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Tuesday 13 December 2022

Notice of Meeting

Dear Member

Cabinet

The **Cabinet** will meet in the **Council Chamber - Town Hall, Huddersfield** at **3.00 pm** on **Wednesday 21 December 2022.**

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.

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 Paul Davies	Cabinet Member – Corporate
Councillor Eric Firth	Cabinet Member – Transport
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 Carole Pattison	Cabinet Member - Learning, Aspiration and Communities
Councillor Cathy Scott	Deputy Leader and Cabinet Member - Housing and Democracy
Councillor Will Simpson	Cabinet Member – Culture and Greener Kirklees
Councillor Graham Turner	Cabinet Member – Regeneration

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 Meeting

1 - 6

To approve the Minutes of the Meeting of the Cabinet held on 16 November 2022.

3: Declarations of Interest

7 - 8

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 participating in a vote upon the item, or any other interests.

4: 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.

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

In accordance with Council Procedure Rule 11(5), the period allowed for the asking and answering of public questions shall not exceed 15 minutes.

7: Questions by Elected Members (Oral Questions)

Cabinet will receive any questions from Elected Members.

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

8: Housing Revenue Account (HRA) rent and service charge setting report and key housing challenges

9 - 24

To consider the Housing Revenue Account rent and service charge setting.

Wards affected: all

Contact: Jacqui Fieldhouse, Head of Finance – Homes and Neighbourhoods

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9: 2022/23 to 2026/27 Council Capital Plan - Proposed allocation of capital funding from the Directorate for Children's Achieve and Aspire Strategic Priorities and Basic Need funding sections of the Capital Plan.

25 - 34

To consider funding from the 2022/23 to 2026/27 Achieve and Aspire Strategic Priorities and Baseline Basic Need funding of the Council's Capital Plan.

Wards affected: all

Contact: Martin Wilby, Head of Service for Education, Places and

Access

10: Final report of the Ad Hoc Scrutiny Panel - Residential Housing Stock Health and Safety Compliance 35 - 106

To consider the Report of the Ad Hoc Scrutiny Panel – Residential Housing Stock Health and Safety Compliance.

Wards affected: all

Contact: Sheila Dykes, Principal Governance Officer

11: Community Asset Transfer of Ashworth Lodge, Moorlands Road, Dewsbury, WF13 2LD 107 - 136

To consider the Community Asset Transfer of Ashworth Lodge, Moorlands Road, Dewsbury, WF13 2LD.

Wards affected: Dewsbury West

Contact: Mark Varley, Asset Strategy Officer

12: Half Yearly Monitoring report on Treasury Management activities 2022/23 (Reference to Council) 137 - 160

To receive the half-year treasury management performance in 2022/23.

Wards affected: all

Contact: James Anderson, Head of Accountancy Service

13: Establishing an Integrated Care Partnership for West Yorkshire 161 - 176

To consider the establishment of a statutory West Yorkshire Integrated Care Partnership as a joint committee.

Wards affected: all

Contact: Phil Longworth, Senior Manager – Integrated Support

14: Employment West Yorkshire

177 - 186

To consider funding arrangements for 'Employment West Yorkshire' in Kirklees.

Wards affected: all

Contact: Gillian Wallace, Head of Employment and Skills

15: Alternative Provision (AP) Education in Kirklees

187 - 214

To consider Alternative Provision Education.

Wards affected: all

Contact: Kelsey Clark-Davies, Head of Education Safeguarding and Inclusion

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16: Proposals for the redevelopment of Sycamore Grange and tenant engagement

215 - 246

To consider the redevelopment of Sycamore Grange, Golcar.

Wards affected: Golcar

Contact: Michelle Anderson-Dore, Head of Partnerships – Homes & Neighbourhoods

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17: Future Management of Kirklees Stadium - Update

247 - 254

To consider the arrangements for the standalone Stadium management and development business.

Contact: David Shepherd, Strategic Director – Growth & Regeneration

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18: Station to Stadium Enterprise Corridor Masterplan

255 - 264

To consider the Station to Stadium Corridor Masterplan.

Wards Affected: Dalton and Newsome

Contact: Chris Duffill, Head of Business and Skills

19: The Arcade, Market Place Dewsbury

265 - 290

To consider the Arcade project and associated funding and grant applications.

Wards affected: Dewsbury East

Contact: Peter Thompson, ER Project Manager

20: Homes and Neighbourhood Governance Review by David Tolson Partnerships (DTP)

291 - 324

To consider the report and findings of the review by David Tolson Partnerships.

Wards affected: All

Contact: Eric Hughes, Head of Assurance and Transformation

21: Strategic Acquisition of a property in relation to the rationalisation of Corporate Stores

325 - 334

To consider the acquisition of a Strategic Long Leasehold asset on the outskirts of Huddersfield Town Centre.

Wards affected: Greenhead

Contact: David Martin, Head of Service for Corporate Landlord and Capital

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22: Strategic Acquisition of a property in relation to the Huddersfield Blueprint Cultural Heart

335 - 342

To consider the acquisition of a strategic long leasehold asset in Huddersfield Town Centre.

Wards affected: Newsome

Contact: Matthew Garbutt: Disposal and Acquisition Surveyor

23: 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.

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24. Future Management of Kirklees Stadium - Update 343 - 348

To consider exempt information in relation to agenda item 17.

25. Station to Stadium Enterprise Corridor Masterplan 349 - 398

To consider exempt information in relation to agenda item 18.

26. The Arcade, Market Place Dewsbury 399 - 402

To consider exempt information in relation to Agenda Item 19.

27. Homes and Neighbourhood Governance Review by David Tolson Partnerships (DTP) 403 - 412

To consider exempt information in relation to agenda item 20.

28. Strategic Acquisition of a property in relation to the rationalisation of Corporate Stores 413 - 418

To consider exempt information in relation to agenda item 21.

29. Strategic acquisition of a property in relation to the Huddersfield Blueprint Cultural Heart project 419 - 462

To consider exempt information in relation to agenda item 22.

Contact Officer: Andrea Woodside

KIRKLEES COUNCIL

CABINET

Wednesday 16th November 2022

Present:	Councillor Shabir Pandor (Chair) Councillor Paul Davies Councillor Eric Firth Councillor Viv Kendrick Councillor Naheed Mather Councillor Carole Pattison Councillor Cathy Scott Councillor Will Simpson
Observers:	Councillor A Gregg Councillor J Lawson
Apologies:	Councillor Musarrat Khan Councillor Graham Turner

91 Membership of Cabinet

Apologies for absence were received on behalf of Councillors Khan and Turner.

92 Minutes of Previous Meeting

RESOLVED – That the Minutes of the Meeting held on 11 October 2022 be approved as a correct record.

93 Declarations of Interest

Councillor E Firth declared an 'other' interest in Agenda Item 9 (Minute No. 99 refers) on the grounds that he is a Trustee of One Community, and did not participate in the vote upon this item.

94 Admission of the Public

It was noted that all agenda items would be considered in public.

95 Deputations/Petitions

Under the provision of Council Procedure Rule 10, Cabinet received a deputation from Lewyn Diveney-Clegg and Natalie Dossor with regards to Council's responsibilities for the unblocking of a culvert, which is causing flooding to their property in Cumberworth.

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

96 Questions by Members of the Public

Under the provision of Council Procedure Rule 11, Cabinet received the following question;

Question from Lewyn Diveney-Clegg

"What is the Council doing in terms of its legal obligation to unblock the culvert which is flooding our property?"

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

97 Questions by Elected Members (Oral Questions)

Under the provision of Executive Procedure Rule 2.3, Cabinet received the following questions;

Question from Councillor J Lawson

"Can I ask the responsible Cabinet Member whether the Amazon application in Cleckheaton will be a single item agenda?"

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

Question from Councillor Gregg

"With regards to regeneration in Huddersfield and the HD1 regeneration project, going back to 2008, is the project still an ambition and still going ahead, and how does the project work alongside the Huddersfield Blueprint?"

A response was provided by the Leader of the Council

Question from Councillor J Lawson

"Following the tragic death of Awaab Ishak in Rochdale recently due to inhaling extensive mould over a long period of time, are there any properties in Kirklees exposed to that issue?"

A response was provided by the Cabinet Member for Housing and Democracy (Councillor Scott).

Question from Councillor Gregg

"Has the Leader given any more thought to the highways report which suggested that there was going to be a shortage of 240 spaces at peak times in the new market hall car park? Could that report be analysed by Cabinet, and solutions explored?"

A response was provided by the Leader of the Council

Question from Councillor J Lawson

"What are the timescales for a decision on the future of Tolson Museum and what kind of discussions are currently ongoing with the Friends of Tolson Museum, and other organisations involved?"

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

98 Kirklees Climate Change Action Plan (CCAP)

(Under the provision of Council Procedure Rule 36(1), Cabinet received a representation from Councillor J Lawson).

Cabinet received a report which provided an overview of the Climate Change Action Plan and potential priority actions for carbon reduction and climate resilience as part of the Council's response to the climate emergency. The report sought endorsement of the action plan and agreement to submit it to the meeting of Council on 7 December with a recommendation that the plan be incorporated within the Council's policy framework.

Cabinet considered the report and gave support to the progress of the action plan, which was attached as Appendix 1 to the report. It was noted that the Climate Change Action Plan was the first step of delivery and would be a core strategic document in responding to the climate emergency. The action plan set out a list of actions which would be refined through further activity to identify place based priority actions. Cabinet were advised that an updated action plan would be published in 2024, at which stage the identification of funding sources and the subsequent delivery of actions would commence.

The report advised that the action plan set out a framework for collective action on climate change to achieve a target of net zero emissions across the borough by 2038.

RESOLVED –

1) That the Climate Change Action Plan, as set out at Appendix A, be endorsed and submitted to the meeting of Council on 7 December 2022 with a recommendation of approval.
2) That, pursuant to (1) above, authority be delegated to the Strategic Director (Environment and Climate Change) in consultation with the Cabinet Member for Culture and Greener Kirklees to (i) progress the steps as set out in the Action Plan, specifically those as set out at para. 8.2 of the report (ii) make any minor alterations to the Action Plan and the next stages of action planning (iii) procure external support in the delivery of the next stages of action planning where required and (iv) apply for and accept external funding in accordance with Financial Procedure Rules for the delivery of actions within the Climate Change Action Plan.

99 West Yorkshire Mayor's Cost of Living Emergency Fund

(Under the provision of Council Procedure Rule 36(1), Cabinet received a representation from Councillor J Lawson).

Cabinet gave consideration to a report which set out proposals to provide support for households in accordance with funding and guidance which had been issued by the Elected Mayor of West Yorkshire. The report advised that, on 21 October 2022, the Combined Authority had created a £3m regional emergency fund over the 2022-2024 period, called the Mayor's Cost of Living Emergency Fund. The report sought approval to accept the funding available and that the Local Welfare Provision Scheme be used as a vehicle to provide support through the voluntary, community and social enterprise sectors to provide targeted support that would supplement the support already provided.

The report advised that the Mayor's Fund was part of a wider action plan that set out the Council's priorities on the cost of living in terms of emergency response, resilience and prevention. The report also sought approval to supplement the funding made available through the Mayor's emergency fund with additional current year provision of £357,200 from the Council's share of the Government's Household Support Fund.

RESOLVED –

1) That approval be given to the funding, as provided in accordance with the West Yorkshire Mayor's Cost of Living Emergency Fund, and that it continues to work with One Community Foundation Ltd and the West Yorkshire Combined Authority to establish the mechanism by which that fund is distributed to those organisations in the VCSE sector that are best placed to deliver against the outcomes the Mayor wishes to establish, and that those parts of Financial Procedure Rules, Section 22, as apply shall apply to this fund.
2) That approval be given to the sum of £357,000 (in relation to the period 31/3/2023) to be awarded to the VCSE sector through One Community Foundation Ltd to supplement the Mayor's emergency funding and meet the requirements of the Household Support Fund as set out in Guidance issued by the Secretary of State, and in accordance with the decision made by Cabinet on 11 October 2022.
3) That the Cost of Living Action Plan, as appended to the report, be noted.

100 Kirklees Procurement Strategy

(Under the provision of Council Procedure Rule 36(1), Cabinet received a representation from Councillor J Lawson).

Cabinet gave consideration to a report which set out a refreshed procurement strategy. The report advised that the strategy built upon the successes of the previous one and that work had continued to embed a category led approach and social value approaches to procurement.

The strategy, which was attached as an appendix to the report, had been developed to support the strategic aims and priorities of the Council and recognised the

opportunity that procurement activity has in maximising added value and efficiencies with a focus on achieving value for money.

RESOLVED - That the Procurement Strategy be approved.

101 Corporate Financial Monitoring Report; Quarter 2 for 2022-23
(Under the provision of Council Procedure Rule 36(1), Cabinet received representations from Councillors D Hall and J Lawson).

Cabinet received the Quarter 2 financial monitoring report 2022/2023. The report set out the Council's current budget position, summarising overall cost of living pressures at £22.5m, including a further £2.7m increase since Quarter 1, resulting in a forecast overspend of £34.3m this financial year.

Cabinet noted that the most significant cause of the overspend was energy and inflationary costs, and that other budget pressures included increased demand for vital services, particularly social care for older residents and young people. It was noted that action had been taken to reduce the budget deficit, including a freeze on recruitment and rationalisation of council buildings.

The report advised that the Council's revised General Fund Controllable (net) revenue budget for 2022/2023 was £339.1m, including planned (net) revenue savings in year of £2.5m. It was noted that there had been an increase of £9.7m in the forecast overspend position since Quarter 1.

The report provided a breakdown of information in regards to budget pressures in service areas, general fund reserves, collection fund, housing revenue account and capital. Appendices 1-6 of the report provided a more detailed breakdown of the outturn financial monitoring position,

RESOLVED –

1) That, in regards to the General Fund, (i) the forecast revenue outturn position at Quarter 2 be noted (ii) the forecast year end position on corporate reserves and balances at Quarter 2 be noted (iii) the regular monitoring and review of corporate reserves in 2022/2023 reported to Cabinet as part of the quarterly financial monitoring cycle be noted (iv) approval of the proposed temporary operational measures as set out in paras. 3.7.9 to 3.7.10 be delegated to the relevant Strategic Director in conjunction with the relevant Cabinet Member, having taken account of relevant powers, duties and obligation to consult/engage (v) it be noted and agreed that if a decision is made in relation to fees and charges which amends a previous Cabinet decision (para. 3.7.12 refers) that such a decision will have the effect of changing any previous decision (vi) the award of a four year electricity contract to EDF Energy under the CCS Framework agreement to commence 1 April 2023 (para. 1.2.16 refers) be noted and (vii) it be noted that the Council will continue to work collaboratively with KAL to support KAL's financial sustainability over the medium term.
2) That the forecast position on the Collection Fund as at Quarter 2 be noted.

3) That the Quarter 2 Housing Revenue Account position and forecast year-end reserves position be noted.
4) That, in regards to Capital, (i) the Quarter 2 forecast capital monitoring position for 2022/2023 be noted and (ii) approval be given to the reprofiling of the 2022/2023 capital plan as set out at Appendix 5.

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: 21st December 2022

Title of report: Housing Revenue Account (HRA) rent and service charge setting report and key housing challenges

Purpose of report: This report provides the financial context and basis for the annual setting of rents and service charges as well as for the HRA budget, which will be considered by cabinet February 2022.

This report is for a decision for the annual rent and service charge increases for 2023-24, which will form part of the budget proposals.

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** If yes give the reason why Proposed total increase is in excess of £250k and affects all electoral wards
Key Decision - Is it in the Council's Forward Plan (key decisions and private reports)?	**Key Decision – Yes** **Private Report/Private Appendix – No**
The Decision - Is it eligible for call in by Scrutiny?	**Yes**
Date signed off by Strategic Director & 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: 9th December 2022** **Eamonn Croston: 9th December 2022** **Julie Muscroft: 9th December 2022**
Cabinet member portfolio	**Give name of Portfolio Holder/s** **Cllr Cathy Scott - Housing and Democracy**

Electoral wards affected: All

Ward councillors consulted: NO

Public or private: Public

Has GDPR been considered? Yes

1. Summary

1.1 The Council is acutely aware of the current cost of living and inflationary pressures and the affordability impact this is having for some tenants. However, the Council also needs to ensure that there are adequate resources to invest in council properties to keep tenants safe and ensure that they are living in properties that meet a decent home standard including energy efficiency to support tenants with the cost of living.

1.2 The annual proposed increase to social housing rents and service charges is usually based on the government formula of CPI + 1%, where the CPI rate is taken from September each year, but this year the rate of inflation at the end of September 2022 was 10.1% which would have meant a proposed increase of 11.1%. Following a government consultation about the increase a cap of 7% has been agreed and the Council needs to increase rents and service charges by this amount to continue to invest in tenants' homes. Alternative options of 5% and 6% were considered, but this left an unfunded capital shortfall across the 30-year business plan. The Council is also proposing a 7% increase for the extra care - Intensive Housing Management service and night-time security service charges.

1.3 Where new properties are being developed for rent there will be the consideration to charge an affordable rent, which is 80% of the market rental charge. This would be less that the agreed local housing allowance and supports the published rent standard

2. Information required to take a decision

2.1 Given the need to invest in Tenant Safety, High Rise remediation and regeneration, decarbonising the council's housing stock and building new council homes, there is a requirement to propose a rent and service charge increase of 7% for the financial year 2023-24. The report aims to provide context in terms of the key challenges for the Housing Revenue Account even with the proposed 7% rent increase. The appendix to the report sets out the full schedule of proposed weekly dwelling rent, service and other charge increases to Council tenants for 2023/24, noting that these will be calculated on a basis that matches the billing period to the number of weeks in the year (i.e., 52 weeks for 2023/24) Appendix 1.

2.2 The Council needs to deliver a balanced 30-year business plan. The HRA (Housing Revenue Account) business plan has been modelled based on a number of scenarios, ranging from a 3% increase to a 7% increase and all scenarios except for a 7% increase left an unfunded balance. The scenario modelled based on a 5% rent and service charge increase left an unfunded capital position of £59m. This is pending the outcome of the ongoing capital plan review, which is being carried out by ARK consultancy where the Council is anticipating that there will be additional costs for decarbonisation which will need to be provided for. The scenario modelled with a 7% rent and service charge increase currently breaks even and supports a minimum reserve balance of £15m each year, but prior to transfer this balancing figure was in the

region of £60m. A minimum reserve of £15m is considered prudent and provides for unexpected costs or economic shocks.

2.3 For 2023-24 the Council have budgeted to provide investment in the following areas:

- Planned Maintenance of £13.5m, which includes the cyclical replacement programme including kitchens and bathrooms including extractor fans, windows, and doors, rewires and any other capital related components.
- Building Safety of £5.5m, which includes capital works relating to fire, Asbestos, water hygiene and other related capital works
- Fuel Poverty of £2.4m, which is the resource to be used to match fund resources to bring council properties to an efficiency level of C or above.
- Adaptations of £3.8m, which relates to works required to adapt a property for tenants with additional needs, including handrails, ramps, and other adaptations.

- Strategic Priorities of £21m, which includes £4.3m relating to the high rise project (totaling £57m), £6m relating to council housing building where the Council need to invest in new properties to replace the 200 properties which are sold through right to buy each year, investment of £6m for the Ashbrow scheme, there is £4m to support the buyback of properties previously sold through the right to buy and resource for new systems which are required to improve the management, processing and reporting of information.

2.4 Where new properties are developed for rent, an affordable rent will be charged, which is 80% of the market rental charge and is inclusive of service charges. This is supported by the rent standard published by the regulator of social housing.

2.5 Most planned and responsive repair works are carried out by the council's in-house property team, and they have experienced inflationary increases for the cost of building materials in some cases more than 20%, and these materials must be procured in order to complete the works and deliver the service to tenants.

2.6 The Council has seen a sharp increase in energy prices, where for 2022-23 forecasts have increased by 415% for gas and 115% for electricity and there are inflationary increases for other utility charges. A budget for fuel poverty of at least £1.8m has been provided, matching funding resources accessed through West Yorkshire Combined Authority where the green doctor is used to provide energy advice. The Council is aiming to increase the efficiency rating of properties to C or above, which will include carrying out, this year around 3500 surveys with follow up works.

2.7 There has also been a pay award for 2022-23 for all public sector employees of £1,925, which for Homes and Neighbourhoods equates to an average increase of 6.45% for payroll costs.

2.8 The Council is implementing a new housing management system (CX) which includes an integrated customer contact/relationship module. This will support the ongoing transformation work, which includes end to end process reviews, a focus on compliance, statutory, legislative, and regulatory and a culture review. This will be supported by better insight/data provided by more efficient systems and processes.

2.9 The proposed increase will mean an average increase across all tenancies of £5.19 per week, which will be an average increase of £4.58 per week for a one-bedroom property, £5.40 per week for a two-bed property, £6.08 per week for a three-bedroom property and £6.45 per week for a four-bedroom property.

2.10 There are 71% of council tenants that are currently in receipt of some benefit either Universal Credit or Housing Benefit and so the Council needs to ensure that they consider the impact of the proposed increase for the 29% of tenants who are not in receipt of any benefits. The council have a dedicated Income Management and Money Advice Team who will work with these tenants to support them with completing claims for benefits and signposting them to other agencies. Tenants can also access Kirklees corporate support Local Welfare Provision | Kirklees Council

2.11 There are 42% of tenants that are currently reported as having some arrears of which 25% are in receipt of Universal Credit and so it cannot be guaranteed that payments will be made because the benefit goes direct to the tenant, although claims to have the benefits paid direct can be made if the tenant is reported to have more than eight weeks arrears. There are 46.1% of tenants who pay by direct debit and 53.9% who pay by alternative methods of payment and so tenants are encouraged to sign up for direct debit arrangements.

2.12 The Council is working across services to achieve efficiencies to address the cost-of-living inflationary increases and have agreed savings for 2022-23. These anticipated savings are being closely monitored and included in monthly monitoring forecasts to ensure there is budgetary control and accountability.

2.13 The Intensive Housing Management service charge provides a manager presence in the extra care schemes and the provision of a housing related support service to tenants to help them maintain their tenancies. Of the total cost of this service tenants pay for 80% and the charge is also eligible for housing benefit. An increase of 7% is proposed.

2.14 There are two service charges which are commissioned by the Council's Adult Social Care. The Night-time Security service charge provides a staff presence in the extra care schemes overnight and to respond to emergency calls made by tenants during the night. The charge that tenants pay for this service amounts to 50% of the total cost and the service charge is eligible for housing benefit. The total cost of this service will increase due to an uplift to the National Living Wage. An increase of 7% is proposed.

3. Implications for the Council

3.1 Working with People by providing direct support to tenants

3.1.1 The rollout of Universal Credit (UC) started in June 2015 and is ongoing with 35% of tenants currently in receipt of UC, 36% partial or full Housing Benefit (HB) and 29% in receipt of no benefits and so there are dedicated staff to supporting tenants transitioning from Housing Benefit to Universal Credit. As of 30th September 2022, there were 5943 tenants who were not in receipt of any benefits of which 4470 (75%) of those tenants who are already on an arrangement to pay by Direct Debit. The Money Advice team will support these tenants to assess whether they will be eligible for any benefits, will support them to claim any entitlements and to put in place an arrangement to pay by Direct Debit. Contact details for support and additional information will be sent out to all tenants with the statutory increase notice.

3.1.2 Tenants will have access to a Housing Support Fund where they may be able to access support for fuel poverty and gaps in benefit claims. Assessments are made on specific need.

3.2 Working with Partners

3.2.1 Homes and Neighbourhoods Income Management resources are being made available and targeted towards new and transitioning UC claimants to ensure that they receive the support that they need to successfully make the change and keep in control of their rent accounts. The waiting period is around 5 weeks before the first payment is received, although tenants can now claim an advance payment. There are significant strategic and operational challenges in dealing with the estimated total of 14,782 claimants in receipt of benefits in Kirklees Council tenancies and as UC continues to be rolled out in Kirklees, with increased risks associated with managing the HRA, cashflow and income collection rates. The Homes and Neighbourhoods Income Management teamwork with partners to oversee the delivery of a set of action plans designed to directly mitigate the impact of welfare reform changes such as UC on tenants through a dedicated debt advice team that adopts a restorative approach to debt management.

3.3 Place Based Working

3.3.1 Engagement proposals are informed by intelligence and evidence gathered from previous successful place-based engagement programmes delivered by Homes and Neighbourhoods and other partner services. This includes consultation at the high-rise blocks at Berry Brow and Harold Wilson Court in 2021 to inform full regeneration and fire safety improvement programmes, working with ward members and tailored to the needs of Kirklees as a place and the individual needs of its distinct communities.

3.4 Climate Change and Air Quality

3.4.1 If schemes such as Sycamore Grange are redeveloped, this would see the removal of an existing building heated by fossil fuelled gas boilers built to the building standards and requirements of the early 1970s. In removing the

existing and outdated building, and combining new heat and power technologies, any future scheme is likely to lead to a net reduction in carbon emissions over its lifetime.

3.5 Improving outcomes for children

3.5.1 The current baseline capital plan is forecast to invest £164m over the next five years, which includes resources set aside for component replacements, estate improvements, compliance, fuel poverty and adaptations. Investing in council properties will improve living conditions by providing a warm and safe home for tenants to live in, which will improve outcomes for children.

3.5.2 The Money Advice team work closely with tenants to assess whether they are entitled to benefits and then support them to claim entitlements. This relieves poverty in the household and therefore supports children to have a better start in life, which improve outcomes.

3.6 Financial Implications for the people living or working in Kirklees

3.6.1 People living or working in Kirklees will have access to the Kirklees local welfare provision: Local Welfare Provision | Kirklees Council

3.7 Other (e.g., Integrated Impact Assessment (IIA)/Legal/Financial or Human Resources) Consultees and their opinions

3.7.1 A number of key policy announcements have been made following the enactment of the Welfare Reform and Work Act 2016 and the Housing and Planning Act 2016. The implications of the new legislation have been included within the 30-year financial modelling for the HRA and are summarised below in section 4. The budget proposals for 2023/24-2025/26 result from a review of the HRA with the key objective to deliver a balanced 30-year HRA business plan.

3.7.2 The approval of the above recommendations will ensure that a balanced HRA is achieved, which means the Council is compliant with section 76 of the Local Government and Housing Act 1989.Section 24 of the Housing Act 1985 allows the council as a registered provider the discretion to set its own rents but the charges must be reasonable and are subject to legislative rent caps imposed by the government.

3.7.3 The Equality Act 2010 (Section 149) requires the Council to have due regard to the need to:

a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Act
b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it.

3.7.4 It is believed that the proposals to change rents and other charges set out in this report will not have an unduly adverse impact on any persons in any of the

nine protected characteristics namely, age, disability, gender reassignment, pregnancy and maternity, marriage and civil partnership, race, religion, or belief, sex and sexual orientation. All tenants affected by any approved changes to rents and other charges will be notified of the specific changes to their charges and be provided with information and guidance on how to access information and guidance on housing and other benefits.

3.7.5 Consultation has been carried out with the Homes and Neighbourhoods' Tenant and Grants Panel, who supported the proposed increase based on the need for continued investment into council properties. They also requested that direct contact details to access support and a summary breakdown of budget expenditure be included with the rent increase notifications. The proposal was also reported to the Housing Advisory Board, who supported the proposal based on the need for further investment into council properties.

4. Next steps and timelines

4.1 In order to comply with the requirements of the Local Government and Housing Act 1989 to have a balanced HRA and the Welfare Reform and Work Act 2016 and the rent standard which requires registered providers to comply with specified rules about their levels of rent set under section 194(2A) of the Housing and Regeneration Act 2008; to implement the increase of 7% subject to Cabinet approval, Council officers will prepare for the implementation of rents and service charge changes from 3rd April 2023 as set out in Appendix 1 and the issuing of prior notification letters to individual tenants in accordance with the statutory 4 week notice period

5. Officer recommendations and reasons

5.1 That Members, in order to comply with the requirements of the Local Government and Housing Act 1989 to have a balanced HRA and the Welfare Reform and Work Act 2016 and the rent standard, increase the proposed rents by an average of £5.19 per week (7%) and service charges payable by between 0.03p and £1.30 per week (7%) for social housing from 3rd April 2023, which are contained within this report.

5.2 That Members approve the charges for Extra Care Services – Intensive Housing Management to increase by between £1.07 and £4.44 (7%) and Extra Care Services – Night Care Service to increase by £1.35 per week (7%) due to increases to the National Living Wage.

5.3 That Members note the national and local financial challenges outlined above in preparation for the HRA budget discussions in January 2023.

6 Cabinet Portfolio Holder's recommendations

The Cabinet Portfolio Holder Councillor Cathy Scott agrees with the officer recommendations at 5.1, 5.2 and 5.3 of this report.

7 Contact officer

Jacqui Fieldhouse, Head of Finance – Homes and Neighbourhoods
Email: jacqui.fieldhouse@kirklees.com
Tel: 01484 221000 Ext 79267
Mobile: 07795 080474

8 Background Papers and History of Decisions

Each year the rent increase proposals for the following financial year will be recommended to Cabinet for approval.

9 Service Director responsible

Naz Parkar, Director of Homes and Neighbourhoods.

Appendix 1

	Schedule as at 4th April 2022 £		Schedule as at 3rd April 2023 £		Increase %
RENTS					
Average Dwelling Rent	74.09		79.28		7.0
Split:					
Average 1 Bedroom Rent	65.37		69.95		7.0
Average 2 Bedroom Rent	77.21		82.61		7.0
Average 3 Bedroom Rent	86.92		93.00		7.0
Average 4 and Over Bedroom Rent	92.21		98.66		7.0
Garage Rents (Excl VAT)	5.55		5.94		7.0
51 **Housing Benefitable Service Charges**					
Concierge	2.35 to 15.31		2.51 to 16.38		7.0
Door Entry Systems	0.42		0.45		7.0
Communal Cleaning	0.95 to 7.35		1.02 to 7.86		7.0
Communal Cleaning (contract extension)	1.62		1.73		7.0
Window Cleaning	0.21 to 2.44		0.22 to 2.61		7.0
Sheltered Housing:					
Scheme Management	13.48		14.42		7.0
Scheme Coordinator	4.97		5.32		7.0
Furnishings	17.36, 18.50		18.58, 19.80		7.0
PFI Service Charges					
Communal Cleaning	10.41 to 14.17		11.14 to 15.16		7.0
Communal Utilities	2.13 to 11.35		2.28 to 12.14		7.0
External Lighting (General Needs Only)	1.67 to 2.48		1.79 to 2.65		7.0
Grounds Maintenance	2.80 to 7.28		3.00 to 7.79		7.0
Intensive Housing Management (Extra Care Only)	24.86 to 63.41		26.60 to 67.85		7.0
Management and Admin	1.26 to 1.27		1.35 to 1.36		7.0
Night Time Security (Extra Care Only)	19.22		20.57		7.0
Property Management (Extra Care Only)	21.21		22.69		7.0
R&M Com fac&ut cost	4.98 to 11.37		5.33 to 12.17		7.0
Other Charges					
Parking Spaces	4.78		5.11		7.0
Other Utilities charges	14.11, 19.71		15.10, 21.09		7.0
Older People Support	6.95, 20.33		6.95, 21.75		7.0
Council Tax	4.73, 7.42		5.06, 7.94		7.0 tbc
Gardening	3.19		3.41		7.0
Sheltered heating :					
Bedsit	10.02		10.72		7.0
1 bed	11.48		12.28		7.0
2 bed	12.88		13.78		7.0
3 bed	14.14		15.13		7.0

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EIA STAGE 1 – SCREENING ASSESSMENT

PROJECT DETAILS

Name of project or policy:	
Housing Revenue Account - rent and service charge setting	
Directorate:	**Senior Officer responsible for policy/service:**
Growth and Regeneration	Naz Parker
Service:	**Lead Officer responsible for EIA:**
Homes and Neighbourhoods -	Jacqui Fieldhouse
Specific Service Area/Policy:	**Date of EIA (Stage 1):**
HRA - Rent and Service Charge setti	8th December 2022

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

Proposal to increase the rents and service charges by 7%, There is an annual proposal to increase HRA rents and service charges to allow the council to continue to invest in the management and maintenance of council properties. There was a formula of CPI + 1% in place up until 24/25, which based on the September CPI. The inflation rate of 10.1% would have meant an increase of 11.1%. The Government have now capped the rent and service charge increase to 7%.

ASSESSMENT SUMMARY

Theme	Calculated Scores						Stage 2 Assessment Required
	Proposal	Impact	P + I	Mitigation	Evidence	M + E	
Equalities	0	5.4	**5.4**	2.5	6	**8.5**	No
Environment		4.6	**4.6**	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)	
To **remove** a service, activity or policy (i.e. **stop** doing something)	
To **reduce** a service or activity (i.e. **do less** of something)	
To **increase** a service or activity (i.e. **do more** of something)	
To **change** a service, activity or policy (i.e. **redesign** it)	
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)	YES

WHAT LEVEL OF IMPACT DO YOU THINK YOUR PROPOSAL WILL HAVE ON…	Level of Impact Please select from drop down
Kirklees **employees** within this service/directorate? (overall)	Neutral
Kirklees **residents** living in a specific ward/local area?	Negative
Please tell us which area/ward will be affected:	All
Residents across Kirklees? (i.e. most/all local people)	Negative
Existing **service users**?	Negative

Each of the following **groups**? *(Think about how your proposal might affect, either positively or negatively, any individuals/communities. Please consider the impact for both employees and residents - within these protected characteristic groups).*		Please select from drop down
…age	What impact is there on Kirklees **employees**/internal working practices?	Neutral
	What impact is there on Kirklees **residents**/external service delivery?	Neutral
…disability	What impact is there on Kirklees **employees**/internal working practices?	Neutral
	What impact is there on Kirklees **residents**/external service delivery?	Neutral
…gender reassignment	What impact is there on Kirklees **employees**/internal working practices?	Neutral
	What impact is there on Kirklees **residents**/external service delivery?	Neutral
…marriage/ civil partnership	What impact is there on Kirklees **employees**/internal working practices?	Neutral
	What impact is there on Kirklees **residents**/external service delivery?	Neutral
…pregnancy & maternity	What impact is there on Kirklees **employees**/internal working practices?	Neutral
	What impact is there on Kirklees **residents**/external service delivery?	Neutral
…race	What impact is there on Kirklees **employees**/internal working practices?	Neutral
	What impact is there on Kirklees **residents**/external service delivery?	Neutral
…religion & belief	What impact is there on Kirklees **employees**/internal working practices?	Neutral
	What impact is there on Kirklees **residents**/external service delivery?	Neutral
…sex	What impact is there on Kirklees **employees**/internal working practices?	Neutral
	What impact is there on Kirklees **residents**/external service delivery?	Neutral
…sexual orientation	What impact is there on Kirklees **employees**/internal working practices?	Neutral
	What impact is there on Kirklees **residents**/external service delivery?	Neutral
…those in poverty or low-come	What impact is there on Kirklees **employees**/internal working practices?	Negative
	What impact is there on Kirklees **residents**/external service delivery?	Negative

…unpaid carers	What impact is there on Kirklees **employees**/internal working practices?	Negative
	What impact is there on Kirklees **residents**/external service delivery?	Negative

WHAT LEVEL OF IMPACT DO YOU THINK YOUR PROPOSAL WILL HAVE ON…	Level of Impact Please select from drop down
Kirklees Council's **internal practices**?	Neutral
Lifestyles of **those who live and work in** Kirklees?	Negative
Practices of suppliers to Kirklees council?	Neutral
Practices of other partners of Kirklees council?	Neutral

Each of the following **environmental themes**? (Please select from the drop down list)

	People	Partners	Places
…clean air (including Climate Changing Gases)	Positive	Neutral	Neutral
	Score: 1	Score: 2	Score: 2
…Clean and plentiful water	Positive	Neutral	Neutral
	Score: 1	Score: 2	Score: 2
… Wildlife and habitats	Neutral	Neutral	Neutral
	Score: 2	Score: 2	Score: 2
…Resilience to harm from environmental hazards	Neutral	Neutral	Neutral
	Score: 2	Score: 2	Score: 2
… Sustainability and efficiency of use of resources from nature	Neutral	Neutral	Neutral
	Score: 2	Score: 2	Score: 2
…Beauty, heritage and engagement with the natural environment	Neutral	Neutral	Neutral
	Score: 2	Score: 2	Score: 2
… Resilience to the effects of climate change	Neutral	Neutral	Neutral
	Score: 2	Score: 2	Score: 2
…Production, recycling or disposal of waste	Neutral	Neutral	Neutral
	Score: 2	Score: 2	Score: 2
… Exposure to chemicals	Neutral	Neutral	Neutral
	Score: 2	Score: 2	Score: 2

HOW ARE YOU USING ADVICE AND EVIDENCE/INTELLIGENCE TO HELP YOU?		Please select YES or NO
Equality Themes		
Have you taken any **specialist advice** linked to your proposal? (Legal, HR etc)?		No
Do you have any **evidence/intelligence** to support your assessment (in section 2) of the impact of your proposal on…	…employees?	No
	…Kirklees residents?	Yes
	…service users?	Yes
	…any protected characteristic groups?	No
Please list your **equalities** evidence/intelligence here [you can include hyperlinks to files/research/websites]:		

	Please select from drop down
To what extent do you feel you are able to mitigate any potential negative impact of your proposal outlined on the different groups of people?	TO SOME EXTENT
To what extent do you feel you have considered your Public Sector Equality Duty?	FULLY

Environmental Themes		
Have you taken any **specialist advice** linked to your proposal?		
Do you have any **evidence/intelligence** to support your assessment (in section 2) of the impact of your proposal on…	…Kirklees Council practices?	No
	…resident and worker lifestyles?	No
	…Practices of Supplier to Kirklees Council?	No
	…Practices of other Kirklees Council partners?	No
Please list your environmental evidence/intelligence here [you can include hyperlinks to files/research/websites]:		

	Please select from drop down
To what extent do you feel you are able to mitigate any potential negative impact of your proposal on the environmtenal issues identified?	TO SOME EXTENT

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Kirklees COUNCIL

Name of meeting: **Cabinet**
Date: **21 December 2022**
Title of report: **2022/23 to 2026/27 Council Capital Plan – Proposed allocation of capital funding from the Directorate for Children's Achieve and Aspire Strategic Priorities and Basic Need funding sections of the Capital Plan.**

Purpose of report: This report will identify potential schools' projects, for Member approval, to be funded from the 2022/23 to 2026/27 Achieve and Aspire Strategic Priorities and Baseline Basic Need funding sections of the Council's Capital Plan.

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 - this will result in capital expenditure significantly in excess of £250K.
Key Decision - Is it in the Council's Forward Plan (key decisions and private reports)?	Key Decision - Yes Public Report
The Decision - Is it eligible for call in by Scrutiny?	Yes
Date signed off by Strategic Director & 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?**	Mel Meggs – Strategic Director for Children's Services – 23 November 2022 Eamonn Croston - Service Director for Finance- 8 December 2002 Julie Muscroft - Service Director for Legal Governance and Commissioning - 8 December 2022
Cabinet member portfolio	Cllr Viv Kendrick - Children (Statutory Responsibility for Children) Cllr Carole Pattison - Learning, Aspiration & Communities

Electoral wards affected: **All wards**

Ward councillors consulted: **Yes**

Public or private: **Public**

Has GDPR been considered? There are no GDPR implications arising from this report.

1. Summary

1.1 This report will provide information relating to specific individual school related capital projects identified to be funded from the Directorate for Children's Services Achieve and Aspire Section of the Council's Five-Year Capital Plan.

1.2 Members will be asked to consider and approve the project identified in the report, along with the highlighted capital allocation.

2. Information required to take a decision

2.1 For four years, a pupil population bulge has been moving through the Secondary School phase in Kirklees. Evidence suggests this is a time limited bulge with the size of the Year 7 cohorts entering most secondary schools starting to return to more normal levels after 2023/24. Through engagement with secondary schools between 2016 and 2018, it was agreed that this bulge could be managed by the existing school system without creating any new high schools.

2.2 The introduction of one or more new high schools would have required significant capital investment and with the population peak being temporary, threatened to destabilise the future secondary school system post the bulge period. Too many school places can create school budget sustainability challenges. The size of a high school required to ensure it was viable would also have been disproportional to the expected levels of local need even at the height of the population peak.

2.3 A number of secondary schools have therefore been offering bulge classes for the past three years and further bulge classes will be needed for the next one to two more years. The cumulative impact of these bulge classes, each of which will stay with the school for a five-year period, is placing pressure on the available facilities of some schools. Capital investment was approved by Cabinet in December 2021 to support some of the more acute pressures to ensure a high-quality education offer is sustained. Whilst some of the investment was targeted to support bulge class arrangements, future generations of pupils will also benefit from the investment in better facilities.

2.4 It was reported to Cabinet in December 2021 that in two geographical locations the population pressures are expected to continue for a little longer and they are also close to strategic housing development sites which over time will have an upward impact on the demand for school places. In these two areas, Dewsbury and North Huddersfield, it is considered prudent to introduce a modest amount of additional secondary school places on a permanent basis. Further details including the evidence which underpins this is contained in the published Kirklees School Place Planning documents: https://www.kirklees.gov.uk/beta/schools/school-organisation-and-planning.aspx

2.5 In December 2021 Cabinet approved £2.7m investment at Manor Croft Academy to enable a permanent expansion of 150 places to address the expected population pressures in Dewsbury. Building work on this project is progressing well and completion is expected in April 2023.

2.6 Local authorities have a statutory duty to ensure there are sufficient school places (section 14(1) of the Education Act 1996) across the whole school sector. To

discharge this duty Local Authorities work with maintained schools and academies to secure suitable solutions. Whilst academies receive revenue funding directly from central government and can apply for capital funding for repairs and maintenance, they are not provided with capital funding to address the basic need for additional school places.

2.7 In order to ensure that the Local Authority can discharge its statutory duty to provide sufficient secondary school places, the Department for Education announced the allocation of a Basic Need Capital Grant in March 2022. The Kirklees share of this grant is £11.038M for 2023/24. This confirmed allocation was announced by the government after the 2022/23 capital plan was agreed by Cabinet in February 2022 and will therefore be built into forthcoming capital plan proposals for 2023/24 onwards.

2.8 In addition, allocations of the High Needs Provision Capital Grant were also announced in March 2022 as follows:

2022/23 £4.996M
2023/24 £4.626M

The 2022/23 allocation was then increased by £8.2M to £13.196M as part of the High Needs Safety Valve agreement reported to Cabinet in July 2022. This combined grant funding will support the Kirklees SEND Transformation Plan.

2.8 This report outlines the proposal to address the expected secondary school place pressures in North Huddersfield, which were first reported to Cabinet in December 2021, with investment to permanently expand North Huddersfield Trust School. The report will also seek delegated authority for quick win capital schemes to support the expansion of SEND provision such as Additionally Resourced Provision and Satellite provision in line with the Kirklees SEND Transformation Plan.

North Huddersfield Trust School – permanent expansion of 150 places

2.9 North Huddersfield Trust School have provided a bulge of 30 pupils for the past three years to support additional demand for places resulting from the local child population bulge. The local population bulge is expected to continue towards 2023/24. The school is also close to the Bradley Strategic Housing development site. For these reasons it is proposed that the school permanently expands by 30 pupils per year group from a 180-place intake to 210. In time, this will increase the capacity of the school by 150 pupils from 900 to 1050 places. Officers have been working jointly with the school to identify a suitable scheme to enable the expansion described above to occur. The identified scheme involves a new self-contained block of five classrooms, to accommodate the increase pupil numbers. An early design illustration of the new block is included in Appendix A. The school is investing directly in other complementary site improvements to help accommodate the additional pupils.

2.10 This school is part of the Council's Grouped Schools Public Private Partnership (PPP) 1 Contract with Kirklees School Services Limited (KSSL) hence the PPP1 Provider will manage the design, procurement and delivery of the expansion works through the contractual variations process. A temporary modular classroom solution is expected to be required to support the admission of 30 additional pupils in September 2023, which will be provided by the Council using modular accommodation from within the Council's existing fleet. The modular accommodation is expected to be removed on completion of the proposed new block.

2.11 Initial feasibility work has indicated that the package of works described in paragraph 2.9 and 2,10 including all professional and legal fees, furniture, equipment and the provision will be £3.0M. Members are requested to authorise this expenditure from the £11M Basic Need government grant funding.

2.12 Subject to Cabinet approval, start on site for the new block is expected to begin in summer, 2023 with project completion expected before the arrival of the September 2024 intake of additional pupils.

Financial Delegations

2.13 The construction market is particularly volatile at present due to a combination of material and labour shortages, which means that successfully tendering for a contractor at an affordable price is more difficult than in previous years. In order to aid the implementation of the capital scheme outlined in this report, Members are requested to delegate authority in accordance with the Council's Financial Procedure Rules 3.10 – 3.13 dated May 2022 to the Service Director for Development and the Service Director for Learning and Early Support to increase or decrease the budget allocations to facilitate the delivery of the tendered schemes providing that the total resources allocated to the programme areas are not exceeded.

2.14 In order to aid the implementation of quick win capital schemes associated with SEND Transformation Plan, including facilities for Additionally Resourced Provision and satellite provision, Members are requested to delegate authority in accordance with the Council's Financial Procedure Rules 3.10 – 3.13 dated May 2022 to the Service Director for Learning and Early Support manage the implementation of identified works up to a maximum of £500K per year for 2023/24 and 2024/25 from the High Needs Capital Grant allocation.

2.15 Delegated powers would include the authority to:

- Add new urgent projects to the programme without Cabinet approval within the £500K limit per year
- Slip or delete projects in response to operational need and reallocate the budget between projects

3 Implications for the Council

Working with People

3.1 Should the proposals be approved, Officers will work in close partnership with the schools and staff to ensure the delivery of excellent facilities that will help secure the outcomes for children both now and in the future. Since 2018 there has been regular engagement with the secondary school system, providing and updating evidence about population, cross border movement and other factors which impact on the demand for school places. The provision of bulge classes has been a planned approach and about planning for bulge classes to meet the expected population.

There is regular engagement with the school system about progress with the Kirklees SEND Transformation Plan and work continues with individual schools to expand the

number of places available in Additionally Resourced Provision, Satellite Provision and Special Schools.

Working with Partners

3.2 In preparing each of these proposals, Children's Services and Capital Delivery Officers work closely with the Senior Management of each school and, where appropriate, their respective Academy representatives to agree a package of works for each school.

Place Based Working

3.3 Schools are at the centre of their communities, delivering essential educational, health and well-being activities for children, parents and the wider community. The proposals in this report will deliver high quality school places to meet the needs of local pupils.

Climate Change and Air Quality

3.4 The new build accommodation being provided will be constructed using modern, energy efficient materials and equipment that will contribute to an ever-reducing carbon footprint for the Council and conform as a minimum to the requirements of Part 25b of the Building Regulations.

Improving outcomes for children

3.5 The proposals in this report are intended to improve outcomes for children by providing access to high quality facilities that enable the full breadth of the curriculum offer to be delivered thereby ensuring that young people have the widest opportunities to fulfil their aspirations and ambitions.

Financial Implications for the people living or working in Kirklees

3.6 Local children for local schools is a key element of place based working in Kirklees where schools play an important role in their community beyond the provision of education. Attending a local school where children and young people can walk or cycle has many advantages including reducing the cost of transport.

Financial implications

3.7 As reported to Cabinet in the quarter 2 financial monitoring report, the multi-year capital plan is currently subject to a fundamental corporate review and affordability assessment, in light of the scale of financial challenges facing the council. The current capital plan incorporates an assumption about the requirement for corporate borrowing against a £2.542m scheme for North Huddersfield Trust School. The availability £11m Basic Need Capital Grant provides an alternative funding source for the majority of the schemes costs which will reduce the cost of borrowing. Given the time imperative, initial feasibility and design costs in 2022/23 of around £100K are being met by borrowing.

4 Consultees and their opinions

4.1 This report has been subject to consultation with the Portfolio Holders from Children's and Learning, Aspiration and Communities, who support the proposed report and programme of works.

4.2 Local Ward Members have been informed of the proposed development.

4.3 North Huddersfield Trust School has been involved in the early design stages of the proposed new block of classrooms. Subject to approval by Cabinet, engagement will continue with the development, detailed design and implementation of each project.

4.4 Subject to approval by Cabinet there will be a formal planning process which is open to a public consultation.

5 Next steps and timelines

Subject to approval of the proposed schemes, Officers from the Development Service and Children's Services will ensure that the projects concerned are developed, designed, procured and implemented in accordance with the Council's Financial and Contracts Procedure Rules.

6 Officer recommendations and reasons

To help ensure there are sufficient school places available and suitable school premises, members are requested to:

(a) Consider and approve the proposed £3.0M budget (consisting of £2.9M Basic Need grant capital and £100K borrowing) for the implementation of building work at North Huddersfield Trust to enable the permanent provision of 150 additional secondary school places and an interim modular build solution for September 2023

(b) In order to aid the implementation of the capital scheme outlined in this report, Members are requested to delegate authority in accordance with the Council's Financial Procedure Rules 3.10 – 3.13 dated May 2022 to the Service Director for Development and the Service Director for Learning and Early Support to increase or decrease the budget allocations to facilitate the delivery of the tendered schemes providing that the total resources allocated to the programme areas is not exceeded.

(c) In order to aid the implementation of quick win capital schemes associated with SEND Transformation Plan, including facilities for Additionally Resourced Provision and satellite provision, Members are requested to delegate authority in accordance with the Council's Financial Procedure Rules 3.10 – 3.13 dated May 2022 to the Service Director for Learning and Early Support manage the implementation of identified works up to a maximum of £500K per year for 2023/24 and 2024/25 from the High Needs Capital Grant allocation.

Delegated powers would include the authority to:

- Add new urgent projects to the programme without Cabinet approval within the £500K limit per year

- Slip or delete projects in response to operational need and reallocate the budget between projects

7 Cabinet Portfolio Holder's recommendations

We wish to place on record our thanks to all the schools who have been working with the council for the past few years, particularly those who have agreed, in a coordinated way, to accept additional pupils and those who are working to provide additional places for children with SEND.

We are proud of the strong partnership of schools in Kirklees whether they be maintained schools, church schools, single academy trusts or part of a multi academy trust. As a Local Authority we are bound to ensure there are sufficient school places and our strong partnership has enabled this. We all share the same aims for the communities we serve which are captured in Our Kirklees Futures strategy.

This is important additional investment at North Huddersfield Trust School will help to ensure all families in Kirklees continue to have access to a school place. Generations of children in the future will also benefit from the improved facilities we are able to improve with this investment.

Providing a range of places available locally for children with SEND such as Additionally Resourced Provision and Satellite Provision is a vital part of our Kirklees SEND Transformation Plan.

We are therefore pleased to recommend that Cabinet approve the Officer recommendations contained in this report in full.

8 Contact Officers

Martin Wilby – Head of Service for Education, Places and Access – Tel: 01484 221000 – martin.wilby@kirklees.gov.uk

David Martin – Head of Corporate Landlord and Capital - Tel: 01484 221000 – Email: david.martin@kirklees.gov.uk

9 Background Papers and History of Decisions

2021/22 to 2025/26 Council Capital Plan – Proposed allocation of capital funding from the Directorate for Children's Achieve and Aspire Strategic Priorities and Basic Need funding sections of the Capital Plan, 14 December 2021: https://democracy.kirklees.gov.uk/documents/s44221/Cabinet%20Report%20Childrens%20Capital%20Various%20Projects%20Dec%202021.pdf

School place planning documents including Securing sufficient school places 2021-24: https://www.kirklees.gov.uk/beta/schools/school-organisation-and-planning.aspx

Our Kirklees Futures – Our approach to learning 2021-2030 https://www.kirklees.gov.uk/beta/delivering-services/kirklees-futures.aspx

SEND Transformation Plan 2021
https://www.kirklees.gov.uk/beta/special-education/pdf/send-transformation-plan.pdf

10 Service Directors responsible

Jo-Anne Sanders – Service Director for Learning and Early Support - Tel: 01484 221000 – Email: jo-anne.sanders@kirklees.gov.uk

Appendix A

An early design illustration of the new block proposed for North Huddersfield Trust School.

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Name of meeting: Cabinet

Date: 21st December 2022

Title of report: Final report of the Ad Hoc Scrutiny Panel – Residential Housing Stock Health and Safety Compliance

Purpose of report:

To present the Final Report of the Ad Hoc Scrutiny Panel – Residential Housing Stock Health and Safety Compliance.

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 Council's Forward Plan (key decisions and private reports)?	**Key Decision** – No **Private Report/Private Appendix** – No
The Decision - Is it eligible for call in by Scrutiny?	**No** **If no give the reason why not** – Report of an Ad Hoc Scrutiny Panel
Date signed off by Strategic Director & 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?**	**Rachel Spencer-Henshall 7/12/22** Not applicable **Julie Muscroft 28/11/22**
Cabinet member portfolio	**Councillor Cathy Scott – Deputy Leader and Housing and Democracy**

Electoral wards affected: All

Ward councillors consulted: Not applicable

Public or private: Public

Has GDPR been considered? There are no GDPR implications arising from the report.

1. Summary

At its meeting held on 18th March 2021, the Overview and Scrutiny Management Committee agreed to establish an Ad Hoc Scrutiny Panel to consider health and safety compliance for the Council's residential housing stock in light of the changing regulatory landscape and further to the housing management and maintenance functions transferring back to the Council on 1st April 2021.

2. Information required to take a decision

2.1 The terms of reference for the Panel are set out below:

The Ad Hoc Scrutiny Panel will consider the Council's policies, procedures and arrangements for managing the health and safety of its tenants and its residential property portfolio, with a particular focus on high rise and multiple occupancy blocks.

The Panel will give consideration to:

- How the health and safety regime adopted by the Authority supports compliance with regulatory standards and puts appropriate risk mitigation strategies in place to ensure the health and safety of tenants.
- The six compliance areas: Fire; Gas; Electrical; Asbestos; Legionella; and LOLER (lifts) and the steps being taken to keep tenants safe.
- The impacts of the Social Housing White Paper, Draft Building Safety Bill and Fire Safety Bill 2019-21 for tenants.
- Progress in relation to the Ad Hoc Scrutiny Panel in respect of the Future Arrangements for the Council's Residential Housing Stock's recommendation that an Assurance Board be established focusing on housing compliance.
- Feedback from the Regulator and how that is being progressed.
- Governance and ensuring that a sustainable and adaptable system is in place to ensure that safety is embedded for the future.
- Engagement with, and provision of information for, tenants on health, safety and compliance issues.

2.2 Between July 2021 and July 2022, the Panel used a range of methods to gather the evidence used to inform this report, including undertaking a number of meetings with interested parties, a training session and a site visit to one of the high-rise blocks. The Panel then met on a number of occasions to develop the findings and recommendations arising from the evidence it received, resulting in its final report (appended to this report).

2.3 The report includes an Action Plan which summarises the seventeen recommendations and sets out the proposed response in each instance.

3. Implications for the Council

3.1 Working with People

The Panel met with tenants who were involved with the Tenants Advisory and Grants Panel, the Housing Advisory Board and the Fire Safety Champion initiative to ascertain their views.

Amongst other things, the Social Housing White Paper includes an expectation for enhanced two-way communication by landlords with tenants in respect to landlord health and safety obligations and how these will be met.

The Panel heard that consultation had been undertaken with tenants and residents in respect of the implementation of major fire safety works at Harold Wilson Court and the options for the longer-term future of the properties at Bishops Court, Holme Park Court and Buxton House, prior to a decision being made by Cabinet.

The Authority's Engagement Strategy is based on a friendly and restorative approach to communication to establish positive relationships and with a focus on face-to-face engagement where possible. It aims to give a stronger voice to tenants and regular communication and engagement takes place through the use of different formats.

There is a dedicated Fire Safety Engagement Team who have a visible presence. This team has responsibility for providing regular updates to the tenants living in high-risk residential blocks, making sure that they are informed and empowered to challenge and support the work to mitigate risk for their homes.

The Panel considered that the Tenant Advisory and Grant Panel (TAGP) was working effectively and the channels of communication between officers and the TAGP and the tenant members of the Housing Advisory Board were well established and working well.

3.2 Working with Partners

Not applicable

3.3 Place Based Working

The approach to engagement with tenants and residents is place-based.

3.4 Climate Change and Air Quality

Not applicable

3.5 Improving outcomes for children

The provision of safe, good quality, decent homes and neighbourhoods will help to contribute to improving outcomes for children.

3.6 Financial Implications for the people living or working in Kirklees

Not applicable

3.7 Other (eg Integrated Impact Assessment (IIA)/Legal/Financial or Human Resources) Consultees and their opinions

The Authority has responsibilities to meet a range of regulatory and legislative requirements, as set out in the report, and is subject to scrutiny by the Social Housing Regulator, Housing Ombudsman and the Building Safety Regulator.

4 Next steps and timelines

The Overview and Scrutiny Management Committee will receive a progress report in twelve months' time to monitor the implementation of the actions.

5 Officer recommendations and reasons

That Cabinet:

(i) Note the recommendations of the Ad Hoc Scrutiny Panel – Residential Housing Stock Health and Safety Compliance.
(ii) Approve the responses included in the Action Plan (Appendix 2 of the report).

6 Cabinet Portfolio Holder's recommendations

I accept the recommendations in the Ad Hoc Scrutiny report fully, however, I accept recommendation 12 in part.

I will ask officers to ensure these are progressed in a timely manner.

7 Contact officer

Sheila Dykes, Principal Governance and Democratic Engagement Officer
Tel: 01484 221000
Email: sheila.dykes@kirklees.gov.uk

8 Background Papers and History of Decisions

Not applicable

9 Service Director responsible

Julie Muscroft – Service Director, Legal, Governance and Commissioning

Ad Hoc Scrutiny Panel - Health and Safety Compliance in Residential Housing Stock

October 2022

Democracy Service

PO Box 1720

Huddersfield

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1. FOREWORD

On behalf of the members of the Ad Hoc Scrutiny Panel, I would like to thank all those who took the time to attend meetings and provide evidence to assist us in scrutinising the Authority's health and safety compliance systems for its residential housing stock. This includes the representatives of the Tenant Advisory and Grant Panel, the tenant members of the Housing Advisory Board, one of the Fire Safety Champions and officers from Homes and Neighbourhoods, Legal, and Environmental Protection.

I would also like to thank the members of the Panel for the time they have invested and the contributions that they have made to the process and to the production of this final report. Special thanks go to Kevin McAllister, who acted as an independent specialist advisor to the Panel in respect of this complex subject, Linda Summers, one of our co-optees and Sheila Dykes from the Governance Team.

The Panel is grateful to the Chairs and members of the Building Safety Assurance Board, Housing Advisory Board and Tenant Advisory and Grant Panel for allowing members of the Panel to observe their meetings, to see how the principles of governance and engagement were working in practice.

Thanks go also to Christopher Smith from Savills who delivered an excellent training session in respect of landlord compliance, which proved invaluable to the members of the Panel and has since been shared with officers within the relevant disciplines.

The Panel has now completed its work and has made a number of recommendations. These have been incorporated in an Action Plan (Appendix 1), which will be presented to the Cabinet for approval, with progress being monitored by the Overview and Scrutiny Management Committee.

Councillor Elizabeth Smaje,

Chair of the Ad Hoc Scrutiny Panel

2. INTRODUCTION

2.1 Since the tragedy at Grenfell Tower in June 2017, there has been a national root and branch review of how fire safety, particularly in high-risk residential buildings, is prioritised.

2.2 The final report of Hackitt Review 'Building a Safer Future' was published on 17th May 2018. This was followed by the Building Safety Bill 2020, the Fire Safety Act 2021 and the Social Housing White Paper; 'The Charter for Social Housing Residents', published in November 2020. A summary of the relevant legislation is provided later in this report.

2.3 Kirklees Council own and/or manage four high-rise blocks of above 18 metres in height, which fall into a high-risk category `HRRB` (High Risk Residential Blocks), as defined by fire safety guidance issued by the Hackitt Review and, subsequently, contained within the Building Safety Bill. Two of these blocks are located in Huddersfield Town Centre; Buxton House (on a long lease) and Harold Wilson Court. The other two; Bishops Court and Holme Park Court, are in the Berry Brow area.

2.4 In February 2021, the Chair of Scrutiny and the then Chair of the Economy and Neighbourhoods Scrutiny Panel received a briefing on the background to a report which was submitted to Cabinet on 16th February 2021. The report sought approval to undertake consultation with the residents of Buxton House, Holme Park Court and Bishops Court on the options to address fire safety issues in those buildings, and to consult the residents of Harold Wilson Court on how to best to progress works to make major fire safety improvements. They were also briefed in respect of the implications of the Social Housing White Paper.

2.5 The establishment of an Ad Hoc Scrutiny Panel was subsequently discussed, informally, with the Members of the Overview and Scrutiny Management Committee. A formal request was made to the Overview and Scrutiny Management Committee, on 18th March 2021, when it was agreed that an Ad Hoc Scrutiny Panel be established to consider health and safety compliance for the Council's residential housing stock, with the Terms of Reference set out in paragraph 3.1 of this report.

2.6 The members of the Ad Hoc Panel were:

- Councillor Elizabeth Smaje (Chair)
- Councillor Susan Lee-Richards
- Councillor Amanda Pinnock
- Councillor Anthony Smith
- Linda Summers (Scrutiny Co-optee)

The Panel was assisted in its work by Kevin McAlllister, a professional asset manager with a local social housing provider, who acted as technical advisor, and Councillor Harpreet Uppal, in her role as the Chair of the Economy and Neighbourhoods Scrutiny Panel until May 2022.

The Panel was supported by Sheila Dykes from the Governance Team.

3. TERMS OF REFERENCE AND METHODOLOGY

3.1 The Terms of Reference were agreed at the meeting of the Overview and Scrutiny Management Committee on 18th March 2021, as follows:

The Ad Hoc Scrutiny Panel will consider the Council's policies, procedures and arrangements for managing the health and safety of its tenants and its residential property portfolio, with a particular focus on high rise and multiple occupancy blocks.

The Panel will give consideration to:

- How the health and safety regime adopted by the Authority supports compliance with regulatory standards and puts appropriate risk mitigation strategies in place to ensure the health and safety of tenants.
- The six compliance areas: Fire; Gas; Electrical; Asbestos; Legionella; and LOLER (lifts) and the steps being taken to keep tenants safe.
- The impacts of the Social Housing White Paper, Draft Building Safety Bill and Fire Safety Bill 2019-21 for tenants.
- Progress in relation to the Ad Hoc Scrutiny Panel in respect of the Future Arrangements for the Council's Residential Housing Stock's recommendation that an Assurance Board be established focusing on housing compliance.
- Feedback from the Regulator and how that is being progressed.
- Governance and ensuring that a sustainable and adaptable system is in place to ensure that safety is embedded for the future.
- Engagement with, and provision of information for, tenants on health, safety and compliance issues.

3.2 Between July 2021 and July 2022, the Panel used a range of methods to gather the evidence used to inform this report, with the following people attending one or more meetings to give evidence:

- Anthony Brown, the consultant commissioned to undertake the comprehensive review of compliance and author of the RMS Building Safety Compliance Report, April 2021.
- Antoinette Cooper – Chair of the Tenant Advisory and Grant Panel
- Mel Spencer – Member of the Tenant Advisory and Grant Panel
- Isaac Dziya – Tenant Member of the Housing Advisory Board
- Brooke Reed – Tenant Member of the Housing Advisory Board
- Paul Lee – Fire Safety Champion
- Councillor Cathy Scott – Cabinet Member and Portfolio Holder with responsibility for housing and Chair of the Housing Advisory Board.
- Naz Parkar - Service Director, Homes and Neighbourhoods

- Eric Hughes - Head of Assurance and Transformation, Homes and Neighbourhoods
- Asad Bhatti – Head of Asset Management, Homes and Neighbourhoods
- Michelle Anderson-Dore – Head of Partnerships, Homes and Neighbourhoods
- Robert Scott – Service Manager Partnerships, Homes and Neighbourhoods
- Graham Sykes – General Manager Partnerships, Homes and Neighbourhoods
- Helen Wilson, Senior Legal Officer
- Kevin Moore, Environmental Health Group Leader

Members of the Panel also received training from Christopher Smith of Savills, which provided an overview of landlord compliance in the current climate.

