced approach to taking the work forward at pace whilst laying the basis for a sustainable financial model which also helps to develop additional capacity and capability in Kirklees.

2.8 The commitment to SEND improvement outlined in this report represents the first recommended draw-down from those reserves to support and enable transformation activity in 2021-22.

3. Proposal: Improving SEND outcomes in Kirklees – one of our transformation priorities

3.1 The council has had a transformation agenda for some years. It recognises that if we are to address the most difficult challenges that we face, we need to work collaboratively across the whole organisation and beyond, into local and regional partnership working and further, and across sectors. That is the only way to address 'systemic challenges', i.e. problems that it will take more than the council to solve.

3.2 It is with this in mind that the council has a collection of programmes grouped under a 'Transformation' heading (or portfolio) which involves the whole organisation. They represent long-term change priorities and will continue for some time. It contains a commitment to fund, through Reserves a number of the above activities, in addition to that allocated within Service budgets. One strand of this portfolio is the SEND transformation agenda.

3.3 The commitment to SEND improvement outlined in this report represents the first recommended draw-down from those reserves to support and enable transformation activity in 2021-22. There will be further 'asks' brought to Cabinet in the coming months relating to the other priority areas, all of which will seek to ensure we have the right expertise, skills and experience to enable the delivery of sustainable change and improved outcomes for the people and communities of Kirklees.

3.4 The proposal for the next phase of the SEND work builds on the findings of the first phase and will underpin our 3-to-5-year transformation programme.

3.5 We know that we need to re-orientate resources away from high needs and special school provision, towards early intervention and family support. Evidence shows that not only will this have a long-term impact upon overall spending, but early identification of needs will also improve the quality of provision and therefore the lived experience of our children and families. Resources will be re-distributed around the system to ensure that provision will be joined up across agencies to wrap around the family.

3.6 The current momentum needs to be maintained and to continue to work at pace to embed the ways of working and cultural changes. As part of the wider corporate transformation agenda, this requires a partner with the ability to sustainably deliver whole-system change, with the required subject matter expertise; to work alongside Kirklees staff, and who shares our values in terms of maximising the outcomes for young people in Kirklees. The partnership will embed key skills and tools, building internal transformational capacity, to enable internal teams to deliver this change programme and to have the capacity to achieve future change programmes without external support.

3.7 It is important to acknowledge the complexities of delivering transformational change across the Education, Health and Social Care system. The system has inter-relationship and dependencies across many agencies and partners including education, health and CCGs, social care, and the voluntary sector. Joint commissioning is a key tenant of the 2014 Act along with co-production and design with families and young people. Given that SEND legislation covers ages up to 25 years it also cuts across both adult and children provision and services. It is vital that any delivery partner we engage with also understands these complexities and has the skills and understanding required. The intention is that this will be a time limited arrangement and the improvement partner will withdraw support when changes are embedded, and the transformation programme can continue without external assistance.

3.8 The elements of the programme described in this report are interdependent. The demand and capacity work will inform the school places required from the SEND Masterplan and Capital programme. Once the new schools are in place, more children will have their educational needs met within Kirklees. This in turn, reduces social care costs from out of area residential placements. The re-banding of SEND funding allocations will increase investment in mainstream schools which will incentivise the inclusion of more children in mainstream schools, reducing the need for special school places.

3.9 A sector led improvement approach has been considered, similar to the 2-year social care improvement partnership with Leeds City Council, which delivered significant service improvements and savings for an investment of £1.6 million. However, it has not been possible to identify a Local Authority which has the required capacity and skills to support our current agenda.

3.10 The specification describes the support that we are requesting from an improvement partner. Briefly, this includes

- Embedding a long-term change programme to meet Kirklees' inclusive ambitions
- Expertise to us develop a deeper understanding of the financial element of the system and impact of interventions
- Supporting whole system behaviour and culture change
- Continued comparison against regional and national good practice
- Ensure compliance with the Children & Families Act 2014
- Develop an in-depth knowledge of current issues in SENDACT to inform service re-alignment
- Implementation of strengths-based outcomes tool or similar demand led interventions
- Development of the Inclusion support offer
- Review of panel process for allocation of resources and plans to improve the multi-agency approach and to further streamline the process.
- Effective governance approach to support delivery against the target trajectory and demonstrate the value of the programme
- Articulation and tracking of how the interventions will support the delivery of system ambitions and programme goals
- Sustainable change and skills transfer enabling the benefits to sustain, building Kirklees' organisational capability and resilience
- Support joint working across children's and adults' services to develop more effective approaches to transitions

3.11 The specification will support the development of an outcomes and strengths-based approach which allows us to better understand and quantify the needs of the child in the context of the whole system, i.e. what the family can do to support in the home, what the school, other partners can do to support.

3.12 It needs to be recognised that any external partner will need support from within Kirklees in relation to project support and flexible prioritisation. The financial envelope of £1,000,000 will be primarily spent with the external partner but some of the resource may be used to develop

internal capacity in supporting the work. There will be dependencies on other ongoing transformation activity such as the investment in SENDACT.

Governance and statutory compliance

3.13 The SEND Transformation and Commissioning board will oversee and implement the 10 point SEND improvement plan. The plan will include monitoring of outcomes and targets across several interconnected and discrete project's including: -

- Improvement Partner Transformation activity and demand led interventions
- SEND Masterplan and sufficiency
- Revision of the School funding band model (Report referenced in 1.8)
- Alternative education provision review

Overall progress in relation to the SEND 10 point improvement plan including compliance with the Children and Families Act 2014 will report directly to Joint Senior Management Team. There will also be regular reporting into the Health & Wellbeing Board as the statutory body responsible for local SEND arrangement.

The monitoring and impact of the tendering process will also be subject to reporting into the council's Transformation Portfolio Board, which is a specific quarterly meeting of Executive Team. Performance reporting will be overseen and monitored by the All Age Disability Board which reports into the Transformation Portfolio Board.

4. Implications for the Council

4.1 Working with People

With a focus on early intervention and supporting co-production and design, the approach we are developing illustrates our organisational commitment to working with families, partners, stakeholders and communities of interests. This is highlighted in the development and agreement of a set of "Shared Ambitions" across the Kirklees SEND partnership. In producing change and transformation of outcomes we are seeking to improve the life experiences and chances of a cohort of young people who consistently benchmark below their peers in relation to educational attainment and employment prospects. The transformation programme is seeking to deliver culture change in how we do things as much as systemic improvement across the system.

4.2 Working with Partners

The complexities of delivering transformational change across the Education, Health and Social Care system have been outlined earlier in this report. The transformation of the SEND system to deliver better outcomes and on a sustainable financial basis is reliant on a strong partnership approach with Kirklees internal and external partners including families and communities. The approach outlined builds on our statutory requirement to work in a spirit of co-production. The opportunity for the approach to be further shaped by partners will be crucial to ensure that services are joined up and well understood.

4.3 Place Based Working

At the heart of our SEND transformation is to build provision within Kirklees and to ensure that there is sufficient capacity and support across all of Kirklees to ensure that we are less reliant on external provision. We recognise that some children may need to receive support outside of Kirklees but we want to ensure that is kept to a minimum through better integration of provision and support across partners.