3.3 In the early part of 2022, Members of the Panel attended meetings of the Building Safety Assurance Board, the Housing Advisory Board and the Tenant Advisory and Grant Panel to observe the working of those bodies in respect of compliance matters.

3.4 In May 2022 the Panel met with the Cabinet Member and Portfolio Holder for Housing, Councillor Scott, to discuss responsibility and accountability.

3.5 In May 2022, members of the Panel undertook a site visit to Bishops Court at Berry Brow to observe for themselves the works that had been undertaken and those still in progress, and to aid their understanding of the health and safety issues on-site.

3.6 Throughout the course of its work the Panel also requested, and received, a significant amount of further information and background material to assist them, a summary of which is set out in the section of this report relating to evidence.

4. BACKGROUND INFORMATION

Social housing is defined within Sections 68 to 77 of the Housing and Regeneration Act 2008. It covers accommodation that is for rent below the market rate or low-cost home ownership, such as through shared ownership schemes.

Four million households live in rented social housing in England, which equates to 17% of all households. In 2020/21 this was split between 10% rented from housing associations and 7% from local authorities.

Registered providers of social housing are required to meet regulatory standards which contain specific expectations and outcomes that providers are expected to achieve.

4.1 **The Hackitt Review (Building a Safer Future)** Building a Safer Future was published in May 2018, further to an interim report in December 2017. Its purpose was to make recommendations that would ensure:

- a sufficiently robust regulatory system for the future.
- residents feel that the buildings they live in are safe and remain so.

It examined building and fire safety regulations and related compliance and enforcement, with a focus on multi-occupancy high-rise residential buildings.

4.2 **The Ministry for Housing, Communities and Local Government (MHCLG) Social Housing White Paper 'The Charter for Social Housing Residents'** was published on 17th November 2020: Social Housing White Paper

The aim of the White Paper was to deliver "transformational change" for social housing residents, and it set out measures which were intended to:

- Ensure social housing is safe.
- Make it easier to know how social landlords are performing, to increase transparency and accountability.
- Ensure swift and effective complaint resolution.
- Strengthen the consumer standards social landlords must meet and create a strong, proactive regime to enforce them.
- Empower residents to support them in engaging with and holding their landlords to account.
- Ensure good quality, decent homes and neighbourhoods.
- Support tenants to buy a home of their own.

The White Paper proposed the introduction of additional landlord compliance health and safety requirements including:

- The appointment of a named individual to hold responsibility for compliance with statutory health and safety responsibilities. This person to be visible and accessible to tenants and sufficiently senior to drive a culture of health and safety.
- The extension of mandatory smoke and carbon monoxide alarms to social housing. (It was subsequently announced that this would take effect from 1 October 2022).
- Social housing landlords having the same obligations as the private sector to carry out an electrical safety inspection every five years, with any remedial repairs required as a result to be completed within a maximum of 28 days.
- An expectation for enhanced two-way communication by landlords with tenants in respect to landlord health and safety obligations and how these will be met.

The Government has not set a timetable for delivery of the measures in the White Paper. Some of the reforms require primary legislation. The Social Housing Regulation Bill had its first reading in the House of Lords on 8th June 2022, its second reading on 27th June 2022 and passed through the Committee Stage on 6th September 2022. At the time of writing the next stage, the Report Stage, had yet to be scheduled. This purpose of this bill is stated as increasing social housing tenants' rights to better homes and enhancing their ability to hold their landlords to account.

4.3 **The Levelling Up, Housing and Communities Select Committee** conducted an inquiry into the quality and regulation of social housing in England and the Government's proposals in the White Paper for improving the regulatory regime. Their report, with findings, was published on 20th July 2022 and the Government was given two months to respond to its recommendations.(Select Committee Report on Social Housing in England).

As this report was being finalised, the Department of Levelling Up, Housing and Communities had a number of consultations open on relevant issues. Dept for Levelling Up, Housing and Communities Consultations

4.4 **The Smoke and Carbon Monoxide Alarm (Amendment) Regulations 2022** will come into force on 1 October 2022 and require social housing landlords to:

- Ensure at least one smoke alarm is equipped on each storey of their homes where there is a room used as living accommodation.
- Ensure a carbon monoxide alarm is equipped in any room used as living accommodation which contains a fixed combustion appliance (excluding gas cookers).
- Ensure smoke alarms and carbon monoxide alarms are repaired or replaced once informed and found that they are faulty.

(Smoke and Carbon Monoxide Regulations 2022)

4.5 **The Regulator of Social Housing** role was initially established by the Housing and Regeneration Act 2008.

It is an independent body, responsible for setting the regulatory standards that all registered providers of social housing must meet and holding landlords to account for compliance with these standards.

Prior to the White Paper its role was limited to intervention where failure to meet the standards had caused, or could have caused, serious detriment to tenants. It did not routinely scrutinise landlord compliance or routinely monitor performance.

The regulatory standards comprise four consumer standards and three economic standards; only the consumer standards apply to local authority registered providers.

The consumer standards are:

- Home Standard - sets expectation in terms of the provision of quality accommodation and a cost-effective repairs and maintenance service.
- Tenancy Standard - how properties are allocated/exchanged and terms around tenure.
- Neighbourhood and Community Standard - concerning issues around neighbourhood and communal areas and anti-social behaviour.
- Tenant Involvement and Empowerment Standard covering customer service and complaints, tenants' rights and involvement.

The work of the Panel focused mainly on the provisions of the Home Standard and the Tenant Involvement and Empowerment Standard.

The roles of the Regulator of Social Housing and the Housing Ombudsman are being strengthened to help deliver the proposals in the White Paper. The Regulator will have a more pro-active role in monitoring and driving landlord compliance with improved consumer standards. Its enforcement powers will also be strengthened.

4.6 **The Housing Ombudsman** is an executive non-departmental public body of the Government sponsored by the Ministry of Housing, Communities and Local Government which, since April 2013, has focused on helping to resolve individual complaints made by tenants, shared owners and leaseholders about their landlords. The Ombudsman will consider complaints and disputes and may help mediate to find a resolution. It will also move to a more pro-active focus in response to the White Paper and will share information with the Regulator.

4.7 **The Building Safety Act 2020** received Royal Assent on 28th April 2022. This legislation makes provision about the safety of people in or about buildings, to improve the standard of buildings, and amends provision about complaints made to a housing ombudsman. The Building Safety Act names the Health and Safety Executive as the new Building Safety Regulator.

4.8 **The Building Safety Regulator** is a new body that is part of the Health and Safety Executive, with focus on buildings of over 18 metres. Its remit will be safety and compliance, including tracking back to the original design and construction as well as ongoing use/occupation and it will have a significant range of enforcement powers.

4.9 The **Fire Safety Act 2021** clarifies that the Fire Safety Order 2005 (the fire safety legislation in England and Wales) applies to the structure, external walls and individual flat entrance doors between domestic premises and the common parts of a multi-occupied residential building. The responsible person or duty-holder for multi-occupied, residential buildings must manage and reduce the risk of fire.

4.10 The **Decent Home Standard** is defined by guidance from the Department for Communities and Local Government updated in 2006 (Decent Home - Definition and Guidance).

4.11 Within property compliance a comprehensive assurance framework should cover the areas commonly referred to the 'big six' and these are;

- Fire Safety
- Asbestos Management
- Gas Safety
- Electrical Safety
- Water Hygiene
- Lift Safety

5 LOCAL CONTEXT

5.1 Between March 2002 and the end of March 2021 the delivery of management and maintenance services for the Council's housing stock was managed by Kirklees Neighbourhood Housing (KNH) which was an Arm's Length Management Organisation (ALMO). On 1st April 2021 the housing management and maintenance functions transferred back to the Council and a new department was formed - Homes and Neighbourhoods.

5.2 Kirklees Council owns and/or manages approximately 22,000 homes. The Council is landlord to 21,968 tenants and there are currently 1036 leaseholders. This stock includes four high rise blocks and 808 low rise blocks, including 12 six-storey blocks and 19 retirement living schemes.

Two of the high-rise blocks are in Huddersfield Town Centre; Buxton House (on a long lease) and Harold Wilson Court. Two further blocks, Bishops Court and Holme Park Court, are in the Berry Brow area. Buxton House does not have any external insulation treatment to the walls. All four blocks are above 18 metres in height and, by definition, fall into a high-risk category: `HRRB` (High Risk Residential Blocks). when referring to fire safety guidance issued by the Hackitt Review and subsequently the Building Safety Bill. None of the blocks contain Aluminium Composite Material (ACM), but three contain an external wall system.

5.3 Compliance management has been a key organisational priority since 2017, with significant investment undertaken in additional competency/resource and systems to better establish reliable compliance performance and a management system to effectively manage risk in the 'big 6' key areas of building safety compliance.

The work included the commissioning of ongoing audits by Mazars which resulted in 37 key recommendations to improve the way the authority managed its data, demonstrated competency, established and maintained a programme of statutory inspection/reinspection, and ramped up delivery of remediation and improvement programmes.

Type 1 Fire Risk Assessments (FRAs) of all blocks, by an external consultant, commenced in 2017 and ongoing inspections are being maintained at 100% up-to-date. The results of the Type 1 FRAs had informed a programme of fire safety remediation work to all blocks across Kirklees.

5.4 In October 2017 the Ministry of Housing, Communities and Local Government was formally advised that Kirklees did not have blocks with ACM cladding, and that Harold Wilson Court had phenolic foam insulation under a render and silicone finish.

5.5 Type 4 FRAs were commissioned to the high-rise, six-storey and retirement living schemes in November 2017.

5.6 During 2018/19 KNH focussed on gathering as much information as possible about the high-rise blocks, to assess risk based on known fact compared against current regulations. In addition to the FRAs this included: structural surveys, followed by further intrusive surveys of Bishops Court and Holme Park Court; consultation with West Yorkshire Fire and Rescue Service; and the development of a Fire Safety Management Plan/Tenant Engagement Plan, which was approved by the KNH Board in July 2019.

5.7 In December 2019 a fire safety update letter was sent to all tenants (including leaseholders) in all high-rise blocks, six-storey blocks and retirement living schemes, advising of intended fire safety improvements due to be undertaken to their homes, with further details to follow.
In January 2020 customer-friendly fire risk assessment information for all high- rise, six-storey blocks and retirement living schemes was added to the KNH website. This included safety tips for communal areas, the evacuation policy, means of escape, details of building construction and presence of cladding, and the fire safety measures in each block.

In April 2020 the compliance team sent a fire safety update letter to all tenants (including leaseholders) in the high-rise, six-storey blocks and retirement living schemes, advising of a review of the Fire Safety Strategy. The letter explained that the previously planned works had been suspended until further detailed surveys were carried out and information gathered relating to the building fabric and structure, in order to deliver improvements that would provide the highest level of fire safety assurance.

5.8 In response to the further guidance published by the Ministry of Communities, Housing and Local Government in January 2020, an architectural and building consultancy (AHR) was commissioned and, in June 2020, commenced detailed fire safety engineering, building fabric and structural assessments of the high-rise blocks, six-storey blocks and retirement living schemes with the priority focus being the high-rise blocks. All tenants and leaseholders of each of the four high-rise blocks were informed that surveys to the internal and external areas of their blocks would be carried out.

In November 2020, AHR notified its preliminary findings that Harold Wilson Court had phenolic foam insulation, and that there was polystyrene insulation at the two blocks in Berry Brow and their inspection of the installation suggested that the firebreaks that were believed to be in place could not be relied upon.

Alongside the ongoing programme of FRA inspection and reinspection, a number of measures were therefore implemented including:

- The introduction of a 24 hour, 7 days per week patrolling waking watch at Harold Wilson Court, Bishops Court and Holme Park Court.
- Increased liaison with, and emergency response agreed with, West Yorkshire Fire and Rescue Service.
- Replacement Evacuation Policy.
- The application of an emergency repair response (two hours) to all repairs with the potential to cause fire risk.
- Accelerated completion of the outstanding FRA works.
- Daily inspections to fire safety installations and increased fire checks.

All blocks already had a range of fire safety measures in place:

- All flats fitted with interlinked smoke and heat alarms.
- Additional sensors in the communal areas and corridors.
- Sprinklers installed in the bin stores.
- Daily fire safety checks of the communal areas and bin stores and weekly fire safety checks of the communal area alarms, emergency lighting and fire doors.
- Regular maintenance checks undertaken to all safety installation.
- CCTV monitoring of internal and external areas of the block.

In addition, a dedicated Fire Safety Engagement Team was established, and Building Safety Managers were to be appointed. This team had responsibility for providing regular updates to the tenants living in high-risk residential blocks, making sure that they were informed and empowered to challenge and support the work to mitigate risk for their homes. The team also had responsibility for ensuring the scheduled delivery of the day-to-day services, completion of the fire safety measures and providing quality and performance monitoring of the service being received from the security contractor.

5.9 During the first three weeks of December 2020 briefings were undertaken with the Leader of Council, the Chief Executive, the Portfolio Holder, KNH Board Members, Ward Councillors and the Tenant and Leaseholder Panel. Letters were hand delivered to all tenants confirming current arrangements, giving contact details for officers from all directorates involved in maintain fire safety procedures, and providing details of emergency procedures and evacuation plans.

5.10 In January 2021, the Regulator of Social Housing was notified of the findings of ongoing investigations into the high-rise blocks and the ongoing programme of outstanding FRA work actions. The Regulator was also advised of the ongoing steps taken to mitigate risk, notify and provide assurance to the occupiers of each block. Updates were provided to the Regulator in February, April, May, September and November 2021 with monthly progress updates being provided from this point on.

5.11 In February 2021, Cabinet received a report which set out the background and current position in respect of the four high-rise blocks (Report to Cabinet 16-2-21).

Approval was given for consultation to be undertaken with tenants and residents at:

- Harold Wilson Court in respect of the implementation of major fire safety improvement works; and
- Bishops Court, Holme Park Court and Buxton House in respect of the options for the longer-term future of these buildings, further to a review which had taken account of a number of factors, in addition to the key issue of fire safety, including:
  - Tenant satisfaction and feedback.
  - Overall quality of accommodation and the Council's stated ambition to drive better housing standards.
  - Sense of community, social impact, levels of crime and anti-social behaviour.
  - Thermal efficiency, fuel poverty, the potential for disrepair.
  - Extent of communal facilities.
  - Demand/turnover.
  - Remaining useful life.
  - Ongoing repair cost, long-term investment and existing use value.

5.12 The full results of the AHR survey were reported in April 2021 and recommendations for fire major safety works to each high-rise block, as set out below, were approved:

- Replace external wall insulation with a class A system.
- Install sprinklers systems in flats and common areas.
- Upgrade fire detection and alert systems.
- Repair breaches in compartmentation.

5.13 The outcome of the consultations were reported to Cabinet on 27th July 2021 Report to Cabinet 27-7-21. The fire safety improvement works to be undertaken to Harold Wilson Court were noted and approval was given, amongst other things, to:

- The improvement/remediation of Buxton House.
- The demolition of Holme Park Court and Bishops Court and new build design.

Following this meeting the results of the consultation and Cabinet's decision was shared by post with all tenants and leaseholders and made available on Kirklees Council's news website and via social media.

5.14 The results of the investigation works to the six-storey blocks and retirement living schemes were reported in September 2021 and April 2022 respectively and a programme of priority-based fire safety remediations was subsequently developed and procured.

5.15 In January 2021 an independent review was commissioned and consultants (RMS) appointed to undertake a root and branch review across all areas of compliance in respect of the Council's housing stock, with a focus on:

- Governance and oversight arrangement for compliance activities.
- The integrity and robustness of property and asset information.
- Performance management of building safety.
- Compliance performance across the 'big 6' and the risk being carried by the organisation.

The resulting report, completed in April 2021 ('the RMS Compliance Review') identified a number of areas placing significant risk on the organisation where improvement was needed:

- Poor data integrity and lack of system integration.
- Overdue delivery of fire safety remedial actions.
- Water Hygiene: lack of visibility of risk across domestic dwellings, completion of communal re-inspection programmes and completion of remedial actions.
- Asbestos management: poor data management, completion of inspection and re-inspection programmes.

The report contained 48 recommendations to establish three lines of defence to avoid any future regulatory breaches and to focus on six key areas of priority, with clear objectives to deliver significant improvements:

These 48 recommendations formed the basis of a recovery plan:

- Cross Cutting; Governance and oversight: 7 recommendations
- Property and Assets in Management: 9 recommendations
- Compliance and Performance: 3 recommendations
- Fire Safety: 8 recommendations
- Electrical Safety: 3 recommendations
- Gas Safety: 2 recommendations
- Asbestos Safety: 6 recommendations
- Water Hygiene: 6 recommendations
- Passenger Lift Safety 4 recommendations

All recommendations were assigned to lead officers.

During the implementation period the decision was made to combine 6 recommendations from the RMS Compliance Review in respect of data validation, asset controls and the provision of performance information; thus reducing the original number from 48 to 42. An improvement plan was then established, which included the 13 recommendations that remained outstanding from previous Mazars audits, making a total of 55 recommendations.

In addition, given the priority relating to FRA work actions, the completion of every high priority action and those to high-rise blocks, was tracked on a weekly basis to ensure that the team was fully sighted on progress and could resolve possible delays at the earliest opportunity.

A report was submitted to Cabinet on 14th December 2021 Report to Cabinet 14-12-21 which set out the progress being made against all the recommendations.

5.16 In respect of the major fire safety works set out in Paragraph 5.12, as at September 2022, the position was as set out below:

- The fire detection and alert systems work to communal systems at Buxton House had been completed. The external wall insulation, compartmentation works and sprinklers would be dealt with through the regeneration scheme, which was at the design stage.
- Works would start on site at Harold Wilson Court in January 2023 and were anticipated to be completed by June 2024.
- The fire detection and alert systems work to communal systems at Bishops Court and Holme Park Court was complete. These buildings were being decanted prior to demolition and the works to the external wall insulation, compartmentation and sprinkler systems would not be carried out.
- In the very small number of cases where there were access issues with properties to install fire and detection and alert systems these were being escalated to gain access through the legal process.

6 SUMMARY OF EVIDENCE

At the commencement of its work, the Panel was provided with a suite of reports which included:

- Background and the action taken on building safety since 2017.
- The current position and the plan for the next twelve months, including the arrangements in place to mitigate risk for residents
- Information on the ongoing dialogue with the Regulator for Social Housing.
- The proposals for the future of the Authority's four high-rise blocks and the results of consultation undertaken with residents.
- The current high-rise fire actions weekly update spreadsheet.
- The RMS consultancy report: 'Building Safety Compliance Report, April 2021'.
- The Health and Safety Compliance Scorecard for May 2021, covering all assets owned and/or in management by Homes and Neighbourhoods.
- A presentation in respect of the Social Housing White Paper, Fire Safety Act and Building Safety Bill.
- A briefing note in relation to Regulatory Compliance for Registered Providers.

Effective Compliance Training

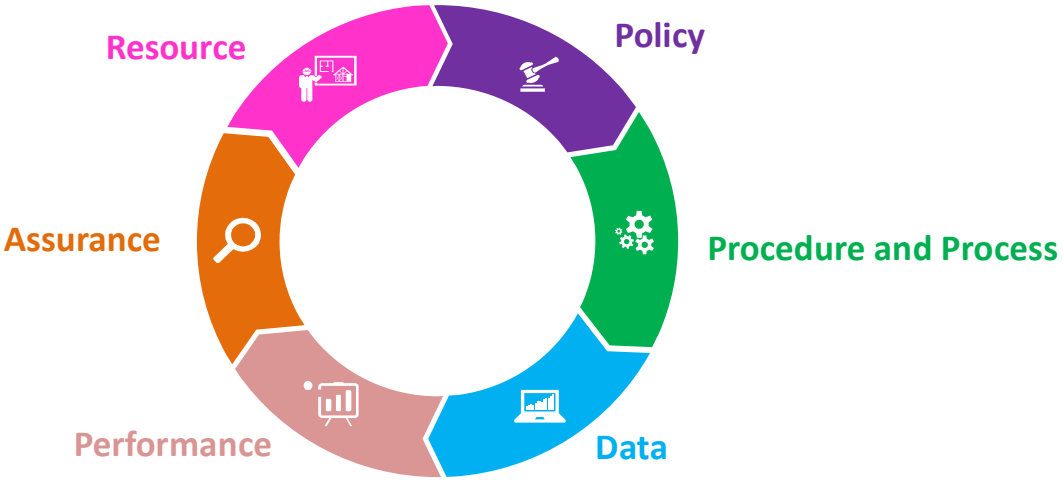
6.1 In February 2022 a training session was provided for the Panel by Christopher Smith, from Savills.

The Panel found this to be very valuable and noted a number of key issues including:

- The three regulatory bodies (Regulator of Social Housing, Housing Ombudsman and Building Safety Regulator) would be linked by a Memorandum of Understanding which would include the formal exchange of information about landlords in terms of compliance and tenant health and safety.
- The Social Housing Regulator had already started to stress the importance of governance and the role and clear responsibility of elected members in ensuring appropriate oversight and responsibility in terms of the health and safety of their tenants. Elected members needed to ensure that they were aware of their obligations and how they should be fulfilled.
- There was no clear answer in the White Paper in respect of whether the responsibility lay with all Councillors or a sub-set. Currently the majority view would be that this sat at Cabinet or Administration level; there was also a debate about the role of the relevant Portfolio Holder.
- Part 1.2b of the Home Standard set a wide-ranging, clear and absolute requirement that any landlord must 'meet all applicable statutory requirements that provide for the health and safety of the occupants in their homes'.

- Amongst several other new landlord compliance health and safety requirements, the White Paper would require the appointment of a named individual to hold responsibility for compliance with statutory health and safety responsibilities. This person to be visible and accessible to tenants and sufficiently senior to drive a culture of health and safety. An expectation for enhanced two-way communication by landlords with tenants in respect to landlord health and safety obligations, and how these will be met, would also be introduced.
- It was essential to maintain a balance between initial activities and follow-on remedial actions. For example, an organisation could be achieving 100% compliance with Fire Risk Assessments but performance in respect of the completion of remedial actions arising from the assessments also needed to be effectively monitored and evidenced.
- Use of an 'assurance boilerplate' on the performance report could be helpful. This would comprise a statement, signed by a named individual responsible for testing the accuracy of the data and provided on regular basis. This might state: 'I have sampled x number of certificates and, along with other enquiries, this has satisfied me that this data is accurate.'
- It was good practice for third-party independent reviews of the compliance system to be undertaken periodically but also to build in external involvement as part of the system. A common method would be to use an independent company to undertake a quality review/audit of a percentage sample of in-progress or completed works and provide an output report. It was considered that the use of such processes indicated that a landlord was keen to identify any problems and deal with them at an early stage.
- When managing a significant volume of actions, consideration could be given to additional categorisation. All actions should have a target date for completion; they could then be categorised into overdue by one month, overdue by more than two months, overdue by six months. This would result in a profile of outstanding actions and if the six-month figures were not decreasing this could be challenged.
- There were challenges for the Portfolio Holder/Cabinet Member as they had to sustain a strong, effective relationship with senior officers whilst maintaining challenge where necessary; the Portfolio Holder's key responsibility had to be the health and safety of residents.
- Prioritisation should be based on risk. Review of a prioritisation scheme could be undertaken by an independent, competent person as an extra point of assurance.

6.2 The Panel was advised that an effective compliance system/framework would comprise the following elements:



Policy - Properly documented policies in place across all primary compliance activity and risk areas.

Procedure and Process - Fully documented, clear, detailed, end-to-end processes and procedures to bring policy commitments to life and embed them within the organisation.

Data - Compliance data governed, managed and controlled to ensure, on an ongoing basis, that it is accurate and captures all obligations and requirements. These operational routines being clearly documented with clear roles and responsibilities attached.

Performance - The monitoring and reporting of key performance indicators to demonstrate compliance across the range of responsibilities. It was suggested that the relevant Elected Members/Cabinet Members needed this information in order to fulfil their obligations.

Assurance - activities to ensure the system is operating properly, This would include internal audits; post-completion inspections, quality monitoring, and external, independent third-party critique; undertaken at the appropriate frequencies.

Resource – the staffing structure, to include competency levels, minimum qualification requirements, and a commitment to keep people trained and up to date as requirements change.

The matrix at Appendix 2 places the elements of an effective compliance system against each of the 'big 6' areas of compliance which, when completed, would provide a clear record of assurance or indication of any gaps. Members of the Panel considered this tool to be very useful in assessing and ensuring a fit for purpose compliance framework.

6.3 Reference was also made to the Health and Safety Executive's Plan - Do - Check - Act approach (HSE Plan Do Check Act) and the three lines of defence. These were particularly important when considering staffing structures in terms of the separation of duties between those delivering the services, the people who have oversight, and the provision of independent assurance and effective governance.

Compliance Review and Improvement Plan Progress

6.4 As previously explained, the RMS Compliance Review, April 2021, identified 48 recommendations (subsequently reconfigured to 42). In addition, 13 historical recommendations remained from the Mazars audits. An improvement plan was therefore established with a total of 55 recommendations.

In September 2021, the Panel met with the author of the RMS Compliance Review to discuss progress against the recommendations in the report, the improvement plan, and the revised 'road map' for delivering actions and ensuring protocols were in place for validating this data.

He explained that the review had set out the three lines of defence and the levels of quality control that were needed to provide assurance across all of the six main areas of compliance. This started with the in-house workforce and contractors: ensuring that they were well trained, had the right skills and qualifications and were supported by high quality managers, with support and systems that wrapped around, including processes for inspections and reporting back, and with third-party quality checks being implemented across all areas. There was a good plan in place and progress was being made.

In response to a query about in-house chairing of the Building Safety Assurance Board he explained that organisations that delivered good compliance usually had an individual at the centre of the organisation taking the lead in terms of ownership and responsibility; it was considered critical that there was a 'line of sight' to the leadership of the organisation.

6.5 Between November 2021 and May 2022, the Panel received the following reports at every meeting and questioned officers on the contents:

- The Health and Safety Compliance Scorecard; which set out the current performance in respect of inspections for each of the 'big six' compliance areas and the remedial actions for Fire Risk Assessments (FRAs) and Asbestos.
- The Compliance Review Dashboard which illustrated the current position in respect of the 55 compliance recommendations. The dashboard was underpinned by a detailed 'smartsheet' which detailed all the actions and sub-actions; this was a working document used as the operational management tool to review progress.

- The Fire Risk Assessment Actions Programme (High Rise) Update; as provided to the Regulator, which set out the current performance in respect actions arising from FRAs.

The Panel was told that the review recommendations and improvement plan were firmly embedded within the organisation. A dedicated project team met every week to track performance and drive forward those recommendations that may be at risk of delay.

6.6 The Panel found the dashboard format to be clear and helpful but the performance indicators were very high level and did not cover all compliance requirements. Also, the information as submitted did not provide an understanding/analysis of the relative level of risk for the uncompleted actions.

The Panel recommended that an additional column, or a note in the comments, be included in the Health and Safety Compliance Scorecard to show the figures for the preceding month and indicate the direction of travel.

6.7 In response to a comment that the figures for overdue inspections should be broken down further it was explained that analysis was in progress of the outstanding electricity and gas inspections to provide that further detail about where they were in the process, how they were progressing and how long they had been overdue. It was noted that all properties were within the legally required ten-year electrical test and were being brought within the five-year requirement in anticipation of legislation that would introduce this. All properties with an overdue gas inspection were within the legal process to gain access.

The scorecard only showed remedial actions related to FRAs and asbestos, as gas faults were repaired immediately and electrical tests resulting in a Code 1 or 2 fault were concluded before the operative left the premises, so they did not fall into a forward programme. A forward remedial programme for water quality was being developed. Lifts were replaced on a life cycle basis with insurance inspections undertaken and faults repaired immediately.

6.8 At its last meeting, the Panel received a graph to illustrate the progress made and direction of travel in respect of the completion of the high-rise high-risk actions since the Panel commenced work and it was noted that good progress was being made.

Regulatory Framework and the Regulator of Social Housing

6.9 In September 2021 the Panel received a report which set out the regulatory framework in respect of building safety and compliance, clarified what was required of the Council in each case, and detailed the work being undertaken to fulfil those requirements.

6.10 In October a report was presented which set out the role of the Regulator for Social Housing in respect of ensuring that registered providers were meeting their statutory obligations, as set out under the regulatory framework.

The Panel received regular updates on the information being shared with the Regulator and any discussion that took place on particular issues and were told that this dialogue would continue until the Regulator and the Council were satisfied that all programmes were being delivered at pace and in a timely manner. The Regulator had thanked the Council for the monthly updates it was providing and had noted that the Council had an Improvement Programme and Plan in place. This plan identified the key issues which were being addressed using a risk-based approach and as quickly as possible, given the market constraints being experienced by the sector as a whole.

6.11 It was expected that, as a result of the review of the White Paper, the Decent Home Standard would be revised and would include a focus on a significant number of health and safety issues such as damp and mould, excess heat or cold, physical environment and domestic hygiene. The Council had been working towards meeting these anticipated new requirements for some time.

The current Decent Home Standard was a basic standard. The Council had piloted an 'Enhanced Lettable Standard' targeted at the most vulnerable residents. The Council aspired to be an excellent social landlord.

It was recognised that cyclical maintenance of communal areas had been afforded lower priority to the 'your home, your place' investment programme but the Asset Management Strategy was being reviewed with a view to re-introducing cyclical maintenance programmes. The Panel considered it important to address this issue as it had an impact on health and safety.

6.12 In November 2021 it was reported that a report was to be submitted to Cabinet in December with a full update, including progress against the 55 recommendations and improvement plan actions. It was suggested that the report should include information in respect of communications with residents and elected members to make it clear that there would be dialogue about the programmes of works.

6.13 In March 2022 the Panel was informed that due to a clash in timelines, issues with disruption for tenants, co-ordination, value for money and the need to minimise the risk of works being compromised, it had been agreed with the Regulator that, despite a slight delay in completion from the end of March, the compartmentation works at Harold Wilson Court would be undertaken as part of the main contract for the other remediation works, which included removal and replacement of the external wall insulation. This was on the basis of these works being undertaken in the earlier part of the programme. The same principle was also being adopted for Buxton House.

Those for Bishops Court and Holme Park Court would still be part of a separate package due to the longer timescales involved.

6.14 In May and September the Panel was informed that re-framing of the programme had been discussed with the Regulator.

Six-Storey Blocks, Retirement Living Schemes and Low Rise Blocks with Communal Access

6.15 The Panel were informed that, although only the four high-rise blocks were statutorily defined as high-risk residential buildings, the Authority had chosen to expand its scope to include the six-storey blocks and retirement living schemes in the first instance and then moving to include the low-rise blocks with communal areas.

6.16 In September 2021 the Panel heard that the assessment of the six-storey blocks had been commissioned and assessment of the retirement living scheme accommodation was ongoing. It was noted that all the retirement living scheme properties already had fire suppression measures in place. Following this, the focus would move to completion of the assessment of the 774 blocks with a communal access/egress.

A risk-based approach would be used to prioritise the order of work, based on an assessment of each block, which would take account of the proportion of actions applicable, level of priority, types of actions required and also factoring in the built environment and intelligence in respect of residents' vulnerability.

The Panel suggested that the approach should be discussed with the Fire Risk Assessor so that they were sighted on the process and the work being undertaken and to help ensure effective use of the resources available.

6.17 In November 2021 it was explained that the large bulk of low and medium priority actions (some of which related to high rise blocks) had been packaged and put out to tender. Six tenders had been received and evaluated and the team were now working with the preferred contractor to ensure a deliverable programme. Once agreed with the contractor there would be a timetable with milestones and a system would be in place for regular reporting.

6.18 On 5th April 2022, Cabinet approved the appointment of the preferred bidder for the low-rise programme of works. It was anticipated that work would commence in Autumn 2022 and, as a significant programme covering 865 blocks, would take two to three years to complete. The Panel was told that there would be a collaborative approach with tenants and leaseholders and engagement would be undertaken over the coming months to give them assurance that the work that was being done was in the best interests of all residents and to achieve the necessary co-operation.

6.19 In May, the Panel heard that in light of the impact of ongoing issues with resources, capacity and supply chains, and the challenges that these issues presented in respect of the management of all the ongoing contracts alongside all the other work, consideration was being given to re-framing some elements of the programme. This included the low-rise programme and the implementation of the new housing management IT system and had been discussed with the Regulator. This approach would allow the Council to prioritise a focus on the processes, data and systems, and identification of the necessary fixes to operate effectively, whilst it invested in and implemented a new system. It was vital to ensure that the authority was able to receive and manage the large volume of data that would be incoming from contractors, to validate it and input it to the system so that the works undertaken could be evidenced in the future, alongside developing a new system that was fit for purpose and would provide the necessary assurance for the future.

Data and IT

6.20 In September 2021 the Panel was informed that replacement of the housing management IT system had been procured and significant work was ongoing, in conjunction with IT, towards implementation. A project team was currently working on data hierarchy and data cleansing to ensure the data entered into the new system would be accurate and up to date. This data would feed down into the asset management system and then filter down to the repair and maintenance system.

Once the housing management system had been implemented, the next stage was procurement of new asset management and repair and maintenance systems. Work to develop a specification had commenced in early 2022 and it was anticipated that it would go out for procurement later in the year, with implementation expected in 2022/23. Once completed, reports would be completely system generated so that officers could focus on analysis of the data and trends.

It was noted that, until the new asset management system was in place, a significant amount of manual handling of data would still be required and in the interim period existing software systems would be used.

6.21 Significant time had been invested into data cleansing and analysis and, in November, the Panel heard that a clear hierarchy of data had been established with a thread through from the housing management system into the asset management system and then to the repair and maintenance system. An asset data audit was currently taking place, as a third line of defence, which should confirm that the appropriate structures were in place.

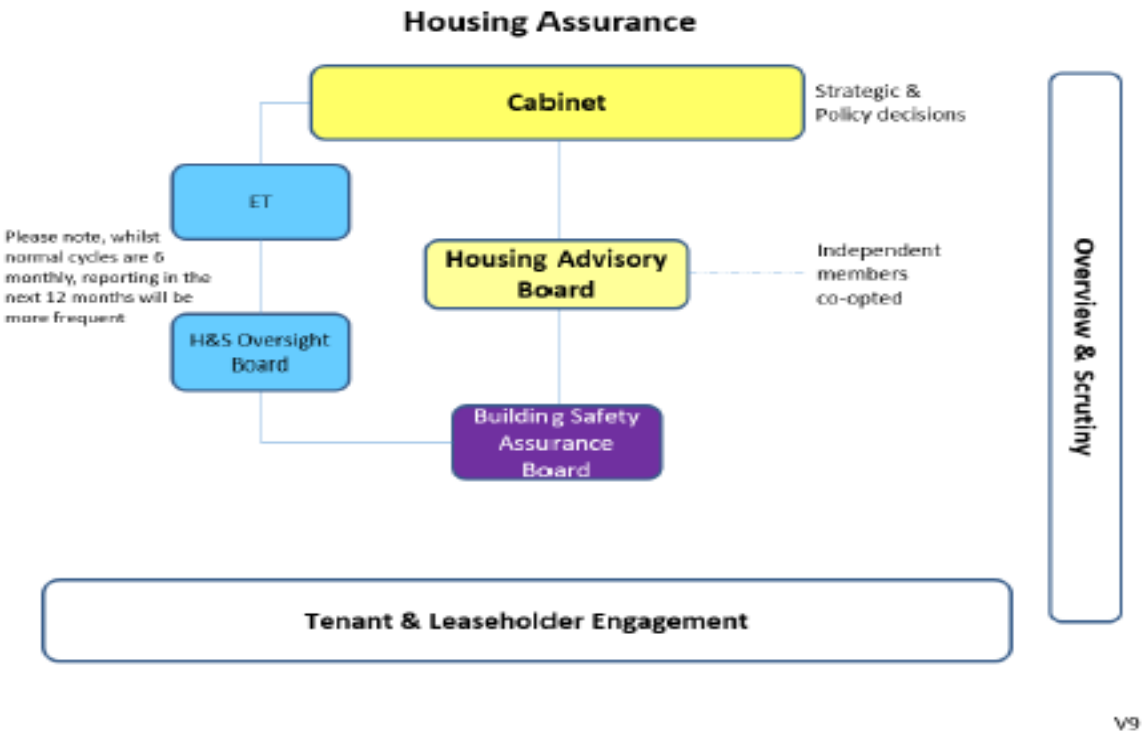
Assurance was given that the Authority was clear what data needed to be collected to ensure that the new IT system could be populated without any gaps and to maintain integrity. In the meantime, the existing systems had been upgraded and significant data cleansing undertaken. The procurement would not proceed to the market until the specification for the new asset management system and repair and maintenance systems was clear.

It was considered essential to take the necessary time to ensure that the end-to-end processes were comprehensive and correct, and that the right top-level system was chosen and to ensure that each of the systems would communicate with the others. Although use of the current systems was challenging and required some manual processes work had been undertaken alongside IT colleagues to ensure a level of accuracy and integrity until the new system could be implemented.

6.22 At the end of March 2022, the Panel was updated on progress with the upgrade of the IT systems. The housing management system was being implemented and this would assist in the management of tenancies with a unique asset number being generated for each; ensuring a comprehensive record for each property and a co-ordinated response for tenants.

Governance

6.23 The Panel were informed of the new governance arrangements introduced in the Homes and Neighbourhoods Service, since the transfer of the Housing Management and Maintenance Services from Kirklees Neighbourhood Housing in April 2021.



There were six places for tenant representatives on the Housing Advisory Board. The opportunity to undertake this role had been promoted through the regular newsletter and a text had been sent to all tenants when the recruitment went live. It was considered that a reasonable mix of age, gender, ethnicity and geographical spread had been achieved and these members would effectively hold the Council to account and have a positive influence on future decision-making. Induction and training had been provided. The term of office would be two terms of three years but this would be managed to try and ensure that there was an overlap and not all tenant representatives reached the end of their term of office at the same time. Five representatives were initially appointed.

In addition to the tenant representatives, the Board also included four independent co-optees, chosen for their particular professional expertise and experience.

There was an overlap in terms of reference between the Housing Advisory Board (HAB) and the Tenant Advisory and Grant Panel (TAGP) in respect of overseeing the Consumer Regulatory Standard. If the two bodies took different views then a joint meeting could be facilitated to discuss it. It was considered important that both these bodies had an oversight of this area.

The TAGP was the principal body in respect of oversight of the engagement framework and the tenant involvement strategy and fed into the HAB, which took a strategic oversight.

In respect of the structure and the relationship between the different bodies it was explained that the Building Safety Assurance Board (BSAB) reported into the HAB but the communication between these bodies was two-way, as appropriate. There was a link between the BSAB and the Corporate Health and Safety Oversight Board and then onto Executive Team and into Cabinet.

The TAGP fed into the HAB but also had a regular place on the BSAB agenda in case they wished to escalate any issues or concerns.

In terms of other tenants raising concerns; for high-rise and six-storey block tenants these could be fed in via the Fire Safety Engagement Team and there was a standing item on the agenda of TAGP which could then feed up to the BSAB. Tenants and Residents Associations (TRAs) could also feed into the TAGP.

Members attended meetings of the HAB, BSAB and TAGP in January and February 2022 and fed back their observations to the Panel.

6.24 The Panel discussed the issues around visibility and transparency, access to information and the ability of different parties to make a contribution to the BSAB. Officers recognised that effective communication was crucial and that Councillors

were at the heart of the organisation and could provide a valuable link to tenants. It was acknowledged that there was a need to make the work more broadly visible so that elected members could engage where they considered it was appropriate and the creation of a forward plan of key decisions had been discussed to help facilitate this input.

The Panel commented that greater visibility of the work of the HAB would be helpful, including for tenants/leaseholders so that they had a broader understanding of what is happening across Kirklees. The points raised in terms of wider political oversight and engagement and the role and visibility of the HAB were taken on board by officers. It was also explained that the timings of the meetings of the different elements of the structure were to be reviewed to better align the flightpath for key decisions and work was being undertaken on this.

When the housing management function had been brought back into the Council there had been a clear aim to strengthen the tenants' voice and to ensure that their ability to influence Cabinet, as the decision maker, was supported. It was believed that the Chair of the HAB, as a Cabinet Member was a conduit for this.

6.25 The Panel questioned the structure and the element of independence that would usually be in place for an assurance board. It was explained that the Service Director for Homes and Neighbourhoods had been replaced by the Strategic Director, Environment and Climate Change as chair of the BSAB and the board included officers from outside the Homes and Neighbourhood Service, to provide a level of independent challenge. Its role was a technical advisory group to the HAB. In respect of possible concern about 'in-house thinking' limiting the challenge provided, it was explained that the independent consultant who had undertaken the RMS Compliance Review, did offer that independent challenge. Internal Audit and Mazars also added to that scrutiny.

A formal process for completion and sign-off of recommendations was in place. A pro-forma, with supporting evidence, was submitted to the independent consultant. This was then sent to the sponsor for approval and from there to the BSAB for sign-off.

In terms of visibility and monitoring to provide assurance that progress with the overdue remedial actions was on target, it was explained that once the delivery programme for the balance of the FRA remedial actions was established and agreed with the contractor, the BSAB would have access to reports against the milestones.

Responsibility and Accountability

6.26 In the training session, the Panel had been told that the Regulator had been increasingly robust in stressing the importance of the role and clear responsibility of elected members regarding governance and compliance.

The Panel invited Councillor Cathy Scott, the Cabinet Member and Portfolio Holder with responsibility for housing to attend its meeting in May 2022 to discuss responsibilities of elected members.

Councillor Scott explained that her view was that the Cabinet had a collective responsibility for health and safety compliance and noted the weight of this responsibility on elected members. She welcomed the support and oversight provided by scrutiny.

The following points arose during the discussion:

- It was considered that, ultimately, responsibility sat with the Service Director for Homes and Neighbourhoods whilst accountability rested with the Cabinet. There was a good working relationship between the Cabinet Member and the Service Director.
- In terms of elected member oversight, building compliance sat with the Building Safety Assurance Board which reported to the Council's Corporate Health and Safety Oversight Group which fed into Cabinet. The Corporate Health and Safety Oversight Group dealt with health and safety and risk across the Council, including compliance risks. The Housing Advisory Board acted as an advisor to the Cabinet.
- There was an element of concern about potential gaps in understanding or knowledge of elected members on this complex and important subject and the reliance on the submission of written reports.
- There needed to be oversight of the strategic way forward from elected members across the Council. There was a need to ensure that there was a robust system in place to ensure that this position was never reached again. If there was a mechanism in place that allowed cross-party discussion to take a strategic view, this would assist the Cabinet Member.
- The Grenfell Fire could be seen as a 'lightbulb moment' in terms of collective accountability and responsibility and there was a need for this insight to be spread more widely so that Councillors who were not part of the Cabinet had an understanding.
- It was noted that, legally, it was as yet unresolved where the aspects of responsibility would sit and whether this would fall upon an individual elected member.
- There was a need for the Cabinet Member to have a good working relationship with the Board and the Service Director and officers but to be able to challenge where appropriate and necessary.
- It was suggested that it would be a good idea for elected members to receive training even if, legally, they were not considered to be responsible.
- It was agreed that it would be helpful for an oversight of responsibilities in this area to be part of the mandatory training for elected members, both new and existing. This should be undertaken on an annual basis. Councillors should be aware of the challenges of the new regulatory environment, what the Council was doing to

address them and how they could get access to relevant information and provide challenge.

- It was reported that the Cabinet was to receive training in early June and this was welcomed. The Cabinet needed to understand how a safe system operated, to know when policies were last reviewed and the scope and timing of the internal audit cycle so that they were assured that there was sufficient management insight and control over all the elements of a safe system.

Tenant Engagement

6.27 In November 2021 the Panel received a report in respect of the Authority's approach to effectively communicating and engaging with tenants and leaseholders, with a particular focus on the high-risk residential buildings and matters relating to fire safety. It was explained that:

- The aim was to use a friendly and restorative tone of communication, with a focus on face-to-face engagement where possible.
- The Fire Safety Engagement Team had a very visible presence across the blocks.
- A bi-monthly newsletter was circulated to residents of the high-rise blocks, primarily focussing on fire safety and compliance but including any other key messages.
- There were opportunities for tenants to get involved and communication would take place associated with the resolution of any specific concerns.
- A quarterly survey was sent out to tenants, noticeboards and signage had been reviewed, social media was utilised, and information animations were being produced.

The latest edition of the Berry Brow newsletter had been provided to the Newsome Ward Councillors and the practice of sharing such communications would continue.

The restorative approach was based on the establishment of positive relationships and the achievement of resolution through conversation and understanding; and this had proved successful so far. Although it was accepted that there may be cases where enforcement proved necessary, and action would be taken in these instances, this would always be the last option.

The importance of information being in accessible format was stressed and it was explained that if any resident needed communications to be made accessible through use of a different format or language this would be picked up on a case-by-case basis in consultation with the individual concerned. The Council was working to better understand the demographics of the blocks. A lot of the newsletters were hand delivered and the Housing Management Team would work to identify any such needs. The new housing management system would log preferred methods of communication for residents; and officers were working closely with the accessibility team to ensure website content was appropriate.

Considerable work was in progress in relation to both digital and on-site communications and understanding the best ways to convey information.

Five committed and engaged tenant members were part of the Housing Advisory Board and discussions had taken place with them in respect of their particular areas of interest. (There were six places on the Board for tenant members. One of the individuals appointed had been unable to take up the place and a decision had been made to allow some time for the body to become established before undertaking further recruitment; this would aid in staggering terms of office).

6.28 The Panel heard about the fire safety champion scheme. The aim was to have one champion (a tenant or leaseholder) for each of the high-rise, six-storey blocks and the retirement living schemes. The role would involve:

- Representing the block of flats or scheme where they lived.
- Sharing information relating to fire safety with other tenants and leaseholders.
- Helping to advise tenants and leaseholders of their responsibility for fire safety.
- Feeding back any concerns in the block relating to fire safety to the Building Safety Manager.
- Taking part in block inspections with Housing Officers to monitor communal areas, ensuring they are well kept and safe.

The role was suitable for people who liked to, and found it easy to, engage with others but were also prepared to provide challenge to officers and ask questions when necessary. It was stressed that this was an additional method of encouraging and reinforcing the key messages about fire safety, it was not a replacement for the formal process.

The Panel discussed how the champions would engage with the other residents in their block and how the Council would support them in doing this.

It was acknowledged that there were a lot of vulnerable people in the retirement living schemes and any support necessary to undertake the role of a fire safety champion could be discussed with interested individuals. There was flexibility if someone felt unable to undertake all aspects of the role.

In respect of the possibility of tension with peers, it was explained that the fire safety champions were not intended to enforce but to keep the Council updated if they noticed any issues; this was a voluntary role and, first and foremost, these individuals were residents.

6.29 In December 2021 the Panel met with representatives of the Tenant Advisory and Grant Panel (TAGP), two of the tenant representatives who sat on the Housing Advisory Board (HAB) and a Fire Safety Champion (FSC).

The Panel heard from the TAGP representatives that:

- Their members were all tenants of Kirklees representing different areas of the district.
- Fire safety was an item on all TAGP agendas. Updates and answers were demanded and expected on issues raised previously.
- Issues could be escalated through the management structure if it was considered that a quick enough response was not being achieved, but excellent support was given by officers with timely answers normally received and, when a concern had been raised, the Head of Service had met with the Panel.
- The Panel had a tracker to follow-up on actions, which was reviewed at each meeting.
- The Panel could be very persistent and would provide challenge when needed.
- Tenants provided feedback in various ways such as directly to individual members of the Panel, or via the Tenants and Residents' Associations (TRAs) and Community Voices.
- It was considered that the fire safety information provided for tenants in the high-rise and six-storey blocks had been significantly improved.
- The Panel recognised that individual tenants, and their visitors, had responsibilities of their own and that the Council, as landlord, had responsibilities to ensure that the policies and procedures were carried out.
- The Panel was fully aware of how an issue could be escalated and how to pursue an issue until resolved including, ultimately, to the Health and Safety Executive or the Ombudsman.
- In terms of the position of more vulnerable tenants, there was a 'stay safe' policy in place and every tenant was aware of this or had the opportunity to be aware of it. Information notices were provided near lifts.

The representatives of the HAB explained that:

- The Board had looked at the strategies, plans, finances and risks associated with all programmes and would hold the authority to account, querying any variances and the underlying reasons for these.
- There was a good working relationship with Council officers, but members were clear on the need for assurance in terms of due diligence and accountability and would escalate issues if necessary.
- The Board took its responsibilities very seriously and were very thorough.
- The Head of Building Safety provided an informative review at each meeting.
- Training and orientation had been provided to the tenant members of the HAB. Answers were usually provided immediately to queries put forward in meetings, but members could also raise an issue by phone or, more formally, in writing.

The Fire Safety Champion was newly appointed to the role but explained that:

- He had received an induction including basic fire safety training and a tour of the high-rise blocks. He had also spoken with senior social housing officers, visited the security room and met the team working on the fire doors.
- Speaking as a resident of one of the six-storey blocks, he did not consider that the same level of awareness existed in respect of the 'stay safe' policy in his block.
- He believed that he had a clear understanding of how the role would develop and agreed that he felt supported and valued.
- There was a lot of information and background, such as the existence of the TRAs, TAGP and HAB, that he had previously been unaware of.
- His current level of engagement with other tenants was not significant but this was something that would be further extended through speaking to the local TRA and Community Voices; he was conscious of the need to become more involved in networking opportunities.
- His experience of communication with the Council was good, he always received a response, was in touch with the ward councillors and was aware of how to progress any issues or problems.

Members asked a number of questions which resulted in the following information:

- In respect of communication with the wider body of tenants and leaseholders and their ability to raise issues and concerns, it was explained that:
  The TAGP met every month with officers and prior to this meeting met as a tenants' group to review and discuss the agenda. Various TRA meetings also took place on a regular basis and there was also input through the Community Voices scheme. Members attended forum meetings four times a year to meet with TRA representatives and voices from around the district.
  One of the HAB members explained that feedback from other tenants was gathered informally, for example through attendance at a local community centre; networking was also important, such as that between the different panels.
- In relation to awareness and understanding of the resources and information being made available by the Authority, such as the compliance videos and Fire Risk Assessments:
  The FSC said that he was not aware of these but would be interested in having access to them.
  A TAGP representative explained that the Fire Risk Assessments were available online for the six-storey blocks. A newsletter had been sent to all tenants on the issue of keeping safe at Christmas.

During discussion, a number of other points were raised as follows:

- As the numbers of Fire Safety Champions increased, the Authority's intention was to bring them together to look at best practice across the blocks and share ideas.

- Ward Councillors had previously been notified of TRA Forum meetings, this had halted due to the pandemic but had been, or would certainly be, reinstated.
- The TAGP representatives were asked if their action tracker could be shared with the members of the Panel.
- Possible mechanisms to increase transparency around the work of the TAGP and to promote awareness and celebrate its successes would be considered.
- Full communications and engagement, in respect of the works to the low-rise blocks, would be undertaken once the programme started to be rolled out. It was important to note that the low-rise blocks were not currently in scope within government guidance but all the high-risk actions identified under the Fire Risk Assessments were being undertaken and the medium to low risks were to be included in the relevant contract.
- The Panel stressed, in respect of the flow of information to tenants and leaseholders, that it was important that this was done at the earliest possible opportunity.
- The engagement strategy used for the high-rise, six-storey and retirement living schemes would also be used for the low-rise blocks. Learning would be taken into account as the process moved forward and good practice incorporated. Officers were confident that they knew what worked in terms of communication and they were conscious that messages needed to be constantly reinforced.
- The importance of face-to-face interaction was recognised, particularly for vulnerable tenants, both in terms of engagement and understanding.
- It was suggested that an email should be sent out to councillors, at an early opportunity, to inform them of the process that would be followed in respect of engagement, to map out the process and provide information on the programme. (It was later confirmed that this had been sent out to all Councillors between 20th and 21st January 2022)

6.30 Throughout its work the Panel received reports in relation to the process, engagement, progress and challenges in respect of the decant of the blocks at Berry Brow to facilitate demolition and new build. This included detailed information on the phased approach that would be undertaken and how allocations to alternative accommodation would be processed. It also covered the statutory home loss payments that would arise.

Members noted that:

- The work at Bishops Court and Holme Park Court would take at least four years and tenants would be offered the right to return, albeit they may choose to remain where they had relocated.
- The decant process at Bishops Court and Holme Park Court was anticipated to take between eighteen months and two years. In September 2022 the Panel was informed that the process had commenced in mid- June 2022, as planned, and that the plans were on schedule at that stage.

- A dedicated team of staff would provide support to the individuals involved.
- The new home enhanced lettable standard would apply to the replacement accommodation.
- If any household resisted moving, then there were legal powers that could be used to seek possession if necessary. It was hoped that the supportive and individualised approach being taken would avoid the need for this.
- The importance of communications was recognised. Individual letters had been drafted and a Berry Brow Communications Plan was being developed to ensure residents were kept up to date throughout the whole process. Communication would also take place with people in the area and elected members. The Fire Safety Team would continue to be involved with engagement days, newsletters and face to face discussion to alleviate any concerns or anxiety. Residents would also have access to the answers to any frequently asked questions as the process moved forward.
- Whilst the work was ongoing at Harold Wilson Court if someone needed to be rehoused temporarily, the normal temporary decant process would be followed to find the most appropriate temporary solution for the resident(s) concerned. This was likely to only be on a short-term basis.

6.31 The Panel visited Berry Brow in May 2022 and observed that significant good work was being undertaken but, in light of the fact that the decant was due to commence shortly, the timescale in relation to preparations and communicating with tenants was of concern. They also stressed that a phase of work should not be started unless there was a high degree of confidence that the necessary supplies and resources would be available to allow completion within a reasonable timeframe and ensuring the quality of the completed work.

6.32 In respect of the work to install smoke and carbon monoxide detectors in all properties, the Panel was told that tenants would be provided with full information in respect of their responsibilities to keep the detectors operational and in place.

6.33 Whilst discussing the position in respect of no access properties the Panel touched upon the issue of safeguarding and the identification of safety related concerns such as hoarding. It was explained that checks were undertaken as part of the tenancy management process and there was a well-managed and robust procedure for picking up and acting on such issues. All staff were trained to recognise and report any health and safeguarding issues to their line manager. There was a range of approaches to ensuring that tenants were safe in all the Council's properties and various factors were taken into account in assessing the kind of approach/support they may need.

Policies

6.34 The Panel was advised that the policies had last been reviewed and updated in November 2019 and were being reviewed again in light of the RMS Compliance Review.

During February and March 2022, the Panel reviewed each of the 'big six' policies. In addition to any specific amendments to correct typographical or consistency errors the Panel commented that:

- The policies were of good quality but, being very high level, it was considered that it would be helpful to see the underlying detailed procedural management documents, in order to provide assurance and a clear line of sight in respect of implementation. It would be expected that these management plans would cover a suite of key performance measures and include matters such as delivery to the correct quality standard, by staff with the relevant qualifications and experience, frequency of inspections, validation of works and maintenance of records.
  It was explained that work was ongoing to develop these detailed management plans and on completion they would be submitted to the Building Safety Assurance Board (BSAB) for approval.

In response to questions, the Panel was told that:

- When a contract was procured, staff had a responsibility to ensure that contractors were aware of the policies and compliance was demonstrated within the tender return. Compliance throughout the term of a contract would be an element of the contract monitoring.
- It was acknowledged that further clarity would be helpful in respect of the roles and responsibilities of the BSAB and Housing Advisory Board (HAB). The HAB needed to have oversight of policy as well as performance so that they were able to assist Cabinet in discharging its function.
- In respect of the process for checking the technical content of the policies generally and, for example, if there was a change to the relevant legislation, it was explained that all policies were checked by the relevant in-house teams as a first line of defence. The second line was through submission to the BSAB and, currently, the Ad Hoc Scrutiny Panel, and the third line was when they were audited.
- The policies would be reviewed/revised on an annual basis as a minimum.
- The Regulator had been advised that the policies were being reviewed and revised as part of the Compliance Review but had not requested to see them as a matter of course. They would consider the policies and procedures, when looking at whether the Authority met the Homes Standard at any moment in time, and would expect them to be regularly reviewed and kept up to date.

6.35 The Panel proposed that:

- Appropriate wording be added to all policies to confirm that remedial actions will be undertaken within the relevant timescale (and as set out within the detailed underlying procedure), in order to be clear that this is a requirement and as a matter of good practice.
- A statement should be added to all policies to the effect that the Authority will handle the recording, management and validation of compliance data to ensure that it enables accurate and reliable reporting and offers assurance to the appropriate places.
- A list of the key performance measures that will be used be included within the policies, with how they will be calculated and any further detail being included within the underlying procedure. This would assist in providing a golden thread through policy to procedure to performance. It would also mean that the Building Safety Assurance Board was aware of the performance information that it should be receiving.
- Policies to be explicit about the cycle/timeframe for monitoring and audit.

6.36 It was noted that there were operational differences in respect of the Lift Safety Management Policy as it focussed on effective contract management, which meant that there was an interface with the Corporate Landlord and Property (CLP) Team and the potential risk of blurred responsibilities. This has been discussed in detail at a recent meeting of the Building Safety Assurance Board and work was ongoing to establish a 'Service Level Agreement' with the CLP Team to ensure clarity on roles and responsibilities and to ensure compliance with the relevant health and safety guidance.

Members were informed that:

- The legal requirement under the health and safety guidance related to commercial passenger lifts and the Lift Safety Management Policy did not cover domestic lifting equipment or hoists. A separate piece of work was being undertaken on this and a policy for domestic lifting equipment would sit beneath/be appended to the main Lift Safety Management Policy.
- Ultimately the legal responsibility lay with the Council as the Registered Provider/Landlord. The CLP function was, in effect, a third party and Homes and Neighbourhoods would manage the supply chain.
- An annual check would be undertaken to provide assurance that the CLP Team was keeping the records that would be needed to demonstrate full compliance at any point in time.

The Panel stressed the importance of transparency in respect of the servicing of domestic lifting equipment and the need for 'this is what we will do,' 'this is the frequency' and 'this is how we will monitor' to be defined within the policy.

Risk

6.37 In September 2021 the Panel received a report providing an overview of the risk management framework being used to identify, monitor and mitigate risks across all six of the key compliance areas. Risk was subsequently discussed on a number of occasions throughout the Panel's work.

The Panel discussed whether the analysis of relative risk and the use of the five-by-five matrix scoring system was sophisticated enough to inform the prioritisation of actions and measure the effectiveness of the mitigations in terms of likelihood and impact. It was suggested that this would be impacted by the level of detail of the control measures being used; whilst likelihood should decrease it may be that impact would not.

The Panel considered that it would be helpful for a narrative to sit alongside the compliance dashboard so that there was sight of the level of risk of the actions completed and those not yet completed; this would assist the Building Safety Assurance Board in having sight of any key actions.

6.38 In November 2021, as part of the report in respect of the medium and low risk fire risk assessment works to low rise blocks, information was provided in respect of on-going mitigation measures to the highest risk blocks until work packages were complete.

In response to questions to officers about the level of risk, how the priority order was assessed and how the works would be discussed with tenants and elected members, it was explained that the six-storey blocks would be dealt with first due to the higher level of risk. Focus would then move to the retirement living schemes and then to the balance of 834 blocks lower than six storeys.

In terms of timeframe and methodology for establishing the programme this was being developed. The six-storey blocks would be tackled first and the profile of residents and leaseholders, including anyone with a Personal Emergency Evacuation Plan (PEEP), and the condition of the building and structure, would be used to establish the approach. Once on site with the six-storey works the retirement living schemes would be assessed and risk profiling carried out and from there the focus would move to the forward plan for the remaining low-rise blocks.

6.39 Liaison took place with West Yorkshire Fire and Rescue Service on a monthly basis and assurance had been received that, in the event of an incident at Berry Brow, five units with high reach facility would be deployed to reach the top floor. The Authority was confident that a quick response could be made. Person-centred risk assessments were also being carried out so that the flat numbers of people who would need additional support, in the event of a fire, could be shared with the Fire Service.

Audit

6.40 In December 2021 the Panel was informed that the Audit Plan for the next three years was currently with Internal Audit for sign-off and in early March 2022 the plan was shared with them.

It was explained that this was a living document, which would evolve over time.

The following points were noted:

- Gas Safe would be undertaking an inspection at the end of March. These were undertaken on periodic basis, using a risk-based approach. It had been four years since the last one and it was believed that this indicated that the Authority was considered to be at a low level of risk.
- Mazars would undertake another audit in 2022/23 and there would then be a review of how the current co-sourced arrangement would continue.
- Final sign-off of the Mazars 2018 Compliance Audit and the audit undertaken by RMS would also be sought.
- Inspection and re-inspection programmes were in place and this was reflected in the Health and Safety Compliance Scorecard. The Authority was aware of all the assets that would require inspection.
- There were two streams of remedial actions – the catch-up programme and a real-time programme which was comprised of those remedial actions identified through the constant cycle of inspections and which would be undertaken in accordance with the prescribed standards, subject to resource issues.

Staffing

6.41 Issues in respect of recruitment and retention were considered throughout the Panel's work.

At an early stage the Panel were informed that, alongside the transfer of existing compliance staff from Kirklees Neighbourhood Housing, there were plans to build additional capacity within a specialist building safety team.

The Panel was updated at various points and were advised that recruitment was proving challenging for a number of reasons including the pressure on the sector at a national level and the significant competition for people with the relevant technical and specialist skills.

In February 2022, it was reported that an assessment of capacity was being undertaken as it was recognised that the effective management of contracts was critical to successful delivery and assurance.

In April and May the Panel again discussed the issue of recruitment and retention and were told that this continued to be a significant challenge. The approach had been reviewed and creative and longer-term solutions considered, including the development of a graduate programme and apprenticeship opportunities.

The structure was further reviewed in July and recruitment continued to be challenging. Consultants were being used to provide the necessary specialist technical advice and support, design services and project management to support programme delivery.

Members noted that whilst workload and salary were key motivators, it was believed that visibility of the good work being undertaken would give confidence to potential employees as well as tenants and existing staff.

Smoke Detectors/Carbon Monoxide detectors

6.42 The Panel were informed at an early stage that detectors were already in place in buildings where there was a solid fuel appliance and consideration was being given to the introduction of detectors to all Council owned domestic properties.

In respect of the anticipated change to regulatory requirements for the provision of smoke alarms and carbon monoxide detectors in social housing (The Smoke and Carbon Monoxide Alarm (Amendment) Regulations 2022 would come into force on 1 October 2022), the Panel was told, in March 2022, that this work had been agreed as a priority by the Building Safety Assurance Board. The initial installation of carbon monoxide detectors would be battery-powered models, with a five-year battery and replacement with hard-wired equipment would be undertaken as part of future electrical testing programmes.

The Panel noted that, due to the short timescale for implementation and issues with supply associated with the spike in demand, it was anticipated that a significant number of social housing providers would not be compliant by 1st October 2022 and would be self-referring to the Regulator.

No Access Properties

6.43 The Panel discussed the issues associated with properties where the Authority had experienced difficulties in achieving access to undertake the necessary gas and electrical inspections, on a number of occasions.

Various options were used to try and gain access and, where these failed, a legal process was followed. In recent times powers under the environmental protection regime had been used, with Court rulings on the use of this route being increasingly positive.

The Panel noted that the significance of the no-access properties would become greater as more of the outstanding works were completed. They were told that the relevant officers were aware of the urgency, and the numbers in respect of gas safety inspections were decreasing. The numbers for electrical safety inspections had reduced but then increased again as the cycle of inspections continued. Dealing with these tenants/leaseholders required a multi-disciplinary approach and could be a lengthy bureaucratic process.

6.44 At the end of March 2022, the Panel received a detailed briefing note which set out the process and progress in respect of no-access for gas and electrical safety checks and fire protection measures in tenanted domestic properties.This included an update on the current figures.

Officers from Legal and Environmental Health attended the meeting to discuss the issue with the Panel. Amongst other things it was explained that:

- Environmental Health had a dedicated team who were working to try and ensure that full compliance would be achieved by the time the five-year requirement for electrical testing became enforceable.
- Analysis would be undertaken to try and establish if there were any patterns in terms of these properties and if anything could be done to address recurring issues.
- The legal department did not report to the Housing Advisory Board on progress. The process was managed by Environmental Health.
- A collaborative approach was taken and, in most cases, issues around access were resolved before enforcement action was needed.
- There was a strict timescale that was followed in respect of the Environmental Protection Act process and this would only change if there was an availability issue for officers and service engineers in attending to gain entry, further to a warrant being granted.

The Panel considered that the approach being taken was proactive and it was anticipated that positive results would be seen through performance reporting in due course.

6.45 In May the Panel noted that significant progress had been made in the last couple months in respect of no access cases related to electrical and gas safety.

6.46 The Authority should be alert to the possibility that, should access be required to properties for activities/works other than overdue electrical or gas checks, further legal opinion may need to be sought on the use of powers under the Environmental Protection Act 1990 to obtain warrants for this purpose.

Other Information

6.47 Over the course of its work the Panel also requested, and gave consideration to, additional background information including:

- Fire Safety Champion Training, Induction and Promotional Material
- The TAGP Action Tracker
- Staff Skills and Competencies Framework
- Examples of communications with tenants of the high-rise blocks
- The Tenant Involvement Framework
- The Tenant Involvement Strategy
- Updates in respect of gas and electrical testing
- The Compliance Smartsheet
- The Building Safety Structure
- Matrix of Regulatory Requirements.

7. FINDINGS

7.1 TOR 1 - How the health and safety regime adopted by the Authority supports compliance with regulatory standards and puts appropriate risk mitigation strategies in place to ensure the health and safety of tenants.

7.1.1 The Panel was provided with a matrix which set out the specific regulations for the six main areas of compliance and the position in respect of the policy, procedures, data, performance, assurance and resources for each. The Panel noted the importance of there being a clear timetable for internal audits for each of the compliance areas and for independent audit to be undertaken at appropriate intervals.

7.1.2 The fundamental building blocks were in place in terms of policies, processes and audit. A number of amendments to the policies had been identified which should be undertaken at the earliest opportunity. To demonstrate compliance with all the relevant legislation and regulatory standards the policies must be kept up to date and treated as living documents. The Panel did not have sight of further revisions of the policies to include its recommendations, or the underlying procedural management documents, prior to compiling this report.

7.1.3 The current focus for the Authority was the recommendations from the Mazars and RMS compliance reviews. There would be a need to further develop systems to move forward, further to completion of the recommendations, and ensure that compliance was embedded in normal working practices.

7.1.4 It would be good practice to obtain an independent audit to confirm successful completion of all recommendations.

7.1.5 Risk mitigation had been put in place at the high-rise buildings with a rigorous programme of Type 1 Fire Risk Assessments (FRAs), several Type 4 FRAs, daily, weekly and monthly fire safety checks and a 24 hour, 7 days a week patrolling watch.

7.1.6 The six-storey blocks and retirement living schemes had been reviewed with West Yorkshire Fire and Rescue Service. Detailed fire engineering and structural surveys were to be undertaken to inform programmes of remediation. Weekly fire checks were being undertaken and fire safety related repairs responded to within three hours. Type 1 Fire Risk Assessments were fully up to date.

7.1.7 The remaining low-rise blocks were subject to ongoing Type 1 FRA inspections which were fully up to date. A desktop assessment was being undertaken of all these blocks to review the condition of the building fabric, structure and

services, in preparation to commission further intrusive surveys where a building defect or a potential for risk was identified.

7.1.8 The Panel ascertained that the Service Director – Homes and Neighbourhoods would be the named individual holding responsibility for health and safety compliance, as required by the White Paper.

7.2 TOR 2 - The six compliance areas: Fire; Gas; Electrical; Asbestos; Legionella; and LOLER (lifts) and the steps being taken to keep tenants safe.

7.2.1 The Panel considered each of the six compliance areas including reviewing the policy in each case. They received and reviewed performance reports in relation to all six areas at every meeting between November 2021 and May 2022

7.2.2 Aside from the amendments recommended for the policies across the board, the Panel identified minor additions/amendments in relation to each policy that were taken on board by officers.

7.2.3 The training provided to the Panel by Savills had been invaluable in enhancing their understanding of the necessary elements for a robust compliance regime across all areas. The training had subsequently been shared with officers within the Compliance Team and would be of value to anyone involved in this area of work.

7.2.4 A programme of remediation works to the high-rise blocks was ongoing and plans in place to replace two of the blocks with new build accommodation.

At its last meeting, the Panel received a graph to illustrate the progress made and direction of travel in respect of the completion of the high-rise high-risk actions since the Panel commenced work and it was noted that good progress was being made.

7.2.5 A programme to implement remediation measures to the six-storey, retirement living schemes and low-rise blocks was in development.

7.2.6 Work was underway to move the Authority to a five-year electrical testing regime and to install smoke and carbon monoxide detectors to all properties as a priority.

7.2.7 Work was ongoing to establish a ‘Service Level Agreement’ with the Corporate Landlord Team to ensure clarity on roles and responsibilities in respect of lift safety and to ensure compliance with the relevant health and safety guidance.

7.3 TOR 3 - The impacts of the Social Housing White Paper, Draft Building Safety Bill and Fire Safety Bill 2019-21 for tenants.

7.3.1 The Panel heard that new and emerging legislation and regulation would have a wide-ranging impact for tenants in terms of:

- Safer housing and improved standard of buildings.
- Increased transparency and accountability.
- More effective complaint resolution.
- Strengthened consumer standards and a more pro-active enforcement regime.
- Provision of good quality, decent homes and neighbourhoods.

7.3.2 It was important that the Authority continued to maintain awareness of changes in legislation, translating this through to the Key Performance Indicators and keeping the policies up to date, in order to continue to provide assurance in the future.

7.3.3 Work was underway to move the Authority to five-year electrical testing regime.

7.3.4 The installation of smoke and carbon monoxide detectors to every property was in progress.

7.3.5 The Panel had been assured that this task had been designated as a priority by the Building Safety Assurance Board but had not had sight of the implementation plan and timescales. It was suggested that these should be subject to scrutiny and that it should be confirmed that the Regulator would be informed if the Authority would not be compliant by the time the regulations came into force on 1st October 2022.

7.4 TOR 4 - Progress in relation to the Ad Hoc Scrutiny Panel in respect of the Future Arrangements for the Council's Residential Housing Stock's recommendation that an Assurance Board be established focussing on housing compliance.

7.4.1 The Panel were informed of the new governance arrangements introduced in the Homes and Neighbourhoods Service, which included the Building Safety Assurance Board.

7.4.2 The Panel had been a shown a matrix, use of which could provide assurance of an effective compliance system (attached at Appendix 2). It was considered that the Building Safety Assurance Board would be well advised to make use of this tool.

7.4.3 In terms of holding decision-makers to account, the Panel recognised that it was important that confidentiality was not compromised, and any commercial considerations were taken into account, but considered that there had to be a balance between this and the need for the transparency required for scrutiny. It was noted that the work of the Building Safety Assurance Board and the Housing Advisory Board was not currently visible to the majority of Elected Members or the wider tenant population and considered that this should be addressed.

7.4.4 Whilst the current compliance recovery programme was ongoing it was considered that a regular progress report should be provided to the Cabinet.

7.5 TOR 5 - Feedback from the Regulator and how that is being progressed.

7.5.1 The Panel was kept informed in relation to the ongoing and regular dialogue with the Regulator including:

- Self-referral and notification of the findings of investigations into the high-rise blocks in January 2021.
- The Fire Risk Assessment Actions Update, on a monthly basis.
- Report in respect of the ongoing steps taken to mitigate risk and to provide assurance to the occupiers of each affected block.
- Updates, including a risk assessment, in respect of the impact of market pressures on the timetable and agreement that the compartmentation works at Harold Wilson Court would be undertaken as part of the main contract for the other remediation works.
- Notification of a delay to the compartmentation works at Berry Brow; the Regulator had recognised that the contract was being let and the challenges being faced due to the market conditions and staffing position.

The Panel was told that the Regulator was aware that the authority had the risks in view and the appropriate risk mitigants in place.

7.5.2 The Regulator had stressed the importance of governance and the role and clear responsibility for Elected Members in ensuring appropriate oversight and responsibility in terms of the health and safety of their tenants. Members needed to ensure that they were aware of their obligations and how they should be fulfilled.

7.5.3 The Regulator had been updated about the authority's plans to re-assess the programme of implementation in light of the ongoing challenges with resources, capacity, supply chains and contractual issues. The Panel agreed this approach was the correct one in the circumstance, considering the breadth of resources needed to deliver, the need to manage the audit trail effectively, the importance

of ensuring that the necessary detail was recorded and that it could have confidence in its systems going forward, and the necessity for a robust and diligent procurement strategy for such a large undertaking.

7.5.4 The Panel had been given verbal reassurance that open and honest communication was being undertaken with the Regulator on a regular and ongoing basis. They were aware that Building Safety Assurance Board received updates on correspondence undertaken with the Regulator.

7.6 TOR 6 - Governance and ensuring that a sustainable and adaptable system is in place to ensure that safety is embedded for the future.

7.6.1 The Panel were informed of the new governance arrangements introduced in the Homes and Neighbourhoods Service, since the transfer of the housing management and maintenance services from Kirklees Neighbourhood Housing in April 2021 (See diagram at Paragraph 6.23).

7.6.2 Throughout their work they had sight of the:

(a) **Compliance Scorecard**
Health and Safety Compliance Scorecard, setting out the position in respect of each of the big six compliance areas for inspections, and remedial actions for Fire Risk Assessments and Asbestos.

(b) **Compliance Review Dashboard**
illustrating the position in respect of the 55 compliance recommendations. The dashboard was underpinned by a detailed 'smartsheet' which detailed all the actions and sub-actions; this was a working document used as the operational management tool to review progress.

(c) **Update on the Fire Risk Assessment (FRA) Actions Programme (High Rise)**
as provided to the Regulator, which set out the current performance in respect actions arising from FRAs.

7.6.3 Throughout its work, recommendations from the Panel were taken on board for future reports, such as the addition of a further column to the Compliance Scorecard to indicate the direction of travel.

7.6.4 The Panel discussed the governance arrangements and the compliance system being put into place on numerous occasions and found that:

(i) A wider breadth of key performance indicators would be beneficial, for example related to the new smoke detector legislation.

(ii) It is considered good practice for key performance indicator data to be compiled by officers/individuals other than members of the compliance team to maintain and demonstrate independence and ensure integrity of the data.

(iii) The Authority was well aware that the relevant IT systems needed to be updated. Manual workarounds had been identified and were being used but the quality and integrity of this data was absolutely essential in order to ensure compliance. The challenges associated with this and the need to take care to ensure that the systems that are implemented are fit for purpose were acknowledged. There may be an argument for implementing an IT system in the short term that would allow the authority to manage the actions related to fire safety and ensure they were all being captured correctly.

(iv) The high-rise actions being deemed to be the first priority was correct.

(v) It was not able to comment on the programme of low-rise works as it had not had sight of this at the time of writing this report or been apprised of the detail of how these works were to be prioritised. It considered that this programme should be subject to scrutiny at an appropriate point.

(vi) There are ongoing issues in respect of the recruitment and retention of staff. This is an issue being experienced on a national scale in the relevant areas of technical expertise, and against the backdrop of general challenges in recruitment and retainment in the public sector and beyond. The Authority was making efforts to address the challenges through pursuing a graduate development programme.

(vii) The policies for each of the 'big six' had been updated but did not include a number of relevant, important elements to assure ongoing compliance, as set out below:

- Add appropriate wording to all policies to confirm that remedial actions will be undertaken within the relevant timescale (which would be set out within the detailed underlying procedure), in order to be clear that this is a requirement and as a matter of good practice.
- Add a statement to all policies to the effect that the Authority will handle the recording, management and validation of compliance data to ensure that it enables accurate and reliable reporting and offers assurance to the appropriate places.
- Inclusion of a list of the key performance measures that will be used within the policy, with how they will be calculated and any further detail being included within the underlying procedure. This would assist in providing a golden thread through policy to procedure to performance.
- Policies to be explicit about the cycle/timeframe for monitoring and audit, including independent third-party audit.
- Inclusion of relevant staff competency levels and minimum levels of qualification and a commitment to keep people trained and up to date as requirements change.
- Inclusion of a Compliance Statement to confirm the position on each commitment within the policy, on an annual basis. The statement should be detailed; identify all the individual policy requirements and

against each requirement set out; how it is being delivered; identify any gaps in delivery; and confirm if the organisation is compliant with policy requirements. It should ensure that this can be thoroughly evidenced.

(viii) It was essential that the policies were maintained as living documents, reviewed on a regular basis.

(ix) There should be a commitment to report to Cabinet a minimum of once per annum.

(x) The risk register may not be being used as effectively as it could and analysis, particularly of risk likelihood, could be improved.

(xi) It would be beneficial to undertake an independent technical audit, through adding sampling of data to the validation process, this would add another layer to the quality assurance.

(xii) An independent external audit should be programmed at a regular frequency, as a matter of good practice.

(xiii) It would be helpful for an oversight of responsibilities in this area to be part of the training for a range of people across the organisation to reflect and raise awareness of the collective responsibility in terms of health and safety compliance. This should be undertaken on an annual basis. This would be of particular importance for members of the Cabinet who needed to be assured that there was sufficient management insight and control over all the elements needed for a safe system; they should be aware of when the policies were last reviewed, and what the scope and timings were for the internal audit cycle.

(xiv) The legal options available to the Authority to address the issue of properties where the Authority had been unable to gain access to undertake the necessary inspections had been looked at creatively and pro-actively; a clear process was in place and this was important to ensure a consistent approach was being pursued. It appeared that the necessary resourcing for this work was in place and good progress had been made in reducing the numbers of no-access properties since January 2022.

The timings were clearly specified for the legal part of the process but there was no visible workload monitoring in terms of how long it then took for the team to be able to process the cases between each stage. It is good practice for reporting on overdue cases and how long they have been overdue to take place on a weekly basis and this would also pick up the workload monitoring.

As progress was made and the action taken publicised, this would help tenants to understand the importance of allowing access. The significance of the no-access properties would become greater as more works were completed.

(xv) The data in respect of no access properties was not fed into the reporting structure and not visible to the Building Safety Assurance Board.

(xvi) Once the work to respond to the Mazars and RMS recommendations was complete there would be a need to ensure that the procedures were effective to maintain ongoing compliance and to embed them within the organisation.

7.6.5 The Panel did not have sight of the amended policies, amended to reflect its recommendations, or the underlying procedural documents, prior to completing its work and considered that these should be subject to scrutiny at the earliest opportunity. The procedural documents should provide clear, detailed, end-to-end processes and procedures to bring the policy commitments to life and embed them within the organisation. This should include the identification of a requirement for an inspection/service through to remedial works, sign-off and quality inspection post-completion.

7.6.6 It would be beneficial for there to be wider political oversight and broader visibility of the governance process.

7.7 TOR 7 - Engagement with, and provision of information for, tenants on health, safety and compliance issues.

7.7.1 The Service Director – Homes and Neighbourhoods would be the named individual required by the White Paper. This person should be visible and accessible to tenants, alongside fulfilling the expectation for enhanced two-way communication with tenants in respect to landlord health and safety obligations and how these will be met.

7.7.2 The Panel made some recommendations for immediate action throughout the process, which were taken on board by officers. These included:

- There should be a review of how messages around enforcement are communicated to all tenants, with a focus on being sensitive to different residents' vulnerabilities.
- Communications being provided for tenants and Ward Councillors in early 2022.

7.7.3 The Engagement Strategy was based on a friendly and restorative approach with a focus on face-to-face engagement where possible. It aimed to give a stronger voice to tenants.

7.7.4 There was also a dedicated Fire Safety Engagement Team who had a visible presence across the blocks.

7.7.5 The Panel saw examples of the newsletters being provided to tenants at the high-rise blocks on a bi-monthly basis and considered them to be of good quality (example attached at Appendix 3), these were also sent to Ward Councillors. They were also informed about the quarterly surveys sent to tenants, improvements to noticeboards and signage, the provision of information on the website including fire risk assessments, maintenance information and information animations, and how social media was used to communicate with tenants.

The Panel welcomed the provision of such communications and stressed that this approach should continue across all programmes of works.

7.7.6 From the Panel's observations the Tenant Advisory and Grant Panel (TAGP) was working effectively, assisted by a strong Chair. The channels of communication with the TAGP and the tenant members of the Housing Advisory Board were well established and working well. Relationships between the Panel members and officers were good.

7.7.7 The Panel would like to encourage communication between the HAB and TAGP members to help achieve a mutual in-depth understanding of the work of each of these panels and in the interests of information sharing, which may benefit the effectiveness of the governance process.

7.7.8 It was considered that there could be a better communication with ward councillors about activity within their wards, and opportunities provided for them to get answers to any questions they may have about how the tenants in their wards might be affected by programmed works. Local people, including tenants, had an expectation that their local councillors would be aware of what was going on in their area. Housing officers might be considered as an appropriate channel for such communication.

7.7.9 The Fire Safety Champion initiative was welcomed in principle, as a positive method of engagement, enhancing awareness and promoting fire safety. As the initiative was at an early stage it was suggested that an update be provided to scrutiny in due course to assist in assessing its impact.

Officers had shown an awareness of the possible barriers to people volunteering for this role and were prepared to be flexible and supportive to assist individuals who may be interested.

7.7.10 In light of the numerous changes in legislation and mobility of tenants it was important that communications were sustained. The language used needed to be accessible and relatable. The White Paper referred to checking understanding with residents and it was noted that members of the Tenant Advisory and Grant Panel (TAGP) had been asked to review documents, such as letters to tenants and newsletters, to assist in this.

7.7.11 The number of tenants and residents' associations had diminished so careful consideration was needed in respect of how communication took place with the broader tenant population. It did not appear that there were any established channels in place for members of the TAGP or tenants' groups to communicate more widely and, from the Panel's observations, this appeared to be done on an informal basis.

7.7.12 In the past, if significant works were due to take place in an area a pre-contract meeting had taken place including tenants, contractors, ward councillors and housing officers. These provided an opportunity to discuss dates for works, expectations and useful information but also gave members of the public the chance to share information that might be useful. The resumption of this practice would be valuable and would back-up the philosophy of working *with* people not *doing to*. In addition, a contact number should be provided for people to ring in case of any issues or concerns; this should be available at all times that work was to take place.

8. RECOMMENDATIONS

1. Integrity of the data is fundamental to an effective system of compliance. The acquisition of suitable IT systems should be a top priority to ensure that the data collected is of good quality and can provide the necessary assurance in respect of compliance. It is acknowledged that it is essential that the need for this to be undertaken at pace does not outweigh the necessary level of diligence to ensure that the systems that are introduced will be effective and robust both for the present and the future.

2. The policies for all six compliance areas should be updated, at the earliest opportunity, to include:

   a) Appropriate wording to confirm that remedial actions will be undertaken within the relevant timescale (as set out within the detailed underlying procedure), in order to be clear that this is a requirement and as a matter of good practice.
   b) A statement to the effect that the Authority will handle the recording, management and validation of compliance data to ensure that it enables accurate and reliable reporting and offers assurance to the appropriate places.
   c) A comprehensive list of the key performance measures that will be used, covering the breadth and depth of landlord responsibilities, (with how they will be calculated and any further detail being included within the underlying procedure). This will assist in providing a golden thread through policy to procedure to performance.
   d) Explicit commitments in respect of the cycle/timeframe for monitoring and audit, including independent third-party audit, to ensure that the policies are maintained as living documents.
   e) Relevant staff competency levels and minimum levels of qualification, alongside a commitment to maintain training and knowledge as requirements change.
   f) A Compliance Statement to confirm the position on each commitment within the policy, updated an annual basis.

3. There should be clear delineation between those officers that produce the performance data and the Compliance Team to demonstrate independence and better ensure integrity of data. Consideration should also be given to the addition of sampling of data, by an independent source, to the validation process to add another layer in respect of quality assurance.

4. The Building Safety Assurance Board should consider using the effective compliance system matrix (Appendix 2) and should ensure that the policies are regularly reviewed to ensure that they remain fit for purpose.

5. That consideration be given to the need for wider political oversight of the work being undertaken by Housing Advisory Board.

6. That progress updates be provided to the Cabinet on a regular basis whilst the current compliance recovery programme is ongoing.

7. Whilst it is recognised that there is a balance to be achieved between the transparency required for scrutiny and the maintenance of confidentiality in certain circumstances, consideration be given to the wider visibility of the work of both the Building Safety Assurance Board and the Housing Advisory Board.

8. That consideration be given to whether the Authority currently has sufficient project management and risk management expertise for the scale of the recovery programme and to a more systematic and detailed assessment of risk likelihood.

9. That the Authority should ensure it remains cognisant of the ongoing risks to work programmes associated with the pressure on supply chains and challenges in recruitment and retention and regularly reviews its priorities accordingly.

10. That training in respect of implementing and maintaining a robust compliance regime and the responsibilities arising from this, similar to that provided to the Panel, should be mandatory for all Cabinet Members, other Councillors, and existing and new members of staff within the relevant disciplines, and refreshed at regular intervals. That appropriate training should also be made available for members of the Tenant Advisory and Grant Panel and the tenant members of the Housing Advisory Board.

11. The importance of the pivotal role of Councillors within their communities should be recognised and stronger communication links established to ensure that they are aware of any issues in their ward, in particular any works proposed, scheduled or ongoing to any Council-owned social housing. Consideration should also be given to the introduction of pre-commencement briefings, for significant projects of work, involving ward councillors, tenants, contractors and housing officers.

12. Data in respect of no access properties should be fed into the reporting structure to ensure visibility. A weekly report focusing on overdue cases and how long they have been outstanding will aid in workload management.

13. Independent audit/assessment should be undertaken to confirm completion of the Mazars and RMS recommendations, and an independent external audit of the compliance framework should be programmed at a regular frequency to ensure that compliance levels remain high and that current best practice is being followed.

14. That a ‘Service Level Agreement’ be established with the Corporate Landlord and Property Team to ensure clarity on roles and responsibilities and to ensure compliance with the relevant health and safety guidance in respect of lifts.

15. That the effective communication and engagement with tenants be maintained throughout the ongoing programmes of work.

16. That updates in respect of the information set out below be submitted for scrutiny by an appropriate governance body:

    (i) The amended policies, including the full range of Key Performance Indicators and underlying procedural documents, at the earliest opportunity.
    (ii) The implementation plan and timescales for the installation of smoke and carbon monoxide detectors in all properties, to include confirmation that the Regulator has been/will be informed if the Authority will not be compliant by the time the regulations come into force on 1st October 2022.
    (iii) The detailed programme of works to the low-rise buildings.
    (iv) A review of the role of the Fire Safety Champions.
    (v) The position in respect of recruitment, retention and supply and the impact on work programmes,

    and that a report be submitted to the to the Overview and Scrutiny Management Committee to provide an update in respect of progress of the implementation of all the Panel’s recommendations in twelve months’ time.

17. That the Authority ensures that a robust procurement strategy is in place for the remaining packages of fire safety works.

9. Action Plan

Directorate and Cabinet Member asked to coordinate the response to the recommendation	Councillor C Scott/ Growth and Regeneration				
No.	**Recommendation (For full text see Section 8 of the report)**	**Accepted / not accepted**	**How it will be implemented**	**By who**	**When**
1	*The acquisition of suitable IT systems should be a top priority to ensure that the data collected is of good quality and can provide the necessary assurance in respect of compliance*	Accepted	The H&N is currently replacing its housing management system and once complete, replacements for the Asprey asset system and Total repairs system will be undertaken. This forms part of the overall council system replacement strategy with the provisions for capital expenditure already allocated in the Business Plan. It is anticipated that new housing management system will 'go live' in summer 2023 with the replacements for asset management and repairs systems to follow in the subsequent 2/3 years	Hannah Elliot (Asprey) David Brook (Total)	2025/26
2	*The policies for all six compliance areas should be updated, at the earliest opportunity*	Accepted	The current policies were reviewed and updated in the first half of 2022. The service is currently commissioning external consultancy support to review and update the management plans to ensure they flow from these policies. Any updates required to the policies will be undertaken as part of this piece of work	Eric Hughes	July / August 2023
3	*There should be clear delineation between those officers that produce the performance data and the Compliance Team to demonstrate independence and better ensure integrity of data. Consideration should also be given to the addition of sampling of data, by an independent source, to the validation process to add another layer in respect of quality assurance*	Accepted	Separation of duties is a core principle of internal controls and assurance. Recruitment is ongoing to new performance reporting roles to support this principle. An internal audit has been commissioned to review the integrity of the production of key performance indicators highlighted in the RMS consultant's report. The outcome of this audit is anticipated January 23. Further audits will be built into our audit programme.	Hannah Elliott (reporting) Eric Hughes (Audit Programme)	 March 2023
4	*The Building Safety Assurance Board should consider using the effective compliance system matrix (Appendix 2) and should ensure that the policies are regularly reviewed to ensure that they remain fit for purpose.*	Accepted	The appendix will be presented to the January meeting of the BSAB for their consideration and adoption with immediate effect.	Eric Hughes	January 23

5	*That consideration be given to the need for wider political oversight of the work being undertaken by Housing Advisory Board.*	Accepted	The H&N governance arrangements have recently been undertaken by David Tolson Partnerships. The review recommends the establishment of a H&N Improvement Board with this board including a political constituency to strengthen the political oversight of the service	Eric Hughes	April 23
6	*That progress updates be provided to the Cabinet on a regular basis whilst the current compliance recovery programme is ongoing*	Accepted	An update on the H&N compliance programme and transformation plan was given to the newly established Cabinet Assurance Board in October 2022. Updates will be provided to CAB on a quarterly basis	Hannah Elliott	
7	*Whilst it is recognised that there is a balance to be achieved between the transparency required for scrutiny and the maintenance of confidentiality in certain circumstances, consideration be given to the wider visibility of the work of both the Building Safety Assurance Board and the Housing Advisory Board*	Accepted	This links to the wider governance review and the move to a H& Improvement Board with wider political representation. The BSAB will report into this newly constituted body which is anticipated to be established by April 2023	Eric Hughes	April 23
8	*That consideration be given to whether the Authority currently has sufficient project management and risk management expertise for the scale of the recovery programme and to a more systematic and detailed assessment of risk likelihood*	Accepted	The H&N Service has recently reviewed this and has appointed a Risk Manager, continues with recruitment efforts to secure project managers and a Senior Programme Manager and has engaged Project Management skills from the wider corporate structure e.g. IT, Transformation and the G&R Project Management Office to support it in its building safety compliance / improvement journey	Hannah Elliott (Project Management) Eric Hughes (risk likelihood)	 March 23
9	*That the Authority should ensure it remains cognisant of the ongoing risks to work programmes associated with the pressure on supply chains and challenges in recruitment and retention and regularly reviews its priorities accordingly*	Accepted	The H&N Asset and Building Safety team are regularly reviewing supply chain challenges and adjusting programmes accordingly. They are also developing an approach to engage contractors in a regular forum where pipelines and the council's approach can be shared. Recruitment and retention remain a challenge in the current marketplace and is identified as a key strategic risk in our risk register	Hannah Elliott	

10	*Mandatory training in respect of implementing and maintaining a robust compliance regime and the responsibilities arising from this, for all Cabinet Members, other Councillors, and existing and new members of staff within the relevant disciplines, refreshed at regular intervals. Appropriate training for members of the Tenants Grants and Advisory Panel and the Housing Advisory Board*	Accepted	New and existing staff are required to undertake a range of compulsory compliance training dependant on their job role. This ranges from manual handling and working at height to fire risk assessment and gas safe certification. Training is delivered to statutory requirements and at recommended intervals. The service is consulting with the Portfolio Holder and Council Governance colleagues as to how best to facilitate the training of councillors in building safety matters. Once the new H&N Improvement Board and Tenants Voice Panel are established Building Safety compliance training will form part of their induction & development programme	David Brook (staff) Eric Hughes/ Sam Lawton (Councillors) Eric Hughes (H&NIB / TVP)	Ongoing July 2023
11	*The importance of the pivotal role of Councillors within their communities should be recognised and stronger communication links established to ensure that they are aware of any issues in their ward, in particular any works proposed, scheduled or ongoing to any Council-owned social housing. Consideration should also be given to the introduction of pre-commencement briefings, for significant projects of work, involving ward councillors, tenants, contractors and housing officers*	Accepted	H&N recognises the role that ward councillors play in both representing their communities and the council's services of which H&N is a part. Wherever major building safety projects or initiatives are planned H&N will engage with councillors as key community stakeholder and representatives of the Council to ensure a constructive and active communication is established in a timely manner.	Michelle Anderson Dore	
12	*Data in respect of no access properties should be fed into the reporting structure to ensure visibility. A weekly report focusing on overdue cases and how long they have been outstanding will aid in workload management*	Partially Accepted	Reporting on no access properties is currently fed into the reporting structure on a monthly basis due to the manual nature of the data collection process. Reporting on no access properties and where they are in the legal process will form part of the specification for our new IT systems	David Brook	ongoing

13	*Independent audit/assessment should be undertaken to confirm completion of the Mazars and RMS recommendations, and an independent external audit of the compliance framework should be programmed at a regular frequency to ensure that compliance levels remain high and that current best practice is being followed*	Accepted	At the time of writing some 79% of the recommendations made by RMS and Mazars are complete. As previously mentioned, an internal audit will soon commence into the data validation and compliance reporting framework identified in the RMS consultant's report. Additionally, stock condition data validation has recently been completed by external consultants. A tender has been prepared to commission a suitably qualified and experienced firm to undertake a building safety data validation audit for H&N.	Eric Hughes	April 23
14	*That a 'Service Level Agreement' be established with the Corporate Landlord and Property Team to ensure clarity on roles and responsibilities and to ensure compliance with the relevant health and safety guidance in respect of lifts*.	Accepted	The service is working with colleagues in Corporate Landlord service to agree a set of Service Standards for the delivery of passenger lift servicing and repair. When ready they will be presented to the BSAB for review	Hannah Elliott	
15	*That the effective communication and engagement with tenants be maintained throughout the ongoing programmes of work*	Accepted	Communication with tenants is crucial to the effective delivery of our compliance programme along with our wider housing management and maintenance services. A dedicated tenant engagement team has been formed to support our fire remediation programme supported by the wider tenant engagement team.	Michelle Anderson Dore	

16	*That updates in respect of the information set out below be submitted for scrutiny by an appropriate governance body:* *(i) The amended policies, including the full range of Key Performance Indicators and underlying procedural documents, at the earliest opportunity.* *(ii) The implementation plan and timescales for the installation of smoke and carbon monoxide detectors in all properties, to include confirmation that the Regulator has been/will be informed if the Authority will not be compliant by the time the regulations come into force on 1st October 2022.* *(iii) The detailed programme of works to the low-rise buildings.* *(iv) A review of the role of the Fire Safety Champions.* *(v) The position in respect of recruitment, retention and supply and the impact on work programmes,* *and that a report be submitted to the to the Overview and Scrutiny Management Committee to provide an update in respect of progress of the implementation of all the Panel's recommendations in twelve months' time.*	Accepted	These items are reported regularly to the Building Safety Assurance Board, that provides the oversight of the compliance related programmes. The potential risks to their delivery and recommendations for remedial action. If the Board has any concerns in relation to any programme it currently escalates these to both the Corporate Health and Safety Oversight Group and the Housing Advisory Board (and in the future to the new governance arrangement which will include political oversight). These arrangements feed into both the Cabinet Assurance Board and the Cabinet itself and add additional layers of oversight and assurance. An annual report on progress against all the actions in this action plan will be presented to Overview and Scrutiny Management Committee.	Eric Hughes David Brook Hannah Elliott Michelle Anderson Dore Hannah Elliott	Nov 23
17	*That the Authority ensures that a robust procurement strategy is in place for the remaining packages of fire safety works*	Accepted	The service continues to work with our corporate procurement colleagues to ensure our procurement activities deliver the desired outcomes for our compliance programmes	Hannah Elliott	ongoing

Appendix 2

COMPLIANCE PROFILE

	Gas Safety	Other Forms of Heating (Solid Fuel, Oil, Air/Ground Source etc)	Fire Risk Management (FRAs, Remedial Works, Cyclical Maintenance)	Asbestos Management (Communal Areas and Domestic Stock)	Electrical Safety (Communal Fixed Wire Electrical Testing, Domestic Fixed Wire Testing)	Water Safety Management (Legionella, Scalding)	Lifts Safety (Passenger, Chair, Stair, Lifting Equipment, Platforms /Hoists - LOLER & Servicing)
1. Policy							
2. Procedure and Process							
3. Data Control Governance/Management/							
4. Monitoring and Performance Reporting - KPIs Generated, Monitored and Internally Reported							
5. Assurance - via Governance Reports and Audits reported to Audit and Risk Committee (or equivalent) and Specific Risk Map content							
6. Assurance - Works-Based QA/QC Activities via Internal *and* External provision							

Kirklees COUNCIL

Homes & Neighbourhoods

AUGUST 2022 ISSUE 8

HOLME PARK COURT & BISHOPS COURT TENANT SAFETY NEWSLETTER

PERSON CENTERED FIRE RISK ASSESSMENTS

We have been undertaking Person Centred Fire Risk Assessments (PCFRA's) at both Bishops Court and Holme Park Court. The PCFRA helps identify tenants who are at higher risk from fire in their own home, whether this is due to their behaviours or ability to respond to a fire alarm. Thanks to your cooperation, we have been able to complete 72% of these assessments and we will now take the next steps to reduce any risk by providing interventions, guidance, and support.

If you feel that you or a friend/neighbour have any mobility, hearing or sight issues which would affect your ability to respond to the fire alarm, please contact the Fire Safety Engagement Team on 01484 414886 or **resident.firesafety@kirklees.gov.uk**.

BERRY BROW REGENERATION INFORMATION DAY

Homes & Neighbourhoods teams recently held an Information Day for tenants at Berry Brow high rise blocks to talk about the future plans of the flats.

We would like to thank you as more than half of the tenants living at Bishops Court and Holme Park Court turned up to speak to staff about their concerns or questions.

If you have more questions regarding the Regeneration of Berry Brow flats, please contact Michael Pogson on 01484 414886 or email **HNBerryBrow@Kirklees.gov.uk**.

OTHER NEWS

FIRE SAFETY IMPROVEMENT WORKS – COMMUNAL FIRE DOORS

The contractors will begin on site to finish installing the remaining communal doors and fix any snagging issues. The contractors will be wearing high vis and always displaying their ID.

Should you have any issues with the new fire doors, please contact either Charlotte Simpson, housing officer on 01484 414886 or **charlotte.simpson@kirklees.gov.uk**, or Simon Burluraux, special projects team leader on 01484 414886 or **simon.burluraux@kirklees.gov.uk**.

BIKE BINS AND MOTORCYCLE SHEDS

We have had several requests from tenants at Bishops Court and Holme Park Court for a bike bin or motorcycle shed. Unfortunately, they are all occupied, and several the bike bins and sheds have been abandoned.

The week commencing **5 September 2022**, we will start work to make some of the bin bins and motorcycle sheds free for use. This will be done by cutting the locks to open and dispose of any abandoned contents.

If you are using any of the bike bins or motorcycle sheds, then please can you contact Gary Millard on 01484 414886 or email **HNBerryBrow@Kirklees.gov.uk** to leave your contact details by **Monday 5 September 2022**.

THE COURTS TENANT AND RESIDENT ASSOCIATION – ANNUAL GENERAL MEETING

The Annual General Meeting for The Courts TRA will be held on **Monday 19 September 3.00pm-4.30pm** in the communal room on the Ground Floor at Bishops Court. Residents from Bishops Court and Holme Park Court are welcome to attend the meeting.

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Kirklees COUNCIL

Name of meeting: Cabinet

Date: 21 December 2022

Title of report: Community Asset Transfer of Ashworth Lodge, Moorlands Road, Dewsbury, WF13 2LD.

Purpose of report: This report requests that Cabinet considers and approves the Community Asset Transfer of Ashworth Lodge, Moorlands Road, Dewsbury, WF13 2LD to Ashworth New Lodge Community Interest Company.

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 Strategic Director & 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** – 06/12/2022 **Eamonn Croston** – 07/12/2022 **Julie Muscroft** – 09/12/2022
Cabinet member portfolio	**Cllr Paul Davies (Corporate)**

Electoral wards affected: **Dewsbury West**

Ward councillors consulted: **Cllr Ammar Anwar, Cllr Darren O Donovan, Cllr Mussarat Purvaiz**

Public or private: **Public**

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

1. Summary

1.1 Ashworth Lodge is located at Moorlands Road, Dewsbury, WF13 2LD. The freehold of the site is owned by the Council. Plan Reference 21-0194, which is attached in Appendix A, shows the boundary of the site indicated by a red line.

1.2 It is a small single storey building constructed on land acquired by the Council in 1937 for the purpose of an 'old folks meeting home and recreation room'. It is constructed of brick with a pitched tiled roof and UPVC windows and doors. The building is in good condition, although a programme of maintenance and modernisation works are required.

1.3 The property is currently vacant having previously been occupied by the Ashworth Tenants and Residents Association.

1.4 It is proposed that Ashworth Lodge is transferred to Ashworth New Lodge Community Interest Company (CIC) by way of a 125 year lease.

1.5 Ashworth New Lodge CIC are a new not for profit organisation who were first registered in 2021.

1.6 Core board members of the CIC have experience of the community asset transfer process and building management having successfully achieved an asset transfer of Chickenley Community Centre in April 2017. They have been wholly responsible for the management of the centre since then.

2. Information required to take a decision

Council Policy

2.1 The Council's Community Asset Transfer Policy was approved by Cabinet in September 2020. The Policy supports groups to transfer assets from the Council at nil consideration in order to further local social, economic and environmental objectives. A copy of the Community Asset Transfer Policy is attached in Appendix B.

2.2 The Policy allows for assets to be transferred either through a long-term lease or, in exceptional circumstances, a freehold transfer. Both options will normally be subject to covenants that restrict the use of the asset to community use. The Policy allows an element of commercial use if this is considered necessary for a successful business model. Commercial use of the asset will normally be restricted to a maximum of 30%.

2.3 In 2021 the Board Members of Chickenley Community Centre (Registered Charity 1123382) submitted an expression of interest for the transfer of Ashworth Lodge under the Community Asset Transfer Policy.

2.4 In line with the Policy, the Board Members were invited to develop a full application and business plan. These were in March 2022 by Ashworth New Lodge CIC, a new company set up by the Board Members to take the asset transfer forward. The business plan includes details of financial planning, the CIC's governance, policies and intended use for the asset.

2.5 The application and business plan have been assessed by officers, taking into consideration: the community engagement and intended use of the community centre,

governance and capacity of the applicant group, funding, and the financial viability of the project.

Applicant: Ashworth New Lodge CIC

2.6 Ashworth New Lodge Community Interest Company was established and registered with Companies House on 5th October 2021.

2.7 The CIC board members have experience of the community asset transfer process having previously taken an asset transfer of Chickenley Community Centre in 2017. The Centre acts as a vibrant community hub from which a range of services and activities are delivered.

2.8 The CIC's vision is for Ashworth Lodge to become a valued local asset that lies at the heart of the community. Their strategic objectives are as follows:

- To keep the building available, accessible and safe for the use of local people for decades to come;
- Enable a range of social, welfare, educational, training, development and health activities to take place at the Centre which responds to the needs of local people and helps make Ashworth and the surrounding area a vibrant, positive place to live;
- Provide access to advice and information for all sections of the community to support community cohesiveness;
- Provide good quality services to users at low/no cost;
- Consult with the local community in order to keep up to date with local issues and ensure the centre continues to provide services and activities which best meet local need;
- Be financially sustainable and ensure the centre remains a valuable community asset for generations to come.

The Asset

2.9 Ashworth Lodge is located at Moorlands Road, Dewsbury, WF13 2LD. The freehold of the site is owned by the Council. Plan Reference 21-0194, which is attached in Appendix A, shows the boundary of the site indicated by a red line.

2.10 The property is a small single storey building constructed on land acquired by the Council in 1937 for the purpose of an 'old folks meeting home and recreation room'. It is constructed of brick with a pitched tiled roof and UPVC windows and doors. Accommodation is comprised of a main hall / room, small kitchen area and separate accessible WC. Externally, the property has grassed amenity / garden areas to all sides and an access ramp to the rear entrance. The building is in good condition, although it would benefit from a programme of maintenance and modernisation works.

2.11 The building is currently vacant having previously been occupied by the Ashworth Tenants and Residents Association.

Community Use Activities

2.12 The CIC have undertaken community consultation to ascertain what services local people would like to see delivered from the building. Based on this consultation, the CIC are planning to provide the following facilities and activities:

- A digital inclusion project working with older people on the Ashworth and Eightlands estate,
- Parent and toddlers' groups,
- Cohesion projects in the Ashworth, Eightlands and Northfield area,
- Older people's events such as a bingo afternoon, social afternoons and a knit and natter group,
- Mental health support projects for the socially isolated,
- Activities for young people during term time and potentially in the holiday periods,
- Free laptop/wifi provision for internet access,
- Employment support and training for the local community,
- Health related activities such as a walking group, a slimming club and healthy cook/eat sessions,
- An active Tenants and Residents Association.

2.13 The CIC board members are fully aware that the size of the facility will restrict the number and type of services that they will be able to deliver. They are already considering opportunities to extend and improve the property following completion of the Community Asset Transfer. Architect's drawings have been prepared and form part of the business plan. This will increase the internal space and provide capacity for extra activities and revenue income.

2.14 In order to finance these capital works the CIC has identified potential external funding sources including Suez, Big Lottery, Awards For All, Screwfix and Trust House Charitable Foundation.

Options

The Council have the following options:

a) Refuse the request for an asset transfer

The Community Asset Transfer Policy supports the Council's ambitions allowing local people and communities greater control over local assets and the services delivered from them.

Refusal of the Asset Transfer would see the building, and the services it would potentially deliver, lost to the local community.

For these reasons' officers are of the opinion that this is not the recommended option.

b) Transfer the site either freehold or leasehold with restrictive covenants for community use with an exception of up to 30% commercial use in line with other Community Asset Transfers and in line with the Community Asset Transfer Policy.

The freehold of the site can be transferred; however, officers are of the opinion that this is not appropriate. Whilst transfers can contain covenants to ensure that the site is restricted to community use and remains available to the community, a freehold transfer limits the Council's ability to intervene in circumstances where the organisation failed to fulfil its obligations.

Officers are of the opinion that the grant of a long leasehold for a period of 125 years in accordance with the Community Asset Transfer Policy 2020 is appropriate. The grant of a long leasehold gives the CIC the security needed to satisfy grant funder requirements. The lease will include a covenant that restricts the use of the site to community use. The Policy allows an element of commercial use if this is considered necessary for a successful business model. Commercial use of the asset will normally be restricted to a maximum of 30%.

Officers are of the opinion that the lease should be on the basis of a peppercorn rent for the full term, with the CIC being responsible for the full repair and insuring of the site.

The lease will reserve rights for the Council to use the Lodge for the purpose of an Electoral Polling Station.

The grant of a long lease provides the Council with remedies in the event that there is a breach of the terms of the lease.

Officers recommend that the Council proceed with the grant of a 125 year lease to Ashworth New Lodge Community Interest Company.

c) Transfer the site without restrictive covenants in place

Whilst this approach has not been previously adopted by the Council, it is recognised that, subject to Cabinet approval, the Community Asset Transfer Policy does allow the transfer of assets without restrictive covenants. There is however a risk that the site could be lost as a community facility were covenants not included in the transfer. Officers are of the opinion that this should not be the recommended option.

Valuation

2.15 **Unrestricted Value**

The unrestricted value is the best price reasonably obtainable for the property and should be expressed in capital terms. It is the market value of the land as currently defined by the RICS Valuation – Global Standards 2017 – VPS 4, except that it should take into account any additional amount which is or might reasonably be expected to be available from a purchaser with a special interest (a "special purchaser"). When assessing unrestricted value, the valuer must ignore the reduction in value caused by any voluntary condition imposed by the authority. In other words, unrestricted value is the amount that would be paid for the property if the voluntary condition were not imposed (or it is the value of the property subject to a lease without the restriction).

The unrestricted value of Ashworth Lodge is: £70,000

Restricted Value

The restricted value is the market value of the property having regard to the terms of the proposed transaction. It is defined in the same way as unrestricted value except that it should take into account the effect on value of any voluntary condition(s).

The restricted value of Ashworth Lodge is: £70,000

Voluntary Conditions

A voluntary condition is any term or condition of the proposed transaction which the authority chooses to impose. It does not include any term or condition which the authority is obliged to impose, (for example, as a matter of statute), or which runs with the land. Nor does it include any term or condition relating to a matter which is a discretionary rather than a statutory duty of the authority.

The value of voluntary conditions in the proposed transaction is: £ Nil

2.16 **Amount of discount given by the Council**

The difference between the unrestricted value of the land to be disposed of and the consideration accepted (the restricted value plus value of any voluntary conditions).

The amount of discount in the proposed transaction is: £70,000

The Local Government Act 1972 General Disposal Consent (2003) means that specific consent of the Secretary of State is not required for the disposal of any interest in land/buildings at less than best consideration which the authority considers will help it to secure the promotion or improvement of the economic, social or environmental wellbeing of its area.

Following assessment, Council officers are confident that the asset transfer of Ashworth Lodge to Ashworth New Lodge CIC will promote the social well-being of the Dewsbury West Ward.

3 Implications for the Council

- **Working with People**

The proposals for the asset transfer of Ashworth Lodge have been developed in conjunction with the trustees of Ashworth New Lodge CIC and the community. Community Asset Transfers involve supporting community initiative and helping communities to solve their own problems. Community consultation is a key part of the asset transfer process, ensuring that the asset meets the needs. Ward Members are consulted as part of the Cabinet reporting process and are given opportunity to make representations on behalf of the community.

- **Working with Partners**

Partnership working is crucial to the success and sustainability of community asset transfers within Kirklees. Officers work collaboratively with the applicant group, council services and Locality, a national charity, in the development of asset transfer proposals. Locality is a national charity working with community foundations at a local level to ensure that they are strong and successful.

Groups are actively encouraged and provided with necessary support to ensure that partnership opportunities are fully explored.

- **Place Based Working**

Community Asset Transfer supports Place Based Working, providing an opportunity for a more efficient and effective use of buildings and land currently owned by the council. It gives local people and communities greater control over local assets and the services delivered from them and provides new opportunities to develop and improve land and buildings for local social, economic and environmental benefit. The Community Asset Transfer Policy has been updated to ensure it is consistent with the Council's Vision of giving local people and communities' greater control over local assets and the services delivered from them.

The asset transfer process, as set out in the updated policy, requires that full community consultation and engagement is carried out as part of an asset transfer application. This ensures that local residents, stakeholders and businesses have a say and inform how community assets can help shape their places.

- **Climate Change and Air Quality**

There will be no impact on Climate Change and Air Quality.

- **Improving outcomes for children**

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

The transfer of community assets can maximise their use and provide a place for children, their families, communities and services to work together to provide positive childhood experiences.

- **Financial Implications for the people living or working in Kirklees**

Under the terms of the transfer responsibility for the asset will transfer to Ashworth New Lodge CIC, this will deliver revenue and potential capital savings for the Council. These monies can then be made available for other Council priorities and services to residents of Kirklees.

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

Under the proposals the Council will be forgoing a potential capital receipt of £70,000.

By granting a 125 year lease at a peppercorn rent the Council is foregoing the market rent that would be payable for the property, however this is somewhat mitigated by (i) the effective transfer of responsibility for the repair, maintenance and insuring of the property to the CIC; and (ii) the broader community benefits to that area of Dewsbury.

Housing Revenue Account ("HRA") Properties

Ashworth Lodge currently sits within the Housing Revenue Account (HRA). The Housing Act 1985 requires Secretary of State approval be obtained prior to the disposal of any housing land in the HRA. The General Housing Consent 2013 provides that non-dwellings can be disposed of without seeking a specific consent of the Secretary of State, but only where being disposed of at market value. The proposed grant of a lease constitutes a "disposal" for the purposes of the legislation and the terms are for disposal at less than market value, meaning the General Housing Consent cannot be relied upon.

Kirklees Homes and Neighbourhoods has considered the purpose for which the property is held. Originally acquired in 1937 for the provision of an old folks meeting home/recreation room, the building is not currently, nor has it previously been used as a dwelling. Officers are satisfied that the property is no longer used nor required for its original purpose and can be

made available for Community Asset Transfer. It is proposed that the property be appropriated from the HRA to the General Fund account (under delegated powers) using powers under section 122 of the Local Government Act 1972, enabling disposal of the property at less than market value in accordance with the General Disposal Consent 2003 (as further explained in paragraph 2.16 of this Cabinet Report). If the property is appropriated the Council would also ensure it did not have to make an application seeking the consent of the Secretary of State for the disposal at less than market value.

In appropriating the property from the HRA and into the General Fund, accounting adjustments will be made and will reflect the market value of the property. The Council's Land Terrier will also be updated to reflect the appropriation.

Compliance with Subsidy Control Act 2022

The granting of a lease at an undervalue to the proposed tenant with some commercial use permitted would constitute a subsidy under the Subsidy Control Act 2022. In order to comply with the Act the Council will either apply the 7 subsidy control principles to justify the giving of the subsidy or will grant the subsidy under the Minimum Financial Assistance exemption. The former will require details of the subsidy to be uploaded to the BEIS transparency database. The latter will require an MFA declaration to be completed by the tenant at the time of the grant of the lease.

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

Yes. IIA attached at Appendix C

4 Consultees and their opinions

Ward Member Comments

Cllr Darren O Donovan
I fully support this community asset transfer.

Third Sector Team Comments

The Third Sector Team have registered the organisation for the Grant Access Point (GAP) which includes a due diligence check on the governance, finance and policy areas of the organisation, and there were no concerns which would lead the team to believe the group would be unsuitable for asset transfer.

Kirklees Homes and Neighbourhoods

Homes and Neighbourhoods fully supports the application. This is in recognition of the experience and the valuable work the Core Members of the CIC have undertaken in the Chickenley community on behalf of local tenants and residents. We look forward to working closely with the CIC following the transfer to benefit the tenants and residents of Ashworth and Eightlands.

5 Next steps and timelines

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

6 Officer recommendations and reasons

It is recommended that:

6.1 Authority be delegated to the Service Director Development to negotiate and agree terms for the grant of a 125 year lease of Ashworth Lodge, Moorlands Road, Dewsbury, WF13 2LD for the reasons set out in the body of the report.

6.2 Authority be delegated to the Service Director - Legal, Governance and Commissioning to execute and enter into all necessary documentation in connection with the grant of a 125 year lease of Ashworth Lodge, Moorlands Road, Dewsbury to Ashworth New Lodge CIC and enter into a Polling Station Agreement.

7 Cabinet Portfolio Holder's recommendations

I welcome this asset transfer to Ashworth New Lodge CIC.

I am sure this community asset transfer will be a great success and will join the list of the many transfers we have completed over the last few years. Asset transfers give communities the chance to develop community capacity and ensure that the needs of the community are at the heart of the buildings we transfer.

I fully endorse this transfer and wish the CIC all the best for the future and therefore recommend that Cabinet support the officer recommendations set out above and that:

- Authority be delegated to the Service Director Development to negotiate and agree terms for the grant of a 125 year lease of Ashworth Lodge, being the land and buildings shown edged red on Plan reference 21-0194.

- Authority be delegated to the Service Director - Legal, Governance and Commissioning to enter into and execute all necessary documentation in connection with the grant of a 125 year lease of Ashworth Lodge to Ashworth New Lodge CIC and enter into a Polling Station Agreement.

8 Contact officer

Mark Varley (Asset Strategy Officer)
mark.varley@kirklees.gov.uk
(01484 221000)

9 Background Papers and History of Decisions

Appendix A - Red Line Boundary plan (Ref.21-0194)
Appendix B - Community Asset Transfer Policy 2020
Appendix C - Integrated Impact Assessment

10 Service Director responsible

Joanne Bartholomew
Service Director - Development
(01484) 221000

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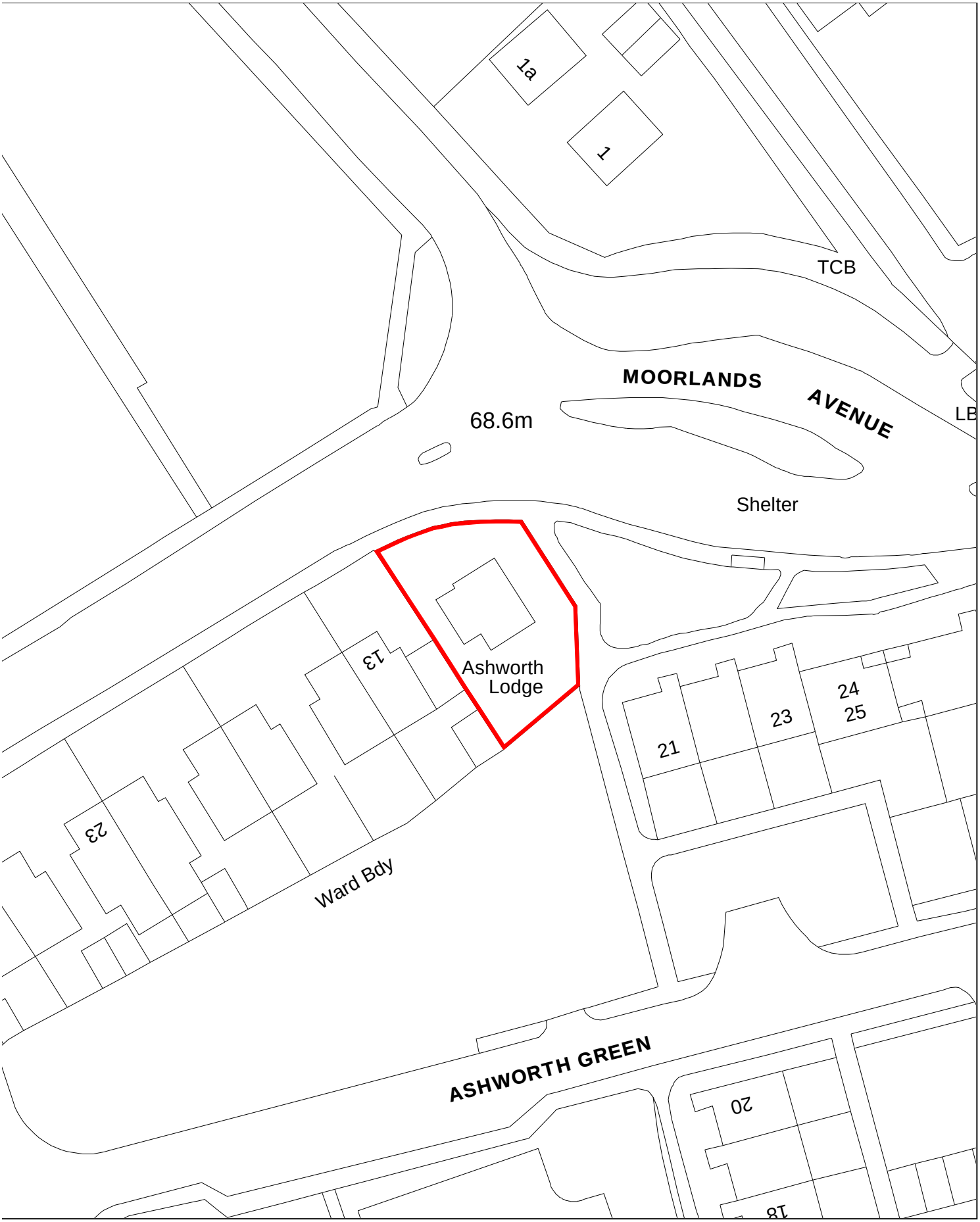

Kirklees COUNCIL

Economy & Infra-structure

Plan No: 21-0194

Date: 28/06/2021 Scale: 1:500

N

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Community Asset Transfer Policy

August 2020

Introduction: our aspirations for communities and the role of asset transfers

Community Asset Transfer (CAT) is the transfer of ownership and management of public land and buildings from the Council to a community organisation. Assets are transferred at less than market value for local social, economic or environmental benefit.

The primary purpose of CATs in Kirklees is to invest in communities, and we will go the extra mile to help communities achieve their aspirations. This means:

- transfers are a way to empower communities;
- we will find ways to promote asset transfers in our place-based community engagement work as an option for communities to achieve their aspirations; and
- we will build and maintain a relationship with groups before, during, and after transfer to ensure that the asset continues to be available for the community.

As part of the vision for Kirklees to be a great place to live, work, and invest, the Council works with communities to build community capacity and realise community aspirations for their places. CATs are one way in which our communities can be enabled to realise these aspirations and deliver our shared outcomes. By unlocking the power of community, CATs help to build a more inclusive local economy and enable people to live in better health for longer.

Community-owned and community-run assets act as a catalyst for realising local aspirations by:

- improving local assets: community groups investing in and/or attracting investment for improving local assets;
- supporting local initiative: supporting and building on local community initiative and enthusiasm, which encourages community participation and volunteering; and
- building new connections: local citizens and groups developing new partnerships in their communities (including to support community cohesion).

We have delivered CATs since 2013. As of August 2020 there have been a total of 21 successful CATs across Kirklees.

Recognising the benefits they can deliver, we want to ensure that all our CATs are sustainable. We also want to be transparent with organisations interested in CATs. In line with these commitments, this policy sets out a robust process and offer that has been developed in accordance with the knowledge, skills, and experience we have gained since CATs were introduced in 2013.

This Policy sets out our framework for enabling and managing CATs, specifically:

- why we transfer assets;
- what assets will be considered for transfer;
- the eligibility criteria;
- the conditions of transfer; and
- how requests will be processed.

'We're Kirklees'

'We're Kirklees' is our name for the way local people, organisations, and places can work together to deliver our vision for Kirklees and our Seven Shared Outcomes, which are set out in our Corporate Plan (2018-20). 'We're Kirklees' means we're:

- **Working with people, not doing to them:** organisations working together with people and communities to enable them to solve problems and make the most of their strengths and opportunities;
- **Working with partners:** organisations sharing knowledge, skills, and resources to work smarter together; and
- **Place-based working:** recognising that each town, village, and community has its own unique strengths and opportunities that can help them solve problems locally, and working to support and enable these.

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Eligibility and Conditions for Sustainable CATs

Eligible assets
The assets made available for Community Asset Transfer (CAT) will be at the discretion of the Council, but may include public service buildings and land, such as civic halls, community centres, heritage assets, libraries, open spaces, and parks. Assets which are still required strategically by the Council cannot be made available for transfer.

Assets might be identified as of potential community benefit by the Council or by communities themselves, and the Council encourages community discussions about local aspirations and how local assets might support those.

Eligible organisations
An organisation is eligible if their primary purpose is social, charitable, or community benefit, which can include:

- a charity (link);
- a community interest company (link);
- a cooperative (link);
- a social enterprise (link); or
- an unincorporated association (link) (although would need to be incorporated to complete a transfer).

The Council may consider and prioritise expressions of interest for asset transfer to Town and Parish Councils, acknowledging the advantages of democratically elected governance and representation.

Expressions of interest are welcomed from any community organisation that meets the following criteria:

- their primary purpose must be for community benefit;
- they must be open to and demonstrate an inclusive approach to all members of the wider community;
- they must have the skills and capacity to effectively manage the asset and deliver services;
- they must be financially stable and able to demonstrate good governance by operating through transparent and accountable processes; and
- the proposals for the asset must be clear (so the group can demonstrate all of the above),

The Council will encourage collaboration between community organisations and the sharing of assets to optimise both social value and value for money across the District. Applications will not be considered where an asset transfer is likely to compete with and potentially compromise an existing community facility.

If two or more expressions of interest are received the Council will work with the interested parties to develop options and understand the best way forward for the asset. Where appropriate, parties may be encouraged to collaborate and submit a joint application. We will invite viable proposals to proceed to the full application stage.

Conditions of transfer

To ensure that the property transferred is retained by the community for community benefit (e.g. the purpose for which the CAT was approved), assets will be transferred by the grant of a long term leasehold rather than freehold. In exceptional circumstances the Council may consider the transfer of a freehold interest.

The lease will be agreed for a nominal annual rent. It will include legal provisions (covenants) to ensure that the asset is restricted to community use, and may include provisions to ensure it remains open to community use (with a minimum number of hours of community use as agreed between the parties).

In some cases, these provisions will allow some commercial use, when that supports the sustainability of the business model and thereby the community benefit. Cabinet will decide when commercial use is appropriate as part of the application process.

In the final agreement, the Council may reserve the right to use the asset where it is required to deliver a statutory function or strategic ambition, e.g. as a library or on occasions for a polling station during elections or emergency planning purposes.

Upon completion of the transfer, the organisation will be fully responsible for:

- upkeep, repair and maintenance of the asset;
- all running costs, including insurance; and
- compliance with statutory inspections, health and safety requirements, and other relevant legislation.

Following asset transfer, organisations are encouraged to allow other community groups to use the space in the asset (which might also generate income for the organisation). To ensure the asset is of maximum possible community benefit, the group controlling the asset should not discriminate between groups based on protected characteristics (e.g. sex, disability, race, sexual orientation, gender assignment, religion, etc.).

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The CAT application process

1. Initiating a CAT application with an Expression of Interest
A CAT application must begin with an expression of interest from a community organisation.

Eligible organisations (see 'Eligible Organisations' above) can submit expressions of interest relating to any Council-owned asset they believe to be of potential community benefit and which is eligible as per this policy.

To submit an expression of interest an Eligible Organisation need not be managing or operating from the asset.

The Council may also advertise surplus assets inviting expressions of interest for asset transfer.

The Expression of Interest form can be found here:

- http://www.kirklees.gov.uk/beta/community-assets/community-asset-transfers.aspx

2. Assessment of an Expression of Interest
The Council will decide if both:

a) the asset in question is available for CAT; and
b) the group expressing interest is suitable and/or ready for CAT.

If a group is not ready for CAT, they will be signposted to additional support from the Council or other partners.

Council officers will aim to assess expressions of interest within four weeks of receiving them.

If the Council accepts an expression of interest, the applicant group will be invited to submit a full application (see below).

Acceptance of an expression of interest does not commit the applicant or the Council to the transfer of an asset.

3. Full Application
Applicants invited to submit a full application will receive support from the Council either directly or through external organisations commissioned by the Council. Applicants will also be encouraged to access support from other organisations.

The Full Application Form can be found here:

- http://www.kirklees.gov.uk/beta/community-assets/community-asset-transfers.aspx

The full application must include detailed information about the applicant group and a fully detailed and robust business case. Applicants invited to progress to this stage can apply to

the Council for a grant of up to £5,000 to assist with professional or legal costs associated with the development of the application. In large or more complex cases, applicants may be invited to apply to the Council for a grant of up to £10,000.

The following information must be included in all full applications:

- the legal structure of the applicant group;
- the experience and skills of the Board/Managing Group and their capacity to manage the asset;
- the proposed use of the asset and how this will support the Council's objectives and benefit the community;
- evidence that the local community has been consulted and the application reflects the needs identified in that consultation;
- budget/financial projections for the group and its use of the asset in question; and
- details of any condition works needed to the asset and the source and availability of capital grant funding.

Failure to provide the required information will lead to an application being delayed or rejected.

We will agree a timescale for submitting a full application with the applicant. Typically, we will expect an application to be submitted within six weeks, but we will agree a timescale that reflects the size and complexity of the asset, since applicants will likely require longer to compose applications for bigger and more complex assets.

Applications are assessed by council officers and partners in accordance with a scoring matrix, which is available online.