4.4 Climate Change and Air Quality

The aspiration for SEND strategy is less young people will leave or travel outside of Kirklees. By having services more local / accessible within existing settings to where people live in communities, this can have an impact on their mode of travel. Services development and extending our capacity will need to factor in such environmental consideration as the transportation review.

4.5 Improving outcomes for children

Across the partnership, Kirklees have taken much action to improve SEND services for children and young people aged 0 to 25. This is now captured as part of a clear 10 point improvement plan. With the development of our “Inclusive Ambitions” the direction for the service is to work towards shared vision and equal partnership with a clear pathway of improvement across a range of partners striving for the best outcomes for children and young people with SEND.

The purpose of this report is to outline how an external partnership with a sector leading organisation will play an important role in galvanising and driving the culture change required to deliver sustainable improvements across all the activity streams which are all inter-related. The main aim is to create a sustainable and forward-thinking SEND service which takes full consideration of the new ways of working and can consistently deliver timely processes which are transparent, robust and equitable. The proposals here will help with the next stage of our improvement journey and help in the following ways to improve the outcomes for children by:

- Establishing a ‘common language’: Embed use of Outcome-based analytical and improvement tools at key points across the system, to promote a more consistent, objective and holistic discussion of needs, provision and outcomes.
- Shifting culture and behaviours: Support the development of outcomes-focused and strengths-based practice across the system, with a focus on proactive early intervention and prevention.
- Redesigning process across the system: Strengthen early intervention activity to manage demand; redesign SEND processes and infrastructure to maximise inclusion, independence and long-term outcomes including panels, transitions and exclusion processes.
- Gripping the system: Embed a performance approach linked to agreed demand and cost trajectories; grip stakeholder relationships; utilise the outcome based tools to develop the future commissioning strategy and offer.
- Managing Change: Create a clear single programme of change across the system with clear resourcing and buy-in from across the system.

5. Quality Assurance

The SEND Transformation and Commissioning Group will influence the direction of travel for our improvement partner. The contract will be managed by the Service Director for Resources, Improvement and Partnerships, who will monitor progress against key performance indicators, millstone and objectives.

Quarterly review points will be in place throughout the contract, which will be used to agree focus and resource inputs for the coming period. These quarterly reviews will enable both sides to reflect on the prior quarter and mutually agree an appropriate focus for the coming months.

Regular break clauses will be included in the contract to enable the support to be drawn to a clause when processes and ways of working are sufficiently embedded that external support is no longer required.

5.1 Other (e.g. Legal/Financial or Human Resources)

5.1.1 Legal

Legal and procurement advice has been sought relating to this proposal and to ensure that the tendering schedule follows the necessary procedures and timelines and helping to comply with the legal requirements of the 2014 Act.

5.1.2 Finance

The range of suggested interventions and methodology has proved to be successful when put in place by other Local Authorities, in conjunction with a delivery partner. For example, one small metropolitan authority realised £500k saving from a re-engineered panels process. A large county borough saw a 32% reduction in ECHP requests, which resulted in an anticipated cost avoidance between £3.1m - £4.6m, with £900k of staff time released due to fewer assessments.

In addition to this it would be expected that savings could be generated across Social Care sufficiency budgets in terms of a possible reduction in children being educated and living outside of Kirklees. Whilst there would still be costs associated with these placements, they would be greatly reduced by returning the children to live and receive their education within Kirklees.

Ultimately, the service needs to ensure that it delivers effectively and within the budget available and through a combination of an increased High Needs allocation and this investment in a delivery partner to help drive transformation it is hoped that this can be achieved. As part of the delivery of this project, the service will be enabled to re-align existing expenditure to the appropriate areas to ensure that the best outcomes are achieved in the most cost effective manner.

The investment in developing Council staff through skills and knowledge share from the delivery partner will have a lasting impact in terms of reduced future spending on related projects.

The tender process requires bidders to describe in detail how they will help us to generate savings and how this will be evidenced. We expect to see a robust proposal with the extent of savings expected and a comprehensive methodology for the calculation of return on investment.

5.1.3 Invest to save

It is anticipated that the investment in an improvement partner to help assist the LA to create the necessary conditions to develop robust and effective practice and culture will result in positive outcomes for children with SEND and help to reduce the pressures on existing budgets across Children's Services. The 20/21 High Needs allocation is £43.2m with projected spend being approximately £50.2m resulting in an in- year pressure of £7m. There is already an historic deficit of £12m and therefore as at 31st March 2021 the cumulative deficit will be approximately £19m.

Whilst additional funding of £5.6m will be made available in 21/22 it is expected that current spend levels will continue to increase, especially without any intervention, therefore resulting a

funding gap. It would be expected that the proposed investment would provide reductions against this expenditure which will hopefully enable the funding gap, and any further increase in the overall deficit to be minimised.

5.1.4 HR implications

There are no specific HR implication from these proposals in relation to employment. There are, however, as the proposal outlines clear potential organisational benefits. An integral part of the tendering addressing the issue of skills transfer and building internal capacity both with Children's Services and the wider organisation to support culture change in improving the outcomes for young people with SEND.

5.1.5 Integrated Impact Assessment

Any requirement to undertake an Integrated Impact Assessment will be followed.

5.1.6 Corporate Landlord & Capital

Any impact on resources from the Corporate Landlord & Capital will be addressed and identified within the scope of the project.

6 Consultees and their opinions

Consultations have occurred with Fast Forward Sponsor Group, All Age Disabilities Board and the Council's Executive Team

7 Next steps and timelines

Once approval is given a tendering process will commence in line with our corporate procedures to explore and secure expressions of interests in becoming the external business partner. It is anticipated that the business partner will be able to commence by 1st June, 2021

8. Officer recommendations and reasons

That Cabinet:

- comment and note the content of the above proposal to engage an external business partner
- agree to support the use of transformation reserves funding to support this arrangement as part of the specific SEND transformation programme.
- endorse the proposed model of an external improvement partner, governance and resources required.
- Delegate authority to the Director of Children's Services to manage the tender process , contract award and to contract manage the arrangements

9.0 Cabinet Portfolio Holder's recommendations

That the proposals and recommendations outlined in Section 9 are supported and we proceed as outlined.

10. Contact officer

Stewart Horn – Head of Joint Commissioning, Children's Services

11. Background Papers and History of Decisions

12. Service Director responsible

Tom Brailsford – Service Director Resources, Improvement and Partnerships
tom.brailsford@kirklees.gov.uk

Andy Simcox – Service Director for Strategy and Innovation andy.simcox@kirklees.gov.uk

Appendix 1

Kirklees Inclusive Ambitions (Developed in Workshops Autumn/Winter 2020)

1. We will have a renewed focus on responsive and holistic early intervention for children and young people, refocusing resources to produce a varied multi agency offer including the use of the community and assistive technology and building the skills of the workforce to work preventatively.
2. Families and carers feel empowered and supported. They have strong knowledge of the support available and there is a clear culture of trust between professionals and families. This will enable a shared understanding of needs; the joint support required to meet them and a clear focus on aspirations.
3. Children and young people feel included across the community and within education settings. Schools are celebrated and held accountable for their pupil centred inclusive practice, and the contribution of individual's with additional needs is better understood across the system. This will mean that more children are able to be supported in mainstream settings across Kirklees.
4. Children and young people are able to thrive within their education settings and are supported to access an education that is flexible and empathetic to their needs. Needs are addressed in a proactive and individual way. Schools focus on and measure an individual's holistic outcomes, recognising success outside of purely academic achievements.
5. The system works in an integrated way, using its resources to take a holistic and targeted approach to needs whilst creating a seamless journey for children, young people and their families. This means that bureaucracy is reduced, and that children and young people are able to receive the right support at the right time.
6. Professionals are empowered to meet the needs of children and young people and support them to achieve their aspirations. This is achieved through embedding a shared culture of proactivity; holistic skills and knowledge across the workforce; and creating clear pathways for meeting needs.
7. Children and young people are supported to have clear aspirations for the future, with a focus on independence and preparing for adulthood. Throughout a young person's journey, they are supported to achieve their aspirations through the support they receive. Ultimately, this will mean more young people enter education, employment and training as they progress into adulthood