The following financial support is offered by the Council:

i. Development Grant

Applicants invited to progress to full application stage can apply to the Council for a grant of up to £5,000 to assist with professional or legal costs associated with the development of the application. In larger, more complex cases, applicants may be invited to apply to the Council for a grant of up to £10,000.

ii. Support towards capital works

Where assets require urgent condition works or physical adaptations to improve accessibility, applicants can apply to the Council for a grant. Any request for grant funding must be made at the Full Application stage and set out clearly within the applicant's business plan. The grant application will be considered by the Council's Cabinet in conjunction with the CAT application. Examples of urgent condition works/accessibility works could include boiler replacement, roofing works, window replacement, ramps, steps, and accessible toilets.

The Council will continue to consider requests for loans to match fund external grants or financing (which may include a groups cash reserves) for the development of assets. Applications can be made at the Full Application stage and also following completion of a transfer. Applications must be supported by a full business plan evidencing the applicant's ability to repay the loan over the agreed term.

Other information on external sources of funding is available on request.

iii. Revenue grant

The Council will pay a two stage revenue grant to each successful applicant following completion of the transfer. The grant will be calculated based on the previous operational running costs (excluding staffing) for the asset.

A grant equivalent to 15% of the average running cost will be paid on completion of the transfer and a further grant equivalent to 5% the following year.

4. Cabinet Approval

If the application is satisfactory, officers will then seek the approval and authority of the Council's Cabinet (link) for the Council to carry out the asset transfer.

5. Finalising the terms of the asset transfer

Following Cabinet approval, Council officers will work with the applicant to draw up heads of terms for all the documents that form part of the asset transfer. These documents will comprise of some or all of the following:

(a) Lease (or in exceptional circumstances a freehold transfer deed);
(b) Polling station agreement;
(c) Emergency planning agreement;
(d) Grant Agreement; and/or
(e) Loan Agreement

When heads of terms have been agreed, the Council's legal department will draw up all the required documents, and then negotiate and agree the terms of the documents with the applicant's solicitors.

6. Completion

When the documents are in an agreed form, they can then be completed, and the asset transfer will then come into effect.

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Indicative Timescales

The full process can take 10-12 months.

Stage	Who is responsible	Indicative Timescale
1. Initiating a CAT application with an Expression of Interest (EOI)	Applicant	N/A (initiates CAT application)
2. Assessment of an Expression of Interest	Council Officers	4 weeks
3a. Full Application & Business Case (Composition)	Applicant	6-12 weeks (a longer period may be agreed dependent on the size and complexity of the asset)
3b. Full Application & Business Case (Assessment)	Council Officers	4 weeks
4. Cabinet Approval	Council Officers Cabinet	6 – 10 weeks
5. Finalising the terms of the Asset Transfer	Council Officers	6 – 8 weeks
6. Completion	Council Officers Applicant	12 weeks

All timescales are only indicative. It is acknowledged that CATs may be delayed for a number of reasons, including:

- complexity and size of the asset being transferred;
- further research required to support the application;
- legal processes involved;
- capacity and availability of people; and/or
- Council Service Reviews.

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Changes from the previous policy

This policy supersedes our 2017 Community Asset Transfer Policy. The key changes since then are summarised below.

The change	Our old policy	Our new policy	Why was this change made?
All transfers are with long leaseholds by default	The Council used to transfer buildings differently to land, with buildings transferred freehold and land on long leaseholds.	Our default presumption is now to transfer all assets (land and buildings) on a long leasehold. Freehold transfers will be considered in exceptional circumstances and will be at the discretion of the Council.	Long leaseholds ensure that the asset remains available to the community by providing the Council with remedies in the event that the applicant does not fulfil their obligations with respect to the management of the asset or there is a breach of the terms of the lease. The grant of long leaseholds still gives applicants the security needed to satisfy grant funders.
More financial support for applicants invited to the Full Application stage	We used to offer a grant of up to £5,000 to cover legal costs and fees associated with the application.	In exceptional cases the Council will now offer up to £10,000.	Some cases require extra support because of their size and complexity.
More financial support for successful applicants	We used to offer a grant in the first year after a transfer equivalent to 15% of the asset's running cost (excluding staffing costs).	We now offer a grant in the first and second year after a transfer. The first year grant remains at 15%. The second year grant is 5%.	This will provide extra post-transfer support that will assist with the running of the transferred asset and increase the likelihood of sustainable asset transfer.

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	We used to offer applicants a loan option for up to £100,000 match funding towards capital improvements to the asset. Loan applications had to be submitted at the full application stage of the process. Applications would not be considered post transfer.	The Council will now offer an option of grant funding and loans. Groups will be able to apply for a grant to fund urgent condition works or physical adaptations to improve accessibility. Examples of these works may include boiler replacement, roofing works, window replacement, ramps, steps, and accessible toilets. The Council will now consider requests for loans to match fund external grants and financing, prior to and following completion of the asset transfer, for groups wanting to develop assets.	The introduction of a grant will further support the viability of community asset transfers, allowing groups to invest in urgent condition/accessibility works where needed to bring assets back into use. Post transfer loans will provide added flexibility to groups intending to carry out capital improvements to assets, ensuring that they remain available for public use and sustainable in the long term.

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More proactive strategic approach to CATs	We used to transfer assets primarily when they were surplus to our service requirements. Assets were also sold to raise funds for important Council services.	We will now also encourage community groups in our community engagement to proactively identify assets they need to solve local issues and to achieve community aspirations. Where asset transfers aren't possible, groups will be signposted to support within or external to the council to ensure that we build on their aspirations for their communities.	As set out in the Corporate Plan (link), we're now working more with people and doing less to or for them, working more in place-based ways led by local community aspirations and valuing the diversity of perspective and identities that make up local places. This requires that we proactively encourage community organisations to think about the assets they need to achieve these aspirations.

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EIA STAGE 1 – SCREENING ASSESSMENT

PROJECT DETAILS

Name of project or policy:	
Community Asset Transfer of Ashworth Lodge	

Directorate:	Senior Officer responsible for policy/service:
Growth & Regeneration	Joanne Bartholomew
Service:	**Lead Officer responsible for EIA:**
Development	Mark Varley
Specific Service Area/Policy:	**Date of EIA (Stage 1):**
Community Asset Transfer Policy	21/07/2022

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

The transfer of the property Ashworth Lodge, Moorlands Road, Dewsbury, WF13 2LD by way of the grant of a long leasehold in accordance with the Councils Community Asset Transfer Policy 2020 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	4.2	**8.2**	2.5	2	**4.5**	No
Environment		2	**2**	10	10	**20**	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

WHAT LEVEL OF IMPACT DO YOU THINK YOUR PROPOSAL WILL HAVE ON…	Level of Impact Please select from drop down
Kirklees **employees** within this service/directorate? (overall)	Neutral
Kirklees **residents** living in a specific ward/local area?	Very Positive
Please tell us which area/ward will be affected:	Dewsbury West
Residents across Kirklees? (i.e. most/all local people)	Neutral
Existing **service users**?	Very Positive

Each of the following **groups**? *(Think about how your proposal might affect, either positively or negatively, any individuals/communities. Please consider the impact for both employees and residents - within these protected characteristic groups).*		Please select from drop down
…age	What impact is there on Kirklees **employees**/internal working practices?	Neutral
	What impact is there on Kirklees **residents**/external service delivery?	Very Positive
…disability	What impact is there on Kirklees **employees**/internal working practices?	Neutral
	What impact is there on Kirklees **residents**/external service delivery?	Neutral
…gender reassignment	What impact is there on Kirklees **employees**/internal working practices?	Neutral
	What impact is there on Kirklees **residents**/external service delivery?	Neutral
…marriage/ civil partnership	What impact is there on Kirklees **employees**/internal working practices?	Neutral
	What impact is there on Kirklees **residents**/external service delivery?	Neutral
…pregnancy & maternity	What impact is there on Kirklees **employees**/internal working practices?	Neutral
	What impact is there on Kirklees **residents**/external service delivery?	Neutral
…race	What impact is there on Kirklees **employees**/internal working practices?	Neutral
	What impact is there on Kirklees **residents**/external service delivery?	Neutral
…religion & belief	What impact is there on Kirklees **employees**/internal working practices?	Neutral
	What impact is there on Kirklees **residents**/external service delivery?	Neutral
…sex	What impact is there on Kirklees **employees**/internal working practices?	Neutral
	What impact is there on Kirklees **residents**/external service delivery?	Neutral
…sexual orientation	What impact is there on Kirklees **employees**/internal working practices?	Neutral
	What impact is there on Kirklees **residents**/external service delivery?	Neutral
…those in poverty or low-come	What impact is there on Kirklees **employees**/internal working practices?	Neutral
	What impact is there on Kirklees **residents**/external service delivery?	Neutral
…unpaid carers	What impact is there on Kirklees **employees**/internal working practices?	Neutral

…unpaid carers	What impact is there on Kirklees **residents**/external service delivery?	Neutral

WHAT LEVEL OF IMPACT DO YOU THINK YOUR PROPOSAL WILL HAVE ON…	Level of Impact Please select from drop down
Kirklees Council's **internal practices**?	Neutral
Lifestyles of **those who live and work in** Kirklees?	Neutral
Practices of suppliers to Kirklees council?	Neutral
Practices of other partners of Kirklees council?	Neutral

Each of the following **environmental themes**? (Please select from the drop down list)

	People	Partners	Places
…clean air (including Climate Changing Gases)			Neutral
	Score: 0	Score: 0	Score: 2
…Clean and plentiful water			Neutral
	Score: 0	Score: 0	Score: 2
… Wildlife and habitats			Neutral
	Score: 0	Score: 0	Score: 2
…Resilience to harm from environmental hazards			Neutral
	Score: 0	Score: 0	Score: 2
… Sustainability and efficiency of use of resources from nature			Neutral
	Score: 0	Score: 0	Score: 2
…Beauty, heritage and engagement with the natural environment			Neutral
	Score: 0	Score: 0	Score: 2
… Resilience to the effects of climate change			Neutral
	Score: 0	Score: 0	Score: 2
…Production, recycling or disposal of waste			Neutral
	Score: 0	Score: 0	Score: 2
… Exposure to chemicals			Neutral
	Score: 0	Score: 0	Score: 2

HOW ARE YOU USING ADVICE AND EVIDENCE/INTELLIGENCE TO HELP YOU?		Please select YES or NO
Equality Themes		
Have you taken any **specialist advice** linked to your proposal? (Legal, HR etc)?		Yes
Do you have any **evidence/intelligence** to support your assessment (in section 2) of the impact of your proposal on…	…employees?	Yes
	…Kirklees residents?	Yes
	…service users?	Yes
	…any protected characteristic groups?	No
Please list your **equalities** evidence/intelligence here [you can include hyperlinks to files/research/websites]: Officers have engaged with representatives of Ashworth New Lodge CIC, Dewsbury West Ward Members, the Councils Third Sector, Community Plus and Cohesion teams.		

	Please select from drop down
To what extent do you feel you are able to mitigate any potential negative impact of your proposal outlined on the different groups of people?	TO SOME EXTENT
To what extent do you feel you have considered your Public Sector Equality Duty?	FULLY

Environmental Themes		
Have you taken any **specialist advice** linked to your proposal?		No
Do you have any **evidence/intelligence** to support your assessment (in section 2) of the impact of your proposal on…	…Kirklees Council practices?	No
	…resident and worker lifestyles?	No
	…Practices of Supplier to Kirklees Council?	No
	…Practices of other Kirklees Council partners?	No
Please list your environmental evidence/intelligence here [you can include hyperlinks to files/research/websites]: 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. There are no environmental implications to the transfer of the asset. The extent of the transfer is limited to the building. The building is in a relatively good state of repair and the grant of a long lease under the Community Asset Transfer policy will provide the applicant with the security to invest in imrovements that will deliver energy efficiencies. A Stage 2 assessment is therefore not required.		

	Please select from drop down
To what extent do you feel you are able to mitigate any potential negative impact of your proposal on the environmtenal issues identified?	NOT AT ALL

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Name and date of meeting: **Cabinet**
21 December 2022

Title of report: **Half Yearly Monitoring report on Treasury Management activities 2022/23**

Purpose of report

The Council has adopted the CIPFA Code of Practice on Treasury Management. It is a requirement of the Code that regular reports be submitted to Members detailing treasury management operational activity. This report is the mid-year for 2022/23 covering the period 1 April to 30 September 2022.

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?)	**Key Decision: Yes** **Private Report/Private Appendix: N/A**
The Decision - Is it eligible for call in by Scrutiny?	**No**
Date signed off by Strategic Director and name **Date signed off by Service Director** **Is it also signed off by the Service Director Legal Governance and Monitoring?**	**N/A** **Eamonn Croston – 15 November 2022** **Julie Muscroft – 15 November 2022**
Cabinet member portfolio	**Corporate** **Cllr Paul Davies**

Electoral wards affected: **N/A**
Ward councillors consulted: **N/A**
Public or Private: **Public**
GDPR: This report contains no information that falls within the scope of General Data Protection Regulations.

1 Summary

1.1 The report gives assurance that the Council's treasury management function is being managed prudently and pro-actively. External investments, including £10.0 million invested in the Local Authorities Pooled Investment Fund (LAPF),

averaged £69.7 million during the period at an average rate of 0.66%. Investments have ranged from a peak of £111.1 million in August and a low of £34.7 million in June. The high investment balance was due to the receipt of £25.6 million of Council Tax Energy Rebate grant at the end of March which was paid out over a few months, along with taking advantage of medium-term Local Authority loans and arranging a £20.0 million PWLB loan in August from HM Treasury.

1.2 Balances were invested in line with the approved treasury management strategy (see Appendix 1), in instant access accounts or short-term deposits.

1.3 The treasury management revenue budget is £26.7 million. This is covered in more detail at paragraph 2.18 later in this report.

1.4 In-year treasury management performance is in line with the treasury management prudential indicators set for the year (see Appendix 4).

2 Information required to take a decision

2.1 The treasury management strategy for 2022/23 was approved by Council on 16 February 2022. The over-riding policy continues to be one of ensuring the security of the Council's balances. The Council aims to invest externally balances of around £30 million, largely for the purpose of managing day-to-day cash flow requirements, with any remaining balances invested "internally", offsetting borrowing requirements.

2.2 The investment strategy is designed to minimise risk, with investments being made primarily in instant access accounts or short-term deposits, with the major British owned banks and building societies, or Money Market Funds. Diversification amongst counterparties is key. The additional cash received in August was mainly invested in the Debt Management Office (DMO) which is an Executive Agency of Her Majesty's Treasury.

Economic Context

2.3 *The following economic update has been provided via our external advisors Arlingclose (paragraphs 2.4 to 2.9 below):*

2.4 The ongoing conflict in Ukraine has continued to put pressure on global inflation and the economic outlook for UK and world growth remains weak. The UK political situation towards the end of the period following the 'fiscal event' increased uncertainty further. The economic backdrop during the April to September period continued to be characterised by high oil, gas and commodity prices, ongoing high inflation and its impact on consumers' cost of living, no imminent end in sight to the Russia-Ukraine hostilities and its associated impact on the supply chain, and China's zero-Covid policy.

2.5 The Bank of England pushed up interest rates over the period and committed to fighting inflation, even when the consequence was, in all likelihood, recession. UK inflation remained extremely high. Annual headline CPI hit 10.1% in July, the

highest rate for 40 years, before falling modestly to 9.9% in August. RPI registered 12.3% in both July and August.

2.6 The labour market remained tight through the period but there was some evidence of easing demand and falling supply. The unemployment rate fell to 3.8% and declined further to 3.6% in July. Although now back below pre-pandemic levels, the recent decline was driven by an increase in inactivity rather than demand for labour. Pay growth in July was 5.5% for total pay (including bonuses) and 5.2% for regular pay. Once adjusted for inflation, however, growth in total pay was -2.6% and -2.8% for regular pay.

2.7 The Bank of England increased the official Bank Rate to 2.25% over the period. From 0.75% in March, the Monetary Policy Committee (MPC) pushed through rises of 0.25% in each of the following two MPC meetings, before hiking by 0.50% in August and again in September. The Committee noted that domestic inflationary pressures are expected to remain strong and so given ongoing strong rhetoric around tackling inflation further Bank Rate rises should be expected.

2.8 On 23rd September the UK government, following a change of leadership, announced a raft of measures in a 'mini budget', loosening fiscal policy with a view to boosting the UK's trend growth rate to 2.5%. With little detail on how government borrowing would be returned to a sustainable path, financial markets reacted negatively. Gilt yields rose dramatically by between 0.7% - 1% for all maturities with the rise most pronounced for shorter dated gilts. The swift rise in gilt yields left pension funds vulnerable, as it led to margin calls on their interest rate swaps and risked triggering large scale redemptions of assets across their portfolios to meet these demands. It became necessary for the Bank of England to intervene to preserve market stability through the purchase of long-dated gilts, albeit as a temporary measure, which has had the desired effect with 50-year gilt yields falling over 100bps in a single day. Bank of England policymakers noted that any resulting inflationary impact of increased demand would be met with monetary tightening, raising the prospect of much higher Bank Rate and consequential negative impacts on the housing market.

2.9 Uncertainty remained in control of financial market sentiment and bond yields remained volatile, continuing their general upward trend as concern over higher inflation and higher interest rates continued to dominate. Towards the end of September, volatility in financial markets was significantly exacerbated by the UK government's fiscal plans, leading to an acceleration in the rate of the rise in gilt yields and decline in the value of sterling. Due to pressure on pension funds, the Bank of England announced a direct intervention in the gilt market to increase liquidity and reduce yields. Over the period the 5-year UK benchmark gilt yield rose from 1.41% to 4.40%, the 10-year gilt yield rose from 1.61% to 4.15%, the 20-year yield from 1.82% to 4.13% and the 50-year yield from 1.56% to 3.25%.

Investment Performance

2.10 The Council invested an average balance of £59.7 million externally (excluding the LAPF) during the period (£27.6 million in the first six months of 2021/22),

generating £285k in investment income over the period (£4k in 2021/22). The LAPF investment of £10.0 million generated £174k of dividend income during the period (£180k in the first six months of 2021/22). Appendix 7 shows a comparative average net monthly balances invested over the last 3 years.

2.11 Both the CIPFA Code and government guidance require the Council to invest its funds prudently, and to have regard to the security and liquidity of its treasury investments before seeking the optimum rate of return, or yield. Balances were invested in instant access accounts, short term deposits and the LAPF. Appendix 1 shows where investments were held at the start of April, the end of June and September by counterparty, by sector and by country.

2.12 The Council's average investment rate for the period was 0.66%. This is slightly higher than the average in the same period in 2021/22 of 0.49%, as the base rate started to rise. Returns on liquid cash balances were 0.48% and 3.47% on the LAPF (after deducting charges). The actual gross dividend yield quoted from the fund on Net Asset Value was 3.40% at the end of September for the last 12 months, and the fund size was £1,451.4 million (3.91% and £1,296.7 million respectively for the 12 months to September 2021).

2.13 Appendix 3, provided by Arlingclose, compares the Council's performance against other Local Authorities at the end of September. In order to gain better rates of return, the majority of Local Authorities with a higher rate of return have further external investments creating a more diverse portfolio.

Borrowing Performance

2.14 Long-term loans at the end September totalled £499.9 million (£447.4 million 31 March 2022) and short-term loans £31.0 million (£21.5 million 31 March 2022).

2.15 Fixed rate loans account for 88.1% of total long-term debt giving the Council stability in its interest costs. The maturity profile for long-term loans is shown in Appendix 2 and shows that no more than 7.8% of debt is due to be repaid in any one year. This is good practice as it reduces the Council's exposure to a substantial borrowing requirement in future years when interest rates might be at a relatively high level.

2.16 The mid-year forecasted liability benchmark, based on updated capital plans, highlights that there is an expectation of additional long-term borrowing of £81.3 million for the year. Following a slight dip in gilt yields in August, a £20.0 million 20 year EIP loan was arranged from the PWLB. This is in addition to £60.0 million borrowed since March 2021. These loans provide some longer-term certainty and stability to the debt portfolio. The remainder of the borrowing will be funded by short and medium loans. Further detail on this and the increase in PWLB interest rates is covered in paragraph 2.26 and 2.27.

2.17 Appendix 5 sets out in year repayments on long-term borrowing and also further re-payments for the next 6 months.

Revenue Budget Monitoring

2.18 The treasury management budget is £26.7 million. Forecasted outturn is currently in line with budget. The change in Minimum Revenue Provision (MRP) policy allowed for a planned release of £9.1 million MRP budget over provision in 2022/23. The budget strategy update report 2023/24 re-affirmed the decision taken in the annual budget report in February 2022 to forward profile the release of the MRP over-provision with an additional £4.6 million, in light of estimated medium term Covid impacted pressures on the Council finances. The MRP policy is to provide for MRP on the basis of the asset life to which external borrowing is incurred. The MRP calculation is used to determine the amount of revenue resources that need to be set aside annually by the Council to meet its debt obligations.

Prudential Indicators

2.19 The Council is able to undertake borrowing without Central Government approval under a code of practice called the Prudential Code. Under this Code, certain indicators have to be set at the beginning of the financial year as part of the treasury management strategy.

2.20 The purpose of the indicators is to contain the treasury function within certain limits, thereby reducing the risk or likelihood of an adverse movement in interest rates or borrowing decision impacting negatively on the Council's overall financial position. Appendix 4 provides a schedule of the indicators set for treasury management and the latest position.

Borrowing and Investment – General Strategy for 2022/23

2.21 The Capital Financing Requirement (CFR) represents the Council's underlying need to finance capital expenditure by borrowing or other long-term liability arrangements.

2.22 A Council can choose to finance its CFR through internal or external borrowing or a combination of the two.

2.23 Forecast changes in the CFR and how these will be financed are shown in the balance sheet analysis table below:

Balance Sheet Forecast

	Actual 2021/22 £m	**Strategy Estimate 2022/23 £m**	**Revised Forecast 2022/23 £m**

General Fund CFR - Non PFI	556.1	610.7	617.9
PFI	39.4	35.5	35.5
HRA CFR - Non PFI	166.0	177.3	168.6
PFI	45.2	42.7	42.7
Total CFR	806.7	866.2	864.7
Less: PFI debt liabilities	84.6	78.2	78.2
Borrowing CFR	**722.1**	**788.0**	**786.5**
Financed via:			
Deferred Liabilities	3.7	3.6	3.6
Internal Borrowing	249.6	197.8	232.7
External Borrowing	468.8	586.6	550.2
Total	**722.1**	**788.0**	**786.5**
Investments	78.9	30.0	30.0

2.24 The Council has an increasing CFR due to the capital programme and an estimated borrowing requirement as determined by the Liability Benchmark which also takes into account usable reserves and working capital.

2.25 The Council's chief objective when borrowing is to strike an appropriately low risk balance between securing low interest costs and achieving cost certainty over the period for which funds are required. The Council's borrowing strategy continues to address the key issue of affordability without compromising the longer-term stability of the debt portfolio. PWLB is the primary source of borrowing alongside cheaper short-term borrowing for a mixed portfolio of debt.

2.26 Over the April to September period short term PWLB rates rose dramatically, particularly in late September after the Chancellor's 'mini-budget' prompted a fall in sterling and rise in market interest rate expectations. Interest rates rose by over 2% during the period in both the long and short term. As an indication the 5 year maturity certainty rate rose from 2.30% on 1st April to 5.09% on 30th September; over the same period the 30-year maturity certainty rate rose from 2.63% to 4.68%. Although interest rates across the board have risen, short-term borrowing from other local authorities remains at slightly lower interest rates than long term borrowing.

2.27 Having considered the appropriate duration and structure of the borrowing need based on realistic projections, it was decided to take a combination of short-term borrowing and long-term repayment loans. In the six-month period the Council borrowed £55.0 million medium/longer-term fixed rate loans, details of which are shown in Appendix 5. These loans provide some longer-term certainty and stability to the debt portfolio and will guard against future increases in interest rates.

Future Treasury Management Strategy

2.28 The Council's overall Treasury Management Strategy will continue to maintain a relatively low risk strategy giving priority to security and liquidity, and as such invest an average of around £20 million externally in relatively short-term, liquid

investments through the money markets, for the purpose of managing day-to-day cash flow requirements. Any remaining balances, net of investment in the LAPF, will be used internally, offsetting borrowing requirements. The investment strategy is designed to minimise risk, investments being made primarily in instant access accounts, short-term deposits, Local Authorities or Money Market Funds.

2.29 The Treasury Management Code of Practice ensures management practices are in place for non-treasury management activity in addition to the existing 12 Treasury Management Practices (TMPs). This is identified at the end of this report (Appendix 6).

2.30 CIPFA published its revised Treasury Management Code of Practice and Prudential Code for Capital Finance in December 2021. The principles within the two codes took immediate effect although Local Authorities could defer introducing the revised reporting requirements within the revised codes until the 2023/24 financial year, which the Council has elected to do.

2.31 The key changes in the two codes are around permitted reasons to borrow, knowledge and skills, and the management of non-treasury investments. The code stipulates restrictions on borrowing primarily for financial return, including commercial property. The Council's current and proposed capital plans do not include any capital investment funded by borrowing primarily for commercial return, that may otherwise have restricted access to PWLB borrowing going forward. The new code does not introduce restrictions on Councils borrowing for purposes essential to their core aims, such as for housing and regeneration projects, or for treasury management purposes.

2.32 Arlingclose expects the Bank Rate to rise further during 2022/23 and to reach 4.25% by June 2023. UK interest rate expectations have eased following the mini-budget, with a growing expectation that UK fiscal policy will now be tightened to restore investor confidence. The Monetary Policy Committee (MPC) however remains concerned with rising inflation and the tight labour market. The MPC may therefore raise the Bank Rate more quickly and to a higher level to dampen aggregate demand and reduce the risk of sustained higher inflation. This action by the MPC will slow the economy, necessitating cuts in the Bank Rate later in 2024.

2.33 Gilt yields are expected to remain broadly at current levels over the 3 year medium term period to September 2025. The risks for short, medium and longer term yields are judged to be broadly balanced over the forecast horizon. As ever, there will undoubtedly be short term volatility due to economic and political uncertainty and events. Officers will continue to review funding options going forward in conjunction with its external advisors.

2.34 Budget developments for 2023/24 and future years include significant regeneration activity which provides potential for diversifying funding sources, particularly if rates can be achieved on alternatives which are below gilt yields, with blending funding approaches alongside the PWLB.

Risk and Compliance issues

2.35 In line with the investment strategy, the Council has not placed any direct investments with companies as defined by the Carbon Underground 200.

3 Implications for the Council

3.1 Working with People: N/A
3.2 Working with Partners: N/A
3.3 Placed based working: N/A
3.4 Climate Change and Air Quality: N/A
3.5 Improving Outcomes for Children: N/A

3.6 Other (e.g. Legal/Financial or Human Resources):
Treasury management budget forecast will continue to be reported as part of the overall quarterly financial monitoring reporting cycle to Cabinet, through the remainder of the year.

4 Consultees and their opinions

This report was considered and endorsed at Corporate Governance and Audit Committee on 25 November 2022 and will be presented to Cabinet on 21 December 2022. Arlingclose, the treasury management advisors to the Council, have provided the economic context commentary contained in this report.

5 Next steps

Following consideration at Cabinet, this report will be presented to Council on 11 January 2023.

6 Officer recommendations and reasons

Having read this report and the accompanying Appendices, Cabinet are asked to:

6.1 Note the half-year treasury management performance in 2022/23 as set out in the report.

7 Contact officer

James Anderson	Head of Accountancy Service	01484 221000
Rachel Firth	Finance Manager	01484 221000

8 Background Papers and History of Decisions

CIPFA's Prudential Code for Capital Finance in Local Authorities.
CIPFA's Code of Practice on Treasury Management in the Public Services.
CIPFA's Treasury Management in the Public Services – Guidance notes
The treasury management strategy report for 2022/23 - Council 16 February 2022
Council Budget Strategy Update Report 2023/24 – Council 7 September 2022
Annual Report on Treasury Management 2021/22 - Annual Financial Outturn Report 2021/22; Council 7 September 2022

9 Service Director responsible

Eamon Croston 01484 221000

Appendix 1

Kirklees Council Investments 2022/23

Counterparty		Approved Strategy Limit £m	Approved Strategy Credit Rating	Credit Rating Sept 2022*	1 April 2022 (opening) £m	Interest Rate	Type of Investment	30 June 2022 £m	Interest Rate	Type of Investment	30 September 2022 £m	Interest Rate	Type of Investment
Specified Investments													
LAPF Property Fund		10.0	-	-	10.0	-	***	10.0	-	***	10.0	-	***
DMO	Govt	Unlimited	-	F1+/AA-	16.1	0.55%	Fixed Deposit	0.0	-	-	5.0	1.93%	Fixed Deposit
DMO	Govt	Unlimited	-	F1+/AA-	10.6	0.55%	Fixed Deposit	0.0	-	-	5.0	1.96%	Fixed Deposit
DMO	Govt	Unlimited	-	F1+/AA-	0.0	-	-	0.0	-	-	6.0	2.00%	Fixed Deposit
DMO	Govt	Unlimited	-	F1+/AA-	0.0	-	-	0.0	-	-	5.0	2.01%	Fixed Deposit
DMO	Govt	Unlimited	-	F1+/AA-	0.0	-	-	0.0	-	-	10.0	2.09%	Fixed Deposit
DMO	Govt	Unlimited	-	F1+/AA-	0.0	-	-	0.0	-	-	5.0	2.10%	Fixed Deposit
PCC Devon & Cornwall	LA	10.0	-	F1+/AA-	10.0	0.60%	Fixed Deposit	0.0	-	-	0.0	-	-
PCC Dorset	LA	10.0	-	F1+/AA-	10.0	0.60%	Fixed Deposit	0.0	-	-	0.0	-	-
Cornwall Council	LA	10.0	-	F1+/AA-	0.0	-	-	5.0	0.91%	Fixed Deposit	0.0	-	-
Leeds City Council	LA	10.0	-	F1+/AA-	0.0	-	-	0.0	-	-	5.0	2.00%	Fixed Deposit
PCC West Yorkshire	LA	10.0	-	F1+/AA-	0.0	-	-	0.0	-	-	3.0	2.20%	Fixed Deposit
Aberdeen Standard	MMF**	10.0	AAA-A	AAA	8.9	0.54%	MMF	8.6	1.08%	MMF	10.0	2.14%	MMF
Aviva	MMF**	10.0	Aaa-A2	Aaa*	10.0	0.53%	MMF	10.0	1.11%	MMF	10.0	1.94%	MMF
Deutsche	MMF**	10.0	AAA-A	AAA	0.0	0.52%	MMF	10.0	1.07%	MMF	0.0	1.78%	MMF
Goldman Sachs	MMF**	10.0	AAA-A	AAA	3.3	0.53%	MMF	10.0	1.07%	MMF	7.3	1.97%	MMF
					78.9			**53.6**			**81.3**		
Sector analysis													
Property Fund		10.0			10.0	13%		10.0	19%		10.0	12%	
Local Authorities		10.0			20.0	25%		5.0	9%		8.0	10%	
MMF**		50.0			22.2	28%		38.6	72%		27.3	34%	
Central Govt		Unlimited			26.7	34%		0.0	0%		36.0	44%	
					78.9	100%		**53.6**	100%		**81.3**	100%	
Country analysis													
UK					56.7	72%		15.0	28%		54.0	66%	
MMF**					22.2	28%		38.6	72%		27.3	34%	
					78.9	100%		**53.6**	100%		**81.3**	100%	

*Fitch short/long term ratings, except Aviva MMF (Moody rating). See next page for key. The use of Fitch ratings is illustrative – the Council assesses counterparty suitability using all 3 credit rating agencies, where applicable, and other information on credit quality.

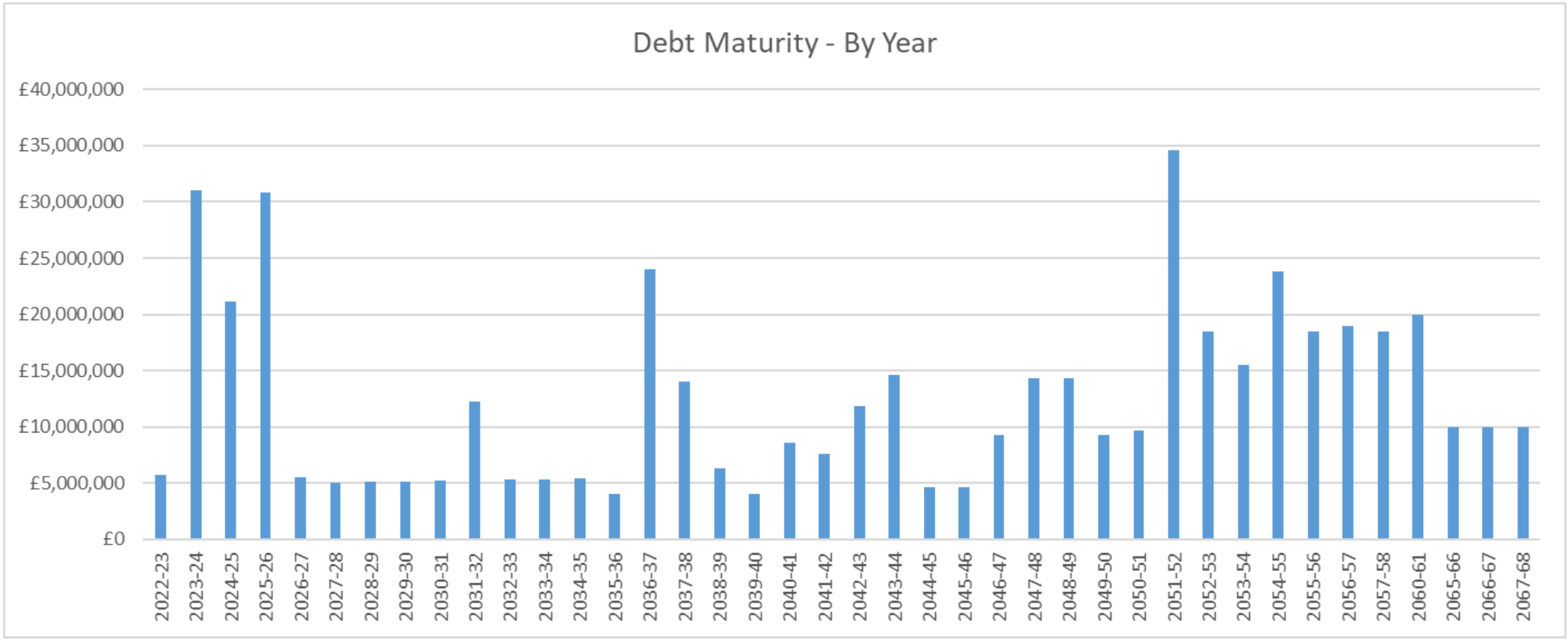
**MMF – Money Market Fund. These funds are domiciled in Ireland for tax reasons, but the funds are made up of numerous diverse investments with highly rated banks and other institutions. The credit risk is therefore spread over numerous countries, including the UK. The exception to this is the Aviva Government Liquidity Fund which invests directly in UK government securities and in short-term deposits secured on those securities.

***Specialised property fund available for Local Authority investors.

Key – Fitch's credit ratings: **Appendix 1 Continued**

		Long	Short
Investment Grade	Extremely Strong	AAA	F1+
	Very Strong	AA+	
		AA	
		AA-	
	Strong	A+	F1
		A	
		A-	
	Adequate	BBB+	F2
		BBB	
		BBB-	F3
Speculative Grade	Speculative	BB+	B
		BB	
		BB-	
	Very Speculative	B+	
		B	
		B-	
	Vulnerable	CCC+	C
		CCC	
		CCC-	
		CC	
		C	
	Defaulting	D	D

Appendix 2


Debt Maturity - By Year
£40,000,000
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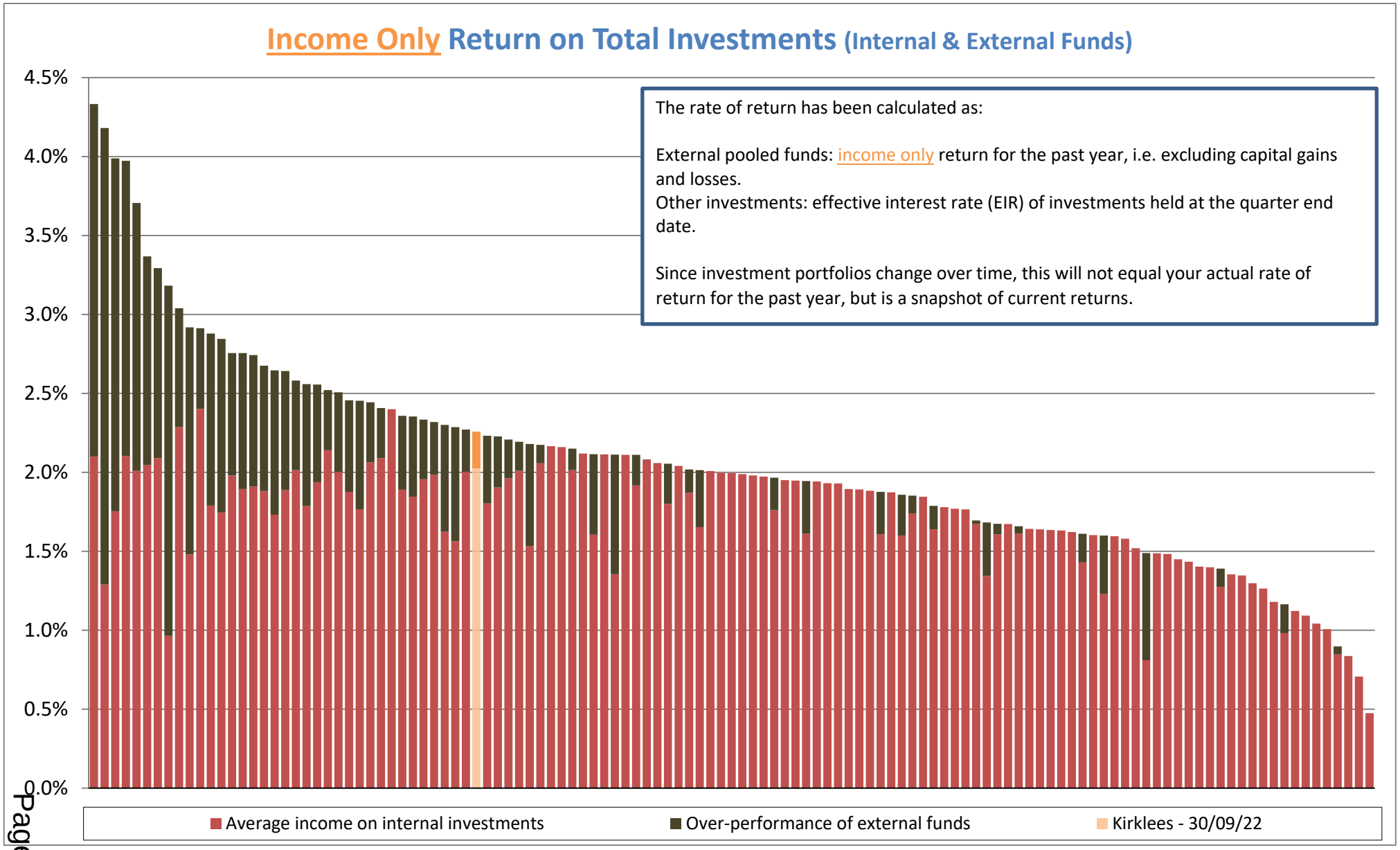
Appendix 3


Income Only Return on Total Investments (Internal & External Funds)
4.5%
4.0%
3.5%
3.0%
2.5%
2.0%
1.5%
1.0%
0.5%
0.0%
The rate of return has been calculated as:
External pooled funds: income only return for the past year, i.e. excluding capital gains and losses.
Other investments: effective interest rate (EIR) of investments held at the quarter end date.
Since investment portfolios change over time, this will not equal your actual rate of return for the past year, but is a snapshot of current returns.
Average income on internal investments
Over-performance of external funds
Kirklees - 30/09/22

Appendix 4

Treasury Management Prudential Indicators

Interest Rate Exposures

While fixed rate borrowing can contribute significantly to reducing the uncertainty surrounding future interest rate scenarios, the pursuit of optimum performance justifies retaining a degree of flexibility through the use of variable interest rates on at least part of the treasury management portfolio. The Prudential Code requires the setting of upper limits for both variable rate and fixed interest rate exposure:

	Limit Set 2022/23	Estimated Actual* 2022/23
Interest at fixed rates as a percentage of net interest payments	60% - 100%	84%
Interest at variable rates as a percentage of net interest payments	0% - 40%	16%

*The estimated actual is within the limits set.

Maturity Structure of Borrowing

This indicator is designed to prevent the Council having large concentrations of fixed rate debt needing to be replaced at times of uncertainty over interest rates.

Amount of projected borrowing that is fixed rate maturing in each period as a percentage of total projected borrowing that is fixed rate	Limit Set 2022/23	Estimated Actual 2022/23
Under 12 months	0% - 20%	1%
12 months to 2 years	0% - 20%	7%
2 years to 5 years	0% - 60%	13%
5 years to 10 years	0% - 80%	8%
More than 10 years	20% - 100%	71%

The limits on the proportion of fixed rate debt were adhered to.

Total principal sums invested for periods longer than 364 days

The Council will not invest sums for periods longer than 364 days.

Appendix 5

Long-term loans repaid during the period 01/04/22 to 30/09/22

	Amount £000s	Rate %	Date repaid
Salix - Annuity	490	0.00	1 April 22
PWLB (340221) - EIP	250	1.63	27 April 22
PWLB (439173) - EIP	250	1.66	17 May 22
PWLB (373440) - EIP	250	1.46	12 July 22
PWLB (487385) - EIP	250	2.28	22 Aug 22
Salix - Annuity	186	0.00	1 Sept 22
PWLB (313112) - EIP	250	1.64	5 Sept 22
PWLB (493145) - EIP	250	1.98	9 Sept 22
PWLB (496956) - Annuity	404	4.58	29 Sept 22
Total	**2,580**		

Long-term loans to be repaid during the period 01/10/22 to 31/03/23

	Amount £000s	Rate %	Date to be repaid
Salix - Annuity	490	0.00	3 Oct 22
PWLB (340221) - EIP	250	1.63	27 Oct 22
PWLB (439173) - EIP	250	1.66	17 Nov 22
PWLB (373440) - EIP	250	1.46	12 Jan 23
PWLB (538379) - EIP	500	2.60	9 Feb 23
PWLB (487385) - EIP	250	2.28	21 Feb 23
Salix - Annuity	186	0.00	1 Mar 23
PWLB (313112) - EIP	250	1.64	6 Mar 23
PWLB (493145) - EIP	250	1.98	9 Mar 23
PWLB (496956) - Annuity	413	4.58	29 Mar 23
Total	**3,089**		

Medium and Long-term loans taken during the period 01/04/22 to 30/09/22

	Loan Period	Amount £m	Rate %	Date to be repaid
Crawley Borough Council	2 Years	5.0	0.50	2 Apr 24
Leicester City Council	2 Years	5.0	0.75	12 Apr 24
South Yorkshire Mayoral Combined Authority	3 Years	10.0	1.50	1 Apr 25
Leicester City Council	3 Years	10.0	2.00	15 Jul 25
Oxfordshire County Council	3 Years	5.0	2.00	15 Aug 25
PWLB (538379) - EIP	20 Years	20.0	2.60	9 Aug 42
Total		**55.0**		

Appendix 6

TREASURY MANAGEMENT PRACTICES

The following Treasury Management Practices (TMPs) set out the manner in which the Council aims to achieve its treasury management policies and objectives, and how it will manage and control those activities.

1. TMP 1 Risk management

The Service Director - Finance will design, implement and monitor all arrangements for the identification, management and control of treasury management risk, will report at least annually on the adequacy/suitability thereof, and will report, as a matter of urgency, the circumstances of any actual or likely difficulty in achieving the organisation's objectives in this respect, all in accordance with the procedures set out in TMP6 Reporting requirements and management information arrangements. In respect of each of the following risks, the arrangements which seek to ensure compliance with these objectives are set out in the schedule to this document.

(i) Credit and counterparty risk management

The Council regards a prime objective of its treasury management activities to be the security of the principal sums it invests. Accordingly, it will ensure that its counterparty lists and limits reflect a prudent attitude towards organisations with which funds may be deposited, and will limit its investment activities to the instruments, methods and techniques referred to in TMP4 Approved Instruments, methods and techniques are listed in the schedule to this document. It also recognises the need to have, and will therefore maintain, a formal counterparty policy in respect of those organisations from which it may borrow, or with whom it may enter into other financing arrangements.

(ii) Liquidity risk management

The Council will ensure it has adequate though not excessive cash resources, borrowing arrangements, overdraft or standby facilities to enable it at all times to have the level of funds available to which are necessary for the achievement of its business/service objectives. The Council will only borrow in advance of need where there is a clear business case for doing so and will only do so for the current capital programme or to finance future debt maturities.

(iii) Interest rate risk management

The Council will manage its exposure to fluctuations in interest rates with a view to containing its net interest costs, or securing its interest revenues, in accordance with the amounts provided in its budgetary arrangements.

It will achieve these objectives by the prudent use of its approved financing and investment instruments, methods and techniques, primarily to create stability and certainty of costs and revenues, but at the same time retaining a sufficient degree of flexibility to take advantage of unexpected, potentially advantageous changes in the level or structure of interest rates. The above are subject at all times to the consideration and, if required, approval of any policy or budgetary implications.

(iv) Exchange rate risk management

The Council will manage its exposure to fluctuations in exchange rates so as to minimise any detrimental impact on its budgeted income/expenditure levels.

(v) Refinancing risk management

The Council will ensure that its borrowing, private financing and partnership arrangements are negotiated, structured and documented, and the maturity profile of the monies so raised are managed, with a view to obtaining offer terms for renewal or refinancing, if required, which are competitive and as favourable to the organisation as can reasonably be achieved in the light of market conditions prevailing at the time.

It will actively manage its relationships with its counterparties in these transactions in such a manner as to secure this objective and will avoid over-reliance on any one source of funding if this might jeopardise achievement of the above.

(vi) Legal and regulatory risk management

The Council will ensure that all of its treasury management activities comply with its statutory powers and regulatory requirements. It will demonstrate such compliance, if required to do so, to all parties with whom it deals in such activities. In framing its credit and counterparty policy under TMP1(i) Credit and counterparty risk management, it will ensure that there is evidence of counterparties' powers, authority and compliance in respect of the transactions they may affect with the Council.

The Council recognises that future legislative or regulatory changes may impact on its treasury management activities and, so far as it is reasonably able to do so, will seek to minimise the risk of these impacting adversely on the organisation.

(vii) Fraud, error and corruption, and contingency management

The Council will ensure that it has identified the circumstances which may expose it to the risk of loss through fraud, error, corruption, or other eventualities in its treasury management dealings. Accordingly, it will employ suitable systems and procedures, and will maintain effective contingency management arrangements, to these ends.

(viii) Market risk management

The Council will seek to ensure that its stated treasury management policies and objectives will not be compromised by adverse market fluctuations in the value of the principal sums it invests, and will accordingly seek to protect itself from the effects of such fluctuations.

2. **TMP2 Performance measurement**

The Council is committed to the pursuit of value for money in its treasury management activities, and to the use of performance methodology in support of that aim, within the framework set out in its Treasury Management Policy Statement.

Accordingly, the treasury management function will be the subject of ongoing analysis of the value it adds in support of the Council's stated business or service objectives. It will be the subject of regular examination of alternative methods of service delivery and of other potential

improvements. The performance of the treasury management function will be measured using the criteria set out in the schedule to this document.

3. **TMP3 Decision-making and analysis**

The Council will maintain full records of its treasury management decisions, and of the processes and practices applied in reaching those decisions, both for the purposes of learning from the past, and for demonstrating that reasonable steps were taken to ensure that all issues relevant to those decisions were taken into account at the time. The issues to be addressed and processes and practices to be pursued in reaching decisions are detailed in the schedule to this document.

4. **TMP4 Approved instruments, methods and techniques**

The Council will undertake its treasury management activities by employing only those instruments, methods and techniques detailed in the schedule to this document, and within the limits and parameters defined in TMP1 Risk management.

Where the Council intends to use derivative instruments for the management of risks, these will be limited to those set out in its annual treasury strategy. The Council will seek proper advice when entering into arrangements to use such products.

5. **TMP5 Organisation, clarity and segregation of responsibilities, and dealing arrangements**

The Council considers it essential, for the purposes of the effective control and monitoring of its treasury management activities, and for the reduction of the risk of fraud or error, and for the pursuit of optimum performance, that these activities are structured and managed in a fully integrated manner, and that there is at all times a clarity of treasury management responsibilities.

The principles on which this will be based is a clear distinction between those charged with setting treasury management policies and those charged with implementing and controlling these policies, particularly with regard to the execution and transmission of funds, the recording and administering of treasury management decisions, and the audit and review of the treasury management function.

If and when the Council intends, as a result of lack of resources or other circumstances, to depart from these principles, the Service Director - Finance will ensure that the reasons are properly reported in accordance with TMP6 Reporting requirements and management information arrangements, and the implications properly considered and evaluated.

The Service Director - Finance will ensure that there are clear written statements of the responsibilities for each post engaged in treasury management, and the arrangement for absence cover. The present arrangements are detailed in the schedule to this document.

The Service Director - Finance will ensure there is proper documentation for all deals and transactions, and that procedures exist for the effective transmission of funds. The present arrangements are detailed in the schedule to this document.

The delegation to the Service Director - Finance in respect of treasury management is set out in the schedule to this document. The Service Director - Finance will fulfil all such

responsibilities in accordance with the Council's policy statement and TMPs and, as a CIPFA member, the Standard of Professional Practice on Treasury Management.

6. **TMP6 Reporting requirements and management information arrangements**

The Council will ensure that regular reports are prepared and considered on the implementation of its treasury management policies; on the effects of decisions taken and the transactions executed in pursuit of those policies; on the implications of changes, particularly budgetary, resulting from regulatory, economic, market or other factors affecting its treasury management activities; and on the performance of the treasury management function.

As a minimum, the Council will receive:

- an annual report on the strategy and plan to be pursued in the coming year
- a mid-year review
- an annual report on the performance of the treasury management function, on the effects of the decisions taken and the transactions executed in the past year, and on any circumstances of non-compliance with the organisation's Treasury Management Policy Statement and TMPs.

The present arrangements and the form of these reports are detailed in the schedule to this document.

7. **TMP7 Budgeting, accounting and audit arrangements**

The Service Director - Finance will prepare, and the Council will approve and, if necessary, from time to time amend, an annual budget for treasury management, which will bring together all of the costs involved in running the treasury management function, together with associated income. The matters to be included in the budget will at a minimum be those required by statute or regulation, together with such information as will demonstrate compliance with the TMPs. Budgeting procedures are set out in the schedule to this document. The Service Director - Finance will exercise effective controls over this budget, and will report any major variations.

The Council will account for its treasury management activities, for decisions made and transactions executed, in accordance with appropriate accounting practices and standards, and with statutory and regulatory requirements in force for the time being. The present form of this function's accounts is set out in the schedule to this document.

The Council will ensure that its auditors, and those charged with regulatory review, have access to all information and papers supporting the activities of the treasury management function as are necessary for the proper fulfilment of their roles, and that such information and papers demonstrate compliance with external and internal policies and approved practices. The information made available under present arrangements is detailed in the schedule to this document.

8. **TMP8 Cash and cash flow management**

Unless statutory or regulatory requirements demand otherwise, all monies in the hands of the Council will be under the control of the Service Director - Finance and, with the exception of Secondary Schools' bank accounts, will be aggregated for cash flow purposes. Cash flow projections will be prepared on a regular and timely basis, and the Service Director - Finance will ensure that these are adequate for the purposes of monitoring compliance with TMP1(i)

Liquidity risk management. The present arrangements for preparing cash flow projections are set out in the schedule to this document.

9. **TMP9 Money laundering**

The Council is alert to the possibility that it may become the subject of an attempt to involve it in a transaction involving the laundering of money. Accordingly, it will ensure that staff involved in treasury management activities are fully aware of their responsibilities with regards this. The present safeguards, including the name of the officer to whom any suspicions should be reported, are detailed in the schedule to this document.

10. **TMP10 Training and qualifications**

The Council recognises the importance of ensuring that all staff involved in the treasury management function are fully equipped to undertake the duties and responsibilities allocated to them. It will therefore seek to appoint individuals who are both capable and experienced and will provide training for staff to enable them to acquire and maintain an appropriate level of expertise, knowledge and skills. The present arrangements are detailed in the schedule to this document.

The Service Director - Finance will ensure that Members of the committee providing a scrutiny function have access to regular training relevant to their responsibilities.

11. **TMP11 Use of external service providers**

The Council recognises that responsibility for treasury management decisions remains with the organisation at all times. However, it also recognises the potential value of employing external providers of treasury management services, in order to acquire access to specialist skills and resources.

When it employs such service providers, it will ensure it does so for reasons which will have been submitted to full evaluation of the costs and benefits. It will also ensure that the terms of their appointment and the methods by which their value will be assessed are properly agreed and documented and subjected to regular review. And it will ensure, where feasible and necessary, that a spread of service providers is used, to avoid over-reliance on one or a small number of companies.

Where services are subject to formal tender or re-tender arrangements, legislative requirements and the Council's Contract Procedure Rules will always be observed. The monitoring of such arrangement's rests with the Service Director - Finance, and details of the current arrangements are set out in the schedule to this document.

12. **TMP12 Corporate governance**

The Council is committed to the pursuit of proper corporate governance throughout its businesses and services, and to establishing the principles and practices by which this can be achieved. Accordingly, the treasury management function and its activities will be undertaken with openness and transparency, honesty, integrity and accountability.

The Council has adopted and has implemented the key principles of the Code. This, together with the other arrangements detailed in the schedule to this document, are considered vital to the achievement of proper corporate governance in treasury

management, and the Service Director - Finance will monitor and, if necessary, report upon the effectiveness of these arrangements.

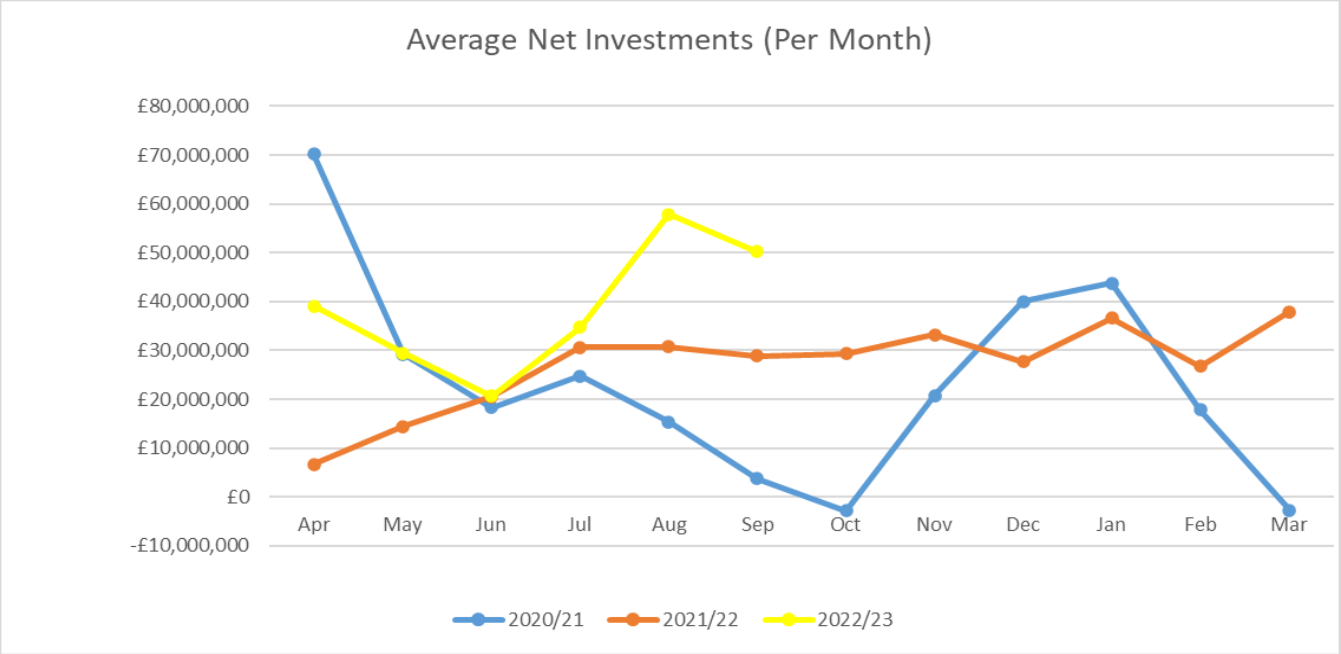
Management Practices for Non-Treasury Investments

The Council recognises that investment in other financial assets and property primarily for financial return, taken for non-treasury management purposes, requires careful investment management. Such activity includes loans supporting service outcomes, investments in subsidiaries, and investment property portfolios.

The Council will ensure that all investments are covered in the Capital and Investment Strategies, and will set out where appropriate, the Councils risk appetite and specific policies and arrangements for non-treasury investments. It will be recognised that the risk appetite for these activities may differ from that of treasury management.

The Council will maintain a schedule setting out a summary of existing material investments, subsidiaries, joint ventures and liabilities including financial guarantees and the organisations risk exposure.

Appendix 7



PWLB Borrowing Rates %

	30/09/22	31/03/22	30/09/21	31/03/21	30/09/20	31/03/20	31/10/19
Annuity							
15 years	5.17	2.55	1.87	1.74	2.09	2.24	2.50
20 years	5.14	2.68	2.07	1.97	2.27	2.40	2.67
30 years	5.13	2.84	2.31	2.26	2.58	2.69	3.00
50 years	4.79	2.79	2.38	2.38	2.76	2.84	3.20
Maturity							
15 years	5.15	2.82	2.28	2.22	2.56	2.66	2.96
20 years	5.11	2.86	2.38	2.35	2.72	2.84	3.16
30 years	4.85	2.77	2.36	2.37	2.74	2.79	3.18
50 years	4.41	2.58	2.17	2.20	2.60	2.59	3.05
EIP							
15 years	5.20	2.54	1.86	1.72	2.09	2.26	2.51
20 years	5.14	2.65	2.04	1.95	2.26	2.40	2.66
30 years	5.15	2.85	2.28	2.22	2.56	2.68	2.97
50 years	4.99	2.83	2.39	2.39	2.77	2.87	3.21

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Kirklees COUNCIL

Name of meeting: **Cabinet**

Date: **21st December 2022**

Title of report: **Establishing an Integrated Care Partnership for West Yorkshire**

Purpose of report: **To establish a statutory West Yorkshire Integrated Care Partnership as a joint committee.**

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)?	**N/A**
The Decision - Is it eligible for call in by Scrutiny?	**Yes**
Date signed off by Strategic Director & 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?**	**Richard Parry, Strategic Director for Adults and Health. 30/11/22** **Eamonn Croston, 30/11/22** **Julie Muscroft, 30/11/22**
Cabinet member portfolio	**Councillor Musarrat Khan**

Electoral wards affected: **All**

Ward councillors consulted: **Ward councillors have not been consulted. It is a statutory requirement to establish and be a member of the West Yorkshire Integrated Care Partnership.**

Public or private: **Public**

Has GDPR been considered? **Yes**

1. **Summary**

The Health and Care Act 2022 established Integrated Care Systems, comprised of an Integrated Care Board (ICB) and an Integrated Care Partnership (ICP).

A West Yorkshire Integrated Care Partnership (WY ICP) is now required to be established as a statutory joint committee of the WY ICB and the five West Yorkshire Councils.

Each Council will have 2 members, the Chair of the Health and Wellbeing Board and one other Councillor.

The WY ICP will be known as the West Yorkshire Health and Care Partnership Board.

2. **Information required to take a decision**

2.1 The Council has been working with partners across health and care in Kirklees and West Yorkshire over many years to strengthen collaboration and partnership arrangements.

The principal features of the arrangements are:

- a single statutory **West Yorkshire Integrated Care Board** (WY ICB), which has replaced Clinical Commissioning Groups. The WY ICB has statutory responsibility for making decisions about investing and allocating NHS resources within its area. The ICB has been in place since 1st July 2022.
- the **Kirklees Health and Care Partnership** (KHCP), a committee of the WY ICB. This makes decisions about NHS resources and services on behalf of the WY ICB, in respect of the Kirklees 'place'. The KHCP does not make decisions on behalf of the Council. The KHCP Collaboration Agreement was endorsed by Cabinet on 14th June 2022.
- the **Kirklees Health and Wellbeing Board,** which continues to bring together key partners to jointly assess population health needs and to drive work to improve health and wellbeing. The Terms of Reference and membership of the Health and Wellbeing Board have been updated to reflect the Health and Care Act changes, and these were approved by full Council on the 7th September 2022.
- a West Yorkshire Integrated Care Partnership (WY ICP), which is now required to be established as a statutory joint committee of the WY ICB and the five West Yorkshire Councils. The WY ICP will be known as the **West Yorkshire Health and Care Partnership Board**

The WY ICP will be a forum for NHS leaders and local authorities to come together with a range of stakeholders to agree shared objectives and work on joint challenges. It will replace and build on the work of the West Yorkshire

and Harrogate Health and Care Partnership which was formed in 2016 as one of 44 non-statutory Sustainability and Transformation Partnerships (STPs).

2.2 The main statutory function of an integrated care partnership is to prepare and publish an integrated care strategy. The West Yorkshire Integrated Care Strategy which is required by the new s116ZA of the Local Public Involvement in Health Act 2007 (inserted by s26 Health and Care Act 2022) will set out how the needs of the population will be met by either the WY ICB, NHS England or the local authorities. The Strategy must address how NHS bodies and local authorities could work together to meet these needs. When carrying out functions, the Council and the WY ICB must have regard to the Strategy (as well as to the Joint Strategic Needs Assessment and Joint Local Health and Wellbeing Strategy prepared by the Health and Wellbeing Board).

2.3 In terms of **membership**, by law, the WY ICP must consist of:

- one member appointed by the WY ICB,
- one member appointed by each West Yorkshire Council, and
- other members appointed by the WY ICP itself.

2.4 The Joint Committee/ICP approves its own Terms of Reference and procedures including quorum under s116ZA(3) of the 2007 Act. Extensive discussions with partners have taken place about the proposed membership and operation of the WY ICP.

2.5 The WY Health and Care Partnership Board has been meeting quarterly throughout the evolution of the integrated care system arrangement. The Council is represented by Cllr Pandor and Cllr Kendrick in her role as Chair of the Health and Wellbeing Board.

2.6 At the meeting held on the 6th September 2022 (link), WY Health and Care Partnership Board, which will fulfil the functions of the WY ICP, approved the attached Terms of Reference and membership – see Appendix 1.

2.7 The Board membership includes:

- A Chair who will be a local authority elected member. The Deputy Chair will be the Chair of the WY ICB.
- Two representatives from each Council
  - the Chair of the local Health and Wellbeing Board and
  - a second elected member
- Chief Executive from each Council
- One representative of Directors of Public Health
- One representative of Directors of Adult Social Care

2.7.1 Part 3.4 of the Constitution sets out the Executive's authority to establish joint committees.

3. (i) Delegations to Joint Committees
The Executive may establish joint committees with one or more local authorities to exercise functions which are executive functions. Any joint committee appointed in accordance with those arrangements may, subject to the terms of those arrangements, discharge those executive functions on behalf of the Executive.

3 Implications for the Council

3.1 Working with People

The principles of the joint committee explicitly reference the need to 'build constructive relationships with communities, groups and organisations to tackle the wide range of issues which have an impact on people's health and wellbeing'.

3.2 Working with Partners

The joint committee is central to the new health and care partnership arrangements and will continue to involve a wide range of partners.

3.3 Place Based Working

The West Yorkshire ICB and the joint committee have been built on a commitment to the 'primacy of place', i.e. the 5 local authority areas. There is also a growing recognition of the importance of working on smaller geographies and the need for each place to identify what works best for them.