Name of meeting: Cabinet
Date: 16th March 2021
Title of report: Leeds City Region (LCR) Business Rates Pool arrangements for 2021/22

Purpose of report

To ratify the Council’s membership, and arrangements for the operation and governance and of the Leeds City Region (LCR) Business Rates Pool for 2021/22

Key Decision - Is it likely to result in spending or saving £250k or more, or to have a significant effect on two or more electoral wards?	Yes
Key Decision - Is it in the Council’s Forward Plan (key decisions and private reports?)	Yes
The Decision - Is it eligible for call in by Scrutiny?	Yes
Date signed off by <u>Strategic Director</u> & name	Rachel-Spencer Henshall - 8 March 2021
Is it also signed off by the Service Director (Finance)?	Eamonn Croston - 8 March 2021
Is it also signed off by the Service Director for Legal Governance and Commissioning?	Julie Muscroft - 8 March 2021
Cabinet member portfolio	Cllr Graham Turner - Corporate

Electoral wards affected: None

Ward councillors consulted: N/A

Public - Public

GDPR – GDPR has been considered and there is no personal data contained in this report

1. Summary

- 1.1 Government confirmed its intention to continue Business Rate Pool arrangements for 2021/22, but that all prospective Pools, be it a continuation of existing 2020/21 Pools or new Pools, had to apply to Government no later than 23 October 2020. Government also confirmed that the arrangements for 2021/22 would have the same benefits and risks as 2020/21 Pool arrangements.
- 1.2 The Council’s Budget Strategy Update report to Cabinet on 21 October and Council on 23 October 2020 set out a number of Pool options for 2021/22. Through member approved delegation to the Chief Executive and Service Director, Finance, in consultation with the Leader, and Corporate Portfolio-holder, a decision was taken to apply at that stage to be part of a Leeds City Region (LCR) Business Rates Pool for 2021/22, including the 5 West Yorkshire Councils, plus Harrogate and York Councils.

- 1.3 The above option was the preferred option at application stage, following a review by existing 2020/21 North and West Yorkshire Business Rates Pool members, and noting that a number of North Yorkshire members had indicated at this stage that they did not wish to be considered for any regional Pool arrangement beyond 2020/21.
- 1.4 The decision to apply to be part of an LCR Pool also acknowledged the continuing COVID impact on the economy, and consequential increased volatility on forecast retained levies by the prospective LCR Pool in 2021/22. Further financial modelling would be undertaken by Leeds Council, who administer the regional Pool on behalf of member Councils, before any final decision was taken. Individual Councils had 28 days following the 2021/22 provisional financial settlement release, at the time anticipated mid-December 2020, to confirm their Pool participation for 2021/22. Any prospective member Council could withdraw their participation at this stage, and this would effectively revoke the Pool application.
- 1.5 The Government's provisional 2021/22 financial settlement announcement was made on 17 December 2020, and no prospective member of the LCR Pool indicated their intention to withdraw within the subsequent 28 day consultation period. The final 2021/22 financial settlement was passed by Parliament on 10 February 2021, including confirmation of the LCR Business Rates Pool for 2021/22. The existing North and West Yorkshire Business Rates Pool will be revoked at the end of the current financial year, 31 March 2021.

2. Information required to take a decision

- 2.1 Business Rates Pools have been a feature of the Government's National Business Rates Retention scheme since the national scheme's implementation from 1 April 2013. Kirklees Council has been a member of a regional Business Rates Pool from this date, including the other four West Yorkshire Councils, plus other participating North Yorkshire Councils from time to time. Regional Pools are designated one year at a time. Applications are submitted to Government annually either to renew existing Pools or create new Pools for the following financial year, in accordance with annual Government guidelines and national timetable.
- 2.2 The 'reward' element of the Pool arrangement is that a number of member Councils, including Leeds, Harrogate and York are levying Councils. The Pooled arrangement allows for business rates 'growth' generated by these Councils above a Government calculated baseline, to be retained by the Pool, and spent on regional initiatives agreed by the Pool members. Without a Pool arrangement, levying Councils would otherwise have to hand over a proportion of any levy growth generated to Government; the proportion tending to vary between 50% or 25% depending on prevailing annual Government scheme guidelines.
- 2.3 The risk element of the Pool arrangement is that the Pool is also responsible for a safety net provision at 92.5% for any member Council who sees significant reductions in their income from the baseline Government calculation. If a member Council falls into a safety net scenario in a particular year, the loss of income below the 92.5% would have to be met in the first instance by the retained levies from the Pool. If there is not enough in retained levies, the net loss would be shared amongst all members of the Pool (including those in safety net).

- 2.4 In reality, regional Pools from 2013/14 onwards have benefited Pool members including this Council through annually retained levy contributions into the Pool, ranging between £10m and £29m annually; subsequently invested in a range of regional initiatives, and in some years, including individual payments back to Pool members. No Pool member to date has been in a safety net scenario over the 8 years that regional Pools have been operating.
- 2.5 Despite the current underlying difficult economic circumstances due to COVID impact on national, regional and local economies, it is anticipated that none of the Pool Members are likely to fall below their Business Rates safety net thresholds for 2021/22.
- 2.6 Current modelled financial forecasts suggest the potential for the LCR Pool to generate up to £5m from retained levies in 2021/22, which while significantly less than previous annual contributions, and subject to some degree of volatility, nevertheless justifies the establishment of the LCR Pool for 2021/22, in conjunction with the safety net risk assessment undertaken by all prospective LCR Pool members, noted in paragraph 2.5 above.
- 2.7 Specific proposals for the allocation of any retained levies will be considered through the LCR Business Rates Joint Committee through 2021/22; the draft terms of reference for which are set out at Appendix A, along with the draft memorandum of Understanding (Governance) agreement for the operation of the Pool for 2021/22, at Appendix B.

3. Implications for the Council

- 3.1 **Working with People**
- 3.2 **Working with Partners**
- 3.3 **Place Based Working**
- 3.4 **Climate Change and Air Quality**
- 3.5 **Improving outcomes for children and young people**

Opportunities for investing any growth income retained by the LCR Pool in 2021/22 in accordance with agreed regional priorities, will be considered and agreed through the Joint Committee in due course.

3.6 Other (eg Legal/Financial or Human Resources)

Financial performance of the LCR Pool through 2021/22 will be monitored at least quarterly through Leeds Council on behalf of all Pool Council members, and reported in-year through the Council's established in-year financial monitoring and reporting cycles.

4 Next steps and timelines

Terms of reference and memorandum of understanding to be formally confirmed by the LCR Pool Committee member Councils for the forthcoming financial year.