3.4 Climate Change and Air Quality

The current WY health and care strategy recognises climate change as one of its 10 Big Ambitions, and this will be carried forward into the new strategy.

3.5 Improving outcomes for children

The ICB and the joint committee are responsible for the health and care of the whole population of West Yorkshire. The recent work on refreshing the health and care strategy for West Yorkshire has highlighted the need to strengthen our children's ambitions to include poverty and improving access to services, including specific services such as dentistry and mental health.

3.7 Other (eg Legal/Financial or Human Resources) Consultees and their opinions

The Council has a duty to establish an integrated care partnership as a joint committee with the other West Yorkshire Councils and the WY ICB.

The WY ICP is a statutory Joint Committee. At present the West Yorkshire Councils do not intend to delegate any local authority functions to it and any such proposals will require a further decision.

Political balance requirements do not apply to the Council's appointment to the joint committee.

By law, the WY ICP must determine its own procedures, including quorum.

3.8 Financial Implications for the Population

There are no direct financial implications for the population. Poverty has come through strongly in the current work on developing the new strategy and is expected to be a key focus for the strategy.

4 Next steps and timelines

The WY ICP meets 4 times per year.

The WY ICP will approve the WY Integrated Care Strategy by March 2023.

5 Officer recommendations and reasons

- To establish the West Yorkshire Integrated Care Partnership (WY ICP) as a joint committee, to endorse the Terms of Reference attached at Appendix 1 and for the WY Integrated Care Board to act as Secretariat to the WY ICP.
- To note that authority is delegated to the Service Director Legal, Governance and Commissioning, in consultation with Group Business Managers to make the nominations to WYICP in accordance with the terms of reference namely, the Leader of the Council and the Chair of the Health and Wellbeing Board.
- To note that the Chief Executive is a member of the WY ICP, and the membership will also include one representative of Directors of Public Health and one representative of Directors of Adult Social Care in West Yorkshire.

The Council is required by law to establish the WY ICP and appoint a member. Doing so facilitates integrated working and strengthens the established relationships between NHS and local authorities, and local partners.

6 Cabinet Portfolio Holder's recommendations

That Cabinet agree the Officer recommendations

7 Contact officer

Phil Longworth, Senior Manager – Integrated Support

phil.longworth@kirklees.gov.uk

8 Background Papers and History of Decisions

West Yorkshire Health and Care Partnership Board Terms of Reference (Appendix 1)

9 Service Director responsible

Richard Parry, Strategic Director for Adults and Health

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West Yorkshire Health and Care Partnership

West Yorkshire Health and Care Partnership Board

6 September 2022

Summary report	
Item No:	33/22
Item:	**West Yorkshire Partnership Board – Terms of Reference (ToR)**
Report author:	Stephen Gregg, Head of Corporate Governance, NHS West Yorkshire Integrated Care Board
Presenter:	Stephen Gregg, Head of Corporate Governance, NHS West Yorkshire Integrated Care Board

Executive summary

This report presents the draft terms of reference for the West Yorkshire Health and Care Partnership Board, which have been revised to reflect its status as a statutory committee of NHS West Yorkshire Integrated Care Board and the responsible local authorities in the Integrated Care System (ICS) area – Bradford, Carven, Calderdale, Kirklees, Leeds, North Yorkshire and Wakefield.

The Health and Care Act 2022 established Integrated Care Systems, comprised of an Integrated Care Board (ICB) and an Integrated Care Partnership (ICP). Legally, the ICP is a statutory joint committee, established by the ICB and responsible local authorities within the ICS.

The Partnership Board will continue its role as a key element of the leadership and governance arrangements for our Partnership. As previously agreed, it will build on our existing successful arrangements and that our inclusive, non-statutory Partnership Board, which we established in 2019, would become our statutory ICP. The Partnership Board's terms of reference were last approved at its meeting in December 2021. At its meeting in June 2022, the Partnership Board noted that its terms of reference would need to be updated to reflect the Partnership Board's new statutory status.

The attached document provides the revised (draft) Terms of Reference for the Partnership. Subject to agreement today we will ask the ICB and local authorities to agree these through their appropriate governance mechanisms.

Recommendations

Members of the Partnership Board are recommended to:

- confirm support for the revised terms of reference; and
- note that these terms of reference will be agreed by the NHS West Yorkshire Integrated Care Board and local authorities through their appropriate governance mechanisms.

West Yorkshire
Health and Care Partnership

Partnership Board

(West Yorkshire's Integrated Care Partnership)

DRAFT Terms of Reference

August 2022

DRAFT

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DRAFT

1. Introduction and context

1.1. West Yorkshire and Harrogate Health and Care Partnership was formed in 2016 as one of 44 Sustainability and Transformation Partnerships (STPs), in response to the *NHS Five Year Forward View*. Now the West Yorkshire Health and Care Partnership ('the Partnership'), it brings together all health and care organisations and wider partners in our five places: Bradford District and Craven, Calderdale, Kirklees, Leeds and Wakefield District.

1.2. The Partnership is not an organisation, but a way of working to meet the diverse needs of our citizens and communities. NHS services have come together with local authorities, voluntary, community and social enterprise groups to agree how we can reduce health inequalities, improve people's health and improve the quality of their health and care services.

1.3. The Health and Care Act 2022 establishes statutory Integrated Care Systems, comprised of an Integrated Care Board (ICB) and an Integrated Care Partnership (ICP). Legally, the ICP is a statutory joint committee, established by the ICB and the local authorities with social care responsibilities within the ICS. Building on our existing successful arrangements, our inclusive, non-statutory Partnership Board, which we established in 2019, will become our statutory ICP. It will continue its role as a key element of the leadership and governance arrangements for our Partnership.

Purpose

1.4. The Partnership Board will provide the formal strategic leadership for the Partnership. Under the Health and Care Act, it is responsible for agreeing an integrated care strategy to address the broad health and social care needs of the population of West Yorkshire, including determinants of health such as employment, environment, and housing issues. The Integrated Care Board and partner local authorities must have regard to this strategy when making decisions, commissioning and delivering services.

1.5. In addition to its statutory role, the Partnership Board will continue to support place-based partnerships and coalitions with community partners which are well-placed to act on the wider determinants of health in local areas. The Board will bring together the statutory and non-statutory interests of places. It will provide oversight for all Partnership business, and a forum to make decisions and recommendations together as partners on matters which neither impact on the statutory responsibilities of individual organisations nor have been delegated formally to a collaborative forum.

1.6. The Partnership Board has no formal delegated powers from the organisations in the Partnership. The Partnership Board will work by building agreement with leaders across Partner organisations to drive action around a shared direction of travel.

1.7. These Terms of Reference describe the scope, functions and ways of working for the Partnership Board. They should be read in conjunction with the West Yorkshire ICB constitution and governance handbook, which describe the wider governance and accountability arrangements for our system.

DRAFT

2. How we work together in West Yorkshire

Our vision

2.1. We have worked together to develop a shared vision for health and care services across West Yorkshire. All of our plans support the realisation of this vision:

- Places will be healthy - you will have the best start in life, so you can live and age well
- If you have long term health conditions, you will be supported to self-care through GPs and social care services working together. This will include peer support and via technology, such as telemedicine
- If you have multiple health conditions, there will be a team supporting your physical, social and mental health needs. This will involve you, your family and carers, the NHS, social care and voluntary and community organisations
- If you need hospital care, it will usually mean going to your local hospital, which works closely with others to give you the best care possible
- Local hospitals will be supported by centres of excellence for services such as cancer, stroke, and mental health
- All of this will be planned and paid for together, with councils and the NHS working together to remove the barriers created by planning and paying for services separately. For example, community and hospital care working together
- Communities and staff will be involved in the development and design of plans so that everyone truly owns their health care services.

Principles for our Partnership

2.2. The Partnership Board operates within an agreed set of guiding principles that shape everything we do through our Partnership:

- We will be ambitious for the people we serve and the staff we employ
- The West Yorkshire Partnership belongs to its citizens and to commissioners and providers, councils and NHS
- We will do the work once – duplication of systems, processes and work should be avoided as wasteful and potential source of conflict
- We will undertake shared analysis of problems and issues as the basis of taking action
- We will apply subsidiarity principles in all that we do – with work taking place at the appropriate level and as near to local as possible
- We will build constructive relationships with communities, groups and organisations to tackle the wide range of issues which have an impact on people's health and wellbeing.

Our shared values and behaviour

2.3. Members of the Partnership Board commit to behave consistently as leaders and colleagues in ways which model and promote our shared values:

- We are leaders of our organisation, our place and of West Yorkshire
- We support each other and work collaboratively
- We act with honestly and integrity, and trust each other to do the same
- We challenge constructively when we need to
- We assume good intentions
- We will implement our shared priorities and decisions, holding each other mutually accountable for delivery.

3. Role and Responsibilities

3.1. The Partnership Board will provide the formal leadership for the Partnership. It will be responsible for setting strategic direction and providing strategic oversight for all Partnership business. It will make joint decisions and recommendations on of matters which do not impact on the statutory responsibilities of individual organisations and have not been delegated formally to a collaborative forum. Its responsibilities are to:

i. agree the West Yorkshire Integrated Care Strategy and the broad objectives for the Partnership;

ii. consider recommendations from Partnership forums such as the System Leadership Executive Group and make recommendations on:
   - The objectives of priority Partnership work programmes and workstreams
   - The apportionment of transformation monies from national bodies
   - Common actions when systems become distressed

iii. ensure the voice of the patients, service users and citizens is heard and reflected in all plans

iv. act as a leadership cohort, demonstrating what can be achieved with strong system leadership and increased freedoms and flexibilities;

v. provide a mechanism for joint action and joint decision-making for those issues which are best tackled on a wider scale;

vi. support the development of local partnership arrangements which bring together the Councils, voluntary and community groups, and NHS commissioners and providers in each Place;

vii. ensure that, through partnership working in each place and across West Yorkshire, there is a greater focus on population health management,

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integration between providers of services around the individual's needs, and a focus on care provided in primary and community settings;

viii. oversee a mutual accountability framework which provides a single, consistent approach for assurance and accountability between partners;

ix. reach agreement in relation to recommendations made by other governance groups within the Partnership on the need to take action in relation to managing collective performance, resources and the totality of population health;

x. adopt an approach to making joint decisions and resolving any disagreements which follows the principle of subsidiarity and is in line with the shared values and behaviours of the partnership.

4. Membership

4.1. The membership will comprise:

- A Chair, who will be a local authority elected member
- A deputy Chair, who will be the ICB Chair
- The ICB Chief Executive
- Chairs of Place-based Committees of the ICB
- The nominated lead officer for each Place
- One representative of the clinical leads of each Place
- Chairs of Health and Wellbeing Boards of each Place
- A second elected member for each Council
- Council chief executives
- One representative of Directors of Public Health
- One representative of Directors of Adult Social Care
- Chairs of NHS Trusts, NHS Foundation Trusts and other providers of NHS services which are formal partners
- Chief executives of NHS Trusts, NHS Foundation Trusts and other providers of NHS services which are formal partners
- One representative of NHS England
- One representative of Health Education England
- One representative of the Office for Health Improvement & Disparities
- One representative of Healthwatch organisations
- The chief executive of Yorkshire and Humber Academic Health Science Network
- The chair of the West Yorkshire Clinical Forum
- Three representatives of the voluntary and community sector
- One representative of the hospice sector
- One representative of independent providers of social care

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- One representative of West Yorkshire Local Medical Committees

4.2. A list of members is set out at **Annex 1 (to be added)**.

Deputies

4.3. If a member is unable to attend a meeting of the Partnership Board, s/he will be responsible for identifying a suitable deputy to attend on their behalf. Such a deputy must have sufficient seniority and sufficient understanding of the issues to be considered to represent their organisation, place or group effectively. Deputies will be eligible to vote.

Additional attendees

4.4. Additional attendees will routinely include:

- Directors of the Integrated Care Board

4.5. At the discretion of the Chair, additional representatives may be requested to attend meetings from time to time to participate in discussions or report on particular issues. Such additional representatives may include:

- Senior Responsible Officers and programme leads for West Yorkshire programmes
- Representatives of Partner organisations, who are not part of the core membership
- Other ICB staff and external advisers.

5. Quoracy and voting

5.1. The Partnership Board will be quorate when 75% or more of Partner organisations are present, including at least one representative from each place. The Partnership Board will generally operate on the basis of forming a consensus on issues considered, taking account of the views expressed by members. It will look to make any decisions on a 'Best for West Yorkshire' basis. The Chair will seek to ensure that any lack of consensus is resolved amongst members.

5.2. By exception, and with its prior approval, the Partnership Board shall authorise members of the Board to take decisions on its behalf. The nature and scope of the delegation shall be recorded in the minutes and any such decisions shall be reported to the Board as its next meeting.

6. Accountability and reporting

6.1. The Partnership Board will receive regular reports on the delivery by partners of the West Yorkshire integrated care strategy.

6.2. The Partnership Board has no formal powers delegated by Partner organisations. It has a key role within the wider governance and accountability arrangements for the West

Yorkshire Partnership. The minutes, and a summary of key messages will be submitted to all Partner organisations after each meeting.

7. Conduct and Operation

7.1. The Partnership Board will meet in public, at least four times each year. An annual schedule of meetings will be published by the secretariat.

7.2. Extraordinary meetings may be called for a specific purpose at the discretion of the Chair. A minimum of seven working days' notice will be given when calling an extraordinary meeting.

7.3. The agenda and supporting papers will be sent to members and attendees and made available to the public no less than five working days before the meeting. Urgent papers will be permitted in exceptional circumstances at the discretion of the Chair.

7.4. Draft minutes will be issued within 10 working days of each meeting.

Managing Conflicts of Interest

7.5. Each member must abide by all policies of the organisation it represents in relation to conflicts of interest.

7.6. Where any Partnership Board member has an actual or potential conflict of interest in relation to any matter under consideration at any meeting, the Chair (in their discretion) shall decide, having regard to the nature of the potential or actual conflict of interest, whether or not that member may participate and/or vote in meetings (or parts of meetings) in which the relevant matter is discussed.

7.7. Where the Chair decides to exclude a member, the relevant organisation represented by that member may send a deputy to take the place of the conflicted member in relation to that matter.

Secretariat

7.8. The secretariat function for the Partnership Board will be provided by the ICB team. A member of the team will be responsible for arranging meetings, recording notes and actions from each meeting, preparing agendas, and agreeing these with the Chair.

8. Review

8.1. These terms of reference and the membership of the Partnership Board will be reviewed at least annually. Further reviews will be undertaken in response to any material developments or changes in the wider governance arrangements of the Partnership.

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Name of meeting: **Cabinet**
Date: **21st December 2022**
Title of report: **Employment West Yorkshire**

Purpose of report:

The report presents an update on Employment West Yorkshire, the West Yorkshire Combined Authority led programme proposed to replace and build on the current Employment Hub model to support people into work, apprenticeships and other learning and training opportunities . It details proposals to utilise the Employment West Yorkshire gainshare funding that has been allocated in principle to the Council , to extend the council led Works Better employability programme when the current ESF funding streams ends in December 2023 .

The report seeks Cabinet approval to enter into a funding agreement with West Yorkshire Combined Authority to receive funding to the value of £ 2.3 million to deliver Employment West Yorkshire in Kirklees between April 2023 and March 2025 and put in place the necessary officer delegations.

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)?	**Key Decision - Yes** **Private Report/Private Appendix - No**
The Decision - Is it eligible for call in by Scrutiny?	**Yes**
Date signed off by Strategic Director & 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 – Yes 8th h December 2022** **Eamonn Croston – Yes 8th December 2022** **Julie Muscroft – Yes - 9th December 2022**
Cabinet member portfolio	**Councillor Graham Turner – Portfolio Holder for Growth and Regeneration**

Electoral wards affected: All wards

Ward councillors consulted: Ward councillors have not been consulted because of the need to establish the scheme as soon as possible.

Public or private: Public.

Has GDPR been considered? Yes.

Page 2 of the report

1. Summary

1.1 The report presents an update on Employment West Yorkshire which is the title for the West Yorkshire Combined Authority led programme proposed to replace and build on the current WYCA Employment Hub model . In Kirklees Employment Hub funding has been used to part fund the Works Better Programme which is the council led employment programme funded by ESIF , Gainshare and Council funds.

1.2 The aims of Works Better is to support people into work, apprenticeships and other learning and training opportunities . If offers an all age all employment information , advice and guidance service for resident aged 15 plus who live in Kirklees. Priority is given to those furthest from the labour market who are either not in work or in insecure low paid work.

1.3 The report details proposals to utilise the Employment West Yorkshire Gainshare funding that has been allocated in principle to the Council , to extend the Works Better programme when the current ESIF funding streams come to an end in December 2023.

1.4 The report also offers a high-level overview of current ESF funded provision as we prepare for the final year of delivery and to provide context to the proposals for Employment West Yorkshire.

2. Information required to take a decision

Background

Context

2.1 Locally, the number of Kirklees residents in receipt of Universal Credit or other unemployment benefits has stabilised following unprecedented increases in April and May 2020 and the claimant rate currently stands at 4.1 % (Nomis , UK)

2.2 The Employment rate is also remains steady however the percentage of jobs in Kirklees paying below the Real Living Wage remains at 22% versus a national average of 17 % . (WYCA , State of Region report , October 2022)

2.3 However there remains challenges around employment in Kirklees . Many Universal Credit claimants yet to be fully engaged by Jobcentre Plus and significant increase in demand for employment support is anticipated as the effects of the Cost of Living crisis are predicted to increase redundancies and in work poverty .

2.4 Across West Yorkshire with the number of younger people claiming unemployment benefits increased by 8% between June and October 2022 , this is in direct result of the government kickstart scheme ending but also could be a signal of a weaking employment market. (West Yorkshire Economic Insights report , November 2022)

2.5 Nationally the economic inactivity rate increased by 0.2 percentage points on the quarter to 21.6% in July to September 2022, in Kirklees this figure is 24.6 % . Economic inactivity refers to people who are not in work and have not been seeking or not been available for work. During the latest three-month period, the increase in economic inactivity was driven by those who are long-term sick and whilst the figure for Kirklees (19 %) is not as high as the national average (25.4 %) it has increased to a record high (Nomis UK). This figure is widely viewed to be behind the labour shortages we are seeing .

2.6 There continues to be a large number of vacancies across West Yorkshire. Job postings in October 2022 were 23% higher than October 2021, and double October 2020 and 2019. Vacancies across all districts in West Yorkshire including Kirklees, increased between September and October. (West Yorkshire Economic Insights report , November 2022)

2.7 Skills shortages also present challenges to some of our business sectors, with many reporting skills shorts and difficulty recruiting for high level skilled jobs

2.8 This suggests a widening of the gap between those who have skills and are employed and those who have no or low skills. These people are more likely not to be in work, and also to have not engaged in local employment provision

Works Better : The Councils current employability programme

Works Better is the Council's support programme to help Kirklees residents into sustainable employment. The programme acts as a single gateway for all residents seeking support and has four main strands which are funded through a mix of different funding streams and have different end dates as a result of this .

2.9 Works Better 15-25, which supports young people who are not in employment, education or training (NEET) and brings together three separately funded but integrated projects with a total value of £5.1m - Youth Engagement and Progression (YEP), funded through the Council/ESF; the WYCA-led Employment Hub, which supports 15-24 year olds to re-enter work or learning and Positive Minds, which will provide tailored mental health support for young people and is funded by the Council/ESF; YEP and the Employment Hub are currently scheduled to end in December 2023.

2.10 Works Better Enhanced (WBE) forms the adult strand of the programme, which commenced in October 2019 and will cease delivery in December 2023 ; with a total scheme value of £8.1 m and funded through the Council, local VCS delivery partners and ESF, WBE works with ESF-eligible unemployed clients including both those in receipt of out of work benefits and non-claimants.

2.11 Better Works launched in November 2020 and extended the focus of Works Better to support people who live in Kirklees that were previously ineligible for support as a result of strict ESF criteria; this included those who were on furlough; those at risk of redundancy or working in vulnerable sectors; and under-employed residents working a low number of hours, including graduates and/or residents on zero hours contracts; the focus for this group was to be to access retraining through Adult Education programmes . This programme was funded by the council and the WYCA led Employment hub to the value of £1.1 m , funding for this is due to end in March 2023 .

2.12 Kirklees Apprenticeship for All . Receiving of funding of £ 1.75M from ESF and using Apprenticeship Levy as match this pilot programmes seeks to increase the numbers of businesses using apprenticeships to upskill their current employees . It does this through providing a programme of enrichment support for Apprentices and access to unspent levy funding for SMEs. This programme was originally due to start in Jan 2020 commenced in April 2021 and is due to finish delivery in November 2023.

2.13 C&K Careers, Fusion Housing , Paddock Community Trust, and Proper job are a key delivery partner for Works Better programme with specialist mental health providers Northorpe Hall and S2R for Positive Minds.

2.14 For Works Better Enhanced, a number of Council services, including Homes and Neighbourhoods , REAL employment, In2Care and Local Welfare provision are supported to provide referrals into the scheme.

2.15 The programme also funds a business engagement team who works with local businesses to understand their recruitment needs and fill vacancies through the talent pool of Works Better clients, and Apprenticeships and promote workforce development and career progression in work, connecting businesses to local and national training schemes.

2.16 From a Council perspective the Works Better programme is delivered through a mix of permanent and fixed-term staff. Contracts for the latter are due to end in December 2023. To maintain Council delivery and programme management capacity, there is a pressing requirement to extend provision

during the transition period between the end of ESIF funding (by December 2023) and commencement of the Government's replacement UK Shared Prosperity Fund.

Current Programme Performance

2.17 Whilst the performance of the Works better programmes remain on track there is some risk in relation to achievement of existing/future ESF outputs as performance of the programmes has been affected by the introduction of national provision , most notably Restart delivered in our region by Maximus UK .

2.18 Restart is a national programme and was developed in response to the pandemic and in anticipation of the significant increase in unemployment predicted at the time. Since its introduction in June 2020 Jobcentre Plus have been required to refer unemployed clients who meet the eligibility criteria onto the Restart programme. As the anticipated numbers of unemployed have never been reached the eligibility criteria for Restart support has been widened therefore narrowing the pool of unemployed people referred to Works Better programmes. Whilst this risk is being managed it remains significant .

2.19 Works Better programmes are still performing on economically inactive targets which is the client group UKSPF is focused on supporting . This is a group smaller in numbers but who in general due to their distance in the labour market require more intensive support .

2.20 The programme is which we are seeing the least demand is Works Better 15 to 25 Positive Minds with the mental health support available not being fully utilised and other mental health support being seen as a better fit for potential participants .

2.21 Whilst having success engaging businesses and with objectives associated with Levy transfer and increased interest in Apprenticeships the Kirklees Apprenticeships for All programme is not currently hitting its ESF profiles targets and a change request to reduce the amount of funding and the associated outputs and results is required and will be submitted in November of this year . This is not unexpected due to the programmes late start and its nature of being a pilot project .

Employment West Yorkshire

2.22 In response the funding gap created by the UKSPF People and Skills strand not being available until March 2024 and ESF funding finishing in 2023, The West Yorkshire Combined Authority supported by the Local authorities have developed a business care to access £ 12 million of gainshare funding to support expansion of the Employment Hub initiative under the new title of Employment West Yorkshire .

2.23 The funding is being sourced as part of The West Yorkshire Investment Strategy (WYIS), Investment Priority 2 (IP2); Skills and Training which at its source is the WYCA's gainshare settlement . It covers the period of April 2023 to March 2025.

2.24 A key challenge that Employment West Yorkshire will need to help address is getting more people ready for work in our region. There is a particularly strong need for this, given the current situation in the labour market. Alongside the rest of the country, reduced international migration and early retirement, alongside rising labour demand in sectors has led to vacancy rates rising. This is a significant issue for local businesses and is particularly true of hospitality, warehousing/transport services, social care, and food manufacturing sectors.

2.25 Employment West Yorkshire has being co-designed by Combined and Local Authority officers and will contribute to the following outputs in the WYIS' IP2 Skills and Training :

- Number of unemployed (including long-term unemployed) participants supported.
- Number of inactive participants supported.
- Number gaining employment, engaging in positive activities that address barriers to work or widen participation in training.
- Number of Not in Education, Employment or Training in disadvantaged groups supported.
- Number of 16-24 / 50+ unemployed in disadvantaged groups supported.

2.26 The proposed approach is a combination of Local and Regional. Local Authorities are closer to their communities. As the labour market fluctuates and behaves differently in each Local Authority this requires a flexible response to support individuals to retrain, upskill and progress towards employment or self-employment. Regional coordination provides the opportunity to build upon best practice from local 'hubs' and provides economies for scale.

2.27 Linked to Mayoral and local priorities the six authorities will also pilot new and innovative outcome based approaches to supporting digital skills so that individuals have digital skills for life and work, as well as testing approaches to support young people aged 18-30 into well, paid skilled green jobs through a Green Job Gateway (the Gateway is currently being developed through a separate business case).

Employment West Yorkshire in Kirklees

2.28 The Business case for Employment West Yorkshire has progressed through West Yorkshire Combined authority's internal business assurance process and Kirklees Council has been allocated a provisional sum of £2.3 million to be defrayed over this period of April 2023 to March 2025.

2.29 The allocation to each local authority (for Kirklees, 19.7% of the total funding available) was determined on the basis of previous allocations and gap requirements . Whilst there will be outputs and outcomes associated with the funding there is an understanding that the funding must be flexible in nature in order to be able to respond to local needs as they develop and should look not to duplicate and national programmes .

2.30 The Council is proposing using the Employment West Yorkshire funding in the following way in Kirklees :

2.31 April 2023 to March 2025

Ensuring continuous offer to support to those clients that are currently ineligible as a result of strict ESF criteria; those at risk of redundancy or working in vulnerable sectors; and under-employed residents working a low number of hours, including graduates and/or residents on zero hours contracts; the focus for this group will be to access retraining through Adult skills programmes and secure an improved labour marker status. The current funding for this is due to end in March 2023

2.32 January 2024 to March 2025

Extend the Works Better Enhanced and 15 to 25 programmes until March 2025 with a reduced focus on the unemployed supported by JCP programmes and an increased focus on economically inactive residents . There is a need to provide more intensive support for these groups to progress towards employment and to tackle the reason for the inactive status .

2.33 Pilot programmes to support mayoral pledges in digital skills and green jobs will be delivered as part of the overarching Work Better programme with dedicated programmes developed to best suit the needs of residents and businesses being supported.

2.34 Building on the current model it is proposed that the use of delivery partners is still central to our approach and the Council will commission partners in a competitive process . Initial costings indicate that from the £ 2.3 million secured , up to £ 1.3m will be used to fund delivery partners.

2.35 The Council will maintain a central lead role with core functions managed and delivered by the LA. This will involve oversight if of the design, implementation, and management of the programme .

2.36 The Council will also employ a small delivery team ensuring a coordination of the activity across the district and support to maintain a single point of access/gateway for support under the brand to increase awareness for both residents and businesses.

2.37 The design of this commissioning process will be overseen by a task and finish group made up of partners from the Employment and Skills partnership who will remain on as project steering group to ensure the funding remains flexible and responsive in nature to local needs.

2.38 The funding will require the programme to work with a minimum 1500 residents . Supporting them into employment or self-employment, upskilling/progression within their existing role or into learning.

2.39 It is also proposed to rebrand the Works Better programme to align with Employment West Yorkshire brand to assist with increasing awareness . The working title is Employment Kirklees however further work will be required on the marketing.

UK Shared Prosperity Fund

2.40 The UK Shared Prosperity Fund will serve as the Government's replacement for the European Structural and Investment Funds. One of the UKSPF priority themes is people and skills with a focus on locally tailored solutions. However funding is not available to deliver in this area until year 3 of UKSPF (April 2024) .

2.41 As the UKSPF programme develops and where the Single Investment Fund principles apply and the funding rules of Shared Prosperity Fund allow, year 2 allocation may be funded through Shared Prosperity Fund Pillar 3 activities. However, as not enough is known about the design and amount of funding available from this funding source to confirm whether this is a viable or even desirable option for the West Yorkshire and the Local authorities.

2.42 This option will be explored in partnership between the West Yorkshire Combined Authority and the Local Authority before year 2 delivery commences.

Options

2.43 Option 1:
End funding for the current programmes without a successor programme. Locally delivered support for employment would end in December 2023 and national provision would be expected to fill the gap until people and skills strand of UKSPF becomes available in 2024/ 2025

Option 2:
Commission delivery at a West Yorkshire level. Reduces the potential for tailoring to local needs and opportunities. Creates additional costs as a result of competition. Removes the role of local authorities to function as place-based convenors and coordinators of a range of services.

Option 3: preferred option
Accept Employment West Yorkshire with regional co-ordination with local delivery. This creates a co-ordinated and tailored offer for both employment support. It will build on experience and learning to date. Ensures a co-ordination of service offers that are focused on the best outcomes for individuals and businesses and creates an offer that targets people and businesses.

Risks

2.44 There are a number of risks associated with the scheme, including:

- the wider economic climate could impact on the ability to achieve some of the output/results targets, with the potential risk of clawback of funding

- in acting as Accountable Body for the Employment West Yorkshire Funding , the Council is required to ensure that compliance with the relevant client, eligibility, Subsidy Control, procurement and branding/publicity requirements, including by delivery partners, again with the potential risk of clawback in the event of non-compliance

2.45 These risks will be managed and mitigated by the Council on an ongoing basis throughout the delivery period. The Council has experience of managing external funding streams over a number of years, including complex European funding programmes, and has the resources in place to manage any related compliance risks.

2.46 Participation in the projects could also be impacted by the current economic situation –these risks will be mitigated by working closely with and supporting engagement by community-based delivery partners that are best placed to access hard to reach clients.

2.47 A full project risk register will be developed and monitored on a regular basis by the programme steering group. Risks and issues by exception will be reported both to the Growth and Regeneration Portfolio Senior Leadership Team, chaired by the Strategic Director, and reported to Elected Members via regular Portfolio Holder briefings.

3. Implications for the Council

Working with people

3.1 The proposals are in accord with the Council plan , Kirklees Economic Strategy and the Employment and Skills plan approved by Cabinet. They will improve access to employment opportunities for Kirklees residents.

Working with Partners

3.2 Employment West Yorkshire has been developed building on learning from recent external evaluation and reviews from the original Employment Hub . The West Yorkshire Employment and Skills Committee have been engaged in development at a West Yorkshire level. At a local level information gathered via the Works Better Steering groups has shaped the approach. Going forward partners will be instrumental in the development and implementation of the programme. The Council will establish a Steering group to plan and oversee the delivery of Employment West Yorkshire funding in Kirklees . This will include both Council and external/stakeholder representation and will draw from the membership of the Employment and Skills partnership. This approach will ensure the Council is accountable, open, and transparent with West Yorkshire Combined Authority and other local partners.

Place Based Working

3.3 The Works Better programme plays a direct role in supporting and accelerating the Council's proposals for place-based working – through provision of capacity building and other resources to be targeted at those VCS organisations that are best placed to support local communities/ residents; and increasing access to employability support for people who live in Kirklees .

Climate Change and Air Quality

3.4 The Works Better programme has a commitment to promoting sustainable development and to comply with relevant the environmental legislation and we would seek to build on this with any extension which Employment West Yorkshire Funding allows. We will influence the practices of both Employers and Participants on the programme, as well as embedding sustainability into all aspects of Programme Management. The commitment to a Green skills pilot will also contribute directly to the net zero ambitions of the Council.

Other (legal/financial/human resources)

Finance

3.5 The Employment West Yorkshire programme is fully funded via the West Yorkshire Combined Authority using gainshare funding .Funding is for the period April 2023 to March 2025 with a flexible profile.

3.6 No match funding from the Council is required to be committed to access the funding for Kirklees. Consideration will need to be given as to whether delivery partners will be expected to provide match funding as part of the Commissioning exercise .

3.7 The funding will only be able to be used for eligible spend as defined by the funding agreement and is expected to be based on previous financial models of 75 % upfront payments and 25 % based on performance . Any payment terms will be passed on to delivery partners as part of the commissioning process.

3.8 All operational costs associated with the Council acting as Lead accountable body will be covered by the fund . Design, implementation, and management of the programme will be realised through existing staff resources from the Employment and Skill team.

Legal

3.9 Receipt of external funding will be a key decision we would be required to enter into a funding agreement with West Yorkshire Combined Authority . Under FPR 22.5 – 22.8 the entering into an agreement and the acceptance of funding can be dealt with as an officer delegated decision . The Council's legal teams will be engaged throughout to advise on contractual issues relating to the funding agreement to help identify and mitigate any risks. The procurement team will advise on any related procurement matters. The Council will award to delivery partners in compliance with the Council's Contract Procedure Rules and with the Public Contracts Regulations 2015

3.10 The scheme will be operated pursuant to the Subsidy Control Act 2022 which comes into force on 4 January 2023. It is unlikely that the Council will receive support in order to finance staff running costs for the sole purpose of providing the service on an 'at-cost' basis to support individuals to benefit from the programme. The support "flows through" to Delivery Partners, no selective advantage is likely to be conferred and funding for delivery partners will be provided on the same basis where contracts are subject to competition . In the absence of competition for a contract or the award of grant , any financial assistance to an economic actor ,where there is an economic advantage which is selective in the provision of goods/services and which has potential to distort competition or investment within the UK must comply with the Subsidy Control Act 2022 .

3.11 The council has the power to accept grant under the Localism Act 2011 which provides a power to do anything an individual may do subject to prohibitions and restrictions in other legislation .

3.12 Risks and issues by exception will be reported both to the Growth and Regeneration Portfolio Senior Leadership Team, chaired by the Strategic Director, and reported to Elected Members via regular Portfolio Holder briefings.

HR

3.13 Design, implementation, and management of the programme will be realised through existing staff resources from the Employment and Skill team. Any delivery commitments up until December 2023 can be absorbed by the current team as we look to close the original funding streams and reallocate resource accordingly. However there will be a need to extend the contracts of some fixed term staff members to support delivery from December 2023. Advise will be sort from HR partners on the best way to approach this.

3.14 This approach make create some operational pressure on the Employment and Skills Team as they manage the transition of funding from ESF to Employment West Yorkshire however the team are experienced in this and will utilise additional resource available to us from Apprenticeships and placements to support .

Communications

3.15 Employment West Yorkshire presents an opportunity to review the current programme branding and streamline to make access easier for residents . This will need to align with both Council

Corporate communications and also any centralised West Yorkshire Combined Authority campaign which will be run under Employment West Yorkshire Brand and also have the Mayoral brand attached . Further work with Communication team will be required in this area to determine whether the retaining of the Works Better brand is appropriate or whether the phased introduction of a new single point of access brand is preferable.

4. Consultees and their opinions

4.1 Employment West Yorkshire has been developed building on learning from recent external evaluation and reviews from the original Employment Hub . The West Yorkshire Employment and Skills Committee have been engaged in development at a West Yorkshire level. At a local level information gathered via the Works Better Steering groups has shaped the approach.

4.2 Engagement with key stakeholders will continue as the scheme is developed and implemented. Most notably through the Steering group detailed in section 3.2

5. Next steps and timelines

5.1 Next steps will include:

- Reviewing and entering into the Funding Agreement to receive Employment West Yorkshire funding from West Yorkshire Combined Authority
- To set up the Programme Steering group as a subgroup of the Employment and Skills partnership.
- Begin the implementation of the programme .
- Commissioning of year 1 Programme , including finalisation of project specification and commencement of related procurement activities.

6. Officer recommendations and reasons

1. Cabinet notes the content of this report and agrees for work to begin on the implementation and the delivery of the Employment West Yorkshire programme in Kirklees .
2. Cabinet agrees to accept external funding of £2 .3 million from the West Yorkshire Combined Authority to support delivery of the Employment West Yorkshire Programme in Kirklees , and for the Council to act as Accountable Body for the grant.
3. Cabinet delegates authority to the Strategic Director Growth and Regeneration and the Service Director Legal, Governance and Commissioning to finalise and execute all necessary legal agreements with the West Yorkshire Combined Authority and the Council's project delivery partners
4. Cabinet delegates authority for implementation of the Employment West Yorkshire programme in Kirklees to the Strategic Director Growth and Regeneration including the commencement and award of any related procurement exercises.
5. Cabinet delegates authority to the Strategic Director Growth and Regeneration and the Service Director Finance, to submit grant claims and to undertake related project monitoring and reporting.

Reasons

1. To ensure Kirklees residents, can access the support available through the project as soon as practicable.

2. To enable the Council to receive external funding for the programme via the West Yorkshire Combined Authority.

3. To enable the Council to receive external funding for the programme via the West Yorkshire Combined Authority.

4. To ensure rapid and efficient implementation of the project in accordance with the scheme of delegations.

5. To ensure rapid and efficient implementation of the project in accordance with the scheme of delegations.

7. Cabinet Portfolio Holder's recommendations

The Cabinet Portfolio Holder supports the recommendations, which have been developed to ensure residents and businesses can access employability support through the Employment West Yorkshire programme . This will ensure continuation of service despite the end of the ESF funding ending and funding via Pillar 3 of UKSPF not becoming available until April 2024.

8. Contact officer(s)

Gillian Wallace, Head of Employment and Skills , gillian.wallace@kirklees.gov.uk

9. Background Papers and History of Decisions

WYCA Employment and Skills Committee paper: investment pipeline including Employment
https://westyorkshire.moderngov.co.uk/documents/g1198/Public%20reports%20pack%2006th-Jul-2022%2010.30%20Employment%20and%20Skills%20Committee.pdf?T=10

10. Service Director responsible

Edward Highfield, Service Director Skills, and Regeneration

Name of meeting: **Cabinet**
Date: **21st December 2022**
Title of report: **Alternative Provision (AP) Education in Kirklees**

Purpose of report:

To provide an overview of plans to refresh and expand our "Alternative Provision" (AP) Education offer and seek authority to progress plans to create additional specialist AP places to support the needs of children (some of whom also have Special Educational Needs and Disabilities) who require an alternative education offer.

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 – this will have a significant effect on two or more electoral wards because of the reach of Alternative Provision. Also, the cost of the refreshed AP offer is likely, in the short term at least, to be in excess of £250k more than the current spend associated in this area.
Key Decision - Is it in the Council's Forward Plan (key decisions and private reports)?	Key Decision – Yes Private Report/Private Appendix – No
The Decision - Is it eligible for call in by Scrutiny?	Yes. A draft report was discussed at Children's Scrutiny panel on 12th December and feedback has been reflected in this report.
Date signed off by Strategic Director & 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?**	Mel Meggs – Director of Children's Services – 9/12/22 Eamonn Croston – Service Director for Finance – 7/12/22 Julie Muscroft – Service Director for Legal, Governance and Commissioning – 7/12/22
Cabinet member portfolio	Cllr Carole Pattison – Learning, Aspiration and Communities Cllr Viv Kendrick – Children's Services

Electoral wards affected: All

Ward councillors consulted: None

Public or private: Public

Has GDPR been considered? Yes, personally identifiable data is not present in this report.

1. Summary

1.1 This paper outlines the following:

- Overview of the SEND Transformation Plan and Safety Valve agreement
- Alternative Provision (AP) definition
- The current context in Kirklees
- Proposals for the future Kirklees AP offer – including opportunity for an AP Free School in Kirklees
- Cost implications

Improving the outcomes for our children with special educational and additional needs is at the heart of our agreed 'Inclusive Ambitions' (see Appendix 1) 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, this will support us to help them in achieving their best possible outcomes.

Kirklees wants:

- 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.

1.2 Kirklees has a comprehensive SEND Transformation Plan (STP) (Appendix 2) with robust governance. The STP has, at its core, a sufficiency strategy which focuses on enabling more children and young people to secure places and thrive in local educational settings.

1.3 The STP has been fundamental in successfully securing funding from the Education & Skills Funding Agency following two submissions. The first brought in £33.5m to help address the cumulative historic High Needs deficit (See Appendix 3 for a copy of the agreement) and the second, £8.2m capital to further support our ambitions.

1.4 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 has experienced an increased demand for Education, Health and Care Plans and subsequent rises in costs. Like many other authorities, over recent years Kirklees Council has seen rising numbers of children with SEND who need additional support. This has all had an impact on sufficiency of "Alternative Provision" places in Kirklees. In March 2022 a Green Paper was published entitled "Right Support, Right Place, Right Time." This paper jointly considered SEND and AP.

1.5 Current trajectories, in terms of annual revenue expenditure from the High Needs Block for the education of children with SEND and those in AP, are unsustainable in the medium to longer term. As part of our wider transformation plans, securing sufficient and suitable places for our learners is a key element to enable us to address this. Pressures in Kirklees include a significant rise in children with an Education Health and Care Plans (EHCP) since 2015 – from 1907 children and young people in Kirklees having an EHCP in 2015 to 3860 in Nov 2022.

1.6 An independent review into AP in Kirklees was commissioned in 2020-21 and the key recommendations are incorporated into the work described in this paper. This review included views of a range of stakeholders including children and young people who attend AP and their families.

1.7 Refreshing and expanding the Alternative Provision offer across Kirklees is at the heart of the key recommendation of this report. As part of a planned strategy of enabling more children and young people to secure places and thrive in local educational settings, the purpose of this report is to seek approval to increase the sufficiency of the Alternative Provision offer in Kirklees. This would strengthen the pathways of support available for children locally and allow for more children to be successful in Kirklees

1.8 The proposals in this report are intended to ensure we secure high quality and sufficient AP to meet the needs of our children and young people. This would be achieved by commissioning a wide range of clearly defined provision through a robust procurement process. Together with a range of supporting projects featured within the SEND Transformation Plan, AP is a fundamental element of Kirklees' strategy to improve outcomes for children, parents and carers whilst mitigating the pressures outlined above and throughout this report.

2. Information required to take a decision

Background

2.1 Defining AP and its current context in Kirklees

The SEND & AP Green Paper, 2022 defines Alternative Provision as:

> *"Education arranged by local authorities for pupils who, because of exclusion, illness or other reasons, would not otherwise receive suitable education; education and support arranged by schools, including for pupils receiving targeted support in their mainstream school; pupils being directed by schools to off-site provision to improve their behaviour; and provision for pupils on a fixed period exclusion. When we reference state place-funded alternative provision, we mean alternative provision receiving £10,000 per place from a local authority or the Education and Skills Funding Agency, comprised of all Pupil Referral Units, alternative provision academies and alternative provision free schools."*
>
> SEND & AP Green Paper "Right Support; Right Place; Right Time" (March 2022)– p.83

AP can also include one-to-one education in the home if that child has a medical condition – which includes mental health issues such as high anxiety - that can't be supported in a school. Such bespoke, home-based provision can be delivered by medical AP schools.

The Department for Education defines Alternative Provision (AP) as:

> *"Alternative Provision (AP) refers to suitable full-time education that is arranged for a pupil from the sixth school day (or earlier) of a suspension or the sixth school day (or earlier) after the first day of a permanent exclusion. In other circumstances, AP may refer to education arranged for pupils who are unable to attend mainstream or special school and who are not educated at home, whether for behavioural, health, or other reasons. AP includes Pupil Referral Units (PRUs), AP academies and free schools, and hospital schools, as well as a variety of independent, registered, unregistered and further education settings."*
>
> Suspension and Permanent Exclusion from maintained schools, academies and pupil referral units in England, including pupil movement Guidance for maintained schools, academies, and pupil referral units in England, July 2022

2.2 The current context in Kirklees

Securing the right number of AP places is a fundamental part of our overall sufficiency strategy within our SEND Transformation Plan. This report focuses on opportunities which propose to

secure and build on the capacity and expertise which exists in local provision settings and create sufficiency in Kirklees alternative provision settings. This will allow Kirklees to continue to support children and young people's needs by ensuring we have high quality, fit for purpose facilities that can support a wide range of need within a sustainable delivery model.

Our vision is for the development of a pathway for Alternative Provision in Kirklees, offering a continuum across a "Graduated Approach", using some of our existing providers, new providers, and the wider school system. We aim to co-design and co-produce true multi-agency partnerships, to deliver on the Our Kirklees Futures vision, enabling children, young people, and their families to access the services they need, where they need them and when they need them - "Right Support, Right Place, Right Time". This will form part of our wider "continuum" of SEMH provision across Kirklees.

There are a number of AP providers currently within Kirklees, four of which are judged by OFSTED to be Good or better, one of which more recently inspected, received a "Requires Improvement" judgement and one which offers an alternative, therapeutic, outdoor education offer and is currently unregistered with OFSTED. Collectively, these providers serve learners with a range of needs as follows at various stages:

Current AP Providers in Kirklees

We currently commission three contracts with AP providers and additionally purchase some spot placements with AP providers for children with EHCPs. The reason the spot purchases are made with these providers is:

- This gives us the opportunity to educate more children locally within Kirklees, with a high quality, flexible, bespoke offer which meets their needs, often in line with parental preference
- Due to current local sufficiency pressures, the alternative would be to place children with other Independent Providers, outside of Kirklees, where the current cost of a place for a child can be high. (This ranges from £40K to £100K with an average of £62K.)

2.2.1 Ethos Academy Trust

Currently in Kirklees, we commission the majority of our alternative provision from **Ethos Academy Trust (EAT).** The Academies that are part of Ethos Academy Trust all have Good or Outstanding judgements currently. EAT make provision for KS1-4 through a variety of settings which form their AP Academy:

- Engage Academy – KS1 / 2
- Reach Academy – KS3
- Ethos College – KS4

The cost of this existing contract is in excess of £4.2 million and provides for the equivalent of 129 full-time pupil places (including 17 fte places for medical provision), as well as other commissioned services such as Outreach support and Exclusion duties.

Additionally, we currently commission a small range of registered independent schools and education providers to supply additional alternative provision locally. These include:

2.2.2 Brian Jackson College

Brian Jackson College is an independent registered Alternative Provision supporting pupils with social, emotional and mental health difficulties in Years 9 – 11 whose proprietor is the Yorkshire Children's Centre. Brian Jackson College has an Ofsted rating of good. The LA can commission places for young people with EHCPs at a cost of @£45,000 / year on a spot

purchasing arrangement. As at October 2022 25 children are attending Brian Jackson College on a spot purchased placement.

2.2.3 PIVOT

Pivot is an independent registered Alternative Provision supporting pupils with social, emotional and mental health difficulties. Currently has an Ofsted rating of Requires Improvement. They are commissioned by Kirklees to deliver provision for those pupils in KS4 who are permanently excluded from school and are entitled to receive a full -time education from Day 6 of their exclusion period from their regular school setting. “Day 6” places at Pivot cost @£17,000 per place.

PIVOT are also delivering provision for an increasing group of pupils who are highly vulnerable and have complex needs, most of whom are either in receipt of an Education, Health & Care Plan (EHCP) or in the process of being issued with an EHCP. The costs of provision for this particular pupil cohort varies and begins at £41,000 per pupil place which are issued on a spot purchasing arrangement. As at October 2022 28 children are attending Pivot on a spot purchased placement.

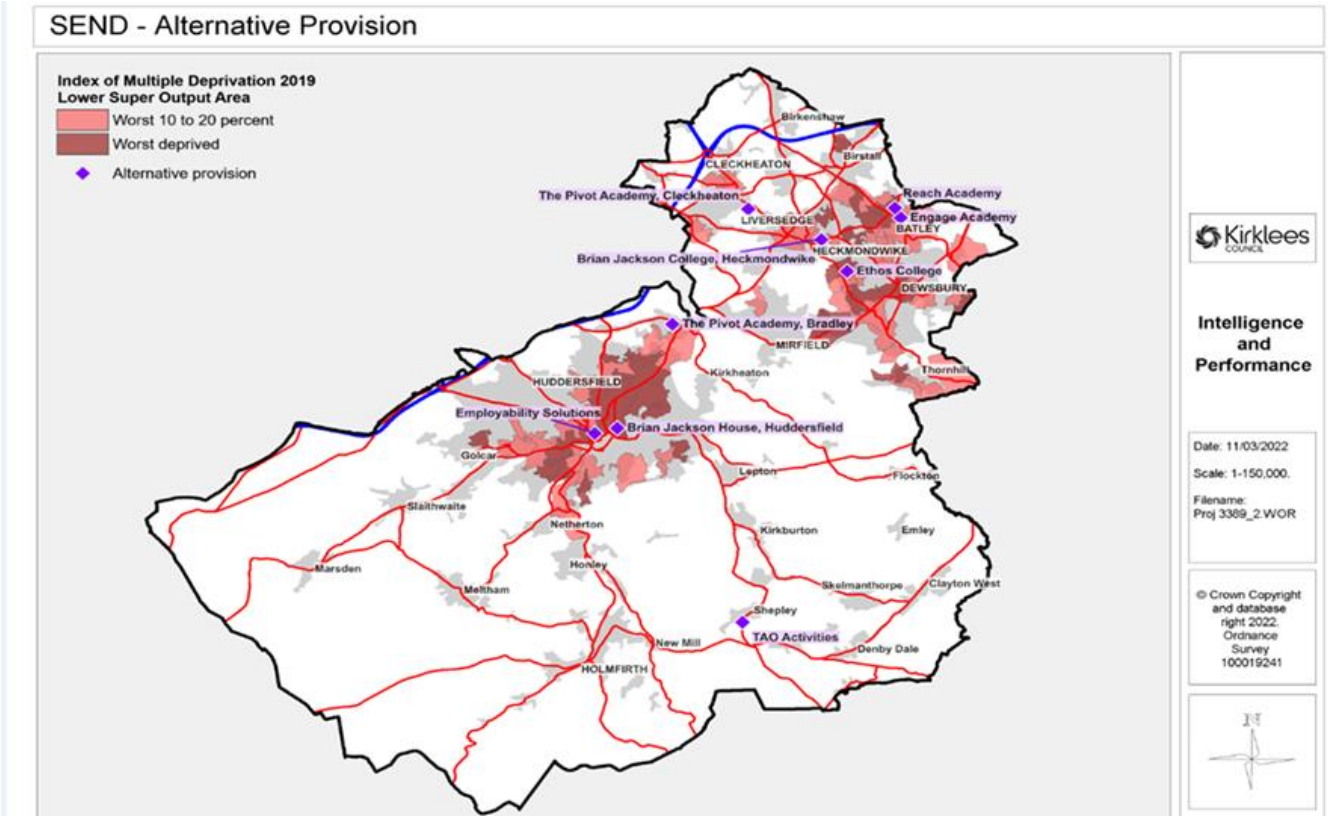
2.2.4 Employability Solutions

Employability Solutions is a registered Independent School offering an alternative, largely vocational, secondary education for young people in KS4 who thrive in a smaller, more nurturing setting than mainstream schools. Costs of pupil places vary according to level of need – places range from £15.5k – £17k subject to EHCP. As at October 2022 1 child is attending Employability Solutions in a spot purchased placement.

2.2.5 TAO Activities Ltd

TAO is an AALA (Adventure Activities Licensing Authority) registered (Alternative Education Provider which specialises in providing therapeutic outdoor education provision over a 12 week programme (this can be extended or reduced if needed). The focus is intensively on social skills, resilience, independence and increasing and improving mental health and wellbeing with a view to re-engage disaffected learners with education. The LA currently commissions TAO in a contract with a value of @£170k which enables TAO to work with up to 200 learners / year from KS2-4.

The map below illustrates the spread of AP in Kirklees:



A new AP Quality Assurance tool has recently been developed in Kirklees, based upon the Ofsted's *Education Inspection Framework for schools*, statutory safeguarding requirements, *Keeping Children Safe in Education,* (KSIE) and DfE 2013 alternative provision guidance. This will support our AP providers to ensure the best outcomes for the children and young people who attend their sessions.

The national average cost of a pupil place in "alternative provision" was calculated in 2018 at £18,000. Alternative_Provision_Market_Analysis.pdf The Kirklees independent AP review (2021) highlighted that, in Kirklees, there was a clear need for greater challenge to the pricing structure and provision tariffs.

Since the independent review of AP was undertaken, the gaps in provision, pricing, costs and commissioning have been better understood and we are now preparing a range of brand-new tenders for AP due to be launched by January 2023, ready for the new academic year 2023/24. The tender will provide a framework of providers with a new set of expectations clearly articulated through the new quality assurance approach

3. The Proposals

3.1 Rationale for change

There are three main reasons why we need to refresh our AP offer in Kirklees.

Firstly, is the analysis of increased demand for AP places as part of the overall sufficiency for meeting the educational needs of children and young people.

Requests for places in AP are increasing year on year, particularly for pupils with Social and Emotional Mental Health (SEMH) needs. This is a national challenge, with an increase in the number of children and young people identified as having SEND (16.5% of schools' population) and EHCPs now issued for 4% (and rising) of the schools' population compared with 2.8% between the years 2007-2017.

Special educational needs in England, Academic Year 2021/22 – Explore education statistics – GOV.UK (explore-education-statistics.service.gov.uk)

Our APs are also providing for pupils with significant levels of SEND in Kirklees. There has been a significant increase in the numbers of pupils who attend alternative provision who have a complex level of need and have an EHCP.

Below is a percentage of learners on roll at Kirklees AP in Sep 2022 with EHCPs:

- Brian Jackson Heckmondwike -50%
- Brian Jackson Huddersfield – 68%
- Employability Solutions 21%
- Pivot (Day 6) – 7%
- Pivot Salus – 100%
- Pivot Cleckheaton -100%
- Ethos Engage – 48%
- Ethos Reach -30%
- Ethos College- 61%
- TAO – 100%

Kirklees commissions and purchases places for children and young people with an EHCP on an individual pupil arrangement with the providers, this and other EHCP purchasing arrangements has a direct impact on the AP sufficiency and the provider offer. Our current AP offer is supporting placement of pupils with long term SEND therefore it is essential that the refreshed AP offer is considered alongside additional SEMH and overall SEND sufficiency plans in order to ensure we are able to offer the wide range of AP required in Kirklees, including short term, turnaround placements as well as longer term provision for pupils with EHCPs.

Alongside the rebuild of the two special schools we are also creating further Additionally Resourced Provision attached to mainstream schools in Kirklees which will include provision for learners with SEMH needs.

It should also be noted that we currently have just over 200 children / young people educated outside of Kirklees or in independent settings, and approximately 75% of these have SEMH needs.

The long-term aim is to create, through an extensive AP offer alongside increased sufficiency of places in ARPs and special schools, a “continuum of provision” to meet a wide range of SEMH need within Kirklees.

However, there is a significant sufficiency pressure in the interim period whilst these new schools and provisions are being developed and built - which is having an impact on the AP landscape.

Secondly, significant pressure on the high needs block element of the Dedicated Schools Grant has resulted in significant overspend of this budget. We have entered into the Dedicated Schools Grant ‘Safety Valve’ Agreement with the DfE earlier this year as outlined earlier in this report.

There are multiple factors which have contributed to the overspend of the high needs budget. In relation to AP, pressures have largely arisen because of rising numbers of pupils with SEND, with some conditions (autism and social, emotional and mental health needs primarily) increasing disproportionately. Post-pandemic effects on this pupil cohort are now being experienced both nationally and locally and this has resulted in more pupils being both suspended and permanently excluded from school.

Thirdly the new refreshed offer will include a range of provision across a graduated approach – offering opportunities for earlier intervention. The opportunity to recommission our AP in Kirklees will contribute to more children and young people being able to access the right, high quality provision, in the right place, at the right time, fundamentally leading to improved outcomes.

3.2 Proposed changes

Kirklees requires a multi-stranded offer of alternative educational provision which provides a response to meeting local pupil need on a partnership arrangement with a range of alternative education providers, including local schools. Through market engagement we want to enable a wide range of partners, including mainstream schools and academies, to support in developing our AP offer. This AP offer will be part of an overall continuum of provision to meet the needs of children and young people with SEMH difficulties across Kirklees.

To improve outcomes for the AP pupil groups, flexible and individually tailored responses that address a breadth of needs, based on accurate assessment, delivered by skilled, nurturing and knowledgeable staff, with continuity of strong relationships will be key characteristics of effective practice with all young people in Kirklees.

The Kirklees AP Offer 2023

In the immediate future the sufficiency requirements for AP locally are explained below:

1) Day 6 Provision

Access to full-time education from Day 6 of absence from school primarily because of permanent exclusion. *NB This provision may be spread in different settings across the LA with more than one provider.

- Key Stage 1/2 – 5 places
- Key Stage 3 – 25 places
- Key Stage 4 - 25 places

(+ option to purchase additional places on cost per placement basis)

2) Medical Needs provision

- Key Stage 1/2 – 5 places
- Key Stage 3 – 20 places
- Key Stage 4 – 20 places
- Flexible model of home tuition / outreach places where appropriate

(+ option to purchase additional places on a fixed cost per placement basis)

3) Triage / Assessment Bases

- Key Stage 1/2 - 2 bases, North and South Kirklees each for up to 12 CYP
- Key Stage 3/4 - 2 bases, North and South Kirklees, each for up to 16 CYP
- Dual registered

Full time assessment places – Maximum of 12 weeks for young people who are experiencing significant social, emotional, and mental health difficulties (may have co-existing additional SEND, potentially presenting as challenging behaviour) which are affecting their learning. Provision offers assessment, short term intervention and respite. Desired outcome is that there will be clear recommendations and next steps for each young person based upon assessment of need.

Services required within the Assessment Base:

- Assessment of pupil need – including cognitive ability, SEND, mental health & well being
- Early Support assessment / intervention (to include Family Support)
- English as an Additional Language (EAL) assessment / support
- Engagement and access to core and creative curriculum
- Wider multi-agency support where appropriate e.g. Social Care, International New Arrivals Team (INAT), Youth Engagement Service (YES), Multi-Systemic Therapy (MST)

4) Key Stage 1 and 2 SEMH Turnaround / Intervention Bases

2 provisions, 12 places in each, based North and South, for 18-24 weeks

Students will be dual registered with their referring mainstream school

Curriculum will be tailored to individual need, based upon Nurture Group principles with a Trauma Informed approach, triaged through the initial 12-week assessment placement,

Aim to return to mainstream setting at end of placement, to include reintegration support.
*NB – these may be in the same setting as the 12-week assessment / Triage offer.

- Education Health and Care Needs Assessment (EHCNA) if appropriate
- Engagement and access to core and creative curriculum
- Tailored intervention to remove barriers to learning
- Family Support
- Therapeutic intervention e.g. Multi Systemic Therapy (MST) Mental Health in Schools Teams (MHST), Child & Adolescent Mental Health Service (CAMHS), Speech & Language Therapy (SALT), Occupational Therapy (OT)
- English as an Additional Language (EAL) support
- Wider multi-agency support where appropriate e.g. Social Care, International New Arrivals Team (INAT), Youth Engagement Service (YES)

5) Key Stage 3 SEMH Turnaround / Intervention

2 provisions, 16 places in each, based North and South, 18-24 weeks, dual registered, triaged through the initial 12 week assessment placement, Trauma Informed approach, tailored curriculum offer, high staffing ratio, potential EHCNA where appropriate, aim to return to mainstream setting at end of placement, to include reintegration support.

- EHCNA if appropriate
- Engagement and access to broad and balanced curriculum
- Tailored intervention to remove barriers to learning
- Family Support
- Therapeutic intervention e.g. MHST, CAMHS, SALT, OT
- EAL support
- Wider multi-agency support where appropriate (e.g. Social Care, INAT, YES)

6) Year 9 + Alternative provision

Bespoke tailored offer for up to 40 CYP unable to access mainstream school, vocational offer as well as curriculum pathway. A number of these pupils will have SEND with SEMH as their primary need, at SEND support level – without an EHCP), however some may not have any identified SEND. This offer may be from a number of different providers including tutoring, vocational internships and, for example, an outdoor education offer.

7) EHCP Specialist Places

***NB – in the longer term when we have resolved some of our Special School sufficiency pressures these placements may no longer be required**

- Up to 60 specialist places for pupils with EHCPs offering a tailored curriculum to meet individual need
- Many will have SEMH as their primary need,
- These placements are long term, usually for a minimum of 2 years
- Family Support
- Therapeutic intervention e.g. MHST, CAMHS, SALT, OT
- EAL support
- Wider multi-agency support where appropriate (e.g. Social Care, INAT, YES)

8) Online learning offer

To provide an alternative approach to learning for pupils who are experiencing difficulties learning in a traditional classroom setting.

Programmes to:

- Provide a tailored education programme for pupils and personal guidance and support
- Offer the opportunity for externally accredited qualifications in several subject areas
- Be regularly reviewed with the aspiration of pupils transitioning to full time in school provision as soon as possible.

Across the range of settings, the following will be provided:

- Core curriculum offer – GSCE pathway
- Alternative curriculum offer – e.g. Functional skills qualifications / Foundation courses
- Vocational curriculum offer – Vocational qualifications

Suppliers of Alternative Provision may offer:

- A full-time provision which meets the entitlement of pupils to a broad and balanced curriculum while providing an alternative or more flexible approach to traditional teaching and learning or to curriculum content

- One or more days off-site provision per week to include opportunities not available through the standard school curriculum. This can include a flexible offer whilst still on roll at a mainstream school.

- Activities to enrich the curriculum offer within a school or other institution

Additional Support Services for Alternative Provision

Some pupils placed or being considered for a place in alternative education may require support in addition to the services provided by a setting or school. The LA therefore intends to utilise the new tendering opportunity to commission additional support services for pupils in specific circumstances.

- Examination centre access and management
- Tuition (one to one or small group)
- Outdoor educational therapeutic tuition

Delivery of proposed changes

The Local Authority (LA) is committed to securing excellent teaching and learning opportunities and a personalised learning programme for all learners, according to need, through its maintained mainstream and special providers. This provision may be supported by commissioned services to either compliment or provide alternative pathways of support to the teaching and learning available within those settings. The aim is to provide learners with a rigorous and high-quality alternative to a mainstream curriculum including:

- Offering learners who have previously not thrived in the mainstream system a creative and engaging opportunity to re-join the world of education
- Supporting and raising the aspiration, attainment and achievement of all learners to ensure that they achieve at the highest level possible
- Supporting learners to successfully transition to their next phase of education and training with the provision of good quality tailored careers guidance, support and work experience
- Offering learners the opportunity for formal accreditation in several subject areas

AP Network

We have clarified the position of Alternative Provision in the landscape of Kirklees and used this to produce a detailed strategic plan that forms a strand in the SEND Transformation Plan on this aspect of provision. Through collecting and sharing timely accurate data with stakeholders, services are able to provide the best possible care for vulnerable learners. As the local authority representatives on the Alternative Provision network (members are leaders from all alternative providers in Kirklees), leaders have been able to articulate the expectations, principles and have oversight of the LA statutory duties.

In recognition of the developments required to provide a truly bespoke and outstanding alternative provision offer, colleagues from providers and school settings have been recruited to join the Alternative Provision development working group. The group provided insight into the needs and wants of Kirklees system leaders. This information was used to create the proposed new pathway for alternative provision (cabinet report pending). The foundation of the proposed pathway is based on robust investigations, data led enquiries, testimonies, and cost against outcome analysis.

Leaders have engaged with the council's procurement process, as several commissioned contracts are in place relating to these services. Leaders have worked closely with the procurement and sufficiency team in Kirklees to ensure these contracts are in place and that the council meets its legal obligations within a prescribed budget. A recent example of this is linked to the local authority statutory duty for ensuring Day 6 education for permanently excluded learners in Kirklees, this was successful recommissioned in 2021 and a new service level agreement co-produced and adopted.

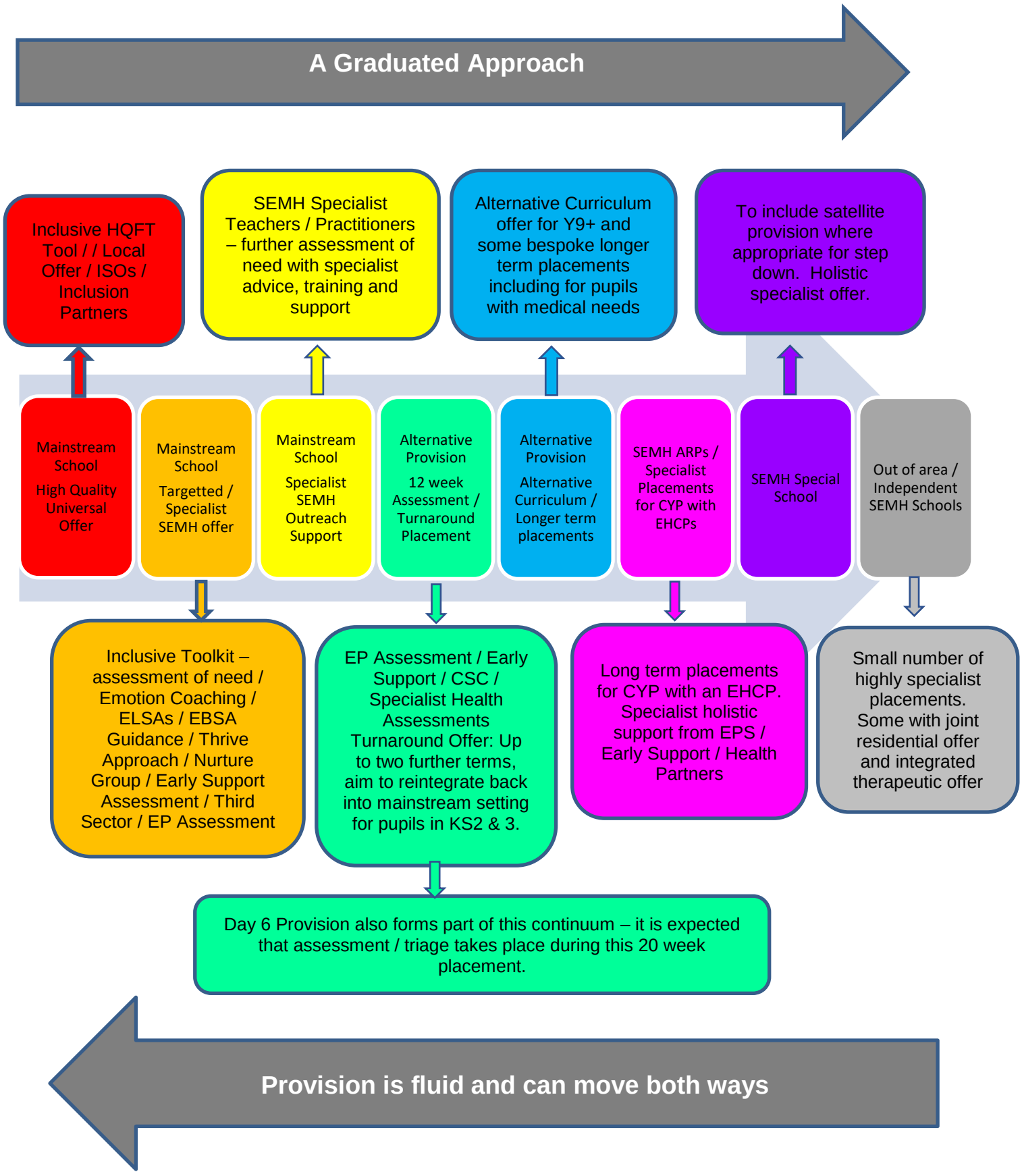
As part of Kirklees' commitment to inclusive practice, the AP offer should seek to provide a responsive and flexible approach to recognising and meeting needs at the earliest opportunity, through understanding of every CYP's lived experience.

Through engagement with the range of AP which will be available, schools and settings can develop whole-school planned approaches to identifying and meeting the needs of CYP who are struggling in the areas of relationships, regulation and resilience, and in supporting the wellbeing of all.

3.3 AP as part of a wider continuum of provision

The overall AP offer should aim to ensure that Kirklees is a place where children and young people thrive. Pathways of Alternative Provision will form part of a wider continuum of provision for children and young people with SEMH needs, or for those who require an alternative or different offer to that provided in a mainstream setting. It is agreed that investing in our children and young people now should ensure we build strong, resilient and thriving communities for the future. The proposed SEMH continuum of provision can be seen more specifically in the following diagram:

Kirklees Social Emotional Mental Health (SEMH) Continuum of Provision



3.4 The opportunity to secure an AP Free School

The DfE recently opened up an opportunity for Multi Academy Trusts (MATs) and Local Authorities to work in partnership to apply to establish new AP Free Schools.

The detail is outlined in published government guidance (attached at Appendix 5).

The guidance sets an expectation that a partnership between, and shared commitment by, the LA and provider is required at all stages. The timeframes are:

- Pre-application form completed between 19/9/22 and 24/10/22.
- Full Application submitted by 17/02/23.
- Interviews - May 2023.
- Successful applications announced Autumn 23

There are 2 partner MATs that have submitted an Expression of Interest to open a Free School in Kirklees, however we anticipate that, should we be successful, plans will progress with only one AP Free School.

AP free school places would attract some direct EFSA funding (£10k per place), enabling a potential opportunity for significant cost saving. In addition, there is likely to be the opportunity for capital investment by the EFSA to ensure there is suitable premises for the AP free school.

A free school could carry out any of the functions outlined in section 3.2 above e.g.

- Triage / Assessment Bases
- KS1/2 SEMH Turnaround / Intervention Bases
- KS3 SEMH Turnaround / Intervention
- Y9 + Alternative provision

Kirklees Council officers would like to continue to work in partnership with the 2 Academy Trusts to enable a full application to be made to the DfE, and a further report would be brought back to Kirklees Council Cabinet with further details in due course.

3.5 Cost Implications

3.5.1 Cost of current AP offer – including commissioned support and spot purchased places

Commissioned support:

- Total Cost of AP Commissioned Provision - £4.66m

Spot Purchased EHCP Places:

- Total Spot Purchased EHCP Places - £2.16m

Total current cost of Alternative Provision in Kirklees - **£6.82m**

3.5.2 Projected cost of new AP offer

The projected costs are difficult to accurately define as much is dependent on the responses to tenders through the procurement process. However, the intention from this robust procurement process, more appropriately aligned to current and future district sufficiency need, will deliver enhanced value for money over time.

The new AP offer has a stronger focus on earlier intervention, triage and assessment – with an aim of avoiding longer term, high-cost individual spot purchased and out of area / independent SEMH placements.

With some assumptions around predicted costs going forward (usually national average benchmarks) it is likely that the new tendered AP offer will not be in excess of £7m – with a longer-term cost save on high cost out of area places.

However, should we be successful in securing an AP Free School opportunity in Kirklees this could potentially offer significant cost savings up to £1m, due to the EFSA funded element of the offer. It is recognised that this would come online no sooner than 2024

4. Implications for the Council

4.1 Integrated Impact Assessment

An Integrated Impact Assessment has been completed. The positive impacts for addressing inequalities and on the green agenda are noted. All impacts recorded are positive or neutral.

Tackling inequalities is fundamental to the SEND programme and this AP offer.
Work is focussed on ensuring an individual's needs are understood and met at the earliest opportunity. The subsequent wrap around support is cognisant of protected characteristics.
Pivotal to our approach is the positive promotion of SEND, the dispelling of myths & the embedding of inclusive approaches and practices across the system & within communities.

4.2 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. This is highlighted in the development and agreement of a shared set of 'Inclusive Ambitions' across the Kirklees SEND partnership.

Integral to those ambitions and our approach is working with, not 'doing to' our children, young people and families - ensuring voices are heard and valued and views are used to shape provision and support. We want to create a truly person-centred approach to supporting children and young people and their families with a commitment of: "No decision about me is made without me."

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. Should the proposals in this report be approved, we are committed to working with our families as we progress the delivery of AP.

4.3 Working with Partners

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.

This opportunity for an increased AP offer for Kirklees children and young people cannot be realised without good relationships and collaboration with our education providers, local elected members and communities. Ensuring that we maximise opportunities for the next stages to be shaped by partners will be crucial to ensure that services are joined up and well understood.

4.4 Place Based Working

One of the cornerstones of our SEND transformation plan is building provision within Kirklees to ensure there is sufficient capacity locally to meet need wherever possible. 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 and AP forms an essential part of our graduated approach of provision for CYP with SEND, and those who require an alternative curriculum, across Kirklees.

We are passionate about ensuring services are accessible to our Children and Young People and their families and plan to move towards a place-based approach of joined up working with services across Education, Health and Care.

4.5 Climate Change and Air Quality

The aspiration for our SEND Transformation Plan is that fewer young people will leave or travel outside of Kirklees. By having services more local and accessible within existing settings to where people live in communities can have a positive impact on their mode of travel and in doing so, we will contribute to the Council's net zero ambition.

4.6 Improving outcomes for children

The whole of the SEND Transformation Plan focuses on improving outcomes for children. The proposals in this report are integral to successful achievement of our ambition.

Across the partnership, Kirklees have taken significant action to improve SEND services for children and young people aged 0 to 25. This is now captured as part of a clear Inclusion strategic plan.

With the development of our 'Inclusive Ambitions', the direction for us 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 our key underlying principle and is intrinsic in the proposed delivery of a range of quality Alternative Provision.

'Our Kirklees Futures' is our Learning strategy which describes our ambitions for learners in Kirklees. From engagement with a wide range of stakeholders across the learning system, three 'obsessions' emerged that would be our areas of relentless focus:

- Inclusion: Children, young people and learners of all backgrounds learn and grow side by side, to the benefit of all.

- Resilience: The ability and support to overcome adversity.

- Equity: Everyone gets the support they need

These obsessions are at the heart of everything we do when planning services for education of children and young people.

The updates and proposals contained in this report contribute the our ambitions which will lead to improved outcomes for children.

4.7 Financial implications for the people living or working in Kirklees

Providing suitable education provision nearer to where families live not only supports place-based working and outcomes for children, it can also save families time and money because they can travel smaller distances to school events and meetings.

4.8 Financial – Revenue and Capital

4.8.1 As part of the Safety Valve work with the Education & Skills Funding Agency, the Council has secured £33.5m of revenue to support the High Needs expenditure and an additional £8.2m in capital. Of the £33.5m, we received £13.5m in 2021/22 and the remaining £20m will be paid to us based on performance against the Safety Valve management plan targets. To date, we have secured the first 2 instalments totalling £2m.

The Safety Valve agreement is aimed at improving outcomes for children and young people with SEND and to deliver an in-year balanced budget against SEND activity funded through the High Needs Block element of the Dedicated Schools Grant, by year 5 of the multi-year year plan. The procurement proposals for the re-tendering of Alternative Provision, as set out in this report, form part of a suite of medium-term district sufficiency measures intended to secure best value for money in supporting the delivery of these key safety valve objectives

4.8.2 It is possible that capital funding may be required to support some of the AP providers' bids and the £8.2m received in Capital Funding could be used to support any funding requirements.

4.9 Legal Implications

The public sector equality duty, as set out in section 149 of the Equalities Act 2010, requires the Council, when exercising its functions, to have "due regard" to the need to eliminate discrimination, harassment and victimisation and other conduct prohibited under the Act, and to advance equality of opportunity and foster good relations between those who have a "protected characteristic" and those who do not share that protected characteristic. The protected characteristics are age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex, and sexual orientation.

The services that this tender relates to fall under the 'light touch' regime of Regulations 74 to 77 of the Public Contract Regulations (PCR) 2015 and the procurement process will be conducted using the open procedure."

The Council must comply with its duty under the Public Services (Social Value) Act 2012 to consider how services are procured might improve economic, social and environmental wellbeing of the area. This procurement falls under the light touch regime. Any areas for social value are written into the service specifications but will not be included in the tendering process as additionality.

The Council has a duty under section 3 of the Local Government Act 1999 to continuously improve the way its functions are exercised having regard to economy, efficiency and effectiveness and relevant statutory revised Best Value guidance (MHCLG ,2015).
The Council has a duty, amongst other things, under the Education Act 1996 to arrange suitable education for excluded pupils and others who due to illness or other reasons would not receive a suitable education without such arrangements being made.

4.10 Governance and statutory compliance

The SEND Programme Board oversees and implements the SEND Transformation Plan. This work features as one of the projects within that plan.

As the work progresses a project plan would be created to include to deliver the required outcomes and outputs.

5. Consultees and their opinions

As part of the AP review in 2020-21 a wide range of stakeholders were consulted regarding Alternative Provision in Kirklees. Over the last 12 months, whilst further developing our understanding of need across the landscape significant engagement has been undertaken with current AP providers and schools with wider market engagement and development opportunities currently underway. Also, Alternative Provision has been considered within key partner boards such as the SEND Transformation & Commissioning Group and the Education & Learning Partnership Board.

In December 2022 Children's Scrutiny considered the proposals within this report and were in full support. It was noted that monitoring of outcomes for CYP in AP will be essential, ensuring qualitative outcomes are measured alongside national benchmarks.

6. Next steps and timelines

Activity	Date
Conduct market engagement	December 2022
Publish Tender & Notices	23rd January 2023
Hold Q&A sessions for providers	30th January to 10th February 2023
Final date for receipt of questions	20th February 2023
Deadline for Submissions (min 30 days)	27th February 2023
Evaluation Period Ends	24th March 2022
Draft Standstill letters	27th March – 14th April 2023
Notification of Outcome Issued (Standstill)	17th April 2023
Standstill Ends	28th April 2023
Contract Award	W/c 1st May 2023
Contract Mobilisation	From award to 31st August 2023
Contract Start Date	1st September 2023

7. Officer recommendations and reasons

Delegated Authority

Based on the content of this report, Officers make the following recommendations to Cabinet. Members are asked to:

a. Approve delegated authority for the Strategic Director for Children's Services to design a procurement strategy to procure and award Alternative Education provision contracts for 3 years with an option to extend for a further 2 years; and the Service Director for Legal Governance & Commissioning to finalise, enter into and execute any agreement where appropriate together with any ancillary documents in relation to the Alternative Provision commissions. This will enable the Local Authority to carry out its statutory duties to meet the needs of children and young people requiring Alternative Provision, as well as creating

an enhanced offer with opportunities for earlier support for children and young people and their families, within a best value for money framework.

b. Approve delegated authority for the Service Director for Learning and Early Support to work with partners to progress applications to the Department for Education for an AP Free School in Kirklees in order to further maximise opportunities for children and young people requiring Alternative Provision across Kirklees.

8. Cabinet Portfolio Holder's recommendations

This report continues to affirm Kirklees' ambition to make a difference for and with the people of Kirklees. This is founded on engagement, working with and creating local provision for local children.

Working together with schools, we can see the opportunities that increasing the offer of Alternative Provision can bring to meet the needs of some of our most vulnerable learners locally within Kirklees.

These proposals represent significant investment and illustrate our commitment to removing barriers and addressing inequalities – this is about doing the right thing for children and their families both now, and for years to come. These proposals also represent a key element of our SEND Transformation Plan and aligned Safety Valve Agreement. It is for these reasons that we support the officer recommendations and will want to ensure that officers commit their time to working with pupils, parents and carers and partners as the AP proposals are developed and implemented.

The opportunity to secure external investment for an AP Free School would further support the development and implementation of a new AP offer.

9. Contact officer

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John Bartlett – Finance Manager
01484 221000 john.bartlett@kirklees.gov.uk

10. Background Papers and History of Decisions

- SEND Code of Practice 2015 SEND_Code_of_Practice_January_2015.pdf (publishing.service.gov.uk)
- SEND / AP Green Paper 2022 SEND review: right support, right place, right time - GOV.UK (www.gov.uk)
- 16th March 2021 Kirklees Council Cabinet Report - Procuring an External Business Partner - SEND Cabinet report SEND Transformation FINAL V2.pdf (kirklees.gov.uk)
- 5th October 2021 Kirklees Council Cabinet Report - Capital investment and rebuild of 2 Special Schools

11. Service Director responsible

Jo-Anne Sanders – Service Director for Learning and Early Support
jo-anne.sanders@kirklees.gov.uk

Tom Brailsford - Service Director- Resources, Improvement and Partnerships
tom.brailsford@kirklees.gov.uk

12. Appendices

Appendix 1 – Our Kirklees Inclusive Ambitions
Appendix 2 – SEND Transformation Programme governance
Appendix 3 – Safety Valve Agreement
Appendix 4 – Continuum of SEND provision / Graduated approach
Appendix 5 - Guidance on applications in setting up an AP Free School

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 individuals 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.

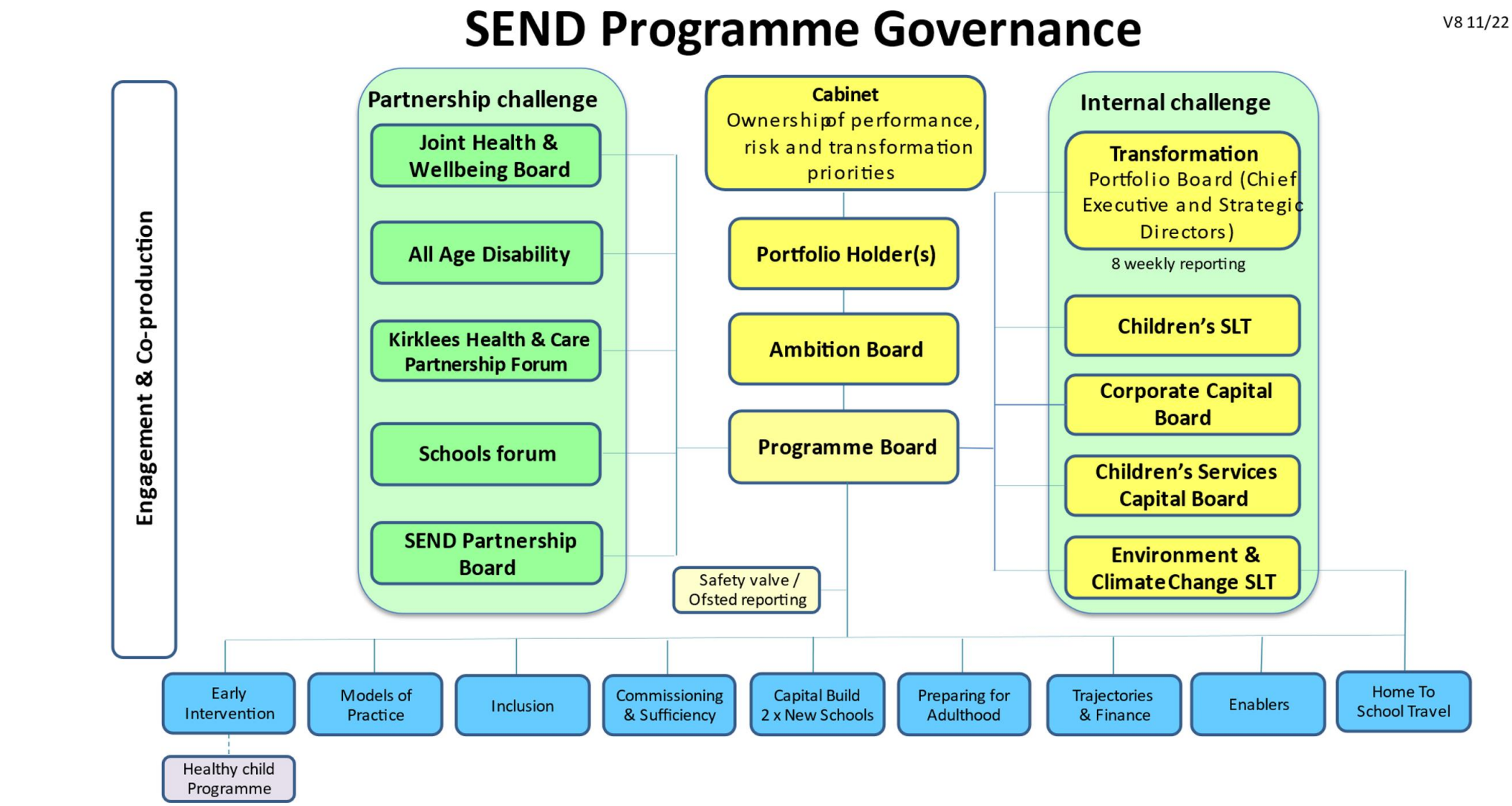
4. Children and young people are able to thrive within their education settings and are supported to access an education that is flexible and empathetic to their needs. Needs are addressed in a proactive and individual way. Schools focus on and measure an individual's holistic outcomes, recognising success 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.

Appendix 2 – SEND Transformation Plan



Appendix 3 – Safety Valve Agreement

1. This agreement is between the Department for Education and Kirklees Council and covers the financial years from 2021-22 to 2026-27.

2. The authority undertakes to reach a positive in-year balance on its Dedicated Schools Grant (DSG) account by the end of 2026-27 and in each subsequent year. The authority undertakes to control and reduce the cumulative deficit as follows, not including any contribution made by the department through this agreement:

Year	Forecast DSG Deficit Profile at year end[1] £m
2021-22	£34.0m
2022-23	£36.5m
2023-24	£37.6m
2024-25	£37.0m
2025-26	£35.1m
2026-27	£33.0m

3. The authority agrees to implement the DSG management plan that it has set out. This includes action to:

3.1 Ensure inclusive co-production and engagement is and will be central in approach to understand children's, young people's and family needs and how these are best met by a range of settings services, local schools and at home;

3.2 Implement joint commissioning and sufficiency strategies, re-balancing the range of placements, services and provision locally. These will include rebuilding and creating additional SEMH and Complex ASD special school places and increasing additionally resourced provision, to ensure a sufficient mix of flexible services and local placements for children and young people;

3.3 Support children with SEND in mainstream schools by continuing to develop and implement the graduated approach, outreach support model and inclusion strategies which further develop the skills, expertise and capacity of the workforce;

3.4 Ensure that children and young people are being prepared for adulthood throughout their life course, promoting a focus on independence and transition as early as possible in a child's and families journey;

3.5 Ensure that children, young people and families have the right help at the earliest possible opportunity at a time that is right for them. This will mean having their needs met at the most appropriate level of provision without the need escalate into formal processes in order to have that need met. This will build on approaches being implemented including outcome-based tools such as VSEND ensuring need is understood holistically and can be met at school and at home; and our inclusion support offer (ISO) providing advice and support for professionals and families;

3.6 Continue to review assessment and decision-making processes to ensure decisions are made transparently, in a timely manner and in partnership with children young people and families. This will involve the implementation of a range of holistic assessments tools engaging professionals and families and consolidating improvements and timeliness in our EHCP assessments and reviews.

3.7 Develop and implement inclusion strategies to further develop skills, expertise, and capacity to support children with SEND in mainstream schools.

4. The authority also agrees to ongoing monitoring of its performance in fulfilling this agreement. The authority will:

4.1 Report quarterly (as a minimum) in writing to the Department (Funding Policy Unit) on its progress towards implementing the plan as per the conditions set out in paragraphs 2 and 3;

4.2 The monitoring reports should include progress against the conditions of grant and a financial dashboard detailing various metrics relating to demand and cost. DfE will provide a template for this;

4.3 Inform the Department (Funding Policy Unit) of any unforeseen difficulties or impacts of carrying out the agreement, or any significant risks to reaching the agreed financial position as soon as they arise;

4.4 Meet with the Department at any time when the Department deems it necessary to discuss progress towards the agreement.

5. The Department agrees to pay to the authority an additional £13.5 million of DSG before the end of the financial year 2021-22. In subsequent financial years, subject to compliance with the conditions set out in paragraph 3, the Department will pay DSG sums as follows. This funding will be provided in instalments and subject to continued satisfactory progress. Subject to full compliance, Kirklees should therefore eliminate their cumulative deficit no later than 2026-27.

The Department agrees to pay to the authority an additional £m of DSG by year end 2021-22 £13.5m 2022-23 £4.0m 2023-24 £4.0m 2024-25 £4.0m 4 2025-26 £4.0m 2026-27 £4.0m.

6. The Department has also sent a commission relating to the local authority's capital plans for the creation of new places for children and young people with special educational needs and disabilities (SEND) or those requiring alternative provision (AP). It is critical that the authority considers its revenue and capital plans holistically – in developing capital proposals, the Department expects local authorities to have a keen eye on the efficiencies that need to be made and how they can invest wisely to secure financially sustainable high needs systems.

7. As such, capital proposals will need to demonstrate how investment is aligned to, or further develops, the reform plans and savings outlined in this agreement. Proposals will need to focus on projects that can be delivered quickly to improve the local provision offer and meet identified gaps in local provision. The Department will assess and review proposals against set criteria which have been outlined in the commission. Subject to that assessment, the Department will consider making a capital contribution to these plans in 2022-23 as a top-up to the local authority's High Needs Provision Allocation (HNPCA), which will be announced in Spring. Progress against delivery of those capital plans should then be integrated into the quarterly reporting to the department as part of the monitoring of this agreement.

8. This agreement is subject to review at any time, for example as a result of the following events:

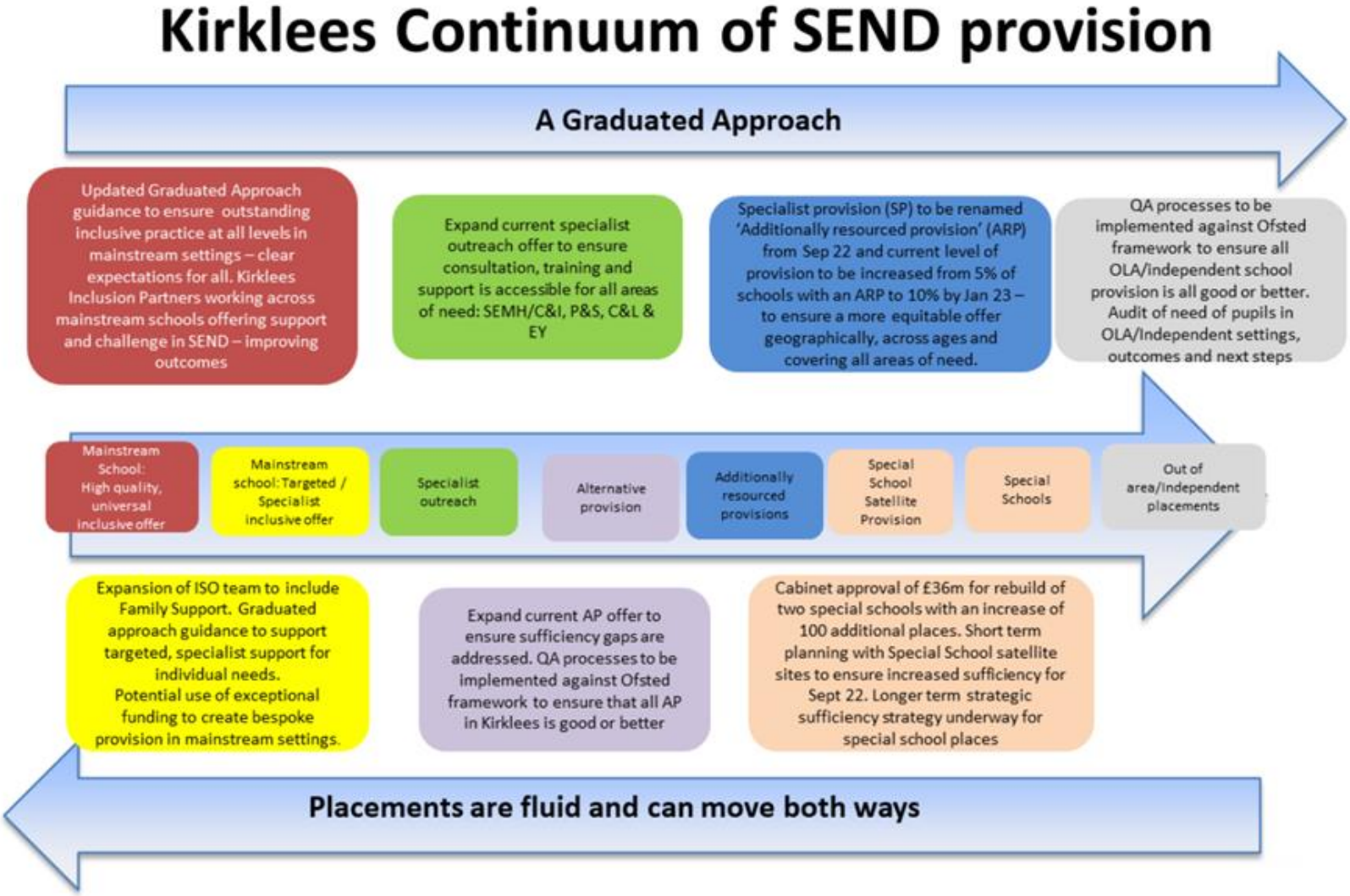
8.1 Higher or lower DSG formula funding levels for the authority in future financial years than those the authority has assumed;

8.2 Significant changes to national SEND policy, for example as a result of the government SEND Review, which impact on elements of the plan;

8.3 Insufficient progress being made towards the authority reaching and sustaining an in-year balance on its DSG account as set out in the plan;

8.4 Whether Kirklees is awarded additional capital funding support following the capital application process. The review process will include an assessment of the impact of the change in circumstances.

Appendix 4 – Continuum of SEND Provision / Graduated Approach



Appendix 5: Guidance on applications in setting up an AP Free School

How to apply to set up an alternative provision free school - GOV.UK (www.gov.uk)

We're
Kirklees

Name of meeting: Cabinet
Date: 21st December 2022

Title of report: Proposals for the redevelopment of Sycamore Grange and tenant engagement

Purpose of report: Cabinet is asked to approve the redevelopment of Sycamore Grange, a retirement living scheme in Golcar, to address building safety issues, and to support formal engagement with tenants and other stakeholders on the future plans.

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** **If yes give the reason why** It is likely to result in spending or savings of £250k or more.
Key Decision - Is it in the Council's Forward Plan (key decisions and private reports)?	**Key Decision – Yes** **Private Report/Private Appendix – No**
The Decision - Is it eligible for call in by Scrutiny?	**Yes**
Date signed off by Strategic Director & 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** **24th November 2022** **Eamonn Croston** **29th November 2022** **Julie Muscroft** **2nd December 2022**
Cabinet member portfolio	**Cllr Cathy Scott**

Wards affected: Golcar

Has GDPR been considered? Yes (subject to approval, GDPR is a key consideration in the application of the Decant and Engagement Plans)

1. Summary

1.1. Sycamore Grange is a two storey 40-unit Retirement Living Scheme in Golcar constructed in the 1970's. Cabinet approval is sought to demolish and redevelop the site to address major building safety issues identified last year, and to formally engage with tenants and other stakeholders on the plans starting in January 2023. Issues are as follows: Asbestos Insulating Board (AIB) to communal corridors/lounge; high-risk fire risk actions (FRA) to complete to communal areas but which cannot proceed until the asbestos is removed; and repeated legionella samples, in particular in one flat.

1.2. Mitigants are in place to manage the issues and ensure tenant safety. However, detailed assessments carried out by BTP architects last year, confirm the status quo is not sustainable in the long term due to health and safety, and the remediation works needed cannot be safely undertaken whilst the tenants remain living in the scheme. In addition, the building is circa. 50 years old and requires significant investment to bring it up to a modern standard.

1.3. Therefore, the most straightforward solution is to rehouse all remaining tenants, demolish the existing scheme and redevelop the site. Any redevelopment will include as a minimum new housing for older people. The opportunity to increase the council's housing supply will also be considered.

1.4. If the recommendations are supported and subject to the outcome of the formal engagement in January, the rehousing of tenants (decant process) is expected to begin by April 2023. The process will be managed and balanced against wider demands on the council's housing register and, the approach will be phased, supportive and considerate of individual needs. Collaboration with residents/family members/other services/partners will be critical in ensuring the process is handled sensitively, given the age profile and potential vulnerabilities of the tenants.

1.5. Subject to approval, it is anticipated that it will take up to 12 months to rehouse all remaining tenants. All tenants will have the option to return once the site has been redeveloped, should they choose to do so.

1.6. Final redevelopment proposals and a robust financial appraisal will be presented to Cabinet for approval, by summer 2023. Following decant and demolition, it will take a further 18-24 months to redevelop the site.

2. Information required to take a decision

2.1 Background

2.1.2 Sycamore Grange, is a two storey 40-unit Retirement Living Scheme in Golcar constructed in the 1970's. See location plan at **Appendix 1**. The site is vested in the Housing Revenue Account (HRA). In summer 2021, it was confirmed that the scheme has a range of building safety issues that pose a significant health and safety risk to the people living there, namely:

- Asbestos Insulating Board (AIB) debris in both the ground floor and first floor ceiling voids (communal corridors and lounge)
- A long-standing AA (High Risk) Fire Risk Action to complete compartmentation between the communal corridors and flat. However, this cannot proceed without the removal and clean of the asbestos contaminated ceiling voids
- Repeated presumptive legionella samples, particularly in one flat, the source of which cannot be fully investigated (pipework) until the asbestos contamination is cleared from the ceiling voids. More recent monitoring of the situation has identified that this risk has increased (the tenant in the high-risk flat was rehoused at the start of December and other mitigants put in place to protect the health and safety of the remaining tenants).

2.1.3 Last summer, the council requested more detailed investigations and approved short term emergency repair works to be carried out to the building, whilst tenants could remain living in the scheme. This complemented existing fire safety measures in place including sprinklers, a Part 1 alarm in communal areas and Part 6 alarms in the flats plus emergency

lighting which is fitted with a 3-hour battery and will come on when the normal lighting fails due to power failure. It is not connected to the fire alarm system.

A part 1 alarm system is compliant with BS5839-1 and is a fire alarm you would see in a commercial building. It has a control panel and is wired in fireproof cable. It feeds various detectors around the building, manual call points (red break glass units), sounders and flashing beacons. It also has the ability to activate certain devices in the event of a fire such as shut down ventilation systems, release doors and locking mechanisms and send a signal to the alarm receiving centre to contact the fire service.

A part 6 alarm system is compliant with BS5839-6 and is a single or system of numerous domestic type smoke alarms. They are not fault monitored or wired in fire resisting cable and are wired into the mains electric but also supplied with a 10yr Lithium battery.

2.1.4. Letters were sent to all tenants and two open days held at the time, updating on the situation.

2.2 Options

2.2.1 A detailed assessment of the building and site was carried out by the council's procured architect, Bernard Taylor Partnership (BTP) and, considered at the Homes and Neighbourhoods' New Build Programme Board in July this year. This work identified that maintaining the status quo to manage the building safety issues is not sustainable in the long term, and the problems cannot be permanently resolved whilst the tenants remain in the building due to health and safety. Due to the age of the scheme and level of investment needed to bring it up to a modern and compliant standard, it was concluded that the most feasible and viable solution is to rehouse all remaining tenants, demolish the existing scheme and redevelop the site.

2.3 Costs Breakdown

2.3.1 If Cabinet approve the demolition of Sycamore Grange and redevelopment of the site, the priority next year will be to rehouse the remaining tenants (at the time of reporting 25 out of 40 units remain occupied). Each household will be entitled to Statutory Home Loss Payments upon moving permanently. This is set by Government and is currently £7,800 (from October 2022). The costs of furniture removals plus additional discretionary payments for blinds, flooring and additional help with packing and unpacking, will also be offered based on individual circumstances.

2.3.2 The total estimated cost of moving, per property, is between £9,000 - £12,000 dependent on adaptation requirements and support needs. Based on the number of tenants remaining at the scheme, the maximum total relocation cost for this scheme is c£300,000.

2.4 Timescales

2.4.1 If Cabinet approve the recommendations set out in this report, the council will commence the formal engagement process on the plans for the scheme, with tenants, their family/carers and other key stakeholders including Ward Members. This is anticipated to start in January 2023.

2.4.2 Assuming a start date by April 2023 for the decant plan to begin, it is anticipated that it would take up to 12-months to rehouse the remaining tenants at the scheme into suitable alternative accommodation.

2.4.3 Subject to approval, the preparation of detailed redevelopment proposals of the site can take place, which will include as a minimum, new housing for older people. In addition, the

opportunity to increase the council's overall supply of social housing and achieve economies of scale within a modern, purpose-built superstructure will also be prioritised. Final proposals informed by further public consultation and a robust financial appraisal will be presented to Cabinet for approval, by summer 2023.

2.4.4 Following demolition of the existing building, redeveloping the site is anticipated to take a further 18-24 months. Existing tenants will have the option to return to the new development if they wish to do so or they may choose to stay where they have moved to.

2.5 Expected impact/ outcomes, benefits & risks (how they will be managed)

Formal Engagement

2.5.1 Last summer, the council wrote to all the tenants about the safety concerns at Sycamore Grange and the steps taken to ensure tenant safety. Tenants and ward members are aware that the plans for the future of the scheme will be discussed at the Council's Cabinet in December 2022. Golcar Ward members were able to attend a briefing on 10th November 2022 and letters were hand delivered to every household to reassure tenants about the next steps week commencing 14th November 2022.

2.5.2 The proposed engagement process is expected to start in January 2023 and the details are set out below. The approach builds on the principles of the successful place-based engagement activity, undertaken by the council, at the two high-rise blocks at Berry Brow in 2021 and will include:

- tenants and their family members/carers will be invited by letter to attend face-to-face group meetings to discuss their rehousing options, including evening events at Sycamore Grange. Individual conversations will not be encouraged at these meetings as this will happen as part of the decant process (see below).
- completion of a printed short form including freepost envelope for tenants/family members or carers to share their views and raise questions in advance of the meetings. This will be posted out prior to face-to-face meetings. Tenants can also complete the form online for those who wish to do so (all tenants have access to the internet in the scheme) or, by speaking to an officer on the phone.
- the survey will also be available in another format or language, on request.
- meeting reminders will be posted through every letterbox the day before the meeting by the Independent Living Officer and posters displayed on communal notice boards in the building.
- each household will also receive an information pack prior to the meetings including a Frequently Asked Questions sheet.
- Specific individual assessments will be completed with individuals where further tailored information packs will be available

Decant Plan

2.5.3 In November 2022, 25 of the 40 units at Sycamore Grange remain occupied (15 voids). Last year a decision was taken to leave void flats empty until a final solution is identified to deal with the building safety issues. Voids are also currently being held at another local retirement living scheme, Lynroyd, Royds Avenue, Linthwaite to help facilitate any future plans. At the time of writing this report, there are currently 7 voids in this scheme which is approximately 4 miles from Sycamore Grange.

2.5.4 Across Kirklees there are also a further 16 suitable voids which, although not being held specifically to support this decant, demonstrates a steady flow of vacant units (excluding those in Lynroyd and Sycamore). A recent discussion paper prepared by Adult Social Care

on local demand for housing with support and housing with care, in Golcar and surrounding areas, suggests there may also be specific care home sites in the area that could support the decant of current tenants, if additional or more complex needs are identified.

2.5.5 The Decant Plan is set out at **Appendix 2.** The plan aims to ensure each household is provided with support and information to meet individual needs. The decant options will involve close working with tenants, family members and carers. The intention is to ensure all tenants are rehoused either temporarily or permanently in a timely way and with full consideration given to their individual circumstances and preferences.

2.5.6 Subject to Cabinet approval and the outcome of the formal engagement with tenants on the proposals, the application of the decant plan can begin. This includes taking a phased and supportive approach to ensure the needs of individuals is balanced with the demands on the council's housing register. Each household will be awarded Band B on the council's housing register (Choose n Move) based on an agreed category in the Band B award to reflect those residents displaced due to relocation for demolition. A local lettings plan will be considered to ensure tenants at Sycamore Grange can access alternative and suitable independent living accommodation as this becomes available.

2.5.7 There will be a team of staff from Homes and Neighbourhoods to provide support to each household on their options, to register their application, help them to bid on suitable alternative accommodation and work alongside them throughout the whole decant process. Homes and Neighbourhoods will also work alongside other council services and partner agencies, including the Accessible Homes Service to ensure that the current and future housing needs of the tenants are considered when finding suitable accommodation.

2.5.8 Where a tenant owes money in the form of rent or other debt, under normal circumstances, any payment due to them may be offset in part or full against those debts in line with council policies relating to the repayment of debt.

Sustainability

2.5.9 Although mitigants are in place at Sycamore Grange to manage building safety issues, detailed assessments carried out by BTP architects, confirm the status quo is not sustainable in the long term due to health and safety, and the problems cannot be resolved whilst the tenants remain living in the scheme. The proposals in this report offer a long term, viable solution to address the issues, safeguard tenant safety and create new, modern, and safe housing for older people in Golcar, as a minimum.

2.5.10 If supported the redeveloped site will, as a minimum, include new high-quality housing for older people. A recent discussion paper prepared by Adult Social Care on local demand for housing with support and housing with care in Golcar and surrounding areas, confirms the demand for rental housing with support (retirement/sheltered) accommodation event when the current local market is considered. The demand for Housing with Care is lower.

Services and Agencies involved

2.5.11 Given the age profile of the tenants and the potential degrees of vulnerability, decanting will be handled sensitively. Collaboration with colleagues in Adults including Occupational Therapy (OT) Services and Aids and Adaptations will therefore be critical to this process. Closer working with Community Plus and other support services such as the Kirklees Better Outcomes Partnerships (KBOP) will take place where greater levels of support are identified.

3. Implications for the Council

Working with People

3.1 In Homes and Neighbourhoods, putting tenants at the heart of the decisions affecting them is central to the way we work. The redevelopment of the site at Sycamore Grange offers a response to building safety issues that, although currently mitigated, continue to impact on the lives of older and more vulnerable council tenants. The proposals in this report demonstrate that the views and opinions from tenants, their family, and carers on the future of the scheme and, the implications for tenants are critical in achieving successful outcomes.

3.2 Due consideration has also been given to the way proposals will contribute to the council's strategic priorities and the anticipated impact the outcomes arising from the implementation of this report will have in the following areas:

Working with Partners

3.3 As described in this report, a collaborative approach informed the response to the building safety issues identified at Sycamore Grange last year and, will continue to inform the work as the proposals are progressed. In addition, the tenants are all 60 years plus, therefore working with relevant council services, partners, the tenants, their family and/or carers is very important and will play a vital part in shaping and delivering successful outcomes.

Place Based Working

3.4 The engagement proposals are informed by intelligence and evidence gathered from previous successful place-based engagement programmes delivered by Homes and Neighbourhoods and other partner services. This includes consultation at the high-rise blocks at Berry Brow and Harold Wilson Court in 2021 to inform full regeneration and fire safety improvement programmes, working with ward members and tailored to the needs of Kirklees as a place and the individual needs of its distinct communities.

Climate Change and Air Quality

3.5 If the site at Sycamore Grange is redeveloped, this would see the removal of an existing building heated by fossil fuelled gas boilers built to the building standards and requirements of the early 1970s. In removing the existing and outdated building, and combining new heat and power technologies, any future scheme is likely to lead to a net reduction in carbon emissions over its lifetime.

Improving outcomes for children

3.6 As part of the redevelopment of the site and in addition to housing for older people, the opportunity to increase the council's housing supply including family homes, will be carefully considered.

4. Financial Implications for the people living or working in Kirklees Council

Cost of Living

4.1 The cost of living crisis refers to the fall in 'real' disposable incomes (adjusted for inflation and after taxes and benefits) that the UK has experienced since late 2021. It is being caused by high inflation outstripping wage and benefit increases and has been further exacerbated by recent tax increases.

4.2 In October 2022, the Portfolio Holder for Housing and Democracy, received a report detailing how council housing services are working alongside the wider council, to mitigate the risks to all tenants and the business in relation to the cost of living crisis. The report identified a number of measures that will be taken to monitor identified risks such as increasing rent arrears, fire safety and food poverty. The Portfolio Holder's report complements the proposals presented to Cabinet on 11th October 2022 setting out proposals to provide support for households in 2022/24 in response to the cost of living crisis through the Household Support Fund.

Housing Revenue Account (HRA)

4.3 The Sycamore Grange site is vested in the Housing Revenue Account (HRA) and is designated for housing and street scene. Whilst, at this early stage the costs of the new development are unknown, the HRA 30-year business plan has made a prudent financial provision for the works and associated costs.

5. Other (e.g., Integrated Impact Assessment/Legal/Financial or Human Resources)

Legal

5.1 As set out in Section 105 of the Housing Act 1985,(HA 85) the council (as a landlord) has a statutory duty to consult on the basis that secure tenants who are likely to be substantially affected by a matter of housing management have a right to be informed of the council's proposals; and make their views known and, the council is required to consider representation. Housing Management relates to management, maintenance, improvement, or demolition of dwelling houses let under secure tenancies. Subject to Cabinet approval, the council will adopt the *'gunning principles' relating to the Act, namely that consultation must be at a time when proposals are at the formative stage. Sufficient reasons must be put forward for any proposal to permit " intelligent consideration and response" Adequate time is given for consideration and response. The decision maker conscientiously considers the product of consultation.

5.2 Legal powers to carry out the redevelopment, subject to Cabinet approval, are covered by the" general power of competence" under section 1 of the Localism Act 2011. All works and services contracts must be let in accordance with council's Contract Procedure Rules and the Public Contracts regs 2016 (or new Procurement Act when in force) for above threshold procurements.

5.3 Article 1 of the First Protocol of the Human Rights Act 8 provides every person with a right to peaceful enjoyment of their possessions, and no one should be deprived of such possessions except in the public interest. (a demolition notice may do this in relation to a RTB application – see below). In determining the level of interference permitted (Art 8 right to respect for private & family life). The council's aims must be proportionate to the benefits resulting from redevelopment of the site and a fair balance struck between the public interest and the rights of the individual.

5.4 Certain dwelling houses for persons of pensionable age are excluded from Right to Buy (RTB) rights by virtue of Schedule 5, para 10 to the HA 85. The tenants at Sycamore Grange are secure tenants and therefore eligible for the RTB, although the likelihood of this happening is not significant to the council. However, as part of the decant process, the council will issue interim and final demolition notices at the appropriate time. The Initial Demolition Notice suspends any sales pursuant to RTB applications that have been submitted by qualifying tenants whilst proposals for regeneration are being considered or progressed to the point where a Final Demolition Notice is served.

5.5 Whilst every household will be provided with support to move, the council can use legal powers (Ground 10, Schedule 2, Part II of the Housing Act 1985) to seek possession '…where the Landlord intends to demolish or reconstruct the building and cannot reasonably do so without obtaining possession of the dwelling'.

Financial

5.6 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 comply with the new rules on Subsidy Control which replace the State Aid rules.

Integrated Impact Assessment (IIA)

5.7 The completed IIA Stage 1 and Stage 2, dated 7th November 2022, are attached at **Appendices 3 and 4.** The assessment acknowledged that this project is going to have a significant impact on tenants. The approach to have individual conversations with all tenants will seek to mitigate impact on protected characteristics, namely age and disability. The small group of tenants affected will enable a prominent level of support to be provided - this will help to foster positive relationships through direct support from the Independent Living Officer and Housing Management Officers. Officers will work with carers, adaptations team, early support services and adult social care to further mitigate risks associated with rehousing tenants.

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. 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.

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.

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.

The Climate Emergency Motion passed on 16 January 2019 committed the council to consider the environmental impact as part of any new policy or service change. The IIA carried out in November 2022 considers effects of service changes across the full range of equality, environmental and sustainability impacts.

6. Consultees and their opinions

6.1 If Cabinet approve the proposals to demolish and redevelop the site to rectify building safety issues, the council will need to formally engage with tenants about the plans and how this will affect them. If agreed, this is anticipated to start in January 2023.

6.2 On 31st October 2022, the Portfolio Holder for Democracy and Housing was briefed on the contents of this report. Cllr Scott endorsed the proposals and in particular, the commitment to ensure the plan is progressed in a timely manner to work around the needs of tenants and, that tenants will be reassured that their rehousing options will be carefully considered. Cllr Scott also agreed on the importance of ensuring ward members are fully briefed to respond to any enquiries as the proposals are progressed.

6.3 The Portfolio Holder for Health and Social Care joined the briefing on 31st October 2022. Cllr Khan was supportive of the proposals and, agreed on the importance of progressing the plans in collaboration with Adult Social Care and other services who can provide additional support and reassurance to meet the needs of this older age group.

6.4 The council's Housing Advisory Board was briefed on 22nd November 2022 and the Tenant Advisory and Grants Panel on 30th November 2022. Both groups were supportive of the proposals as set out in this report.

7. Next steps and timelines

7.1 Subject to Cabinet approval and the outcome of the formal engagement planned for January 2023, the rehousing of tenants (decant process) is expected to begin before April 2023. Final redevelopment proposals, informed by further public consultation, and a robust financial appraisal will be presented to Cabinet for approval, by summer 2023.

8. Officer recommendations and reasons

8.1 A decision is needed to address major building safety issues at Sycamore Grange, a retirement living scheme in Golcar. The plans to demolish the existing building and redevelop the site is proposed as the problems cannot be fully addressed in the longer term, whilst the building remains occupied due to health and safety.

8.2. It is recommended that Cabinet:

8.2.1. Approve the proposal to demolish Sycamore Grange and redevelop the full site within the Housing Revenue Account as shown edged red on the attached location plan at **Appendix 1** to this report;

8.2.2. Authorise formal engagement with affected tenants as set out at paragraphs 2.5.1. and 2.5.2. of this report;

8.2.3. Delegate authority to the Service Director Homes and Neighbourhoods to carefully consider responses from the formal engagement, and any resulting mitigating steps before implementing the next stage of the redevelopment proposals, namely the application of the decant plan;

8.2.4. Note the Integrated Impact Assessment at **Appendices 3 and 4** and that Human Rights issues have been considered;

8.2.5. Authorise officers to serve Initial Demolition Notices followed by final Demolition Notices pursuant to the Housing Act 1985, for Sycamore Grange, at the appropriate time as may be required in order to suspend Right to Buy rights;

8.2.6. Authorise officers to seek a Possession Order under the Housing Act 1985 for Sycamore Grange if required (following granting of planning permission for redevelopment of the site); and

8.2.7. Request a report back to Cabinet by summer 2023, for approval, setting out the final redevelopment proposals informed by further public consultation and including a robust financial appraisal.

9. Cabinet Portfolio Holder's recommendations

The Cabinet Portfolio Holder agrees with the officer's recommendations and reasons set out at paragraph 8.1. and 8.2. above.

10. Contact officer

Michelle Anderson-Dore, Head of Housing Management and Partnerships
Michelle.anderson-dore@kirklees.gov.uk
T. 01484 221 000

11. Background Papers and History of Decisions

Appendix 1 - Sycamore Grange Location Plan
Appendix 2 - Decant Plan
Appendix 3 - Integrated Impact Assessment Stage 1
Appendix 4 - Integrated Impact Assessment Stage 2

12. Service Director responsible

Naz Parkar, Service Director, Homes, and Neighbourhoods

Location Plan

1 : 1250

Site Edged Red

N

Layout subject to confirmation of red line boundary, all statutory approvals including highways, planning and building regulations, relevant surveys and reports such as topographical, ecology, trees, ground investigation and flood risk.

10 0 10 20 30 40 50

SCALE 1: 1250 m

Rev	Date	Int	Description

btp ARCHITECTS

RIBA Chartered Practice

Client: Kirklees Council

Project: Sycamore Grange

Job No: 3944

Scale @ A4: 1 : 1250

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Appendix 1

Sycamore Grange
Decant Plan – Demolition and Redevelopment Project

Programme of Works

This plan sets out the approach that will be taken to rehouse all current tenants from Sycamore Grange to alternative suitable accommodation in advance of the demolition and redevelopment project (subject to Cabinet approval in December 2022).

There are currently 25 tenanted properties and 15 void properties in Sycamore Grange (November 2022).

It is expected, given the age of the client group and their current independent living accommodation, that the majority of tenants will require some level of independent living or supported housing in the process. Kirklees Council has 19 Retirement Living Schemes and 3 Extra Care facilities.

It is anticipated that rehousing the remaining tenants from Sycamore Grange could take up to 12 months to complete. However, this is dependent on available stock of a particular type to ensure that adequate housing that meets the needs of each individual can be found, and that we are sympathetic and supportive of all individual needs, support networks, health and wellbeing support and accessing care requirements. The availability of stock and individual needs will determine the final timeframe.

Homes and Neighbourhoods' staff resources required to support the rehousing programme:

- Service Manager (support) x 1
- Housing Management Officers x 2
- Independent Living Manager x 1
- Independent Living Officers x 2
- Accessible Homes Officer – as required (no discussion held with this team at this stage)
- Estate Caretaking Support – as required
- Communication Officer – x 1
- Tenant Involvement Officer x 1

Decanting Process

Housing Management Officers in Homes and Neighbourhoods' Older People's Support Service, supported by the Independent Living Manager and Independent Living Officers will complete the initial assessment meeting with each individual tenant. Where required an officer from the council's Accessible Homes Team will provide a medical assessment of housing needs.

Officers will:

- Carry out a home visit to all tenants at the scheme to assess their individual housing needs through a thorough assessment process
- Accessible Homes Officers will support Housing Management Teams in assessments of need where there are notable health and wellbeing concerns that require consideration when rehousing is being sought
- Confirm and explain the rehousing process, including support for all tenants to register an application for rehousing, find out about suitable rehousing options, place bids and view any suitable accommodation
- Offer the opportunity to meet with other contacts linked to the tenant, such as family or friends, and health professionals providing support to ensure that the tenant has the full range of support in place to transition to a new home
- Discuss any specific needs that the tenant might have, ensuring the necessary health assessments are made regarding future housing need
- Maintain regular contact with each tenant, providing updates and support throughout the process
- Ensure all tenants can access information including communication about the programme of work and rehousing options
- Plan with support from other services, the transition of care and support from a tenant's current home to their new home.
- Clearly define the options for returning to any new development on completion

Practical Support

When suitable housing has been identified, Homes and Neighbourhoods Housing Officers, alongside procured contractors for removals, will support the tenant with:

- Packing, and removal including all costs for packing materials, packing up belongings and unpacking belongings and furniture as part of the move
- Termination of tenancy and any associated documentation required
- Completing a Choose'n'Move application to access the agreed band award relevant to their individual circumstances
- Support and advise alongside colleagues in Accessible Homes if other alternative accommodation is available /suitable for their needs (i.e.: private sector, Extra Care)
- Consult with the Empty Homes Team to manage shortlisting and offers
- Support tenants with accompanied viewing and arrange for appropriate paperwork to be signed
- Manage and arrange the practical removals, including disconnection and reconnection of appliances
- Discuss and agree appropriate support with any furniture and floor coverings for a council property
- Offer advice and support with benefit claims
- Discuss and administer the home loss payment, including arranging appropriate payments to be made in line with any arrangements in place with family, Client Financial Affairs and through any lasting power of attorney arrangements
- Continue to support any future applications to move back to the area on completion of redevelopment

Appendix 1

Housing Offer

The suitability of an alternative property will be determined through consultation with the tenant and will, as far as is reasonable, take the personal circumstances of the tenant into account including proximity to family, medical practitioners, care and support networks and the need to retain independence. Housing suitability will be assessed considering:

- Household size
- Bedroom entitlement now and in the future should any change in entitlement be required due to health and wellbeing
- Aids and adaptations currently and in the future
- Location of carers, support networks and facilities to aid independence or retain community support
- The long-term health of the individual and any conditions which are likely to change their housing need in the near future will be reviewed

Alternative accommodation if provided by the council will meet the current Lettable Standard for all void properties and will therefore be decorated throughout (no decoration allowance will be required). Carpets, flooring and blinds will also be provided should the tenant be rehoused into another council property, based on individual needs. For any tenant rehoused in non-council accommodation, any further support will be considered based on the individual circumstances.

Where a tenant or a member of their household are disabled and require a suitably adapted property, then this will be determined through the initial rehousing assessment process and alongside the council's Accessible Homes Team to identify an appropriate property in such cases.

The accommodation offer will be based on the current and future need of the tenant including adaptations and care needs, and not necessarily a like for like comparison with the tenant's main home.

Tenants may choose to take accommodation provided by another social housing landlord or in the private sector. In these circumstances, support with packing, removals and relocation will still be provided.

Temporary and Permanent Housing Advice

Given the client group and the period required to redevelop the area, the rehousing offer will be treated as permanent ensuring tenants can access the statutory home loss payment (£7,800 from 1st October 2022)

On completion of the new development approval will be sought for a Local Lettings Plan which will give priority to tenants who previously lived in the property to return to the new development, should they wish to apply.

Allocations Process and Band Award

Appendix 1

On completion of the housing need assessment process each tenant will be awarded Band B – Decant. Where appropriate the Accessible Homes Team will award medical banding in line with individual needs which will prioritise tenants into those with medical needs and those who can access general needs accommodation. Tenants who need enhanced care and support will be supported by officers in the Accessible Homes Team to register, apply and access suitable accommodation in the wider portfolio in Kirklees offering care and support (Extra Care, Supported Housing etc.)

Availability of Stock

There are currently 7 properties available in a nearby independent living scheme at Lynroyd. This is not sufficient to offer this option to all the tenants from Sycamore Grange, and likewise this accommodation may not be suitable for all tenants. To ensure that tenants leaving Sycamore Grange are given priority for rehousing (above other Band B and Band B medical applicants), a local lettings plan will be considered for all allocations to Independent Living properties during the project. This will ensure that anyone living in Sycamore Grange will have the first opportunity to access alternative independent living accommodation as this becomes available. Subject to Cabinet approval in December and the formal engagement (which may identify other considerations), the specific details of these arrangements will be finalised in consultation with the Accessible Homes Team, Aids & Adaptations, Housing Solutions, Adult Social Care, and other support services as required.

Financial Support for Tenants

This section details the financial support available to tenants moving permanently to a new home.

Home loss payments - These payments are made only when a tenant has to move permanently to alternative accommodation because of essential works or demolition and is likely to apply at Sycamore Grange given the length of time it will take to redevelopment the site. The current payment is £7,800 (from 1st October 2022).

Furniture removals - Furniture removals will be arranged and paid for by Homes and Neighbourhoods. Where a tenant requires assistance with packing and other removal arrangements due to age, ability or health conditions this will be provided. This will be assessed during the home visit and consultation period

Furniture package - This will be assessed and the outcome will be based on individual circumstances.

Costs associated with the supply of essential services - The cost of relocating and maintaining essential services such as connecting cookers, television aerials, utilities and phone lines is covered in the Home Loss payment.

Cost of relocation of medical or other support equipment
This will be provided by Homes and Neighbourhoods, in conjunction with support from Adult Social Care

Appendix 1

Cost Estimate – (£ per property)

Home Loss	£7,800
Removal costs including support and packing equipment	Approx. £450 (without packing support) Approx. £800 (including packing support for removal and relocation)
Floor covering **Blinds**	Approx. £800 Approx. £450
Furniture package	Optional depending on circumstances Cost ranges from £103 (for single item) to £1,687 (for multiple items)
Disconnection and reconnection of appliances	Included in Home Loss payment
Redirection of Mail	Included in home Loss payment)
Costs associated with the supply of essential services	Approx. £300 to remove any care and support IT or Assistive Technology
Adaptations costs	Further consideration will be given to absorbing the costs of providing *like for like* adaptations in any new property. Where *additional* adaptations are identified these may be chargeable to the tenant dependent on circumstances.
Total estimated cost per property	**Circa. £9,000 to £12,000** dependent on adaptation requirements and support needs

Where a tenant owes money in the form of rent or other debt under normal circumstances any payment due to them may be offset in part or full against those debts in line with policies relating to the repayment of debt. The types of debt that are relevant to this part of the policy include the following examples:

- rent arrears (including any relevant service charge)
- former-tenancy arrears (including any relevant service charge)
- rechargeable repair debts
- court costs

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EIA STAGE 1 – SCREENING ASSESSMENT

PROJECT DETAILS

Name of project or policy:	
Redevelopment of Sycamore Grange	

Directorate:	Senior Officer responsible for policy/service:
Growth & Regeneration	Naz Parkar, Service Director
Service:	**Lead Officer responsible for EIA:**
Homes and Neighbourhoods	Michelle Anderson-Dore, Head of Service
Specific Service Area/Policy:	**Date of EIA (Stage 1):**
Housing Management and Partnersh	7th November 2022

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

Cabinet approval is sought (Dec 22) to demolish the Sycamore Grange retirement living scheme building and redevelop the site to address major compliance issues identified last year, and to formally engage with tenants and other stakeholders on the future plans, starting Jan 23.

ASSESSMENT SUMMARY

Theme	Calculated Scores						Stage 2 Assessment Required
	Proposal	Impact	P + I	Mitigation	Evidence	M + E	
Equalities	10	5.2	**15.2**	2.5	2	**4.5**	Yes
Environment		4.6	**4.6**	0	4	**4**	No

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)	YES
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)	NO
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

WHAT LEVEL OF IMPACT DO YOU THINK YOUR PROPOSAL WILL HAVE ON…	Level of Impact Please select from drop down
Kirklees **employees** within this service/directorate? (overall)	Neutral
Kirklees **residents** living in a specific ward/local area?	Not known
Please tell us which area/ward will be affected:	Golcar
Residents across Kirklees? (i.e. most/all local people)	Neutral
Existing **service users**?	Not known

Each of the following **groups**? *(Think about how your proposal might affect, either positively or negatively, any individuals/communities. Please consider the impact for both employees and residents - within these protected characteristic groups).*		Please select from drop down
…age	What impact is there on Kirklees **employees**/internal working practices?	Neutral
	What impact is there on Kirklees **residents**/external service delivery?	Not known
…disability	What impact is there on Kirklees **employees**/internal working practices?	Neutral
	What impact is there on Kirklees **residents**/external service delivery?	Not known
…gender reassignment	What impact is there on Kirklees **employees**/internal working practices?	Neutral
	What impact is there on Kirklees **residents**/external service delivery?	Neutral
…marriage/ civil partnership	What impact is there on Kirklees **employees**/internal working practices?	Neutral
	What impact is there on Kirklees **residents**/external service delivery?	Neutral
…pregnancy & maternity	What impact is there on Kirklees **employees**/internal working practices?	Neutral
	What impact is there on Kirklees **residents**/external service delivery?	Neutral
…race	What impact is there on Kirklees **employees**/internal working practices?	Neutral
	What impact is there on Kirklees **residents**/external service delivery?	Neutral
…religion & belief	What impact is there on Kirklees **employees**/internal working practices?	Neutral
	What impact is there on Kirklees **residents**/external service delivery?	Neutral
…sex	What impact is there on Kirklees **employees**/internal working practices?	Neutral
	What impact is there on Kirklees **residents**/external service delivery?	Neutral
…sexual orientation	What impact is there on Kirklees **employees**/internal working practices?	Neutral
	What impact is there on Kirklees **residents**/external service delivery?	Neutral
…those in poverty or low-come	What impact is there on Kirklees **employees**/internal working practices?	Neutral
	What impact is there on Kirklees **residents**/external service delivery?	Neutral
…unpaid carers	What impact is there on Kirklees **employees**/internal working practices?	Neutral

…unpaid carers	What impact is there on Kirklees **residents**/external service delivery?	Neutral

WHAT LEVEL OF IMPACT DO YOU THINK YOUR PROPOSAL WILL HAVE ON…	Level of Impact Please select from drop down
Kirklees Council's **internal practices**?	Positive
Lifestyles of **those who live and work in** Kirklees?	Neutral
Practices of suppliers to Kirklees council?	Neutral
Practices of other partners of Kirklees council?	Neutral

Each of the following **environmental themes**? (Please select from the drop down list)			
	People	**Partners**	**Places**
…clean air (including Climate Changing Gases)	Neutral Score: 2	Neutral Score: 2	Neutral Score: 2
…Clean and plentiful water	Neutral Score: 2	Neutral Score: 2	Neutral Score: 2
… Wildlife and habitats	Neutral Score: 2	Neutral Score: 2	Neutral Score: 2
…Resilience to harm from environmental hazards	Neutral Score: 2	Neutral Score: 2	Neutral Score: 2
… Sustainability and efficiency of use of resources from nature	Neutral Score: 2	Neutral Score: 2	Neutral Score: 2
…Beauty, heritage and engagement with the natural environment	Neutral Score: 2	Neutral Score: 2	Neutral Score: 2
… Resilience to the effects of climate change	Neutral Score: 2	Neutral Score: 2	Neutral Score: 2
…Production, recycling or disposal of waste	Neutral Score: 2	Neutral Score: 2	Neutral Score: 2
… Exposure to chemicals	Neutral Score: 2	Neutral Score: 2	Neutral Score: 2

HOW ARE YOU USING ADVICE AND EVIDENCE/INTELLIGENCE TO HELP YOU?		Please select YES or NO
Equality Themes		
Have you taken any **specialist advice** linked to your proposal? (Legal, HR etc)?		Yes
Do you have any **evidence/intelligence** to support your assessment (in section 2) of the impact of your proposal on…	…employees?	No
	…Kirklees residents?	Yes
	…service users?	Yes
	…any protected characteristic groups?	Yes
Please list your **equalities** evidence/intelligence here [you can include hyperlinks to files/research/websites]: Sycamore Grange is a retirement living scheme that is supported by an Independent Living Officer whom, as part of their role, maintains relevant information relating to individual residents/needs in the scheme supported by information needed as part of the evacuation lists (in an emergency situation). Wellbeing conversations information (during covid) were used to identify specific needs of the residents living inthe retirement living schemes including Sycamore Grange.		