5 Officer recommendations and reasons

That Cabinet agrees the following :

- i) to approve the Council's membership of LCR Business Rates Pool for 2021/22;
- ii) to note the revoking of the existing North & West Yorkshire Pool on 31 March 2021;
- iii) to agree the formation of a new joint committee to oversee the operation of the LCR Pool for 2021/22, and to appoint the Leader to the new Joint committee;
- iv) to note the draft terms of reference and memorandum of understanding (governance) agreements for the LCR Pool Joint Committee as set out at Appendices A & B attached; and
- v) to note the draft terms of reference and memorandum of understanding agreements to be ratified by the LCR Pool Joint Committee for the forthcoming financial year
- vi) to delegate authority to the Service Director Legal, Governance and Commissioning to finalise and sign any documentation relating to the new joint committee .

The reasons for these recommendations are that the LCR Business Rates Pool for 2021/22 offers opportunity for any additional business rates levy payments to be retained by the LCR Pool and invested to support regional initiatives to be agreed by the LCR Joint Committee.

7. **Cabinet portfolio holder's recommendations**

The Portfolio-holder agrees with the recommendations set out in this report

8. **Contact officer**

James Anderson
Head of Accountancy
Corporate Strategy, Commissioning & Public Health
Telephone: 01484 221000
Email: james.anderson@kirklees.gov.uk

9. **Background Papers and History of Decisions**

[Agenda for Council on Wednesday 21st October 2020, 5.30 pm | Kirklees Council](#) (Item 6 – Council Budget Strategy Update for 2021/22 and following years)

[Agenda for Council on Wednesday 10th February 2021, 5.30 pm | Kirklees Council](#) (Item 5, Budget 2021/22)

[Final local government finance settlement: England, 2021 to 2022 - GOV.UK](#)

10. **Service Director responsible**

Eamonn Croston – Service Director, Finance
Eamonn.croston@kirklees.gov.uk
(01484) 221000

2021/22 LEEDS CITY REGION BUSINESS RATES POOL JOINT COMMITTEE

TERMS OF REFERENCE

TO BE AGREED

The 2021/22 Leeds City Region Business Rates Pool Joint Committee is authorised to:

- Allocate any excess income arising from levy payments that would otherwise have to be paid by member authorities to the Secretary of State in accordance with the Leeds City Region Business Rates Pool Memorandum of Understanding;
- Determine any changes to the purposes for which any such excess income should be applied, subject to the principle that no authority should receive less than they would if not a member of the 50% Retention Pool;
- Determine the expenses to be deducted by the lead authority administering the Pool;
- Consider any applications for other authorities to join the Pool;
- Determine any variations to the membership of the Joint Committee; and
- Determine any other matters relating to the administration and governance of the Pool including replacement of the lead authority.

The Joint Committee will elect a chairperson.

The Joint Committee will meet as and when required but no less than twice a year.

The quorum for meetings of the Joint Committee will be no less than 5 members. Members will be able to nominate substitutes either from their own authority or from a different member authority that is not a “representative” listed in the Memorandum of Understanding.

Member voting rights will be one vote for each member of the Joint Committee. Voting will be by simple majority. In the event of a tie, the chair of the meeting will have a casting vote.

LEEDS CITY REGION BUSINESS RATES POOL

MEMORANDUM OF UNDERSTANDING

1. Title

- 1.1. Leeds City Region Business Rates Pool.

2. Membership

- 2.1. City of Bradford Metropolitan District Council, The Metropolitan Borough Council of Calderdale, Harrogate Borough Council, Kirklees Council, Leeds City Council, The Council of the City of Wakefield, City of York Council.

3. Commencement

- 3.1. This Memorandum of Understanding will come into force on 1st April 2021 and will continue until any one of the members formally leaves the Pool (see “Dissolving the Pool”, below).

4. Rationale and Objectives

- 4.1. The Leeds City Region Pool exists to benefit the individual members and to further the aims of the region as a whole.
- 4.2. The income received by the Pool will be shared out so that each member authority receives at least the same amount that they would if they were treated individually under the Business Rates Retention scheme. The only exception to this is set out in **Section 8 and 9**, below. Any excess income arising from reductions in levy payments will, after allowing for agreed expenses, be allocated to activities that support economic growth and regeneration across the Pool area.
- 4.3. Any variation to the arrangements set out in **4.2**, above, will require the formal agreement of the Leeds City Region Business Rates Pool Joint Committee.

5. Leadership and Accountability

- 5.1. The Pool will be led by a joint committee comprising of representatives of the member Authorities making up the Pool. Joint Committee representation will be as follows:

- City of Bradford Metropolitan District Council
- The Metropolitan Borough Council of Calderdale
- Harrogate Borough Council
- Kirklees Council
- Leeds City Council
- The Council of the City of Wakefield
- City of York Council

5.2. The joint committee shall be responsible for:

- any changes to the purposes for which the income received by the pool should be used, but the principle that no authority should receive less than they would if treated individually, shall be maintained;
- agreeing the expenses to be deducted by the lead authority administering the Pool;
- considering any applications for other councils to join the Pool;
- any variations to the membership of the joint committee;
- any other matters relating to the administration and governance of the Pool including replacement of the lead authority.

5.3. The local authority representatives, as noted in 5.1 above, will be the leaders of the representative local authorities. Representatives of the member authorities will be able to nominate substitutes.

5.4. The members of the Joint Committee will elect a chairperson.

5.5. The Joint Committee will meet as and when required but no less than twice each year.

5.6. The quorum for the meetings will be no less than 5 members.

5.7. Member voting rights will be one vote for each member of the Joint Committee. Voting will be by simple majority. In the event of a tie, the chair of the meeting will have a casting vote.

5.8. The Joint Committee will be supported by officers drawn from the lead authority.

5.9. The Joint Committee may establish any sub-groups or any officer forums that they believe to be appropriate.

5.10. Minutes of Joint Committee meetings will be published as required by law.

6. Lead Authority

- 6.1. The initial lead authority responsible for the administration of the Pool shall be Leeds City Council.
- 6.2. The lead authority will normally act as such for a full year and may only be replaced at the year end. A lead authority wishing to relinquish the role at the year end (i.e. 31st March) must give a minimum of four months' notice.
- 6.3. Each member of the Pool will be jointly and severally liable for any payments required to the Ministry of Housing, Communities and Local Government but, notwithstanding that, the lead authority will take responsibility for all matters in relation to the administration of the Pool including (but not limited to):
- All liaison with MHCLG and other government departments including the completion of all forms and returns associated with the Pool;
 - Administration of payments to and from the Pool and all calculations relating to the collection fund for the Pool;
 - Producing an annual report showing how income has been distributed and preparing periodic monitoring reports for Pool members;
 - Calculation of the costs of administering the Pool which are to be deducted from the rewards of the Pool. If the excess income generated by the Pool was insufficient to cover the administrative costs of the Pool in any year, then the shortfall would be shared between the Pool members in proportion to their spending baselines;
 - The lead authority will ensure that the pooling arrangements, annual reports and other financial information is published and is freely available on the lead authority website or elsewhere as appropriate.