	Please select from drop down
To what extent do you feel you are able to mitigate any potential negative impact of your proposal outlined on the different groups of people?	TO SOME EXTENT
To what extent do you feel you have considered your Public Sector Equality Duty?	FULLY

Environmental Themes		
Have you taken any **specialist advice** linked to your proposal?		Yes
Do you have any **evidence/intelligence** to support your assessment (in section 2) of the impact of your proposal on…	…Kirklees Council practices?	No
	…resident and worker lifestyles?	No
	…Practices of Supplier to Kirklees Council?	Yes
	…Practices of other Kirklees Council partners?	Yes
Please list your environmental evidence/intelligence here [you can include hyperlinks to files/research/websites]: BTP Assessment carried out in 2021 in response to compliance issues at Sycamore Grange.		

	Please select from drop down
To what extent do you feel you are able to mitigate any potential negative impact of your proposal on the environmtenal issues identified?	

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Integrated Impact Assessment – Stage 2 Assessment and Action Plan

Project Details

Name of project or policy:	
Redevelopment of Sycamore Grange	
Directorate:	**Senior Officer responsible for policy/service:**
Growth and Regeneration	Naz Parkar, Service Director
Service:	**Lead Officer responsible for EIA:**
Homes and Neighbourhoods	Michelle Anderson-Dore
Specific Service Area/Policy:	**Date of EIA (Stage 1):**
Housing Management and Partnerships	7th November 2022
EIA (Stage 1) reference number:	**Date of EIA (Stage 2):**
	7th November 2022

Stage 1 Assessment Summary

Theme	Calculated Scores						Stage 2 Assessment Required
	Proposal	Impact	P + I	Mitigation	Evidence	Overall	
Equalities	10	5.2	**15.2**	2.5	2	**4.5**	Yes
Environment		4.6	**4.6**	0	4	**4**	No

A) Equalities Impact – Evidence from Engagement

CONSULTATION WITH KEY STAKEHOLDERS				COMPLETE THIS DETAIL WHEN YOU HAVE DONE YOUR CONSULTATION	
REF No.	**Which key stakeholders have you/are you consulted/ing with?**	**Why have you/are you consulted/ing them (or not?)** and what were you/are you looking to find out?	**How did you/are you planning to consult them?** Date and method of planned consultation	Actual Date of Consultation	**Outcome of consultation** What have you learned? Do you have actions to complete that will help mitigate any unnecessary negative impact on groups? [move to section B if you do]
1	Tenants currently residing at Sycamore Grange	All tenants (25 as at Nov 2022) will be directly affected by the project. Tenants will be engaged on plans to demolish Sycamore Grange, the engagement will include how Homes and Neighbourhoods will support individual tenants through the process of finding a new home.	Engagement methods will include 1 to 1 conversations, group conversations, surveys/information gathering, dedicated point of contact via telephone and email. Engagement will take place from January 2022		
2	Tenant's families	Family members will seek reassurance that tenants are being supported though the process and offer insight on how Homes and Neighbourhoods can best support the rehousing tenants.	Engagement methods will include 1 to 1 conversations, dedicated point of contact via telephone and email. Engagement will take place from January 2022		
3	Carers, support workers and professionals working with tenants e.g. social care	Will be impacted by the tenant moving and offer insight on how Homes and Neighbourhoods can best support tenants.	Engagement methods will include 1 to 1 conversations, dedicated point of contact via telephone and email.		

			Engagement will take place from January 2022		
4	Golcar Ward Councillors	Ward Councillors will seek reassurance that tenants are being supported though the process and offer insight on how Homes and Neighbourhoods can best support the rehousing tenants, including4 in circumstances where members are advocating for individual tenants	Engagement methods will include 1 to 1 conversations, dedicated point of contact via telephone and email. Engagement will take place from January 2022		

B) Equalities Impact – Action Planning

Equalities Impact - ACTION PLAN			Complete this section when you have actually carried out some actions		
REF.No [from section A]	**What actions are you going to do as a result of carrying out your consultation?**	**What do you think these actions will achieve? Will they mitigate any adverse impact on protected groups? Will they foster good relations between people? Will they promote equality of opportunity?**	**What did you actually do?**	**When did you do this?**	**What was the actual outcome? Have you mitigated any negative impact? Have you ensured good relations exist? Have you promoted equality of opportunity?**
1	Through engagement with tenants we will have an increased understanding of how we can tailor the support provided for the rehousing tenants. This will result in a specific plan for each tenant.	It is acknowledged that this project is going to have a significant impact on tenants. The approach to have individual conversations with all tenants will seek to mitigate impact on protected groups. The relatively small group of tenants affected will enable a high level of support to be provided - this will help to foster positive relationships through direct support from the Independent Living Officer and Housing Management Officers. Officers will work with carers, adaptations team, early support services and adult social care to further mitigate risks associated with rehousing tenants.			

1	We will keep tenants informed of project developments through individual conversations, group discussions, letters/newsletters and frequently asked questions	Tenants will be reassured that Homes and Neighbourhoods are keeping them informed of progress.			
2	We will engage with family members as they come forward or where Homes and Neighbourhoods have been asked to do so by tenants (with consent)	Family members will play an important roll in supporting the delivery of the project. It is often found that tenants rely heavily on family members to voice concerns they may have.			
3	We will engage with any care professionals working with tenants (with consent)	To ensure that their next home meets tenants specific needs we will engage with professionals working with the tenant. This includes making referrals where there is an unmet need.			
4	We will engage with Golcar ward councillors through regular updates, briefing session and through enquiry routes.	Ward councillors will play an important role in supporting the delivery of the project. Tenants may speak to members to seek reassurance the council is working in their best interest and also to support through their rehousing options.			

C) Environmental Impact – Evidence from Engagement

CONSULTATION WITH KEY STAKEHOLDERS				COMPLETE THIS DETAIL WHEN YOU HAVE DONE YOUR CONSULTATION	
REF No.	**Which key stakeholders have you/are you consulted/ing with?**	**Why have you/are you consulted/ing them (or not?)** and what were you/are you looking to find out?	**How did you/are you planning to consult them?** Date and method of planned consultation	Actual Date of Consultation	**Outcome of consultation** What have you learned? Do you have actions to complete that will help mitigate any unnecessary negative impact on groups? [move to section D if you do]
1					
2					
3					
4					
5					

D) Environmental Impact – Action Planning

Environmental Impact - ACTION PLAN			Complete this section when you have actually carried out some actions		
REF.No [from section C]	**What actions are you going to do as a result of carrying out your consultation?**	**What do you think these actions will achieve? Will they mitigate any adverse impact on protected groups? Will they foster good relations between people? Will they promote equality of opportunity?**	**What did you actually do?**	**When did you do this?**	**What was the actual outcome? Have you mitigated any negative impact? Have you ensured good relations exist? Have you promoted equality of opportunity?**

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Kirklees COUNCIL

Name of meeting: **Cabinet**
Date: **21st December 2022**
Title of report: **Kirklees Stadium Development Limited – Revisions to the previously agreed approach.**

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 **Is it also signed off by the Service Director - Finance?** **Is it also signed off by the Service Director -Legal Governance and Commissioning?**	**David Shepherd – 08. 12 22** **Eamonn Croston 01.12.22** **Julie Muscroft – 01.12.22**
Cabinet member portfolio	**Cllr Paul Davies Corporate** **Cllr Graham Turner 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. This solution separated the assets from individual control of either of the clubs, procured the building of the new Stadium and has supported a decent quality facility over a 25-year period, with KSDL shareholders being Kirklees Council (40% shareholding), HTAFC (40% shareholding) and Huddersfield Sporting Pride – known as Huddersfield Giants or HRLFC (20% shareholding).

1.2 Whilst the arrangement enabled operation of the Stadium for more than 25 years, during 2020 and 2021 it was identified that for various reasons, relating to the need for additional investment- in refurbishment, it was appropriate to amend arrangements for the management to seek to ensure:

i) the Stadium did not become a source of reputational damage to the Council or financial burden to local taxpayers.
ii) the long-term tenure of professional sport- HTAFC and HRLFC at the stadium.
iii) financial sustainability over the longer term and delivery of longer-term Stadium operational investment requirements
iv) complementary regeneration opportunities for an enterprise corridor between the Stadium and the town centre

1.3 In March 2021, the Cabinet endorsed the development of a Community Trust operating model that was considered most suitable to delivering the above objectives, Cabinet also approved a complimentary regeneration opportunity for the strategic acquisition of a land asset.

1.4 Negotiations to create the Community Trust took place during Spring and Summer 2021 and made reasonable progress. However, two issues arose, which impeded that approach and now necessitate a revised approach. These relate to a change in the ownership of HTAFC (it reverting to the control of the previous owner), and matters related to historical liability. It has taken a further year to identify a solution with which all parties to KSDL are in broad agreement. This is set out in this report.

2. Information required to take a decision

2.1 Previous Proposals

2.1.1 The agreed new model was that a Community Trust option be supported with the Council being willing 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. This was considered the most achievable plan that met the needs of the Stadium to be a self-sustaining business, whilst meeting the needs of the clubs who use the facility, and the community more generally.

2.1.2 As a part of the arrangement, it was agreed that the Council would acquire the Gasworks Street Site, subject to agreement on its value, from a subsidiary of KSDL, Kirklees Stadium Development Land Limited.

2.2 Update on Proposals.

2.2.1 The arrangements in principle were reached with each shareholder, with the intention that they would agree to transfer their ownership to the Community Trust. The trust would, under new more sustainable financial arrangements with each occupier, then execute the necessary improvements, borrowing capital from the Council where necessary to restructure existing loans and make these improvements.

2.2.2 In Autumn 2021 the control of HTAFC reverted to the previous owner, following financial difficulties encountered by the then owner. The current owner did not support the previous agreement to form a Community Trust and has sought to renegotiate the proposal. In summary these renegotiations relate to how historical debt is hypothecated.

2.2.3 The financial position of KSDL has not improved and matters such as high energy costs have made viability worse. The company faces severe cash flow difficulties. (See additional information at the end of this report)

2.2.4 Under the alternative business model that it now proposes, HTAFC would take full repairing responsibility for the Stadium, and the costs of any necessary refurbishment would be funded from HTAFC, or its owners own resources.

2.2.5 In the earlier proposals, the historical liabilities of KSDL were intended to be absorbed within the new debt structuring funded by the Council loan. These debts have been identified as potentially higher than previously envisaged.

2.2.6 The proposal now is that some of the debts are written off by the party which currently holds them, and other prospective liabilities are shared in relation to historical control at the time those liabilities were incurred, and that either

(a) the Council grants a lease directly to HTAFC

Or

(b) KSDL is restructured by agreement to be controlled by HTAFC, who would become responsible for all the operations, maintenance, running of the Stadium etc.

In either option, HTAFC would be responsible for all site costs and receive all site income. (The Council lease to KSDL forbids any assignment if lease premium payments have not been made)

2.2.7 In neither of these options would the Council have any involvement in operation of the stadium, other than its ability to exercise very minimal control by way of the head lease.

2.2.8 There are three other potential options

(a) The existing KSDL operation is retained. Section 2.2.9 notes the issues related to this.

(b) The Council takes on all the roles currently held by KSDL and takes on the leases to HTAFC and HRLFC directly. Section 2.2.10 notes the issues related to this.

(c) KSDL is sold

2.2.9 (a) The existing KSDL operation is retained. The revenues generated under the lettings to HTAFC and HRLFC, and the other income earned through the facilities- such as catering and car parking- are inadequate to cover day to day operational costs before any of the required major repair and improvement investment. The consequence of this is that for KSDL to remain solvent there will be a continuous cash call on the shareholders. This is a continuing subsidy from the Council – and Council taxpayer to the two occupiers, which is not sustainable in current financial circumstances, and may breach subsidy control rules.

2.2.10 (b) The Council takes on all the roles currently held by KSDL and takes on the leases to HTAFC and HRLFC directly. Although the Council would gain full control, this would result in the Council holding the full risks and liabilities for operation and repairs, without the ability to secure increases in rent from the two occupying clubs.

2.2.11 (c) Another option may be to try to sell KSDL. Given the financial position, the strong sub leases and the need for capital investment there are no prospects for this to happen. A sale of KSDL alongside the freehold interest held by the Council may make the sale

more attractive. However, disposal of the freehold would mean a complete loss of control over how the site is used or controlled. More practically, the former uses of the site, and the encumbrances of substantial structures mean that any attractive and viable alternative uses for the site are unlikely.

2.2.12 Disposal of the freehold is not therefore a feature of this proposal. Retention of the freehold, notwithstanding the very long lease, facilitates a small element of control, and reduces the risk of issues which have arisen in the event of sales of professional sporting business, with consequences of split ownerships and control, elsewhere in the country.

2.2.13. Inaction will have the consequence of KSDL entering administration. This could result in disruption to operations (with an impact on the tenants) and would result in impacts on suppliers (whose debts may not be paid), and the incurring of administration fees. Given the prospects of sale noted in 2.2.11, the likelihood is that the administrator would look to return the lease to the Council as freeholder, leaving it in the position described in 2.2. 10.

2.3 Historical financial position- loans and other liabilities.

2.3.1 KSDL has not been viable for some time, and it has received various loans from the Council, the largest of which was issued in 2021 as a precursor to the restructuring proposed at that time. It related to the replacement of the borrowing that Kirklees Stadium Development Land Ltd had obtained to acquire the Gasworks Street site which was beyond its terms for redemption. KSDL also has a long-standing commercial bank loan guaranteed by the Council (payment of which was deferred during the pandemic), which related to the original construction of the site. There are a small number of other loans, some from the Council, and others.

2.3.2 KSDL entered into a commercial agreement with a partner to develop a part of the site. A viable potential scheme has never been achieved. The partner organisation does not accept that the arrangement is unachievable. This agreement may limit the flexibility to reorganise or restructure or result in litigation.

2.3.3 The amounts of each debt and other prospective liabilities are shown in the private appendix.

2.4 Stadium Operational Investment requirements

2.4.1 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 a 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, at an estimated cost of £8m to £10m. The refurbishment and repairing obligations are the responsibility of the principal leaseholder.

2.5 Options

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2.5.1 The options that are now available could be seen to be.

(a) Do nothing- with the consequence of administration

(b) Try to continue with a Community Trust model- no longer supported by all parties to KSDL, so no longer achievable

(c) Transfer responsibility to an existing leaseholder, including those for operations and maintenance (through a share sale or otherwise)

(d) Sell KSDL (with or without the Council freehold interest)-not practical for reasons described

(e) The Council supports the closure of KSDL and become the operator, assuming all

responsibilities for operations and maintenance.

2.6 Progressing Options

2.6.1 The options that maintain the existing or a community interest-based solution are not achievable.

2.6.2 A solution where the Council becomes fully responsible is likely to be achievable but would involve a substantial and ongoing cost (a subsidy to professional sport).

2.6.3 A solution that sells or transfers the operations to another is likely to be the most sustainable solution. Whilst this brings less clear community benefits than the previous preferred option, this solution is likely to be effective in maintaining a functioning sports facility. Doing this by negotiation rather than through administration is likely to bring some benefits.

2.6.4 The pursuit of the transfer though may come at a potential cost.

2.6.5 The successor will be willing to take on all the current and future liability, but there will need to be an attribution of historical liability.

2.7 Conclusions

2.7.1 This is an unfortunate situation, where the options now available are quite limited and the needs of the Council need to be balanced against those of the occupiers of the Stadium. Some decisions taken in respect of the Stadium, at its formation and more recently were, with hindsight, not in the best interests of KSDL or of the Council.

2.7.2 It is important now to seek to achieve a solution which resolves some of the historical issues and creates a potentially sustainable solution to enable professional sport to continue to be played at the Stadium, whilst not creating an ongoing liability for the Council.

2.7.3 A form of statutory resolution (administration) will arise if no other action is taken.

2.7.4 The most sustainable solution seems to be to look to negotiate a revised operating arrangement with HTAFC as the major existing Stadium occupier, whereby they take on full responsibility, and offer opportunity for continuing use by HRLFC.

2.7.5 Achieving such a solution will involve the Council and some other debtors agreeing to write off the historical liabilities.

3 Implications for the Council

3.1 Working with People

The revised proposals will continue to provide some potential input to community service delivery

3.2 Working with Partners

The preferred proposal involves a continuing dialogue to reach a solution with HTAFC and HRLFC.

3.3 Place Based Working

The project will support the Council's commitment to place-based working. Resolving issues related to KSDL will facilitate the Council's wider focus on the regeneration of the 'Station to Stadium' Corridor that will bring forward strategic investment opportunities.

3.4 Climate Change and Air Quality

Resolution of issues re KSDL should create the opportunity for investment in the facility, which may involve refurbishment to reduce demand for energy.

3.5 Improving outcomes for children and young people

There may be opportunities in negotiating new arrangements to facilitate some involvement

3.6 Financial Implications for the people living or working in Kirklees

There are no direct cost impacts on the Kirklees community, although indirectly they will meet costs through any debt write off or financial support.

3.7 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 the options that remain available transfer of operations satisfies the best combination of factors.

Legal and finance resources will be required to conduct detailed due diligence and enter into the necessary legal documentation. Specialist advice may be needed on leases, company structure and taxation, which will be obtained if necessary

The resolution of the ownership of the Gasworks Street site will similarly be a feature of the considerations, with specialist advice obtained if necessary.

More detailed information is contained within the private appendix.

4 Consultation

The Head of Risk comments that any default by the future core tenant in meeting its obligations, including that to keep the property in a long-term good state of repair may have an impact on the Council's finances, and reputation, although the immediate direct impact will be on HTAFC as occupier and operator.

5 Engagement

Engagement has taken place with all those with current direct commercial interest**.**

6 Next steps and timelines

The intention is that, subject to Cabinet endorsement of the proposals set out above, Council officers will look to negotiate a potential outcome with the current principal occupier.

Officers consider that the approach outlined in this report is the best approach to achieve an effective balance between the provision of Stadium facilities, the needs of the users, and the Council.

7 Officer recommendations

Cabinet agrees that the Strategic Director for Growth & Regeneration in consultation with the Chief Executive, Service Director Finance and Service Director Legal, Governance and Commissioning, and with the portfolio holders for Regeneration and Corporate be authorised to:

(1) Conduct negotiations with the current principal occupier- Huddersfield Town Association Football Club (HTAFC), with a view to HTAFC taking full operational control of the facility

(2) Conduct negotiations with other current leaseholders, etc as necessary

(3) Agree terms that involve an element of debt write off (as detailed in the private appendix) to facilitate such an agreement.

(4) Enter into such any agreements on the Council's behalf necessary to give effect to such an agreement, if they are satisfied with such outcomes

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.

8 Cabinet portfolio holder(s) recommendations

Cllr Graham Turner, Regeneration portfolio holder states:

I am fully supportive on the recommendations contained in this report.
KSDL has been an important part of the development of the stadium site and has over the years served the residents of Kirklees well.
However, what was right all those years ago when KSDL was set up is now not the right way to operate the stadium complex and a different operating model should be adopted.
This report sets out the preferred option and I am sure that the proposals to negotiate with the football club to become a long-term lease holder will help secure the stadium and allow it to develop and flourish in the coming years.
The interests of all those who use the facilities at the stadium will be protected as the final negotiations take place.
I would like to thank the current board of KSDL and all past members for the hard work and commitment they have shown over the years, especially given some of the challenges we have seen over the last 25 years.

Cllr Paul Davies, Corporate portfolio holder recommends that Cabinet endorses the officer recommendation.

9 Contact Officer

David Shepherd – Strategic Director, Growth & Regeneration 01484 221000
David.shepherd@kirklees.gov.uk

10 Background Papers and History of Decisions

Cabinet report 16th March 2021

11 Service Director responsible

David Shepherd – Strategic Director, Growth & Regeneration 01484 221000
David.Shepherd@kirklees.gov.uk

ADDITIONAL INFORMATION
BUSINESS PLAN OF KSDL AND ENVISAGED COMMUNITY TRUST

1. The Council has always been the freeholder of the site (with a small exception) with a lease held by KSDL, and it granted sub leases to HTAFC, HRLFC and the Council as occupiers of the sports centre - operated in practice by Kirklees Active Leisure.
2. The commercial model depended on KSDL earning additional income from matters such as catering, car parking and facility hire. KSDL took responsibility for all costs of operation, including staffing, stewarding, safety, maintenance, energy, and improvements. As the Stadium has got older more repairs and refurbishment have become necessary, Recent inflation, in the costs of construction, and energy, potentially make matters worse
3. The financial position of KSDL is that its costs have exceeded its revenues for a number of years- even in the circumstances where both HTAFC and HRLFC have been successful. Whilst the two restricted years of Covid have made matters worse, the lack of financial sustainability of KSDL means that it may not be able to demonstrate that it is a going concern if it is not able to agree permanent or temporary funding from the principal occupiers.
4. The leases held by the principal occupiers (HTAFC and HRLFC) are severely restrictive in the extent to which rents/occupation charges can be increased, and as such mean that a viable operation for KSDL cannot be achieved. In the event of an administration of KSDL, the clubs could still potentially use the leases to constrain the ability of any new operator to achieve a viable operation, as the parts of the activity within the control of KSDL (or successor) do not have the potential to generate sufficient revenues to offset the growing deficit.
5. The Community Trust arrangement was intended to achieve a potentially viable future with agreed new leases and a refurbishment programme. The Council would have lent capital funds to enable the works to be carried out. As noted above this is no longer acceptable to all the parties.

Name of meeting: **Cabinet**
Date: **21st December 2022**
Title of report: **Station to Stadium Enterprise Corridor Masterplan**

Purpose of report:

This report seeks Cabinet endorsement of the Station to Stadium Enterprise Corridor Masterplan and to move to the next stage of development including wider consultation. It sets out why this is important, how it aligns with other economic development activity across Kirklees and what steps are required in order to help progress towards achieving the vision set out in the plan.

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)?	**Key Decision - Yes** **Private Report/Private Appendix - Yes**
The Decision - Is it eligible for call in by Scrutiny?	**Yes**
Date signed off by Strategic Director & 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** **Eamonn Croston** **Julie Muscroft**
Cabinet member portfolio	**Councillor Graham Turner – Portfolio Holder for Regeneration**

Electoral wards affected: Dalton and Newsome

Ward councillors consulted: None at this Stage

Public or private: Public (Appendix 2 and 3 Private).

Appendices to the Cabinet Report are set out below:

Appendix 1 - Station to Stadium Enterprise Corridor Masterplan (public)
Appendix 2 - Gasworks Street – Alternative proposal (private)
Appendix 3 - Gasworks Street – Strategic Outline Business Case (private)

The private Appendices are recommended for consideration in private in accordance with Schedule 12A of the Local Government Act 1972 namely they contain information relating to the financial and business affairs of the council and a third party. It is considered that disclosure of the information would adversely affect the commercial interests of a third party 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

This report seeks Cabinet endorsement of the Station to Stadium Enterprise Corridor Masterplan. It sets out the rationale, long term vision and principles of the plan as well as the next steps required to move towards delivery, including public consultation in early 2023.

2. Information required to take a decision

Background

2.1 The Station to Stadium Enterprise Corridor represents one of the most exciting economic development opportunities in the Yorkshire region and beyond.

2.2 Huge investment by Network Rail in the Transpennine Rail Upgrade is making Huddersfield (and the other towns on the route) one of the best-connected places in the North of England. The University of Huddersfield's investment in the Health Innovation Campus at Southgate will put the town on the map globally in terms of translational health and wellbeing research and applied applications.

2.3 Concurrently, the Council and its partners connected with the John Smiths Stadium have brought forward plans to secure the stadium's long-term future.

2.4 All of these core assets (TRU, the Health Innovation Campus and the Stadium) are connected by some of the town's most striking architecture and heritage buildings but also interspersed with underutilised land and premises. This forms the basis of the strategic case and economic opportunity.

2.5 Alongside other major investments in the cultural and leisure assets of the town such as the Cultural Heart, the George Hotel, Kingsgate, active travel infrastructure and public realm, and a long-term plan to increase town centre living, the Station to Stadium Enterprise Corridor Masterplan seeks to harness the impact of this chain of strategic assets (TRU, The Health Innovation Campus and the Stadium). Each asset is a significant driver of the economy, but if progressed together under a coherent vision and plan, then their combined long-term impact can be much greater.

2.6 The Station to Stadium Enterprise Corridor Masterplan is fundamentally about growing and attracting good quality jobs and businesses in Huddersfield, for the benefit of the whole district and creating an environment that stimulates private sector investment in commercial, office, research and development and residential uses. We know that world class infrastructure such as rail connectivity and access to cutting edge, applied university research and skills are increasingly the key drivers for more and more business that are looking to grow or expand into an area.

2.7 On this basis the Station to Stadium Enterprise Corridor Masterplan will act as a major physical, intellectual and investment gateway into the West Yorkshire region by providing these key ingredients.

2.8 We also know that Kirklees currently suffers from an under supply of good quality employment sites, especially in the south of the district. The Council is aware of several local employers who are looking to grow that are being frustrated by the lack of available sites. The Station to Stadium Enterprise Corridor is designed to help address this by identifying new strategic employment sites and by increasing the utilisation of either empty or currently poorly utilised land and property within the Corridor area.

2.9 To work with stakeholders to develop a vision and masterplan for the Station to Stadium Enterprise Corridor, a high-quality consultant team was appointed in late 2021. Over the course of 2022 they have worked with Council officers and key landowners and stakeholders in the Station to Stadium Enterprise Corridor area to develop and refine the plan that is presented now to Cabinet for endorsement, prior to public consultation in early 2023.

2.10 A copy of the masterplan to be used for consultation is contained within Appendix 1.

Process of Engagement with Stakeholders

2.11 A series of stakeholder meetings including the University, KSDL, Network Rail, Kirklees College, HD 1 Developments, Brierley's, Polyseam, Cummins and Huddersfield Unlimited were undertaken earlier this year. Comments and aspirations were noted and fed into the latest version of the Masterplan. A roundtable was held with larger landowners in the corridor was held in early October to feed back. Further individual meetings were undertaken with businesses to refine and develop the main aspects of the emerging plan ahead of reporting to Cabinet.

Station to Stadium Enterprise Corridor Vision

2.12 The vision for the Station to Stadium Enterprise Corridor is:

A thriving, connected and enterprising district advancing wellbeing and prosperity through investment in health innovation, clean growth and green networks.

2.13 This vision will guide investment decisions and areas of focus for partners over the long term (up to 20 years). It highlights the importance of mixed uses to create a bustling, busy and dynamic place where people want to be and stresses the unique selling point the Corridor which is framed around the combined effect of world class connectivity and a focus on health and wellbeing.

2.14 The vision embeds the concept of wellbeing beyond the physical footprint of the University of Huddersfield's Health Innovation Campus and seeks to envisage a wider area where good quality jobs and the physical environment all contribute towards increased wellbeing for residents. The vision also seeks to recognise the important function that existing high value employers in a range of different sectors already play in the Corridor. It is vital that work to develop the Corridor concept enables their future growth and sustainability where possible and, as a minimum, does not constrain it.

Principles

2.15 Five high level principles have been developed to support delivery of the vision which develop these issues in more detail:

- *Principle 1: Innovative and high value employment*

  Support in diversifying the local economy through attracting new innovative businesses in health tech and advanced manufacturing, generating high value jobs and increasing productivity

- *Principle 2: Connected and integrated*

  Create a place for residents, workers, students, and visitors to connect, building on its strategic connectivity and rail connections, developing stronger active travel routes, and integrating into the wider investment in the town

- *Principle 3: Raised aspirations, skills, and education*

  Create a mix of inclusive spaces for collaboration and knowledge spillovers for all of Kirklees and beyond to enable visible pathways for people to enter and progress, supporting people into employment, raising aspirations, strengthening entrepreneurship, and increasing skill levels

- *Principle 4: Attractive and vibrant environment*

  Revitalise this area and the routes between Huddersfield Station and the John Smiths Stadium. Enhance the local natural and historical environment and re-connect with key assets of the distinctive landscape setting, canal corridor, River Colne, and heritage assets

- *Principle 5: Sustainable and clean growth*

  Maximise natural assets, create a network of green corridors to connect to other areas of the town, encourage biodiversity net gain, support mental wellbeing, and embed sustainable principles throughout the district development and local businesses.

Delivery

2.16 Cabinet endorsement of the Station to Stadium Enterprise Corridor Masterplan is an important milestone but is just the beginning on the work. This is a long-term endeavour that will take many years to realise and deliver.

2.17 The Masterplan is a statement of ambition and a signal to the market and positioned at the very beginning of the project development cycle. It is not a fully costed and funded delivery plan. The Council does not control most of the land in the corridor and does not have the levers to directly control activity that takes place within it. Instead, the Masterplan provides a framework beneath which other stakeholder and landowners (present and future) will collaborate and be incentivised to work towards higher value end uses than would otherwise be the case.

2.18 The Masterplan also identifies a suite of eleven catalytic interventions that are most likely to stimulate the sorts of long-term changes envisaged in the wider area.

- National Health Innovation Campus
- Gasworks Street site and sites to the North and East
- Old Leeds Road development area
- Business support, skills & training
- John William Street, Northumberland Street & Huddersfield Open Market (on-going)
- A new potential canal crossing
- Southgate crossings both North and South
- Turnbridge Road changes – Closure of the lifting bridge to vehicles to form a dedicated active travel route
- St. Andrew's Road changes
- Larger-scale Southgate crossing interventions
- River crossings/connectivity to Kilner Banks Wood and the active travel network

2.19 The long-term ambition is for public and private sector partners (not just the Council) to deliver all of these interventions over time as funding becomes available and circumstances allow, and each requires extensive further development work. Some of the early phase term actions are either already in development or actively being progressed; some of the more ambitious and long-term interventions identified by the Masterplan are just at the very biggening of their development and consideration.

2.20 Following consultation and adoption, the final Masterplan must not sit on the shelf. It will become the baseline for continued stakeholder engagement and consultation and each of the interventions identified will be translated into an individual project that can be taken forward by the most appropriate lead. Not all projects will proceed at the same pace as others or be led by the Council, and some will require funding opportunities that do not exist at the present time. In this way, the Masterplan is shaping the future project development pipeline.

2.21 As part of the Autumn Statement 2022, the Government confirmed that previous proposals for 'Investment Zones' would be dropped and the policy will be refocused to benefit research clusters instead. The Autumn Statement document said, "the government will use this [investment zones] programme to catalyse a limited number of the highest potential knowledge-intensive growth clusters,,, centred on universities in left behind areas to help build clusters for our new growth". Any specific decision about whether or not to pursue Investment Zone status will need to be made at a later date once full details are known, however at a headline level, this would appear to present a significant potential opportunity for the advancement of the Station to Stadium Enterprise Corridor and something that will be monitored closely.

Planning Status

2.22 An important part of delivering this ambition is to ensure that the masterplan guides future development and investment decisions in the area. To help to secure this it is important that the masterplan, its vision, the principles, and the infrastructure set out within the current masterplan are set within a clear planning framework.

2.23 As part of the next steps, officers will consider the most appropriate mechanism to ensure the plan has formal weight in decision making to deliver this. This exercise will pick up the masterplan concepts, infrastructure and emerging design code. This process may require:

- a further, specific consultation beyond that currently envisaged;
- consideration of a Supplementary Planning Document (SPD), design frameworks or other emerging mechanisms;
- dependent upon the chosen route, the undertaking of an Integrated Impact Assessment (I.I.A) Strategic Environmental Assessment (S.E.A.) and/or Sustainability Appraisal (S.A.); and,
- a further decision from Cabinet dependent upon the chosen option.

Options and Alternatives

2.24 Given the uncertain economic and funding landscape at the present time, it would be an option to cease work on the Station to Stadium Enterprise Corridor until such time as greater funding opportunities are identified.

2.25 It is considered that this would be the wrong option; it is important that we remain ambitious for Kirklees over the long term, despite the current economic uncertainty and history tells us that it is essential that project pipelines are developed continually so that we are on the front foot when funding opportunities do occur. It is important that these potential projects are led from a strong vision and economic rationale and developed in conjunction with a wide range of stakeholders. This is what the Station to Stadium Enterprise Corridor Masterplan seeks to do.

2.26 The Gasworks Street works site forms part of the masterplan area. It represents a significant development opportunity in the corridor adjacent to the University Health Innovation Campus site. Because it is one of the larger development opportunities it will be integral if the plan is to grow and attract good quality jobs and businesses in Huddersfield as officers envisage. Further details are set out at Appendix 2.

Costs

2.27 There are no direct financial implications of this report. Costs to prepare the Masterplan came from existing resources and no decisions about specific projects that flow from the plan are being made at this time. Development work to continue to refine and progress the suite of interventions contained within the masterplan will be led by the Council's economic development and regeneration teams and any specific decisions about final projects will be taken via the Council's established decision-making processes in due course.

Risks

2.28 There are very limited risks associated directly with the recommendation to endorse the masterplan and proceed to public consultation. The individual projects that will follow in due course will all have their own business cases and specific approvals which will fully consider the risks associated with each proposed intervention. At this stage, at masterplan level, the main risks are reputational i.e. the plan sets out a bold and long term ambition and it may not be possible to realise it all. In publishing the Masterplan it could be argued that expectations are being raised. On balance however, it is felt that is it right to show leadership, be bold and be led by a strong economic vision.

3. Implications for the Council

Working with people

3.1 Collaboration and working together with partners are the key to ensuring the Council get the best. outcomes for citizens, communities and Kirklees as a whole. As part of Section 6 below Officers are recommending that a further round of consultation extending beyond key Stakeholders. This should help shape the final masterplan and provide a sound basis for future adoption/utilisation within a planning framework.

Working with Partners

3.2 The Council has engaged with key landowners, businesses, and stakeholders within the Corridor during development of the Masterplan. This has been set out in section 2.11. Ongoing and more extensive engagement will follow as individual interventions are worked up.

Place Based Working

3.3 The development of the Huddersfield Blueprint informed by the associated Place Standard exercise has already engaged town centre stakeholders, businesses, and users to help shape the overall approach to redeveloping Huddersfield Town Centre. The Station to Stadium Enterprise Corridor will support and strengthen the town centre and will drive job creation

Climate Change and Air Quality

3.4 Principle 5 – highlighted in 2.15 above - sets out the ambition for sustainable and clean growth. As part of this is the objective to the reduce carbon emissions and the minimise air quality problems.

3.5 In turn, both climate change and air quality will be considerations of projects moving forward, informing the planning processes and the future detailed design work. Several key interventions will complement and the delivery and promotion of other projects and programmes across the town. For example, the promotion of better connectivity through the area and to surrounding communities particularly via active travel will contribute to reducing adverse transport derived impacts on communities and improve public health.

Improving outcomes for children

3.6 The masterplan seeks to create opportunities for future job creation in the district linking up education, research and development and existing businesses in the area. Additionally, streets and spaces will be designed with all generations in mind making them both safe and inclusive at the same time.

Cost of Living Crisis

3.7 The area will help to stimulate the creation of a variety of new job opportunities that are accessible by bus and train.

Other

3.8 At this stage there are no additional legal or financial implications to this work. However, moving forward into the next steps there will be the need to put in place additional resources to develop the propositions. This will include legal and procurement.

3.9 Adoption of a planning framework may entail an Integrated Impact Assessments (I.I.A.) as well as a Strategic Environmental Assessment (S.E A.) and Sustainability Appraisal (S.A.).

4. Consultees and their opinions

This aspect set out at section 2.11. However engagement with key stakeholders will continue through the next stage of the masterplan and additionally as schemes/projects are developed and implemented. The full masterplan will be consulted upon in early 2023 and more formal specific consultation will be required as part of the adoption of the correct planning framework should that option be pursued.

5. Next steps

Next steps will include:

- Wider Consultation on the masterplan – public engagement will commence in early 2023.
- Update of the masterplan, if required, and formal sign off following the outcome of the consultation exercise.
- As resources allow, development of the propositions set out in 2.18.
- Commencing work to ensure the correct planning framework is in place.

6. Officer recommendations and reasons

Officers recommend that:

1. Members of Cabinet note the report and Appendices presented by officers.

2. Members of Cabinet consider and note and provide a in principle steer for the options for Gasworks Street – set out in the private section of this report Appendix 2 (Private).

3. Members of Cabinet endorse the Station to Stadium Enterprise Corridor Masterplan shown in Appendix 1 and in conjunction with the officer recommendation set out in Appendix 2 (Private).

4. Subject to agreement of recommendation 3 above, the Service Director for Skills and Regeneration be authorised to undertake a wider public consultation exercise to further inform the masterplan process.

5. Once consultation has been completed the Strategic Director for Growth and Regeneration, in consultation with the portfolio holder for regeneration, be authorised to make all necessary changes to the masterplan and formally agree the plan.

6. Once finalised the plan is published on the Council's website to form the basis for informing investment decisions in the masterplan area.

7. Officers be authorised to continue to develop the masterplan, its principles and the propositions as set out in the report with a particular emphasis on the next steps set out in section 5 of this report.

8. Officers begin work to put in place the appropriate planning framework for the area.

Reasons

To maximise job creation within Huddersfield and Kirklees and to ensure the good planning of the masterplan area.

7. Cabinet Portfolio Holder's recommendations

The Cabinet Portfolio Holder for Regeneration recommends that Cabinet accepts / endorses the officer recommendations – paragraph 6 of this report.

The portfolio holder is fully supportive of this report and its recommendations. This is a strategically important site, for the council, Huddersfield, and wider Kirklees.

This report sets out our long-term vison on how the area around the Leeds Road, St Andrews corridor. The site has enormous potential to create high value and highly skilled jobs for the future, and by adopting the master plan subjected to a public consultation we will ensure that the land is used to deliver on our long-term strategy for the area in this report. It will take collaboration with many partners, if we are to see the true potential of this important site realised, but from the discussions that have taken place so far with

other stake holders the feedback has been positive, and they share our long-term vision for the area in the master plan. We continue to be ambitious, and this site forms an important part of that ambition and our long-term strategy for the future growth of our local economy.

8. Contact officer(s)

Simon Taylor – Head of Town Centre Programmes
Chris Duffill – Head of Business and Skills

9. Background Papers and History of Decisions

Appendix 1 - Station to Stadium Enterprise Corridor Masterplan (public)
Appendix 2 - Gasworks Street site – Officer Recommendation (private)
Appendix 3 - Alternative Strategic Outline Business Case (private)

10. Service Director responsible

Edward Highfield, Service Director Skills and Regeneration

Appendix 1 – Station to Stadium Corridor Masterplan

| Kirklees Council

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Name of meeting: **Cabinet**
Date: **21st December 2022**
Title of report :- **The Arcade, Market Place Dewsbury**

Purpose of report

To seek approval for; the funding package for the Arcade project, the submission of a grant application and acceptance of any grant offer from the Heritage Lottery Fund, a revised Heads of terms for the lease and the endorsement of the proposed arrangements for delivering 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**
Key Decision - Is it in the Council's Forward Plan (key decisions and private reports?)	**11 October 2022**
The Decision - Is it eligible for call in by Scrutiny?	**Yes**
Date signed off by Strategic Director & 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 6TH December 2022** **Eamonn Croston 7th December 2022** **Julie Muscroft 15th November 2022**
Cabinet member portfolio	**Cllr Eric Firth Town Centres Portfolio Holder & Cllr Graham Turner Regeneration Portfolio Holder**

Electoral wards affected: Dewsbury East
Ward councillors consulted: None

Public report with Appendices. Appendix 3 is in Private.

(Have you considered GDPR?) Yes.

Appendix 3 is private in accordance with Schedule 12A Local Government Act 1972, as amended by the Local Government (Access to Information) (Variation) Order 2006 namely it contains information relating to the financial and business affairs of third parties (including the Authority holding that information). It is considered that the disclosure of the information would adversely affect those third parties including the Authority and therefore the public interest in maintaining the exemption, which would protect the rights of an individual or the Authority, outweighs the public interest in disclosing the information and providing greater openness and transparency in relation to public expenditure in the Authority's decision making.

1. Summary

1.1 The Arcade is a Grade 2 listed Victorian arcade in the centre of Dewsbury. Once a popular and thriving retail arcade, it has been closed and vacant since July 2016. Bringing the Arcade back to life is a key part of the Dewsbury Blueprint and the Town Deal Town Investment Plan which both seek to regenerate the town centre.

1.2 The Council purchased the Arcade in May 2020 and has completed initial 'stabilisation' works involving reducing water ingress, removal of dry rot and a 'soft strip'. The Council subsequently purchased the adjacent vacant building (18-20 Corporation Street /17 Foundry Street) to aid the regeneration of the Arcade.

1.3 The Arcade project will involve the repair, refurbishment and reconfiguration of the Arcade and the adjacent building to high heritage standard, allowing greater flexibility in the use of the space and improved financial sustainability in the future. Detailed planning and listed building consents were granted earlier this year for all the properties above.

1.4 In January 2022 Cabinet agreed that the Arcade Group, should be given the opportunity to manage the Arcade; approved the Heads of Terms for the lease to the Arcade Group and authorised officers to complete an agreement for lease and lease. One of the preconditions for the Agreement for Lease was that the Group became a Community Benefit Society. The Arcade Group was registered as a Community Benefit Society on 7th March 2022. As the project design has developed and Arcade Group have developed their business strategy, it has been identified that it would be advantageous if the proposed lease were extended to include the majority of 18-20 Corporation St/17 Foundry Street. This report seeks agreement to that extension.

1.5 By the end of 2021 a package of project funding totalling circa £4m had been secured. This is less than the anticipated total cost and as such a stage 1 application was made to the Heritage Lottery Fund for grant support. The Council received approval on 24th June 2022 for a Stage 1 Heritage Fund grant of £106,657 towards the project. This grant provides support for community engagement activity; production of documents required for a Stage 2 grant submission and puts the project on a pathway to potentially achieving a significant Stage 2 grant award.

1.6 Delivery of the project is dependent on the approval of the Stage 2 grant from the Heritage Lottery Fund and the programme for delivering the project is now, as a consequence, determined mainly by the grant approval process. Based on the timescales for going through the Heritage Fund Stage 2 grant assessment then, if approved, work should commence in late summer 2023, with completion in autumn 2024.

1.7 In order to ensure that the project delivery is expedited this report seeks Cabinet approval to give delegated approval to officers to submit and should the application be successful, accept an offer of grant from the Heritage Lottery Fund; agree an extension of the heads of terms to lease for the Arcade to the Arcade Group to include the upper floors of 18-20 Corporation Street and 17 Foundry Street; and to agree the additional funding required to support the HLF Stage 2 application. Additionally it highlights the proposal to go out to tender for the project in early 2023, prior to the HLF decision, in order to ensure that project delivery is expedited and funding requirements regarding timescales can be met.

2. Information required to take a decision

Property Details

2.1 The Arcade is a Grade 2 listed Victorian arcade in the centre of Dewsbury and lies within the Dewsbury Town Centre Conservation Area. It links Market Place to Corporation Street (see Appendix 1 & 2). All of the building is listed, it being one of the unique architectural elements of Dewsbury Town Centre. The building is in very poor condition. The adjacent building (18-20 Corporation St/17 Foundry Street) also forms part of the Arcade scheme and is Grade 2 listed in part. The Council owns the freehold to the Arcade and the adjacent building and as result of the recent relocation of a tenant from 25 Market Place (within the Arcade), now has vacant possession of all the properties.

2.2 The existing Arcade layout includes a number of small ground floor retail units, some of which have upper floor accommodation. There are four units with external frontage on either side of the two entrances, (23 & 25 Market Place, 14 & 16 Corporation Street). At either end of the Arcade the buildings extend to a further two floors. The property 18-20 Corporation Street/ 17 Foundry Street, is laid out over a combination of 3 and 2 stories respectively and has retail frontage to both Corporation and Foundry Street.

2.3 Overall the area of the Arcade project leased to the Arcade Group will provide 993m^2 (c10,690 ft2) of lettable space. Under the updated proposals the Council will retain two ground retail floor units at 18-20 Corporation Street/17 Foundry totalling 109m^2. The Arcade itself will have a minimum of 12 small ground floor units (8- 37m^2) with 8 more first floor units suitable for artist studio/office space (11-21m^2). There are 4 larger 'bookend' units facing Corporation Street/Market Place, all of which have ground floor space and three with additional linked space above. These 'bookends' range from 19 - 46m^2. There is a larger separate unit on the second floor (123m^2) at the Corporation Street end of the Arcade and 18-20 Corporation Street/17 Foundry Street has a further 3 units on the upper floors.

Strategic Context

Dewsbury Blueprint

2.4 The Dewsbury Blueprint which was launched by the Council on 5th February 2020 and has a number of themes/objectives including:-

- Business Town
- Learning town
- Leisure Town
- Shoppers Town
- Heritage Town
- Living Town
- Greener town
- Creative Town
- Connected Town

2.5 The Arcade project will contribute to the themes around heritage, shopping, leisure business and creativity. The Blueprint includes the reopening of the Arcade as one of the key projects.

Town Deal

2.6 The Arcade is also one of the key projects within the Dewsbury Town Deal which was approved in principle by Government in June 2021. The Dewsbury Town Investment Plan details the projects to be supported by the Town Deal and approval of £1.31Million of Town Deal funding was received in March 2022.

Dewsbury Town Centre Strategic Development Framework 2018

2.7 The Blueprint draws heavily on the Dewsbury Town Centre Strategic Development Framework and the accompanying Delivery Programme that was approved by Cabinet on the 22nd January 2019. Its three strategic aims are to increase activity, make the town more attractive and improve accessibility. The Arcade project contributes strongly to two of these objectives.

2.8 If the town centre is to be comprehensively regenerated, then the Arcade needs to be brought back to life and a sustainable use or uses found to utilise the building. Due to its historic and enclosed character it provides a great opportunity for the town centre to offer something unique, a destination for leisure/retail and other uses that is are not available elsewhere in the area.

Heritage Action Zone

2.9 The Dewsbury Town Centre Conservation Area (DTCAA) was awarded Heritage Action Zone (HAZ) status in December 2017. The award of HAZ status was partly a reflection of the fact that Historic England regard the DTCCA as 'being at risk' as a result of the high number of historic buildings that are vacant and underused and therefore at risk of further deterioration. The aim of the HAZ is to help drive the Council's ambitions for the regeneration of the town centre by halting and reversing the decline of heritage assets. The Arcade is one of a number of key heritage buildings in the town that are vacant and require action to get it back into active use.

Kirklees Economic Strategy 2019-2025

2.10 One of the 5 priorities of the Kirklees Economic Strategy is 'Revitalised Centres' and one of the 12 action programmes relates to North Kirklees and Dewsbury; with one of the 5 big wins being revitalising Huddersfield and Dewsbury town centres.

Council Plan

2.11 The Council's approach to Council Plan 2021/3 is focussed on three themes:-

- People – we work with people, we don't do things to them
- Partners – we work with and alongside our partners
- Place based working – we recognise the unique identities of our local places, their strengths and aspirations. We know that one size doesn't fit all.

2.12 The approach to managing the Arcade supports these themes.

The Project

2.13 The project seeks to create a new vibrant destination in the heart of the town centre. The physical works will fully refurbish the Arcade, enhancing its historic character , enabling public access once more through the Arcade thoroughfare and improving the Arcade in a way that maximises the chances of it being physically and financially sustainable in the medium and long term. There is a degree of flexibility over the types

of uses that will be in the Arcade (subject to planning and any agreed terms of occupation) and these will reflect a number of factors, not least:-

- The contribution these uses and activities make to the wider regeneration of the town centre and what will they add to the town's offer
- their acceptability in planning terms
- commercial reality
- the contribution to financial sustainability of the Arcade over the medium to long term

2.14 A reopened and successful Arcade will be an important component of a successful town centre and similarly having a more vibrant town centre will help the performance of the Arcade.

2.15 A key aim of the proposed works is to achieve as much flexibility as possible in how the units can be configured for letting so that it is financially sustainable. Key design criteria for the project are:-

- **Commerciality** – creating unit layouts/sizes and general attributes that make the Arcade attractive to occupiers & customers
- **Flexibility** – units can be combined/split and accessed as flexibly as possible
- **Heritage** - Celebrating the heritage of the building
- **Accessibility** - Improved accessibility to all floors/units wherever reasonably possible
- **Building Management** – a building that its easy and cost effective to manage; particularly the roof areas and is secure
- **Sustainability** – helping meet the climate change agenda

2.16 The works will restore and highlight the buildings heritage, while introducing new up to date services. The layout will for the most part remain unchanged with the most significant change being in terms of access and the creation of a new shared stair/lift core that will serve the first floor of 16, Corporation Street and the large second floor that stretches across the Corporation Street frontage plus provide independent access to the upper floors of 18-20 Corporation Street/17 Foundry Street. Additionally to maximise usable floorspace, a number of staircases linking the individual small ground units to an upper floor space will be removed and more lettable space created on the ground floor and studios on the first floor.

Planning

2.17 Detailed planning and Listed Building Consents approvals were obtained for the Arcade on 4 March 2022 and for 18-20 Corporation Street/17 Foundry Street on the 10th June 2022. It provides for flexible uses within the building such as retail, leisure and office use (use classes E,A,C,D,G(I)). There will be a need for an amendment to the Arcade approval to reflect that the new stair and lift core is now located in 18-20 Corporation Street/17 Foundry Street rather than 16 Corporation Street.

Lease & Management

The Lease/Management Proposal

2.18 Cabinet agreed in January 2022 that the Council should grant a full repairing and insuring lease to the company or other legal entity incorporated by the Arcade Group. On 7 March 2022 "The Arcade Group Dewsbury Ltd" was formally registered (Reg No 8816) as a Community Benefit Society (CBS) regulated by the Financial Conduct

Authority. By implication it is the intention therefore that the Council retain freehold ownership of both properties.

2.19 Cabinet approval is now sought to vary the Heads of Terms (private Appendix 3) to include the upper floors of the buildings 18-20 Corporation St/17 Foundry Street and part of the ground floor to be used for circulation space. The benefits of this are two fold (1) It will provide the Arcade Group with better control of the parts of the building related to the Arcade and an opportunity to generate additional income to assist with financial sustainability. (2) It will enable the Council to derive some income from the space that may otherwise may be hard to let if separately managed by the Council. The two ground floor units to be created at 18-20 Corporation St/17 Foundry Street would be retained by the Council for commercial letting.

2.20 Prior to entering into the agreement to lease the Council will require the Arcade Group to provide the Council with a detailed business plan which satisfactorily outlines how they will manage the Arcade and achieve the aims and objectives of the Arcade project. Once the agreement to lease has been entered into then in order for the lease to be granted and given that the Arcade Group Dewsbury Ltd are now a registered as a CBS then the remaining key conditions are :-

- The Council completes the physical works for the Arcade project
- The Arcade Group complete a successful share issue (minimum of £25,000 raised from 'community investors') or raises capital through other appropriate means (reflecting the not for profit ethos) in respect of the CBS.
- The Arcade Group achieves 50% pre lets

2.21 Council officers will continue to provide limited officer support to the Arcade Group, where needed, through the set up period of the organisation and launch of the Arcade.

3. Implications for the Council

Working with People

3.1 The Dewsbury Blueprint was subject to public consultation in February 2020, which highlighted the importance that local people placed on bringing empty buildings, and the Arcade in particular, back into use. The Blueprint draws heavily from the Strategic Development Framework approved by Cabinet on the 22nd January 2019 which in turn draws upon the earlier Strategic Development Framework produced in 2010. This was a result of extensive public engagement and highlighted the importance local people place on having an attractive and vibrant town centre.

Working with Partners

3.2 As part of the plans to reopen the Arcade the Council will work with potential partners to develop the most appropriate and deliverable plans to bring the Arcade back to life for sustainable uses. The Arcade Group are a consortium of local business people and investors and as part of their proposed share issue will involve more people in the long term sustainability of the Arcade.

Place Based Working

3.3 The Dewsbury Blueprint is based on the idea of working with local people and businesses to improve the town centre and this has been taken forward in the Dewsbury Town Investment Plan. The Strategic Development Framework approved by Cabinet on the 22nd January 2019 draws upon the earlier Strategic Development

Framework produced in 2010. This was also a result of extensive public engagement and highlighted the importance local people place on having an attractive and vibrant town centre. The consultation carried out by the consultants 'Social' for the Dewsbury Town Deal in late 2020 provides further support to these conclusions.

Climate Change and Air Quality

3.4 The repair, refurbishment and reopening of the Arcade will contribute to town centre regeneration and conservation of the town's heritage. By improving the leisure and retail offer of the town centre it will provide greater opportunity for linked trips to the town centre, potentially reducing the number of journeys and production of carbon.

Improving outcomes for children

3.4 The aim is to for the Arcade to be family friendly.

Public Sector Equalities Duty

3.5 The council must have regard to its public sector equality duty under section 149 of the Equality Act 2010. As a condition of Town Deal funding the Government requires that an equalities assessment is undertaken for each project supported by the fund. An integrated impact assessment has been completed for the Arcade project (Appendix 4) and this considers impacts on those groups of 'protected characteristics'. Overall the project, has on balance, a positive impact.

Financial Implications for people living in Kirklees

3.6 The project has no direct financial implications for people living in Kirklees.

Legal

3.7 External legal advice has been sought from Ward Hadaway LLP regarding potential for public subsidy in relation to this project; in accordance with the provisions of the EU-UK Trade and Co-operation Agreement (TCA)) and Subsidy Control Act 2022 .

3.8 The advice has been sought on any subsidy implications of leasing the Arcade to the Arcade Group under the proposed terms and also the equity investment approved by Cabinet in January 2022. The conclusion of the advice was that there was no evidence to suggest that the lease terms are below open market value and therefore no subsidy exists in respect of the lease. The council's £25,000 equity stake in shares (approved by Cabinet January 2022) is permitted subsidy as Minimum Financial Assistance (MFA) under the Subsidy Control Act 2022 which comes into force on 4th January 2023. The Council would expect The Dewsbury Arcade Group to sign a MFA declaration under the Subsidy Control Act 2022.

3.9 The Council's power to grant a lease is contained section 123 of the Local Government Act 1972 and the disposal must be the best consideration reasonably obtainable unless the total undervalue does not exceed £2Millionn and the disposal at less that best consideration is considered by the local authority to secure the promotion or improvement of the economic, social or environment well-being of its area. The legal power to take shares in The Arcade Group Dewsbury Ltd is section 1 Localism Act 2011.

3.10 The Council must Comply with its Financial Procedure rules when applying for and accepting grant funding. The council will award any works /services contracts in

accordance with its Contact Procedure Rules; the Public Contracts Regulations 2015 and the emerging Procurement Bill as required.

Finance

3.11 The latest estimated capital costs and funding position is outlined in Table One below. Since the January report a pre tender estimate has been produced and this provides greater cost certainty than the earlier estimates. Following a review of the pre tender estimate, cost savings have been identified and this has reduced the estimated construction cost to £5.832m.

Table One: Arcade Project - Cost Estimate & Current Funding		
Element	£,000	Comments
1. Budget Estimate		
Surveys	177	Majority of surveys completed.
Purchase & assoc. fees	1,242	Arcade & adjacent building. Completed
Enabling works	109	Completed.
Construction costs (pre tender estimate)	5,832	Inc prelims, profit, inflation, contingency of 7.5%
Design Fees	1,237	BDP & internal - Part incurred
Other Fees	328	
HLF Development work	34	Stage 1. Items not included elsewhere. .
HLF Activity Stage 2 App	76	Inc Evaluation
Sub Total	**9,035**	
2. Funding		
A: Approved		
Kirklees Council	2,063	Approved February 2020 & Nov 2021
Getting Building Grant	600	Approved
Town Fund (Capital)	1,310	Approved
Heritage Lottery Fund	106	Stage 1
Sub Total	**4,079**	
3.Funding Required	**4,956**	£9.035m minus £4.079m
4. Funding to be approved		
Heritage Lottery Fund	4,456	Stage 1 approved June 2022, Stage 2 to be submitted in February 2023. Current estimate.
Kirklees Council	500	Inc amount ineligible for HLF grant
Total	**4,956**	
Footnotes: 1. Pre tender estimate based on mid point of contract Q1 2024 2. All figures Rounded to nearest £1,000		

3.12 There is currently a funding gap of £4.95m between the overall estimated costs and the funding currently approved and this is discussed in paragraph 3.13 -3.15 below.

3.13 Cabinet approved £1.77m towards the project at its meeting on 25th February 2020 and this enabled the Arcade to be purchased, initial stabilisation works to be undertaken and to employ BDP to undertake the designs for the project. This was supplemented by the funds required to purchase 18-20 Corporation St /17 Foundry, approved by Cabinet on 21st September 2021, bringing the total Council funds to £2.063 Million.

3.14 External funds have been secured as itemised in Table One, bringing the total secured funds to £4.079 Million. When officers reported earlier this year it had been anticipated that the project would be able to benefit from Historic England (HE) grant, but the elongated programme has might that there would not now be sufficient time to meet HE deadlines and therefore HE funding has now been ruled out.

3.15 It is proposed to submit the Stage 2 application to HLF in February next year, with a decision expected by June 2023. As part of the assessment of grant, the Heritage Lottery Fund exclude from their grant calculation the increased value of the property as a result of the improvement works that have taken place. The Council appointed an independent valuer, approved by the National Heritage Lottery Fund, to calculate the enhanced value. The expectation is that the applicant will cover this value as it is the applicant that has the benefit of the improved property value.

3.16 Also due to inflationary pressures the amount of funding required to fill the financial gap been costs and funds secured has increased. Officers have already gone some way towards mitigating this by finding savings on the project. However, in bidding for HLF grant the Council needs to be aware of their need to achieve the good value for money for the limited funds they have and how this compares to the suggested grant request made in the Stage 1 application.

3.17 It is proposed that the Council increases it contribution to the project by £500,000. This covers the enhanced value that is ineligible for HLF support and would increase the total Council contribution to the project to £2.563m. This would mean that the Stage Two request to HLF would be approximately £4.45m which would be below the Heritage Funds maximum 90% grant rate of eligible costs. It is proposed that the Council's additional contribution of £500,000 is met from the Dewsbury Town Centre Action Plan programme part of the approved Capital Plan and Cabinet approval is sought for this.

Risks

3.14 The risk register for the project itemises all the risk for the project and these are actively managed by the Project Team and Project Board. Table 2 below highlights the main risks.

Table Two: Key Risks		
Risk	**RAG**	**Mitigation**
Construction Cost increases (before tender & during construction)	Red	Detailed designs & specifications. Contingency. Further value engineering.
Poor response to tendering	Amber	Carry out market engagement prior to tender. Use established framework.
Funding gap	Amber	Prepare comprehensive and compelling case for HLF Stage 2 application. Agree revised completion dates for GBF grant.
Tendering prior to all funds being in place	Amber	Make contractors aware of the position prior to tender.

Arcade Group unable to meet preconditions	Amber	KC investment in share issue. Proactive marketing by Group. Council manage directly as default.
Occupancy low - financially unsustainable	Amber	Completion of town centre investments (TIP). Active management by Group. Tight cost control. More flexible lettings policy.
Loss of £25,000 Council investment	Amber	There will be a min of £25,000 other investment which manages the risk. Ensure good Business Plan, and other improvements made to Dewsbury Town centre. Ultimately accept the investment could need to be written off.

4. Consultees and their opinions

4.1 The Town Deal Board support the scheme and Government have approved the project as part of the Town Investment Plan(TIP). Prior to the TIP approval the project has been through the Council's agreed assurance process and been approved by the relevant senior officers and portfolio holders.

4.2 The project has a valid planning permission which was subject to public consultation. Cabinet, on two occasions in 2021, has considered the Town Investment Plan, which includes the Arcade within it. Historic England are supportive of the proposal as it helps to achieve the HAZ objectives.

5. Next steps and timelines

5.1 Following a decision by Cabinet, officers will undertake all the necessary legal and other work required to agree the Agreement to Lease and the lease. Officers will complete all the necessary documents and work required to submit the Stage 2 application in February 2023. Key dates are outlined in Table 3.

Table Three: Key Dates	
Action	**Timescale/Date**
Signing of Agreement to Lease & Lease	January 2023
Submission of Stage 2 HF application	23 February 2023
Tendering of main works contract	March – April 2023
Decision on HF Stage 2 application	June 2023
Arcade Group Share Issue	June to August 2023
Construction starts	September 2023
Practical completion of works	August 2024
Completion of Lease	September 2024
Arcade reopens	October 2024

5.2 Cabinet needs to be aware that in order to meet a summer 2023 start on site then it will be necessary to go out to tender prior to all the funding being confirmed. This does carry a risk that contractors could be reluctant to tender for the work but officers will carry out early engagement with the market to mitigate this risk. An alternative would

be to wait until all funds are in place. However this will mean that the scheme would not be on site for a further 3-4 months and also mean that funders expectations regarding completion dates will not be met and risk loss of grant funds.

6. Officer recommendations and reasons

It is recommended that Cabinet:-

(i) Approves the submission to the Heritage Lottery Fund of a Stage 2 application and, if it should be successful, that the acceptance of any offer of grant from the Heritage Lottery Fund is delegated to the Strategic Director (Growth and Regeneration) in consultation with the Service Director – Legal, Governance and Commissioning, to agree and complete any related grant or any other associated legal agreements.

Reason: To enable the effective delivery of the project.

(ii) Approves the granting by the Council of an agreement for lease and lease of the Arcade to the Arcade Group/Arcade Company under the Heads of Terms contained in the private Appendix 3 and delegates authority to the Strategic Director (Growth and Regeneration) in consultation with the Service Director – Legal, Governance and Commissioning, to agree and complete the lease once preconditions outlined in the Agreement for Lease have been met and all other legal documentation.

Reason: To enable the effective delivery of the Arcade project and manage risk.

(iii) Agrees to allocate £500,000 for the Arcade project from the Dewsbury Town Centre Action Plan programme part of the approved capital plan, subject to the resources being available.

Reason: To fully fund the costs of the project.

(iv) Notes the intention to seek tenders for the project prior to all funding being confirmed and agrees that subject to approval of a grant from Heritage Lottery Fund that the Strategic Director (Growth and Regeneration) in consultation with the Service Director – Legal, Governance and Commissioning has authority to let the construction works contract

Reason: To expedite the delivery of the project

7. Cabinet portfolio holder's recommendations

7.1 The Portfolio Holders for both Regeneration and Town Centres support the proposals in the report and recommend that the report be approved. Councillor Turner (Cabinet Member for Regeneration) has commented; 'The continued investment in the Arcade is a vital part of the ambitions of Cabinet to regenerate Dewsbury. This historic iconic building, once fully renovated, will bring yet more life back into Dewsbury town centre. This coupled with our other plans to further invest in Dewsbury is a very clear message; we believe in Dewsbury and want it to be once again a thriving vibrant centre that people want to visit and shop in, and spend their leisure time in.'

8. Contact officer

Peter Thompson: ER Project Manager
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01484 221000

9. Background Papers and History of Decisions

Report to Cabinet 25th February 2020: The Arcade, Market Place Dewsbury.

Report to Cabinet 21st August 2018: Dewsbury Heritage Action Zone.

Report to Cabinet 22nd January 2019: Dewsbury Town Centre Strategic Development Framework.