7. Dissolving the Pool

- 7.1. If any member decides to leave the Pool the regulations require that the Pool will be dissolved. Pools can only be dissolved at the end of a year.
- 7.2. Any authority seeking to leave the Pool should inform MHCLG and all other members of the Pool as soon as possible. Once the Pool has been established, this must be by 30th September in any year, to allow the remaining members time to seek designation of a new pool for the following year (see 7.4, below).

- 7.3. The lead authority will make the necessary calculations and submit the required returns associated with the dissolving of the Pool.
- 7.4. The remaining members of the Pool may choose to form a new Pool and, if they wish, include new members for the following year (subject to new designation by MHCLG).

8. Treatment of Potential Losses in Income

- 8.1. The Pool will have a single safety net threshold set at 92.5% of its baseline funding level. Authorities that suffer reduction in 'retained rates income' to a threshold that is below 92.5% their Baseline Funding Level shall receive a safety net payment to restore their income to 92.5% of their Baseline Funding Level.
- 8.2. If such an authority is a member of a business rates pool, the safety net payment could be lost because the *loss across the pool* may not be as much as the 7.5% threshold. Indeed, if growth across the rest of the pool was weak, it could be that the loss of safety net payments could be greater than the amounts gained from paying reduced levies and the pool could be in deficit for the year.
- 8.3. Authority(s) that would otherwise have qualified for safety net(s) will have their share of pool proceeds calculated in such a way as to include what they would have received as a safety net payment.
- 8.4. The loss in income to the Pool from the safety net(s) foregone in any year will be met from the income generated from other authorities within the pool not having to pay levies in that year. If that levy income is insufficient, then the net loss from the safety net foregone will be shared amongst all the members of the Pool (including those that would have otherwise qualified for a safety net payment) in proportion to their spending baselines for the year to which the safety net(s) would have applied.

9. Treatment of residual benefits or liabilities

- 9.1. Any residual benefits or liabilities arising in regard to the Pool's additional income will be shared amongst all the members of the Pool in proportion to their share of the income received from the Pool.
- 9.2. Any financial benefits committed in 2021/22 for future years' expenditure shall remain under the authority of the Joint Committee until expenditure is either incurred or the Joint Committee agree to treat as "residual benefit" (see 9.1 above).

10. Authority following the dissolution of the Pool

- 10.1. At the point when the Joint Committee ceases to exist, they will authorise the lead authority to make any remaining payments on their behalf.
- 10.2. Any financial benefit committed to future years shall be transferred to the appropriate, sponsoring member authority who would then be responsible for delivering the funding for the schemes in accordance with the original approval. Should the value of funds transferred be greater than the actual cost, the member authority will ensure spend is consistent with the Pool's strategic aims.
- 10.3. Where the financial benefit committed to future years cannot be allocated to a single member authority, the funds shall be transferred to the lead authority who would then be responsible for delivering the funding for the schemes in accordance with the original approval. Should the value of the funds transferred be greater than the actual costs, the lead authority will treat as "residual benefit" (see Paragraph 9 above).
- 10.4.** At the point when the Joint Committee is dissolved, their authority as a decision making group is no longer binding. Any decisions made after this point would be made by the Leaders representing their authority and will be subject to that authority's internal governance processes.



Name of meeting: Cabinet
Date: 16 March 2021
Title of report: Kirklees Stadium Development Limited - future options

Purpose of report

To review current arrangements for the standalone Stadium management and development business (Kirklees Stadium Development Limited or KSDL) that manages the Stadium for the benefit of the two professional sports clubs and the community.

Key Decision - Is it likely to result in spending or saving £250k or more, or to have a significant effect on two or more electoral wards?	Yes Proposed spending in excess of £250k
Key Decision - Is it in the Council's Forward Plan (key decisions and private reports?)	Yes
The Decision - Is it eligible for call in by Scrutiny?	Yes
Date signed off by Strategic Director and name	David Shepherd – 08.03.21
Is it also signed off by the Service Director - Finance?	Eamonn Croston 08.03.21
Is it also signed off by the Service Director -Legal Governance and Commissioning?	Julie Muscroft - 08.03.21
Cabinet member portfolio	Cllr Graham Turner Corporate Cllr Peter McBride Regeneration

Electoral wards affected: N/A

Ward Councillors consulted: N/A

Public or private: Public (Appendix A in private)

Appendix A of this report is in private in accordance with Schedule 12A of the Local Government Act 1972 namely it contains information relating to the financial and business affairs of a third party. It is considered that disclosure of the information would adversely affect KSDL and therefore the public interest in maintaining the exemption, which would protect the rights of an individual or the Council, outweighs the public interest in disclosing the information and providing greater openness in the Council's decision making.

Has GDPR been considered ? Yes

1. Summary

- 1.1 Kirklees Stadium Development Limited (KSDL) was established originally in 1993. The current structure created a standalone Stadium management and development business to manage the Stadium for the benefit of both professional clubs, Huddersfield Town AFC (HTAFC) and Huddersfield Giants (HRLFC) as well as for the benefit of the community.
- 1.2 This solution separated the assets from individual control of either of the clubs, procured the build of the new Stadium and has supported a good quality facility over a 25 year period.
- 1.3 The Company shareholders are Kirklees Council (40% shareholding), Huddersfield Town or HTAFC (40% shareholding) and Huddersfield Sporting Pride – known as Huddersfield Giants or HRLFC (20% shareholding).
- 1.4 Whilst the arrangement has enabled operation of the Stadium for more than 25 years, the opportunity exists to make changes to future arrangements for the management of the stadium that will meet the following shared objectives:
 - i) a demonstrable recognition of the community aspects of the Stadium that ensures that the Stadium cannot become a source of reputational damage to the Council or financial burden to local tax-payers.
 - ii) secures the long-term tenure of Huddersfield Town Football Club and Huddersfield Giants at the stadium.
 - iii) is financially sustainable over the longer term and delivers long term Stadium operational investment requirements
 - iv) delivers complementary regeneration opportunities for an enterprise corridor between the Stadium and the town centre
- 1.5 Cabinet will be asked to endorse a Community Trust operating model that is considered most suitable to delivering the above objectives, including a fully redeemable Council loan to the Community Trust that will ensure the Stadium's long term operational viability. Cabinet are also asked to consider a complimentary regeneration opportunity for the strategic acquisition of a land asset.

2. Information required to take a decision

2.1 Current Stadium management arrangements

- 2.1.1 Kirklees Stadium Development Limited (KSDL) was established originally in 1993. The current structure created a standalone Stadium management and development business to manage the Stadium for the benefit of both professional clubs, Huddersfield Town AFC (HTAFC) and Huddersfield Giants (HRLFC) as well as the wider community and economic benefits.
- 2.1.2 This solution separated the assets from individual control of either of the clubs, procured the build of the new Stadium and has supported a good quality facility over a 25 year period.
- 2.1.3 KSDL was incorporated with 100 ordinary shares of £1 each all of which have been allotted. 40 shares are held by Kirklees Council, 40 by HTAFC and 20 by HRLFC.

2.1.4 Governance arrangements are underpinned by a Collaboration Agreement that requires unanimous agreement from all shareholders. This covers almost all aspects of business structure, any restructuring and the setting of annual budgets, and core tenancy fees. The Collaboration Agreement is largely unchanged from the original 1994 version, other than a slight amendment in September 2013 regarding the division of income from sponsorship opportunities between KSDL, HTAFC and HRLFC.

2.2 Financial Landscape

2.2.1 Whilst annual turnover of KSDL has been up to £4m in recent years, the cost base upon which the Stadium operation is modelled has come under increasing strain.

2.2.2 COVID has further impacted significantly on current KSDL Stadium operations and on the financial landscape within which the two professional sports clubs operate. KSDL management has undertaken several pro-active measures to keep the Stadium operational within its current and forecast financial means over the period. This includes short term cashflow management measures e.g. deferring loan re-payments, but this is not sustainable beyond the short-term.

2.2.3 The impact of national social distancing measures and associated limits on spectator access to live matches has significantly constrained KSDL commercial sporting operations, as well as the financial impact on the respective clubs' own business models. This is an ongoing situation and in the case of HTAFC the English Football League announced a COVID financial recovery package, as well as the introduction of Championship salary caps from next season. No equivalent package has yet been announced by the rugby league professional body.

2.2.4 Even excluding the COVID impact, there is an underlying structural financial deficit between KSDL income projections and expenditure on operating cost requirements and outstanding loan repayments. This is before consideration of future Stadium operational investment requirements.

2.2.5 A number of alternative approaches have been considered to make KSDL more financially viable over the medium to longer term, including potential commercial development of the wider Stadium footprint for a broader leisure offer, with the expectation that this would generate additional resources to carry out necessary works, support the future financial sustainability and commercial growth.

2.2.6 However, this commercial development has stalled in the current economic climate, exacerbated by COVID impact on investor appetite over the immediate to medium term.

2.2.7 At the same time, there has been significant Council and other key partner strategic regeneration investment intent expressed through the development of the Huddersfield Blueprint and the Southgate Corridor between the railway station and the Stadium. The Council's strategic interest in influencing and shaping regeneration in this part of Huddersfield is therefore also a key consideration in looking at future options for the Stadium and KSDL.

2.3 Stadium Operational Investment requirements

2.3.1 The 25 year Stadium asset life cycle means that significant capital investment is now required over the next 10 years (the bulk in the next 5 years) to address backlog of maintenance issues and to renew the key structures and mechanical and electrical

systems of the Stadium to extend the asset life to circa 2050. This is anticipated to cost up to of £9m over the 10 year period.

2.4 KSDL Loans Outstanding

- 2.4.1 KSDL loans outstanding currently total about £6m and any attempt to acquire or restructure KSDL assets would require KSDL to come to a financial settlement with the Council and the other creditors and shareholders.
- 2.4.2 KSDL took out loans to fund part of the cost of the original construction, of which a small balance remains, which was subject to a Council guarantee, and also has a number of historical debts with the Council relating mainly to unpaid loans and interest.
- 2.4.3 The Council has a charge on the property to cover its indebtedness, and the Council hold the residual freehold to the site so in the event of the lease being surrendered or forfeit the site and all buildings on it would revert to the Council. There are limited options for forfeiture and KSDL may always apply to Court for relief from forfeiture which is often granted if they can evidence to the Court that they will remedy the issues.

2.5 Future Options

- 2.5.1 HTAFC went into administration in 2003 and when the administrator stopped paying the rent the Council gave KSDL an emergency loan
- 2.5.2 This illustrates the historical importance to the Council of supporting the Stadium as a platform for professional sport and as a community asset, including for the conference and banqueting facilities and the potential for big concerts and representative matches. It is important to ensure that any arrangements, whilst protecting the Stadium, are not mechanisms of supporting the clubs directly. The clubs must find a financial model that is sustainable.
- 2.5.3 Whatever ownership HTAFC are in, and whatever level they are playing at, they are likely to attract reasonably large crowds and, as such be the biggest contributor to meeting the Stadium operating costs going forward.
- 2.5.4 Nevertheless, it must be recognised that the financial viability and stability of both professional sports clubs, and particularly HTAFC represents a continuing risk to the viability of the Stadium under any operating model.

2.6 Mutually acceptable shareholder solution within the existing KSDL structure

- 2.6.1 The nature of the Collaboration Agreement that governs KSDL requires unanimous agreement from all shareholders. The site now requires investment, but given the current financial position of KSDL, there will be difficulties for KSDL as currently structured to raise a commercial loan.
- 2.6.2 This contractual form of governance (along with a resilient management team) has held the Stadium together, but now that reinvestment in the Stadium is necessary and the cost base has moved so far from the pathway set out 25 years ago, the Stadium is no longer viable without fundamental change. Within the current model, achieving the changes necessary will be very challenging to achieve.

2.7 Do Nothing

- 2.7.1 Given the financial landscape context set out at section 2 earlier, a do nothing approach would lead to an administration/insolvency situation. In this scenario there would be a high probability that the outstanding bank loan would default impacting on the Council guarantee and leaving the Council with a liability.
- 2.7.2 The Council's historic debts in KSDL would have to be formally written off and the existing subleases from KSDL to the Council and KAL in respect of the Stadium Swimming Pool and Health and Fitness Club respectively and the KAL HQ office Lease may be impacted in terms of provision of landlord services.
- 2.7.3 The Council holds a first security charge over KSDL's assets equal to its financial exposure which could mean all or some of the liability would be recovered at some point but does not take into account any operational impact on the Stadium facilities to the detriment of either the professional sports clubs or other commercial tenants, or any potential reputational issues that would be likely to impact on the Council adversely.
- 2.7.4 Consequently, the Council may choose to transfer its existing shareholding in KSDL to the two clubs. The existing Collaboration Agreement states that this should be at an independently determined market value.
- 2.7.5 Alternatively, the Council may seek a payment equivalent to all or part of its current financial exposure, particularly in respect of the bank loan, in return for releasing the security charge.
- 2.7.6 It would be a matter for HTAFC and HRLFC to determine if they would jointly take on the new business, or if one of them (most likely HTAFC) became solely responsible for Stadium related costs with the other as their tenant.
- 2.7.7 The Council would lose almost all its ability to influence the future direction of the Stadium or protect the assets in the event of future financial or governance issues at HTAFC, apart from through its rights under the residual freehold which are not extensive. This scenario could also impact on the future operation of the Council's swimming pool and the Health and Fitness Club, both operated by KAL, and the KAL HQ office Lease if an unsympathetic landlord was holding the Stadium lease.
- 2.7.8 The absence of freehold control and other factors may limit the ability of any operator under this arrangement to obtain commercial finance to support business investment needs. This could involve the Council selling its freehold interest. It should be recognised that the former uses of the site and methods of reclamation, and the fact that the site has a substantial activity specific asset, detract somewhat from the true market value of the freehold site.

2.8 HTAFC or HRLFC takes full ownership of the Stadium

- 2.8.1 An option would be for one or other of the clubs to take complete ownership of the Stadium and the site in a way that allows the club to raise finances independently secured against the Stadium, with the Stadium becoming an integral part of the club infrastructure, costs and revenues streams absolving the Council from any liability, financial or otherwise.
- 2.8.2 Realistically, given the current circumstances and relative financial standing of the respective professional sports clubs, only HTAFC would be able to consider this as a

viable option. The “commerciality” issues of borrowing might apply although HTAFC may be able to invest in the site or borrow based on the wider funds flow of the entire business.

2.8.3 The challenge with this position is that the Stadium ceases to be a community asset and given that clubs will inevitably change hands over time, there can be no guarantee that the Stadium would not be dragged into administration as has happened previously with HTAFC or into situations such as those experienced at Bury and Coventry where club owners attempt to use the Stadium asset as leverage with the Council.

2.9 The Council takes full ownership of the Stadium

2.9.1 In an alternative option, the Council owns and operates the Stadium, separating the ownership of the asset from ownership of either of the clubs. The Council would make the necessary investments into the Stadium and take a return on this and the running costs through rent levied on the clubs. This option would give control to the Council and in that context affirms a community involvement and role with flexibility about how to use the facility in the future.

2.9.2 Some of the challenges with the current structure could be exacerbated in this scenario with the clubs viewing the Stadium as a fully third-party managed cost-centre. As noted, currently the operation does not have revenues that are sufficient to meet operating costs and the necessary investment will increase this deficit. It is highly likely that conflict would arise at some point between the desired service delivery level and the associated cost which, if it became public, could be politically damaging to the Council, as experienced elsewhere.

2.9.3 This scenario may have the lowest potential running costs, and offer the Council the greatest level of control, and could be the most commercially sustainable with appropriate agreed charges, but has the risk of continued club and supported influence impacting on the reputation of the Council, especially if there are requirements for significant investment.

2.10 Community Trust

2.10.1 In this option, all parties would place their shares in Trust held on behalf of the community, setting the ownership of the asset aside from any ownership of the clubs. In this context, it is not proposed that the Trust would seek charitable status but it would present the opportunity to embed future community use of the stadium, alongside and on a complementary basis with the continued operation of both professional clubs, in the operating / management arrangements.

2.10.2 The new Trust could operate in a similar way to the existing KSDL business with separate agreements with the clubs for usage, the collection of rents and other income generation (e.g. from hospitality). This may though create an expectation amongst the clubs of a similar arrangement to now, with thus the risk of perpetuation of the existing issues, including under recovery, particularly recognising the investment need.

2.10.3 At the present time neither club benefits from the associated spend of any supporters and thus have limited incentive to encourage usage. An alternative method, which provides potentially a greater incentive, is to transfer more of the general and commercial operations by way of a lease granted to one club which in turn agrees a sub-lease or licence with the other club, locking in acceptable commercial and other terms for the long-term.

- 2.10.4 As with other examples above, this opportunity only realistically exists for HTAFC, with the club taking full financial (revenue and cost) operational control of the Stadium, therefore owning the trade-off between aspiration regarding standards of facilities and the commerciality of supporter and other site user spend.
- 2.10.5 The added benefit for the community is that the opportunity to develop the Stadium-site for the benefit of the whole town is retained. The football club would then have the incentive to actively seek to create a conferencing destination along with potentially a new hotel in or around the Stadium, which would be the first step in establishing a development zone at the Stadium (complementing rather than competing with the town-centre) and the opportunity for an enterprise corridor between the two to bring new jobs and footfall to the town. Under the primary sub lease model the benefits of profits earned from such operations would pass to the promoter (HTAFC), along with the risks that that entails.
- 2.10.6 There is still the opportunity for conflict between future sub lessee, the new Trust and the Council. However, the loan and the lease agreements would be, as far as possible, structured to ensure that the loan repayments are secure and become immediately repayable on material breach of the lease terms. Severe financial difficulties, particularly those leading to administration or liquidation of the sub lessee, would impact on the financial viability of the Trust. In such circumstances the Trust cashflows would be insufficient to meet any likely liabilities. It is important that the creation of any trust creates sufficient buffers to avoid any liability from a default by the core tenant immediately becoming a direct issue for the Council.
- 2.10.7 The above Community Trust arrangements could be delivered by 3 legally binding steps:
- 1) the establishment of the Community Trust arrangements that will need to be put in place to establish the successor to KSDL;
 - 2) an occupancy lease between the community Trust and HTAFC; and
 - 3) a loan agreement between the Council and the Community Trust.
- 2.10.8 As with any legal agreement, there is always the element of breach by any party to be considered, therefore the agreements would be drafted with the benefit of experience to date to protect the interests of the Community Trust and the Council, to ensure a viable Stadium facility continues to operate for the next 25 years.
- 2.10.9 In the event that HTAFC did fall into administration at some later date, this arrangement ensures that the Stadium would not be involved directly and the Trust would be able to negotiate terms for Stadium occupancy with any 'phoenix club' owners with the aim of protecting any outstanding loan repayments. Whether this impacted on the Council as a provider of finance (see 2.11 below) would depend on the nature of any new agreement.

2.11 Meeting future Stadium investment needs

- 2.11.1 If KSDL is restructured or a new Community Trust is formed the entity will need to borrow funds. A commercial lender could have concerns about the covenants that could be provided by the tenants (either in the single tenancy, or multi tenancy and commercial model form). It is likely that such borrowing would need a form of guarantee that all parties would perhaps expect the Council to support. An alternative might be an expensive form of risk lending, with criteria that may not be able to be justified by the business plan (i.e. very high interest rates, short repayment period) meaning an inability for the core tenants to meet income levels that are sustainable.

- 2.11.2 The Council can access borrowing at attractive rates at the present time and direct lending is potentially more beneficial than underwriting a loan controlled by a third-party lender (who will seek a profit margin). By providing a loan the Council gains an additional degree of influence over the borrower.
- 2.11.3 The approach also enables the potential for the Council to include its currently unpaid debts within this consolidation (something which a third-party lender may oppose, as this lacks any asset base as partial support). The Council can also seek a degree of risk premium. Realistically though, this probably does not at any reasonable rate provide full assurance against the risk. Equally, the Council must recognise that in a default situation with any of the core tenants it will have some involvement and issues to resolve.
- 2.11.4 The necessary investment in property renewal, the historical debt issues and the need for the Trust to have sufficient free funds to sustain cash flow means that the Community Trust could be required to borrow up to £13m. There would be sufficient provision within the Council's Property Investment fund capital programme to accommodate the loan proposal.

2.12 Community benefit

- 2.12.1 Although it is not proposed that the proposed Community Trust is established on a charitable basis, it does nonetheless afford the opportunity to embed community use of the stadium and associated facilities in future management and operating arrangements. Current community activities include:
- the Huddersfield Town Foundation, which delivers a wide range of education, health and wellbeing inclusion and engagement provision working with partners including local schools, Kirklees College and Kirklees Active Leisure
 - Huddersfield Giants Community Trust, which uses sport to engage with over 200,000 people every year through health, education and social inclusion activities working with a number of public and private sector partners
 - Kirklees Active Leisure, which operates the Stadium Health and Fitness Club including a 25m swimming pool and delivers
- 2.12.2 Sport continues to have an essential role in engaging both young people and adults in a range of health/wellbeing and education activity and in supporting social inclusion. Moving forward, there is an opportunity to build on this established provision and further develop the role of the stadium in supporting the delivery of community-based sports and wider engagement activity. There are a number of recent examples of 'Community Stadia' which seek to embed community use and activity alongside professional elite sport.
- 2.12.3 Whilst work is required with both professional clubs, KAL and other partners to develop these opportunities, it is important that the proposed operational and management arrangements for the Stadium via the Community Trust are established with a view to facilitating community use and activity of this type.

2.13 Complimentary regeneration opportunity

- 2.13.1 KSDL acquired land to the south of Gasworks Street, and bordered by the Huddersfield Broad Canal and St Andrews Road in April 2017. This was because of its strategic value at that time to a broader leisure ski slope/HD One development.

2.13.2 The site forms part of a wider Primary Employment Area, safeguarded for employment-generating uses in the adopted Local Plan. It has a potential strategic value to the Council in relation the regeneration of the Leeds Road corridor/south east town centre as part of the emerging 'Station to Stadium Enterprise Corridor'. The site lies in close proximity to the established Cummins manufacturing facility and to the Southgate site, for which Cabinet has approved disposal to the University of Huddersfield to facilitate development of a Health Innovation Campus. The link to this report is included below for reference :

[Agenda for Cabinet on Wednesday 18th November 2020, 3.00 pm | Kirklees Council](#)
(Item 20)

2.13.3 Although likely to require significant, pump-priming investment in remediation and other infrastructure works, the Gasworks Street site could represent a significant, employment-led regeneration opportunity. There is a shortage of high quality employment land in the Huddersfield area as a number of strategic employment land allocations are at or near capacity, and the Gasworks Street site could help to address this shortfall. The site, with its canal frontage, could also form part of plans to improve pedestrian connectivity between the town centre and stadium -

2.13.4 The Council is working with KSDL currently to review the Gasworks Street site and strategic acquisition potential which it could bring. The cost of acquiring the site would be met from the Council's approved strategic acquisition capital programme. If agreement on a value could be reached, there would be benefit in the Council acquiring the site to support implementation of the emerging strategy for the Station to Stadium Corridor,.

3. Implications for the Council

3.1 Working with People

The proposals will support the Council's efforts to work together with people and communities to find shared solutions. Establishing a Community Trust to oversee management of the Stadium will create a viable operating model, secure the long-term tenure of both major clubs and optimise opportunities for ongoing community use and benefit of the facility.

3.2 Working with Partners

In developing the current proposals the Council has consulted with KSDL, HTAFC, HRLFC and other key stakeholders.

3.3 Place Based Working

The project will support the Council's commitment to place-based working. Restructuring the current management arrangements for the Stadium will complement the Council's wider focus on the regeneration of the 'Station to Stadium' Corridor that will bring forward a number of strategic investment opportunities.

3.4 Climate Change and Air Quality

The establishment of a Community Trust operating model will afford the opportunity to integrate sustainability and climate change outcomes into the Trust's objectives. Improving pedestrian accessibility to the Stadium and connectivity to the town centre is

a key priority for the Station to Stadium regeneration initiative alongside the improvement of air quality in the Leeds Road/St Andrews Road area.

3.5 Improving outcomes for children and young people

Establishing a Community Trust to oversee management of the Stadium optimise opportunities for ongoing community use and benefit of the facility, alongside key partners including both clubs and Kirklees Active Leisure. This will include opportunities to improve participation in sport and other activities to improve the health and wellbeing of children and young people.

3.6 Other (e.g. Legal/Financial or Human Resources)

As noted earlier, the current structure of KSDL requires all parties to agree to any restructuring.

Of all the options, a Community Trust approach appears to satisfy the best combination of factors as control does not pass to any party. However, issues need to be resolved about:

- i) maintenance of viability of KSDL pending full resolution of the issues below; this depends on some degree of creditor or other party support. Without such a position the directors of KSDL may be required to cease trading during May 2021, as at that point the business will have inadequate cash flows to meet its obligations;
- ii) the best corporate structure for the Trust (for tax and similar reasons);
- iii) the role of the Trust;
 - its governance structure;
 - a single core tenant (primary sub lessee) model, (i.e. HTAFC);
 - guaranteed rights and obligations for other core tenants (i.e. HRLFC, KAL etc);
 - what community access means and what the obligations are from that;
 - does the single sub lessee acquire full responsibility for the entire site; what rights and obligations does the Trust retain- e.g. over property based subletting (e.g. to Council for leisure operations and KAL);
 - achieving a viable business plan

Appropriate legal and finance resources will be required to carry out detailed due diligence and enter into the necessary legal documentation for the loan.

The potential for strategic acquisition of the Gasworks Street site will similarly be subject to a detailed site survey and current valuation.

The offering of a loan by the Council inevitably involves some financial risks, and these are considered in the private appendix. These risks need to be considered in the context of the strategic importance of the Stadium to the Community and in terms of the broader strategic regeneration Blueprint for the town centre.

The council has the relevant legal powers to do this using **section 1 of the Localism Act 2011** –powers of general competence

4. Consultees and their opinions

The Head of Risk comments that the Community Trust option achieves a separation between the conflicted ownership and operation of the Stadium that has led to some of the existing issues. Whilst the Community Trust model will be more successful than a direct Council control model in separating the Council from reputation issues, any default by the core tenant in meeting its obligations, including that to keep the property in a long term good state of repair will have an impact on the Council's finances, and possibly reputation.

5. Next steps and timelines

The intention is that, subject to Cabinet endorsement of the proposals set out above, Council officers will continue to work with current KSDL shareholders with appropriate due diligence, and prepare the necessary legal documentation to facilitate the relevant lease/loan agreements and establishment of a Community Trust.

6. Officer recommendations and reasons

Cabinet agrees that :

- i) A Community Trust option be supported if this proves to be achievable.
- ii) The Council indicates a willingness to lend up to £13m to the Community Trust from the Council's Property Investment Fund capital programme, should the Community Trust be able to demonstrate a viable business plan.
- iii) Officers be instructed to explore matters related to, and carry out all necessary due diligence in relation to;
 - (a) The formation of the Community Trust in relation to matters such as (but not limited to) the scope of the Community Trust operations, membership, ongoing operating requirements and appropriate cost recovery arrangements including future loan/re-financing requirements, loan terms and interest rates.
 - (b) The associated loan and the associated documentation.
- iv) The Council clarify its expectations regarding community interest in the context of Stadium operations.
- v) If agreement on a value could be reached between the Council and KSDL, the Council will acquire the Gasworks Street Site .

The above i) to v) are subject to:

- vi) KSDL, HTAFC, and HRLFC demonstrating:
 - (a) arrangements to retain "on going" financial support to ensure that KSDL does not enter administration;

- (b) that they have reached a set of acceptable agreements relating to the future operation under a Trust model; and
- (c) Council officers being satisfied that the arrangements being proposed offers a suitable viable proposal that should minimise risk to the Council.

In the event of this being satisfied:

- Council officers be authorised to appoint such professional expertise as they consider necessary in order to ensure that arrangements are created which provide appropriate degrees of risk protection for the Council. This is good practice and ensures that the Council benefits from expert advice given this is a commercial transaction concerning a specialist sector.
- the Chief Executive, Strategic Director of Regeneration, Service Director Finance and Service Director Legal, Governance and Commissioning, and subject to consultation with executive members, be authorised to prepare the appropriate and necessary documentation to execute the transactions. This will enable the transactions to be executed in a timely manner subject to the appropriate due diligence as recommended above. A report will be brought back to Cabinet in due course to update Members on progress on the recommended actions set out in this report.

7. Cabinet portfolio holder(s) recommendations

Cllr Peter McBride, Regeneration portfolio holder and Cllr Graham Turner, Corporate portfolio holder agree with the recommendations set out in this report

8. Contact Officer

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9. Background Papers and History of Decisions

Cabinet report 18 November 2020 – development of land at Southgate, Huddersfield

10. Service Director responsible

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