Report to Cabinet 21st September 2021: Strategic Property Purchase – 18-20 Corporation street/17 Foundry St Dewsbury.

Report to Cabinet 12th October 2021: Dewsbury Town Deal Next Steps

Report to Cabinet 18th January 2022: The Arcade, Market Place Dewsbury - Lease

10. Strategic Director responsible

David Shepherd
Strategic Director Growth and Regeneration
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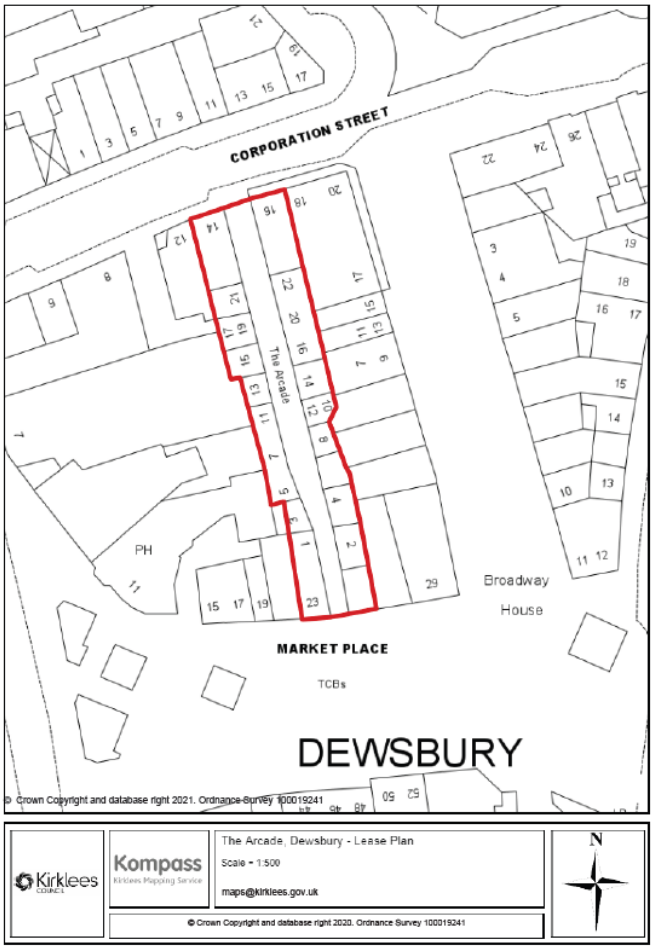
01484 221000

Appendices

1. Location Plan
2. Title Boundaries
3. Revised Heads of Terms (private)
4. Aerial View
5. Equalities Impact Assessment

APPENDIX 1: LOCATION PLAN

APPENDIX TWO: OWNERSHIP



18-20 Corporation Street/17 Foundry Street

APPENDIX 4: AERIAL VIEW

Source: Bing Maps

APPENDIX 5

EQUALITIES IMPACT ASSESSMENT

Name of project:	The Arcade
Project objectives: (describe the project's aim as it relates to protected characteristics)	The Arcade has been shut for six years so the main aim is restore and repair the Grade 2 Listed Victorian Building to enable it to be once again a key part of the town centre offer; a vibrant centre of activity that is home to small independent businesses. This is a new start, and we are aware of needing to meet our equalities obligations within the restraints of a listed heritage building. The Arcade relates to some of the protected characteristics set out in the Equality Act 2010, these include: • Disability • Age • Race The aim of the project in relation to Disability and Age is to ensure that there is suitable access within the building to the shops. There will be a need to relay the passageway to allow unstepped access to all but 2 of the 23 shops. The aim to ensure there is provision of a ground floor disabled access toilet. As the Arcade has two floors there will be the provision of a lift installed to the event space on the second floor of Unit 24, Corporation Street. Dewsbury's population is 40% of Asian heritage it is therefore the aim of the project in relation to race is ensure the Arcade will be managed in a way that tries to achieve 'fusion' and equality of tenants from each community. In Autumn '21 the Council considered making 'The Arcade - Dewsbury' community business the preferred bidder for taking the lease on the Arcade. This will give the Arcade a deeper community base and through a shariah compliant community share issue in Spring '21 will spread ownership amongst the community. Every effort will be made to make the Board representative of the community in both race and gender and consultation will be continuous. Public consultation has taken place around the Dewsbury Blueprint ('20) and again around the Town Fund submission ('21).

Age

Consideration	Response
Baseline situation *(describe only where different to the national average, or where otherwise relevant)*	**Age Population** The Kirklees Observatory 2020 data notes the population for all Dewsbury Wards as 61,894. The population of Dewsbury East where the Arcade is situated is 20,130, Dewsbury West 22,505 and Dewsbury South 19,259.

Consideration	Response
	The population figures for Dewsbury East based on the age group 0-15yrs stands at 20.8%, Dewsbury West 28.5% and Dewsbury South 23.1%. All the figures for all three wards are above the national average for England which is set at 19.2% and for Kirklees which is set at 20.3%. The population figures for Dewsbury East based on age group 16-64 stands at 63%, Dewsbury West 62.5% and Dewsbury South 62.3%. All the figures for all three wards are either above or inline with the national average for England which is set at 62.3%. The population figures for Dewsbury East based on age above 65+ stands at 16.2% (3,262), Dewsbury West 9.1% and Dewsbury South 14.6%. All the figures for all three wards are below the national average for England which is set at 18.5% and for Kirklees which is set at 17.9%. The data is telling us that Dewsbury's population within the 0-15 and 16-64 age group is higher than the national average. This means that there is a greater impact on this age group in terms of ensuring the Arcade is accessible. In terms of the population within the 65+ age group this is slightly lower than the national average, so the impact is slightly less.
Assessment text *(summary of how the proposed project affects the protected characteristic)*	As noted in the data above the Arcade project has the potential to affect people within a certain age group. People that have difficulty with mobility due to age could be at a disadvantage in accessing areas within the Arcade due to it having two stories which may only be accessible via steps. Also, the gradient of the existing passageway within the Arcade currently means that each shop unit has a stepped access which could also be problematic for certain age groups, both young and old. In terms of the data, it has highlighted that the 65+ age group is slightly less than the national average so the impact may be slightly lower. However, it could be said that mobility issues due to health and age are greater within that age group and therefore there is a need to make sure the Arcade is made accessible.
Is the effect positive/negative/mixed? *(add an explanation)*	+VE / M / -VE Mixed
If the effect is negative or mixed:	
Is the effect significant? *(add an explanation)*	Y / N Yes, as this would prevent certain age groups from being able to visit the Arcade and the businesses within it.

Consideration	Response
What embedded mitigation does the project contain?	To mitigate against this negative effect during the restoration of the Arcade a lift will be installed to allow access to the Corporation Street side of the upper event floor space. The Arcade passageway will also undergo work to ensure the levels are set in line with the shop fronts, therefore removing the need for any steps which would have in impact on those of a certain age a group that may struggle with mobility.
What residual significant effects remain?	None
What action is required? Who will be accountable for it? *(this could include further mitigation measures or re-prioritisation of projects)*	The council needs to ensure that appropriate time and attention is given during the design stages to account for these effects and how they affect age. It will be the council that will be accountable for acting and making sure the designs and construction phase mitigate against these negative effects.

Disability

Consideration	Response
Baseline situation *(describe only where different to the national average, or where otherwise relevant)*	**Disability** The percentage of people who have a long-term illness or disability (that limits a person's day to day activities and has lasted or is expected to last at least 12 months and includes problems related to old age) in Dewsbury East is in circa of 3,643 (19.3%) compared with England that has 17.6%. As for Dewsbury West the figure recorded is 3,591 (17.9%) and Dewsbury South 3,491 (18.6%) The data indicates that there is a higher percentage of the Dewsbury population that may have a long-term illness or disability. Therefore, the impact upon accessibility is greater for the Arcade project.
Assessment text *(summary of how the proposed project affects the protected characteristic)*	As noted above the Arcade project has the potential to affect people with a long-term illness and disability. Those people that have a long-term illness or disability which effects mobility and coordination for example could be at a disadvantage in accessing areas within the Arcade due to it having two stories. Also, the gradient of the existing passageway within the Arcade currently means that each shop unit has a stepped access which could also be problematic for people with disabilities.
	+VE / M / -VE

Consideration	Response
Is the effect positive/negative/mixed? *(add an explanation)*	Negative
If the effect is negative or mixed:	
Is the effect significant? *(add an explanation)*	Y / N Yes, as this would prevent people with long term illness and disabilities being able to visit certain parts of the Arcade and the businesses within it.
What embedded mitigation does the project contain?	To mitigate against this negative effect during the restoration of the Arcade a lift will be installed to allow access to the Corporation Street side of the upper event floor space. The Arcade passageway will also undergo work to ensure the levels are set in line with the shop fronts, therefore removing the need for any steps which would have in impact on those of a certain age a group that may struggle with mobility.
What residual significant effects remain?	None
What action is required? Who will be accountable for it? *(this could include further mitigation measures or re-prioritisation of projects)*	The council needs to ensure that appropriate time and attention is given during the design and construction phase to mitigate against these negative effects.

Gender reassignment

Consideration	Response
Baseline situation *(describe only where different to the national average, or where otherwise relevant)*	Not applicable to this project as there are no effects on the protected characteristic
Assessment text *(summary of how the proposed project affects the protected characteristic)*	
Is the effect positive/negative/mixed? *(add an explanation)*	+VE / M / -VE
If the effect is negative or mixed:	
Is the effect significant? *(add an explanation)*	Y / N
What embedded mitigation does the project contain?	

Consideration	Response
What residual significant effects remain?	
What action is required? Who will be accountable for it? *(this could include further mitigation measures or re-prioritisation of projects)*	

Marriage and civil partnership *(note, this is a protected characteristic only in regard to eliminating discrimination)*

Consideration	Response
Baseline situation *(describe only where different to the national average, or where otherwise relevant)*	Not applicable to this project as there are no effects on the protected characteristic
Assessment text *(summary of how the proposed project affects the protected characteristic)*	
Is the effect positive/negative/mixed? *(add an explanation)*	+VE / M / -VE
If the effect is negative or mixed:	
Is the effect significant? *(add an explanation)*	Y / N
What embedded mitigation does the project contain?	
What residual significant effects remain?	
What action is required? Who will be accountable for it? *(this could include further mitigation measures or re-prioritisation of projects)*	

Pregnancy and maternity

Consideration	Response
Baseline situation *(describe only where different to the national average, or where otherwise relevant)*	Not applicable to this project as there are no effects on the protected characteristic

Consideration	Response
Assessment text *(summary of how the proposed project affects the protected characteristic)*	
Is the effect positive/negative/mixed? *(add an explanation)*	+VE / M / -VE
If the effect is negative or mixed:	
Is the effect significant? *(add an explanation)*	Y / N
What embedded mitigation does the project contain?	
What residual significant effects remain?	
What action is required? Who will be accountable for it? *(this could include further mitigation measures or re-prioritisation of projects)*	

Race

Consideration	Response
Baseline situation *(describe only where different to the national average, or where otherwise relevant)*	**Race** Dewsbury is a diverse place, census 2011 notes that the highest majority of the population by ethnicity in the **Dewsbury East** Ward is as follows - • White 82% (English Welsh/Scottish/Northern Irish/British) • Asian/Asian British - 13.7% • White -Irish, Gypsy or Irish Traveller, other White 2.1% • Mixed/multiple ethnic group – 1.56% • Black African/Caribbean /Black British – 0.24% • Other ethnic group – 0.016% **For Dewsbury South** – • White 52% (English Welsh/Scottish/Northern Irish/British) • Asian/Asian British – 45% • White -Irish, Gypsy or Irish Traveller, other White 5.66% • Mixed/multiple ethnic group – 1.15% • Black African/Caribbean /Black British – 0.34%

Consideration	Response
	• Other ethnic group –0.44 % **For Dewsbury West** – • White 45% (English Welsh/Scottish/Northern Irish/British) • Asian/Asian British – 48.41% • White -Irish, Gypsy or Irish Traveller, other White 2.75% • Mixed/multiple ethnic group – 2.44% • Black African/Caribbean /Black British – 0.67% • Other ethnic group –0.55 % **Figures for England** from the 2011 census indicate the following - • White 79% (English, Welsh/Scottish/Northern Irish/British), • Asian/Asian British- 7.82% • White -Irish, Gypsy or Irish Traveler, other White - 5.66% • Black African/Caribbean /Black British – 3.48% • Mixed/multiple ethnic group -2.25% • Other ethnic group – 1.04% The data shows that all three Dewsbury wards have a higher percentage of people that indicated there ethnicity as Asian/Asian British compared to the national average figure 7.82%. Both the Dewsbury East and Dewsbury South wards show a higher percentage towards the White ethnic category whereas Dewsbury West has a higher percentage towards the Asian/Asian British ethnic category. The South Asian population has increased since the census was done in 2011. As noted above the population of Dewsbury with an Asian heritage now stands at 40% and this figure is likely to increase.
Assessment text *(summary of how the proposed project affects the protected characteristic)*	The Arcade project affects race as the data above shows just how diverse Dewsbury is in terms of the ethnic groups. There is a larger proportion of the Dewsbury population that class themselves as either White or Asian/Asian British in comparison to other ethnic groups. It is therefore important that the Arcade project takes this into account and notes the diversity of Dewsbury population when determining what the overall offer will be. As noted above the Arcade will be managed in a way that tries to achieve 'fusion' and equality of tenants from each community.

Consideration	Response
Is the effect positive/negative/mixed? *(add an explanation)*	+VE / M / -VE Positive as the Arcade project will support Dewsbury's diverse population and will help to increase activity in the town center and reverse the long-term drop-in footfall.
If the effect is negative or mixed:	
Is the effect significant? *(add an explanation)*	Y / N
What embedded mitigation does the project contain?	The council are keen for the Arcade to be community led and have therefore developed a steering group of local entrepreneurs, knows as the Dewsbury Arcade Group project who have organized a web and social media presence for the project. The Dewsbury Arcade Group intend to constitute itself as a Community Benefit Society and organise a community share issue to maximize local involvement and ownership. The council have studied the EHRC's equality assessment guide and has assed race impacts on the Arcade development. As 40% of Dewsbury residents are BAME, the council is focused on involving all communities as potential traders and in the management and as traders within the Arcade.
What residual significant effects remain?	None
What action is required? Who will be accountable for it? *(this could include further mitigation measures or re-prioritisation of projects)*	The Council will be responsible for leasing out the management of the Arcade and therefore will need to ensure they have carried out a robust process to appoint the most suitable community organization. The project will be subject to a robust and regular risk assessment.

Region or belief

Consideration	Response
Baseline situation *(describe only where different to the national average, or where otherwise relevant)*	Not applicable to this project as there are no effects on the protected characteristic
Assessment text *(summary of how the proposed project affects the protected characteristic)*	
	+VE / M / -VE

Consideration	Response
Is the effect positive/negative/mixed? *(add an explanation)*	
If the effect is negative or mixed:	
Is the effect significant? *(add an explanation)*	Y / N
What embedded mitigation does the project contain?	
What residual significant effects remain?	
What action is required? Who will be accountable for it? *(this could include further mitigation measures or re-prioritisation of projects)*	

Sex

Consideration	Response
Baseline situation *(describe only where different to the national average, or where otherwise relevant)*	Not applicable to this project as there are no effects on the protected characteristic
Assessment text *(summary of how the proposed project affects the protected characteristic)*	
Is the effect positive/negative/mixed? *(add an explanation)*	+VE / M / -VE
If the effect is negative or mixed:	
Is the effect significant? *(add an explanation)*	Y / N
What embedded mitigation does the project contain?	
What residual significant effects remain?	

Consideration	Response
What action is required? Who will be accountable for it? *(this could include further mitigation measures or re-prioritisation of projects)*	

Sexual orientation

Consideration	Response
Baseline situation *(describe only where different to the national average, or where otherwise relevant)*	Not applicable to this project as there are no effects on the protected characteristic
Assessment text *(summary of how the proposed project affects the protected characteristic)*	
Is the effect positive/negative/mixed? *(add an explanation)*	+VE / M / -VE
If the effect is negative or mixed:	
Is the effect significant? *(add an explanation)*	Y / N
What embedded mitigation does the project contain?	
What residual significant effects remain?	
What action is required? Who will be accountable for it? *(this could include further mitigation measures or re-prioritisation of projects)*	

Family Test *(if used)*

Consideration	Response
Baseline situation *(describe only where different to the national average, or where otherwise relevant)*	
Assessment text *(summary of how the proposed project affects the protected characteristic)*	
	+VE / M / -VE

Consideration	Response
Is the effect positive/negative/mixed? *(add an explanation)*	
If the effect is negative or mixed:	
Is the effect significant? *(add an explanation)*	Y / N
What embedded mitigation does the project contain?	
What residual significant effects remain?	
What action is required? Who will be accountable for it? *(this could include further mitigation measures or re-prioritisation of projects)*	

In-combination effects

Consideration	Response
Is there an in-combination effect across multiple protected characteristics? *(e.g. the proposed project has minor effects across several protected characteristics which, when considered together, have a more significant impact)*	None
What action is required? Who will be accountable for it? *(this could include further mitigation measures or re-prioritisation of projects)*	

Kirklees COUNCIL

Name of meeting: **CABINET**
Date: **21st December 2022**
Title of report: **H&N Governance Review by David Tolson Partnerships (DTP)**

Purpose of report:

To provide Cabinet members with the report and findings of the review undertaken by DTP into the Homes and Neighbourhoods governance arrangements.
To seek approval from Cabinet to implement the new governance arrangements for Homes and Neighbourhoods with the introduction of a newly constituted Improvement Board, supported by a new and separate Tenants Voice Panel to ensure the tenants perspective informs decision making.

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** **If yes give the reason, why:** **The governance of the Homes and Neighbourhoods Service affects the delivery of the housing management and maintenance services for Kirklees Council Tenants across all wards in the borough**
Key Decision - Is it in the Council's Forward Plan (key decisions and private reports)?	**Key Decision – Yes** **Private Report/Private Appendix – Yes**
The Decision - Is it eligible for call in by Scrutiny?	**Yes**
Date signed off by Strategic Director & 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, Strategic Director Growth and Regeneration 11th November 22 Eamonn Croston, Service Director Finance: 11th November 22 Julie Muscroft Service Director Legal and Governance 11th November 22
Cabinet member	**Cllr Cathy Scott – Housing and Democracy**

Electoral wards affected: All Wards:

Almondbury, Ashbrow, Batley East, Batley West, Birstall and Birkenshaw, Cleckheaton, Colne Valley, Crosland Moor and Netherton, Dalton, Denby Dale, Dewsbury East, Dewsbury South, Dewsbury West, Golcar, Greenhead, Heckmondwike, Home Valley North, Holme Valley South, Kirkburton, Lindley, Liversedge and Gomersal, Mirfield, Newsome.

Ward councillors consulted: None at present

Public or private: Private

Has GDPR been considered? Yes – the personal details of consultees were only shared with consent

Page 2 of the report

1. Summary

1.1. The Cabinet will recall that one year after establishing the Housing Advisory Board (HAB) it was intended to undertake a review of its operation. As a result, David Tolson Partnerships (DTP) have been commissioned to undertake this and have now completed their report (see appendix 1).

1.2 The DTP report recognises the strong contribution the current Board has made in integrating the service into the council following the transfer of activities from the ALMO and found it to be inclusive and professional. The main finding from DTP is that the 'ask' of the current board lacks clarity and that the link to Cabinet decision-making is not as effective as it could be. The report, therefore, recommends the board should be reconstituted into a Homes and Neighbourhood Improvement Board (H&N IB) with greater political oversight supported by independent sector expertise and a clearer more specific Terms of Reference. It also recommends that Cabinet consider capturing the voice of the tenant through the establishment of a separate Tenant's Voice Panel (TVP) with a more focused remit to oversee the Tenant Involvement Strategy and Action which they recommend should be reviewed with a view to simplifying it and including the Regulator of Social Housing's new Tenant Satisfaction Measures (TSMs). The current HAB Tenant Board Members should form the principal part of this new tenant grouping.

1.3 The proposed terms of reference for both the H&N IB and TVP are attached to this report.

2. Information required to take a decision

Background

2.1. The activities of Kirklees Neighbourhood Housing (KNH) were transferred to the council in April 2021. As a result, the former KNH Board was disbanded and new governance arrangements were put in place through the establishment of the Housing Advisory Board (HAB), the membership of which includes 6 tenant members, 4 co-optees (independent) from the social housing sector and Chaired by the Cabinet member for Housing and Democracy supported by the Strategic Director for Growth and Regeneration. From the outset, it was agreed these arrangements would be reviewed to ensure that they are effective in supporting the Cabinet decisions, since the Regulator views the Cabinet to be the top level board in the context of its Governance Standard which all social housing providers are expected to comply with once the Social Housing Regulation Bill becomes enacted and the Regulator's new powers to include the regulation of local authority housing providers come into effect. This is currently anticipated to be during 2023/24, the actual date the RSH's new powers come into effect is dependent on the pace at which the Bill travels through the parliamentary process.

2.2. To progress this David Tolson Partnerships (DTP) were commissioned to undertake the review of the first year of operation. This review was established with the following purpose:

"Review of the governance arrangements and their effectiveness in relation to Kirklees Homes & Neighbourhoods (Kirklees) housing service and specifically, the purpose, communications and relationship between the Housing Advisory Board and Cabinet."

2.3. DTP have conducted the review in three phases. Firstly, a review of key documents such as the HAB terms of reference, member role descriptions and alignment to the council's governance arrangements to provide the context for HAB's advisory function. Phase two was the observation of two HAB meetings, being the deep dive session in March and the Board meeting in May. This has been followed by Phase three which entailed interviews with HAB members along with key Council officers.

2.4. The outcome of this process has informed the DTP report (attached as appendix 1). The report makes eight recommendations that fall into two broad areas, these being four recommendations relating to the structure and purpose of the Board along with four further administrative recommendations. Whilst the DTP recommendations point to improvements that can be made in in our governance arrangements DTP did recognise that the current board is inclusive and professional with good participation and debate on the matters presented to it. Tenant members brought excellent local knowledge which added value with co-opted members offering sector expertise and challenge to the matters under consideration. The recommendations are summarised in the paragraphs below

2.5. The recommendations from the DTP report that focus on the structure and purpose of HAB are DTP 1;3;7 and 8 and are summarised as follows:

- That HAB should be reconstituted either as an Advisory Board or a Housing Improvement Board (1)
- That the revised Board should have a new terms of reference which are specific (3)
- That the tenants' roles should be captured in a separate forum to improve the customers voice (7)
- The Homes Neighbourhoods Improvement Board's deliberations should feed more directly into cabinet decision making (8)

2.6 These recommendations point to a fundamental refocussing and repurposing of HAB and is formed primarily by the observation of meetings and discussions with members. This has informed the view that the current purpose is not specific enough and lacks alignment with Cabinet decision making. The report recommends that the board is reconstituted with new terms of reference and greater political oversight to strengthen its links to Cabinet decision making. These recommendations have been accepted by the Cabinet Member in conjunction with officers.

Administrative Recommendations

2.7 The remaining four recommendations in the DTP Report (DTP 2;4;5 and 6) focus on the following administrative matters:

- A review of the business plan given current inflationary pressures and potential capping of rental income (2)
- That the service agreements (particularly for co-optees) should be revised (4)
- That the former KNH Standing Orders should be revised in line with the new constitutional arrangements (5)
- Policies on remuneration, appraisal and succession planning for members should be adopted (6)

The proposals contained within these administrative recommendations are not fully accepted by officers. In particular the former KNH standing Orders are no longer required having been superseded by those of the Council. In addition, whilst there are no separate remuneration or appraisal policies specifically for the HAB members, these are set out within the service agreement that all members have signed.

2.8 The primary recommendation within the report is that the HAB should be reconstituted with independent and elected member representation as the primary constituencies with the Chair of the TVP (once established) also invited to be a member. Having reviewed the potential options officers are recommending that the HAB should be reformed as a H&N Improvement Board similar in purpose (but not the same) to that established in Children's Services to support Homes and Neighbourhoods in its improvement journey. DTP's recommendation is that the Improvement Board should have 3 constituents these being Independent (co-opted), the Chair of the TVP, and Elected Members and strengthening the link into cabinet decision-making. This is a narrower membership than that of the children's board but is specifically focused to enhance the assurance that the H&N IB should provide to Cabinet and ensure it is fit for purpose in the context of the new regulatory regime.

2.9 DTP are further recommending that the current tenant board members on the HAB should take a lead in relation to driving and modernising tenant engagement and insights strategies for the H&N service. This would clearly need to be scoped out and implemented in practice but could offer an opportunity to engage with and take account of the views of those tenants who currently have little or no engagement with the service. Given the White Paper's emphasis on providers knowing their tenants and taking account of their views, this approach offers an opportunity to modernise our engagement strategy and improve both the customer's experience and our compliance with the tenant engagement and empowerment standard.

2.10 The final area DTP are recommending a review of, in relation to the governance structure, is around the remit of the Board. In particular the terms of reference should have greater focus on evaluating performance outcomes, reviewing new, emerging or changing risks within the service and externally, advising on required actions and assessing projects or opportunities in order to escalate issues or make recommendations to Cabinet for final decision making.

2.11 A primary concern from DTP is that the current terms of reference for the HAB are vague and do not provide the clarity of purpose that should be expected to ensure regulatory compliance and the link to Cabinet decision making. In part this recommendation goes beyond the terms of reference and links to the clarity and purpose of reports being presented to the Board. Current reports are viewed as lacking a clear focus on the outcome that Board are asked to consider and recommend to the Cabinet. In meeting this recommendation, the focus should be equally on the terms of reference together with report writers being supported to provide a clearer recommendation for the Board to aid the clarity of purpose for the report.

2.12 Current HAB members have provided their feedback on the DTP report's recommendations as have the council's Executive Team and the Growth & Regeneration Directorate Senior Leadership Team. There is broad agreement that the structural recommendations contained within the report should be implemented in full. To further these recommendations, Cabinet will see proposed terms of reference for the H&N Improvement Board and Tenants Voice Panel as appendices to this report. As part of the formation of these bodies the current Independent Members on the HAB would be invited to combine with elected members to form the new Improvement Board. Tenant Board members from HAB would be invited to form the foundation of the Tenants Voice Panel with recruitment being undertaken to fill the remaining vacancies.

2.13 Following the consultation on the report there is consensus amongst consultees that the Chair of the TVP should also sit on the H&N IB to strengthen the link to the tenant's voice. Whilst this was not a recommendation in the DTP report it is the view of officers that this should be a recommendation to the Cabinet. The terms of reference for the H&N IB have this recommendation included within them. In addition, consultees felt that the Chair of the Improvement Board should be an Independent Co-opted board member to provide the independent oversight of the service that the Board should provide. In addition, it was felt that the Chair's role should attract a level of remuneration to recognise the additional time the role of chair would demand and ensure the best possible candidate was attracted to it. The remuneration of Chairs and Board members is common practice within the housing sector with roles attracting remuneration from the low thousands to tens of thousands (£2k to £40k+). Further work to benchmark the size and complexity of the homes and neighbourhood housing service against other RPs is being conducted to identify an appropriate level of remuneration.

2.14 In reconstituting the governance arrangements into a H&N Improvement Board there are several considerations to address particularly around the size and composition of the H&N IB. The current composition of HAB is set out within paragraph 2.1 above (6 tenants, 4 independents 1 officer and the portfolio holder). The DTP recommendations focus on just two constituencies for the HIP, those of elected members and independent co-opted members. There is no recommendation in relation to the size or numbers for these two constituent groups. There are therefore a number of key considerations to decide upon when developing the constitution of the new H&N IB. To address these considerations the following is being proposed:

- What is the optimum size for the new board and what should the numbers for each constituent group be? It is recommended that this should be limited to no more than 12.
- Should there be a requirement to have a background or experience of social housing? Both best practice and the Regulator has an expectation that Boards should have housing related knowledge and skills available to them and this has been built into the Board Member role profile. However, there is a recognition that in politically led social housing providers this is not always achievable, and it is usual to see political oversight supported by sector expertise.
- There is a potential conflict of interest if the Portfolio Holder for Housing and Democracy Chairs the H&NIB and if so, what chairing arrangements should be put in place? Whilst there is a potential, this was not a finding of the DTP report but has been raised at SLT on the basis it could create a perception of the Cabinet Member holding herself to account. That said, she has to date chaired the current HAB. It is therefore recommended that in the new arrangements an Independent Member should chair the Board.
- Should there be tenant representation on the H&N IB, potentially through the Chair of the Consumer Voice Panel? One of the reasons for tenant representation was to ensure the Tenant's Voice is heard and influences decision-making and is also an expectation of the Regulator through its Tenant Involvement and Empowerment Standard and Tenant Satisfaction Measures. Within the social housing sector there are a range of arrangements from having tenants represented on the Board to having separate mechanisms such as a consumer scrutiny panel. To address this, it is recommended that the Chair of the TVP has a place on the H&N IB.

3. Implications for the Council

Shaped by People

The proposal has working with people at its heart by working with tenants as citizens. The views of citizens in the broader housing market are central to helping to understand and shape the diversity of responses the Council and its partners will wish to agree with the communities of Kirklees. The proposal to establish a Consumer Voice Panel links directly to the RSH's Tenant Engagement and Empowerment Standard and supports the Councils citizen engagement and place based working model.

Safe and Cohesive
Housing is a key determinant on the health and wellbeing of communities and makes a significant contribution to tackling inequalities faced by residents, including fostered/ looked after children, care leavers, people with mental health or learning disabilities, older people and members of the BAME community. It is a strategic priority of the council to meet the specialist supported housing accommodation needs of our most disadvantaged and vulnerable people. Ensuring that the H&N Service is well governed and is responding to its tenants and wider community's needs is the underlying rationale for the proposal within this report.

Clean and Green
Both existing housing and new build homes leave a significant carbon footprint – finding ways to reduce the carbon emissions from housing is a strategic priority for the Council. The proposal would enable the Council to consider the alignment of the asset strategy to enable investment in ensuring the housing stock performs at a greater thermal efficiency, renewable technologies as well as working with tenants as citizens on behavioural change where appropriate

Best Start in Life / Well
Housing is fundamental to the well-being of children and families helping them to get the best start possible. A safe, warm, and affordable place to live is an essential prerequisite for this.

4. Financial Implications for the people living or working in Kirklees Council

None directly arising from the proposals contained within this report

5. Other (e.g., Integrated Impact Assessment/Legal/Financial or Human Resources)

Integrated Impact Assessment

5.1. A stage 1 impact assessment has been conducted. This has demonstrated a positive impact on equalities together with a neutral environmental impact for these proposals. A stage to assessment is not required.

Legal

5.2. As part of the overall council governance arrangements the H&N IB will have links with:

- Cabinet – to inform cabinet decision making relating to the provision of the H&N Service
- Building Safety Assurance Board – to have oversight of building health and safety compliance
- Tenants Voice panel – to ensure the tenants voice informs decision making
- Cabinet Assurance Board – to provide ongoing assurance to cabinet that the H&N service is meeting its legal and regulatory duties

- Economy and Neighbourhoods Scrutiny Panel will have oversight of the work of the Homes and Neighbourhood service and the H&N IB

Financial

5.3. The current cost to support and service the HAB will be used to support the H&N IB therefore there are no additional cost associated with supporting this change. The creation of a new Tenants Voice Panel will require additional officer time. Whilst this will inevitably evolve over time the direct support and servicing of this body is estimated to be in the region of £8 – 12,000 per annum. These resources will be managed within the existing H&N budgets as will the proposed remuneration of the Board Chair.

6. Consultees and their opinions

Engagement with key stakeholders is planned during October and November prior to the final report being presented to Cabinet in December. The currently scheduled consultations include:

Housing Advisory Board Members
Tenant Advisory and Grant Panel Members
ET and G+R SLT
Portfolio holder

The feedback from this engagement is included at 2.12 of this report.

7. Next steps and timelines

The following is a high-level timeline for the next steps assuming Cabinets approval:

Timeframe	Action
November 22	Report to HAB to recommend to Cabinet the formation of the H&N IB
21 December 22	Cabinet report for decision on the formation of H&N IP and TVP
January 23	Identify political representatives for H&N IP recruitment process initiated for TVP
Late Feb / early March 23	Induction sessions for members of the new Governance structure
April 23	New Governance structure comes into effect

8. Officer recommendations and reasons

8.1. **That the Cabinet ;**

note **the DTP recommendations and recommend Cabinet approve the implementation of the reconstituted governance arrangements and in particular to:**

- **Establish a Homes and Neighbourhoods Improvement Board** (H&NIB) and approve the terms of reference set out in appendix 2 to this report;
- **Establish a new Tenants Voice Panel (TVP)** with the terms of reference set out in appendix 3 to this report;

- **Approve the role profiles** set out as appendices 4 and 5 ;namely the Housing and Neighbourhoods Board Member Role Profile and role Profile for the independent Chair of the H&NIB
- Delegate to Service Director for Homes and Neighbourhoods the recruitment and appointment of non-elected members to the H&N IB and TVP and to determine the remuneration for the independent chair for the H&N IB [in consultation with the Portfolio holder for Housing and Democracy].Appointment of elected Members to the H&NIB will be in accordance with the Council's Constitution.

These proposals will strengthen the governance arrangements for the Homes and Neighbourhood service

9. Cabinet Portfolio Holder's recommendations

9.1. The Portfolio Holder agrees with the officers' recommendations.

10. Contact officer

Eric Hughes – Head of Assurance and Transformation
eric.hughes@kirklees.gov.uk

11. Background Papers and History of Decision

The current governance structure for the H&N Service was established by a Cabinet decision in October 2020.

12. Service Director responsible

Naz Parkar, Service Director for Homes and Neighbourhoods

13. Appendices

Appendix 1 – DTP Report (private and confidential)
Appendix 2 – Terms of reference for the H&N Improvement Board
Appendix 3 – Terms of reference for the Tenants Voice Panel
Appendix 4 – H&N Improvement Board, Board Members Role Profile
Appendix 5 – Role profile for the Chair H&N IB

KIRKLEES COUNCIL
HOMES and NEIGHBOURHOODS IMPROVEMENT BOARD

Item:	**TERMS OF REFERENCE**
Issued:	**TBC**
Review Due:	

	Version: DRAFT 1

1. Purpose

1.1 The Homes and Neighbourhoods Improvement Board ('the Board') ensures Kirklees Council has the appropriate governance arrangements for a housing function of the scale and complexity that is the Kirklees Homes and Neighbourhoods Service.

1.2 The Board sits within the Council's governance and decision-making structures and supports the Cabinet with its overall responsibility as the Registered Provider. The Boards primary purpose is to oversee the delivery of the housing management and maintenance services delivered by the Homes and Neighbourhood Service and in particular to satisfy itself that:

- The service is being run in line with legal and regulatory requirements
- That risks are being identified, and are well managed and mitigated
- Performance reporting is timely and appropriate to inform decision making
- There are mechanisms in place to engage with tenants and act upon their feedback
- That the landlord's services are being efficiently and effectively delivered
- That improvement programmes are delivered on time, within budget and with the expected outcome

The Board shall have a general duty to inform Cabinet decision making in relation to the H&N Service, and to bring to the Cabinets attention any legal, regulatory or other concern it may have in relation to the running of the service.

1.3 The operation of the Board will be reviewed after its first year of operation (2023/24) and, subject to its continuation, the effectiveness of the Board will be reviewed every 3 years thereafter.

2. Role

2.1 To provide Kirklees Council's Cabinet with oversight of the housing management and maintenance functions delivered to tenants and leaseholders by the Homes and Neighbourhoods Service.

2.2 To ensure that service delivery meets all legal and regulatory requirements with particular reference to the Regulator for Social Housing's Consumer Standards (and any amendments made to the Regulatory Standards from time to time):

- Tenant Involvement and Empowerment Standard – provide choice and effective communication to customers, including complaint handling
- Tenancy Standard – letting homes in a fair and transparent way
- Home Standard – ensure homes are safe, decent and in a good state of repair
- Neighbourhood and Community Standard – keeping the wider area clean, safe, promote wellbeing and tackling anti-social behaviour

2.3 To identify the principal risks that are faced by the service and ensure that they are appropriately managed and mitigated and flow into the Council's overall risk management framework.

2.4 If any risk or combination of risks is likely to have a materially adverse impact on tenants or the operational delivery of the service to bring this risk directly to the attention of the Cabinet Assurance Board and Cabinet.

2.5 Maintain oversight of the H&N Service performance measures to ensure that continuous improvement is embedded; areas of underperformance are addressed, and Cabinet are kept appraised of any performance issues that are adversely impacting on the delivery of the services to tenants.

2.6 The Board will, inform and advising the Cabinet on the following key areas:

- The council's current and future housing strategies
- The management and investment in the council housing
- Property management and maintenance including safety and statutory compliance and the strategy and implementation of capital and revenue funds on investment, refurbishment, servicing and maintenance and repairs
- Council strategies that impact on council housing, neighbourhoods and environmental services that have a link to the quality of life experienced by the council's tenants

3. Membership

3.1 The Board has a maximum membership of up to 12 including the Chairperson. The Board shall be chaired by a co-opted independent member who has full voting rights.

Elected Members

3.1.1 There shall be up to 7 elected member who will be nominees from the political grouping within the Authority. Members will be nominated based on their skills, competency and ability to meet the Council objectives for the housing services and understand the regulatory obligations of H&N. Each member will have full voting rights.

Co-opted Independent Members

3.1.2 The Board shall include up to 4 professional co-optees (one of whom shall be the Chair). Co-optees will be selected based on their skills, competency and abilities to meet the

Council objectives for housing services, understand the regulatory obligations of H&N and will have full voting rights.

Consumer Voices Panel Member

3.1.3 The Chair of the Consumer Voice Panel shall be a member of the Board with full voting rights.

Council Officers

3.1.4 Council officers may be invited to attend the Board by agreement with the Chair, in an advisory capacity. Council officers do not have voting rights on the Board.

4. Meetings

4.1 The quorum for the transaction of the business of the Board is 3 where there is at least one elected member and one independent member in attendance.

4.2 The Board will meet a minimum of 4 times per year at approximately equal intervals and has the flexibility to meet as required from time to time and in whatever format (online or in person) is agreed by members to deliver the business of the meeting.

4.3 Council officers in attendance at the Board do not account towards a quorum.

4.4 Decisions arising at a Board meeting are generally made by consensus. Where it is necessary to vote (when agreed by the Board) this will be decided by the majority vote. Each member present in person (including at virtual meetings) is entitled to one vote. In the event of an equality of votes, the Chair has the casting vote.

4.5 Any Board member who has an interest in any item tabled at the meeting, will disclose that interest to the Chair before the start of the meeting. Where necessary, the Board member will not remain present during the discussion or take part in any related decision of that item, unless agreed by the Chair. If the declaration of interest is by the Chair, the decision about how that agenda item will be addressed, will be taken collectively by the Board members present.

5. Requirements of Members

5.1 Members will be expected to:

- Be committed to inclusively represent the best interests of the Council housing and its occupants in Kirklees
- Be able to see the bigger Kirklees picture understanding that places and communities are diverse and that needs are different
- Be committed to good governance and compliance standards
- Adopt an approach that is professional, fair, honest, and friendly
- Have great communication skills in terms of listening to others and the confidence to participate in discussions
- An ability to make effective decisions based on the facts presented understanding risk and effective use of resources

- A desire to improve and change housing services for the better
- A commitment to be present and to support other Board members

5.2 The following persons are not able to join the Board:

- Council Officers
- Contractors/Consultants of the council who are directly involved with housing activity
- A person who lives in the same household as an existing member of the Board
- A person who is bankrupt or has an outstanding County Court Judgement or, is forbidden from being a Company Director

5.3 Any person who is considered to:

- Be in serious breach of their tenancy agreement e.g., rent arrears with no agreed payment plan, involved in Anti-Social Behaviour etc
- Have brought about any action that has brought the Board or Kirklees Council into serious disrepute

6. Management of Meetings

6.1 A Council Lead Officer will also be identified to oversee administration of Board meetings. The officer will:

- ensure that an agenda is produced for each meeting
- agree the agenda with the Chair of the Board in advance of each meeting
- oversee the follow up of actions from Board meetings
- ensure papers are circulated at least 1 week in advance of the meeting
- ensure that Minutes, Matters Arising and agreed actions are formally recorded for each meeting
- ensure the Chair receives a copy of the draft Minutes within 1 week (excluding public holidays) for review prior to approval by the Board

7. Recruitment of Board Members

Elected Members

7.1 Elected members shall be nominees by the leader of their political group within the Authority. Members will be nominated based on their skills, competency and ability to meet the Council objectives for the housing services and understand the regulatory obligations of H&N.

Co-Optees / Independent (Professional)

7.2 Independent Board members will be recruited to provide a range of skills and experience that will support the Board to discharge its remit. Members will be nominated based on their skills, competency and ability to meet the Council objectives for the housing services and understand the regulatory obligations of H&N.

Consumer Voices Panel

7.3 The Chair of the Consumer Voices Panel shall have a right to a place on the board.

Skills, competency and experience
The skills and experience required by the Board from all of its members will be reviewed at least biannually to ensure the Board has the required competences available to it to inform its decision making.

8. Payment

8.1 Other than the Chair of the Board other Board members will not be remunerated for their services.

8.2 The reimbursement of reasonable travel and other expenses will apply to all Board members (e.g., childcare, travel out of pocket expenses etc.) in accordance with the Council's standard arrangements.

9. Terms of Office and Termination of Membership

9.1 The term of office of appointment for a Board member is normally for 3 years. However, membership can be extended for an additional period of 1, 2, or 3 years formally by the Board to enable the business of the Council to continue to be delivered effectively but should not exceed 6 years continuously or cumulatively for any member.

9.2 Board members may have their membership terminated if they are absent for more than 3 consecutive meetings without the permission of the Board or, attend less than 60% of the meetings of the Board during a 12-month period

9.3 Any co-optee will cease to be a member of the Board if they (i) cease to be a member of a professional body whose membership was conditional on their appointment (ii) are subject to personal censure by a professional body or (iii) cease to be an employee of an organisation when employment by that organisation was conditional on their appointment.

10. Support and Development

10.1 Board members are expected to attend appropriate training in relation to their role.

10.2 Board members will have access to Council officer support e.g., responsible for circulation of report packs, responding to Board member enquiries relating to packs, attending meetings, dealing with expense claims etc.

10.3 Induction and relevant training will be made available to all Board members and will include (but is not limited to):

- personal development opportunities (internal and external) such as shadowing, mentoring, and undertaking relevant training or qualifications as resources allow.
- Board members will be able to access IT equipment as required to carry out their role e.g., PC's, tablets, chrome books etc and, if appropriate, can book council

meeting space to support their work and enable full participation in meetings and board activities

KIRKLEES COUNCIL
TENANT VOICE PANEL

Item:	**TERMS OF REFERENCE**
Issued:	**TBC**
Review Due:	

	Version: DRAFT 1

1. Purpose

1.1 The Homes and Neighbourhoods Tenant Voice Panel ('the Panel') ensures Kirklees Council have the appropriate arrangements in place to meet its regulatory obligations for tenants to have a wider range of opportunities to influence and be involved in:

- formulation of the Homes and Neighbourhoods (H&N) housing-related policies and strategic priorities
- influencing decisions about how housing-related services are delivered, including the setting of service standards
- scrutiny of H&N's performance and the making recommendations to H&N about how performance might be improved
- influencing how their homes and tenancies are managed, where applicable
- how the repair and maintenance services are managed or , commissioned, and
- agreeing local offers for service delivery.

1.2 The Panel sits within the Council's overall governance and decision-making structures and supports the Cabinet with its overall responsibility as the Registered Provider. The Panel's primary purpose is to ensure the tenants voice shapes H&N's service delivery and in particular the panel will:

- Approve and monitor the delivery of the tenant engagement strategy
- Undertake a service self-assessment against the Regulator of Social Housing (RSH) Tenant Involvement & Empowerment Standard (as amended from time to time)
- Review outcomes against the RSH Tenant Satisfaction Measures
- Ensure that the tenant's perspective flows into the decision making at the Housing Improvement Board and Cabinet

1.3 The operation of the Panel will be reviewed after its first year of operation (2023/24) and, subject to its continuation, the effectiveness of the Panel will be reviewed every 3 years thereafter.

2. Role

2.1 To provide Kirklees Council's Cabinet with the tenant's perspective on how the housing management and maintenance functions delivered to tenants and leaseholders by the H&N Service are performing.

2.2 To provide the tenants perspective on how service delivery complies with the RSH Consumer Standards:

- Tenant Involvement and Empowerment Standard – provide choice and effective communication to customers, including complaint handling
- Tenancy Standard – letting homes in a fair and transparent way
- Home Standard – ensure homes are safe, decent and in a good state of repair
- Neighbourhood and Community Standard – keeping the wider area clean, safe, promote wellbeing and tackling anti-social behaviour

2.3 To approve and oversee the delivery of the services tenant engagement strategy.

2.4 Monitor service delivery against key tenant satisfaction measures to improve satisfaction with H&N services.

2.5 The Panel will, inform and advising the H&N Improvement Board and Cabinet on the following key areas:

- Council strategies that impact on council housing, neighbourhoods and environmental services that have a link to the quality of life experienced by the councils' tenants are being delivered
- How well the tenants voice is informing decision making
- How the service is meeting its regulatory obligations from the tenant's perspective
- Whether service improvements are affecting satisfaction levels

3. Membership

3.1 The Panel will have a maximum membership of 9 including the Chairperson.

Eligibility

3.1.1 Only current Council tenants or leaseholders who meet the eligibility criteria can be members of the panel.

Chairing

3.1.3 The panel shall elect one of their members to be the Chair of the Panel. This member will also serve on the H&N Improvement Board and will have a full role within that Board.

Council Officers

3.1.2 Council officers may be invited to attend the Panel by agreement with the Chair, in an advisory capacity. Council officers do not have voting rights on the Panel.

4. Meetings

4.1 The quorum for the transaction of the business of the Panel is 3 members in attendance in person or virtually.

4.2 The Panel will meet a minimum of 4 times per year at approximately equal intervals.

4.3 Council officers in attendance at the Panel do not account towards a quorum.

4.4 Decisions arising at a Panel meeting are generally made by consensus. Where it is necessary to vote (when agreed by the Panel) this will be decided by the majority vote. Each member present in person (including at virtual meetings) is entitled to one vote. In the event of an equality of votes, the Chair has the casting vote.

4.5 Any Panel member who has an interest in any item tabled at the meeting, will disclose that interest to the Chair before the item is discussed. Where necessary, the Panel member will not remain present during the discussion or take part in any related decision, unless agreed by the Chair. If the declaration of interest is by the Chair, the decision will be taken collectively by the Panel members present.

4.6 All decisions made by the Panel at a meeting or, by a Panel member or council officer acting on behalf of the Panel will stand. The exception being if it transpires that there was a defect in the appointment of that Panel member (s) that would disqualify the person from holding that position.

5. Requirements of Members

5.1 Members will be expected to:

- Be prepared to review documentation and to provide their views on the matters covered in the agenda of the Panel
- Be committed to thinking inclusively about the H&N service in relation to the wider tenants of Kirklees
- Be able to see the bigger Kirklees picture and understand that places and communities are diverse and that needs are different
- Adopt an approach that is fair, honest, and friendly
- Have good communication skills in terms of listening to others and the confidence to participate in discussions
- An ability to make effective decisions or provide opinions based on the facts presented
- A desire to improve and change housing services for the better
- A commitment to be present, prepared and to support other Panel members

5.2 The following persons are not able to join the Panel:

- Council Officers
- Contractors/Consultants of the council who are directly involved with housing activity
- A person who lives in the same household as an existing member of the Panel

- A person who is bankrupt or has an outstanding County Court Judgement or, is forbidden from being a Company Director
- A person who has failed to attend three meetings in a row without reasonable excuse or a leave of absence

5.3 Any person who is considered to:

- Be in serious breach of their tenancy agreement e.g., rent arrears with no agreed payment plan, involved in Anti-Social Behaviour etc
- Have demonstrated any serious inappropriate behaviour at the Panel
- Have brought about any action that has brought the Panel or Kirklees Council into serious disrepute

6. Management of Meetings

6.1 A Council Lead Officer will also be identified to oversee administration of Panel meetings. The officer will:

- ensure that an agenda is produced for each meeting
- agree the agenda with the Chair of the Panel in advance of each meeting
- oversee the follow up of actions from Panel meetings
- ensure papers are circulated at least 1 week in advance of the meeting
- ensure that Minutes are formally recorded for each meeting
- ensure the Chair receives a copy of the draft Minutes within 1 week (excluding public holidays) for review before formal approval by the Panel

7. Recruitment of Panel Members

7.1 Vacancies on the Panel will be widely advertised throughout the tenants and leaseholders of the Council with an application and selection process being determined by the Panel in conjunction with the Housing Improvement Board.

8. Payment

8.1 Panel members will not be remunerated for their services.

8.2 The reimbursement of reasonable travel and other expenses will apply to all Panel members (e.g., childcare, travel out of pocket expenses etc.) in accordance with the Council's standard arrangements.

9. Terms of Office and Termination of Membership

9.1 The term of office of appointment for a Panel member is normally for 3 years. However, membership can be extended for an additional period of 1, 2, or 3 years formally by the Panel to enable the business of the Panel to continue to be delivered effectively but should not exceed 6 years continuously or cumulatively for any member.

9.2 Panel members may have their membership terminated if they are absent for more than 3 consecutive meetings without the permission of the Panel or, attend less than 60% of the meetings of the Panel during a 12-month period

10. Support and Development

10.1 Panel members are expected to attend appropriate training in relation to their role.

10.2 Panel members will have access to Council officer support e.g., responsible for circulation of report packs, responding to Panel member enquiries relating to packs, attending meetings, dealing with expense claims etc.

10.3 Induction and relevant training will be made available to all Panel members and will include (but is not limited to):

- personal development opportunities (internal and external) such as shadowing, mentoring, and undertaking relevant training or qualifications as resources allow.
- Panel members will be able to access IT equipment as required to carry out their role e.g., PC's, tablets, chrome books etc and, if appropriate, can book council meeting space to support their work and enable full participation in meetings and Panel activities

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HOMES AND NEIGHBOURHOODS IMPROVEMENT BOARD MEMBER ROLE PROFILE

Accountable to:	**The Chair of the H&N Improvement Board**
Accountable for:	**Oversight of H&N service delivery and compliance**

		Version:	**1**

The Homes and Neighbourhoods Improvement Board ensures Kirklees Council have the appropriate governance arrangements for a housing function of the scale and complexity that is the Kirklees Homes and Neighbourhoods Service.

The Board supports assurance to the Cabinet that the service is run in a way which ensures legal and regulatory compliance and that there are tenant focused decisions by ensuring the voice of tenants and leaseholders ('Tenants') is aligned to strategic decision making in relation to the delivery, management and growth of council housing services in Kirklees.

KEY RESPONSIBILITIES OF A BOARD MEMBER

ROLE PURPOSE

The Board will, in advising Kirklees Council Cabinet via the Portfolio Holder:

Support Kirklees Council Cabinet decision making by:

- Agreeing service standards for tenants
- Review appropriate reporting to provide assurance that the Regulator of Social Housing's Consumer Standards and legal requirements are achieved, or where necessary escalate any concerns or issues to the cabinet's attention
- Ensuring that the approach to the H&N Service supports the delivery of the council's Housing Strategies
- Ensuring that the management and investment in the council housing stock is effective and delivers VFM
- Support the councils housing growth ambitions by advising the Cabinet on its social housing growth strategy.
- Support the councils place based working agenda by ensuring H&N services links with environmental and community services that relate to council housing neighbourhoods and environmental standards (including aspects of grounds maintenance, community safety and waste collection as appropriate) and escalating any concerns or issues for the attention of Cabinet.

Conduct

The Board will:

- Uphold the Council's Values and Behaviors
- Uphold the Council's Code of Conduct and any other relevant standards
- Work in partnership with Council colleagues and Ward Councilors
- Remain focused on the 'we' and not on the 'I'
- Treat everyone fairly and think inclusively

EXPECTATIONS

The board member will be expected to:

- Bring their lived or professional expertise and experience to the matters being considered by the Board
- Ensure the service and Cabinet are sighted on new, emerging or changing risks and that the service is meeting its legal and regulatory requirements
- Monitor key performance indicators to ensure service delivery meets consumer standards and tenants' expectations and report any issues or concerns to the Cabinet.
- Oversee H&N service delivery its improvement programme and any special projects or initiatives and report to Cabinet on their progress as required.
- Monitor the services revenue and capital budgets ensuring the are used effectively and deliver Value for Money.
- Be able to see the bigger Kirklees picture understanding that places and communities are diverse and that needs are different
- Adopt an approach that is fair, honest, and friendly
- Have great communication skills in terms of listening to others and the confidence to participate in discussions
- An ability to make effective decisions based on the facts presented
- A desire to improve and change housing services for the better
- A commitment to be present and to support the work of the Board
- Meet some or all of the skills, experience and competency requirements:
    - Understanding of current issues in affordable/social housing.
    - Understanding of the social and economic context in which H&N operates.
    - Understanding of the regulatory and compliance framework within which H&N operates.
    - Experience of working with or for not for profit, public sector, private sector and/or social enterprise bodies.
    - Experience of customer care and service delivery.
    - Experience of operating in a climate of significant change and challenge.
    - Experience of working as part of a team.
    - Housing management services
    - Housing repairs and maintenance and asset management
    - Housing development or acquisition
    - Performance and financial management and treasury management
    - Legal knowledge relevant to housing
    - Procurement, partnering and contracts
    - Value for money

TERMS OF OFFICE

- The terms of office for Board members are set out in the H&N Improvement Board Terms of Reference

TACKLING INEQUALITIES

- The Board will reflect, as far as possible, the demographics of the council's tenant community.

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HOMES AND NEIGHBOURHOODS IMPROVEMENT BOARD CHAIR ROLE PROFILE

Accountable to:	**Kirklees Cabinet through the Portfolio Holder**
Accountable for:	**Leaders H&N IB of H&N Improvement Board**

		Version:	**1**

The Homes and Neighbourhoods Improvement Board ensures Kirklees Council has the appropriate governance arrangements for a housing function of the scale and complexity that is the Kirklees Homes and Neighbourhoods Service.

The Board supports assurance to the Cabinet that the service is run in a way which ensures legal and regulatory compliance and that there are tenant focused decisions by ensuring the voice of tenants and leaseholders ('Tenants') is aligned to strategic decision making in relation to the delivery, management and growth of council housing services in Kirklees.

KEY RESPONSIBILITIES OF THE CHAIR

In addition to the responsibilities of a Board Member the Chair of the Kirklees Homes and Neighbourhoods Housing Improvement Board (H&N IB) has a vital leadership, strategic and meeting management function. The Chair will be selected by members of the Housing Improvement Board for the approval of the Kirklees Council Cabinet.

The purpose of this document is to set out the key roles, responsibilities, and skills requirements.

ROLE PURPOSE

The H&N IB Chair is responsible for:

1. Providing leadership and direction to the H&N IB and, in particular, facilitating the setting of objectives in the context of H&N's vision, mission and strategic direction;
2. Enabling H&N IB discussions, ensuring that (as far as possible) all members have the opportunity to contribute and that discussion remains focussed and does not become sidetracked or bogged down;
3. Ensuring that the work of the H&N IB is consistent with its agreed remit and that issues of interest to Kirklees Cabinet are appropriately referred;
4. Ensuring decisions taken by the H&N IB are clear and not ambiguous, and that

responsibility for taking forward action points is properly allocated;
5. Consulting with other H&N IB members and providing advice and support;
6. Supporting, advising and mentoring (with the support of Kirklees officers) new members of the H&N IB;
7. Ensuring that decisions reached represent the collective views of the H&N IB or (in exceptional circumstances when consensus cannot be reached) a majority view;
8. Advising officers on the content of meeting agendas, the order in which items are taken and the amount of time to be devoted to each;
9. Monitoring the implementation of agreements and action points from previous meetings;
10. Ad-hoc work (e.g. through the provision of advice and attendance at relevant meetings & events) related to the furtherance of both the H&N IB's and H&N's wider objectives.

EXPECTATIONS

In respect of a broader remit within the Kirklees governance framework, The H&N IB Chair is responsible for:

1. Ensuring that H&N IB complies with its governing document and relevant legislation & regulations;
2. Helping to provide firm strategic direction, set overall policy, define goals, set targets and evaluate performance against agreed targets;
3. Safeguarding the good name and values of H&N;
4. Ensuring the effective and efficient administration of H&N and its financial stability;
5. Acting in the interests of H&N, irrespective of any commitments to other organisations or groups or any personal interests (and making appropriate declarations where any potential conflicts arise);
6. Ensuring that H&N operates in accordance with its constitution and that its resources are used solely for the furtherance of the organisation's objectives; and
7. Acting in an ambassadorial role on behalf of H&N and promoting its good name.

Person specification

1. Commitment to the work of H&N and the H&N IB;
2. In depth of knowledge about the subject matter of the H&N IB;
3. A strategic and collegiate approach to objective setting and decision taking;
4. The ability to facilitate focussed and relevant discussions, ensuring that all H&N IB members are able to contribute and that no members are able to unduly dominate discussions at the expense of others;
5. The interpersonal skills needed to develop a positive and professional relations H&N IB with members of and staff;
6. A willingness to devote the necessary time and effort;
7. Good, independent judgement;
8. Ability to think creatively;
9. Understanding and acceptance of the legal duties, responsibilities and liabilities of trustees H&N IB;
10. Ability to work effectively as a member of a team;
11. Tact and diplomacy;
12. Good communication and interpersonal skills; and
13. Impartiality, fairness and the ability to respect confidences.

TERMS OF OFFICE

- The terms of office for Board members are set out in the H&N Improvement Board Terms of Reference

TACKLING INEQUALITIES

- The Board will reflect, as far as possible, the demographics of the council's tenant community.

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EIA STAGE 1 – SCREENING ASSESSMENT

PROJECT DETAILS

Name of project or policy:	
H&N Governance Review	

Directorate:	Senior Officer responsible for policy/service:
G&R	Naz Parkar
Service:	**Lead Officer responsible for EIA:**
H&N	Eric Hughes
Specific Service Area/Policy:	**Date of EIA (Stage 1):**
Governance	13-Oct-22

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

Following a review of our current governance arrangments overseen by the Housing Advisory Board (HAB) we are exploring the establishment of a Homes and Neigbourhoods Improvement Board (H&N I B) supported by a Tenant Voice Panel (TVP) to replace HAB. The aim is to strenghthen the link from the H&N service governance into the Cabinet by bringing more political representaton onto H&N IB. This Board will be supported by the TVP who will focus on the delivery of the H&N service against the Regulator for Social Housing's Consumer Standards.

ASSESSMENT SUMMARY

Theme	Calculated Scores						Stage 2 Assessment Required
	Proposal	Impact	P + I	Mitigation	Evidence	M + E	
Equalities	6	3.1	**9.1**	0	4	**4**	No
Environment		2	**2**	5	4	**9**	No

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)	NO
To **change** a service, activity or policy (i.e. **redesign** it)	YES
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

WHAT LEVEL OF IMPACT DO YOU THINK YOUR PROPOSAL WILL HAVE ON…	Level of Impact Please select from drop down
Kirklees **employees** within this service/directorate? (overall)	Neutral
Kirklees **residents** living in a specific ward/local area?	Positive
Please tell us which area/ward will be affected:	All Wards
Residents across Kirklees? (i.e. most/all local people)	Positive
Existing **service users**?	Positive

Each of the following **groups**? *(Think about how your proposal might affect, either positively or negatively, any individuals/communities. Please consider the impact for both employees and residents - within these protected characteristic groups).*		Please select from drop down
…age	What impact is there on Kirklees **employees**/internal working practices?	Positive
	What impact is there on Kirklees **residents**/external service delivery?	Very Positive
…disability	What impact is there on Kirklees **employees**/internal working practices?	Positive
	What impact is there on Kirklees **residents**/external service delivery?	Very Positive
…gender reassignment	What impact is there on Kirklees **employees**/internal working practices?	Neutral
	What impact is there on Kirklees **residents**/external service delivery?	Neutral
…marriage/ civil partnership	What impact is there on Kirklees **employees**/internal working practices?	Neutral
	What impact is there on Kirklees **residents**/external service delivery?	Neutral
…pregnancy & maternity	What impact is there on Kirklees **employees**/internal working practices?	Neutral
	What impact is there on Kirklees **residents**/external service delivery?	Neutral
…race	What impact is there on Kirklees **employees**/internal working practices?	Positive
	What impact is there on Kirklees **residents**/external service delivery?	Very Positive
…religion & belief	What impact is there on Kirklees **employees**/internal working practices?	Neutral
	What impact is there on Kirklees **residents**/external service delivery?	Neutral
…sex	What impact is there on Kirklees **employees**/internal working practices?	Positive
	What impact is there on Kirklees **residents**/external service delivery?	Very Positive
…sexual orientation	What impact is there on Kirklees **employees**/internal working practices?	Neutral
	What impact is there on Kirklees **residents**/external service delivery?	Neutral
…those in poverty or low-come	What impact is there on Kirklees **employees**/internal working practices?	Positive
	What impact is there on Kirklees **residents**/external service delivery?	Very Positive
…unpaid carers	What impact is there on Kirklees **employees**/internal working practices?	Neutral

…unpaid carers	What impact is there on Kirklees **residents**/external service delivery?	Very Positive

WHAT LEVEL OF IMPACT DO YOU THINK YOUR PROPOSAL WILL HAVE ON…	Level of Impact Please select from drop down
Kirklees Council's **internal practices**?	Positive
Lifestyles of **those who live and work in** Kirklees?	Positive
Practices of suppliers to Kirklees council?	Positive
Practices of other partners of Kirklees council?	Positive

Each of the following **environmental themes**? (Please select from the drop down list)

	People	Partners	Places
…clean air (including Climate Changing Gases)	Positive	Positive	Positive
	Score: 1	Score: 1	Score: 1
…Clean and plentiful water	Positive	Positive	Positive
	Score: 1	Score: 1	Score: 1
… Wildlife and habitats	Positive	Positive	Positive
	Score: 1	Score: 1	Score: 1
…Resilience to harm from environmental hazards	Very Positive	Positive	Very Positive
	Score: 0	Score: 1	Score: 0
… Sustainability and efficiency of use of resources from nature	Positive	Positive	Positive
	Score: 1	Score: 1	Score: 1
…Beauty, heritage and engagement with the natural environment	Positive	Positive	Positive
	Score: 1	Score: 1	Score: 1
… Resilience to the effects of climate change	Positive	Positive	Positive
	Score: 1	Score: 1	Score: 1
…Production, recycling or disposal of waste	Positive	Positive	Positive
	Score: 1	Score: 1	Score: 1
… Exposure to chemicals	Very Positive	Very Positive	Very Positive
	Score: 0	Score: 0	Score: 0

HOW ARE YOU USING ADVICE AND EVIDENCE/INTELLIGENCE TO HELP YOU?		Please select YES or NO
Equality Themes		
Have you taken any **specialist advice** linked to your proposal? (Legal, HR etc)?		No
Do you have any **evidence/intelligence** to support your assessment (in section 2) of the impact of your proposal on…	…employees?	No
	…Kirklees residents?	Yes
	…service users?	Yes
	…any protected characteristic groups?	Yes
Please list your **equalities** evidence/intelligence here [you can include hyperlinks to files/research/websites]: Of the current Housing Advisory Board membership 64% are male and 36% female. 64% are white british and 36% from a minority background. 27% are under 35 years of age with 73% being 35 to 65.		

	Please select from drop down
To what extent do you feel you are able to mitigate any potential negative impact of your proposal outlined on the different groups of people?	FULLY
To what extent do you feel you have considered your Public Sector Equality Duty?	FULLY

Environmental Themes		
Have you taken any **specialist advice** linked to your proposal?		
Do you have any **evidence/intelligence** to support your assessment (in section 2) of the impact of your proposal on…	…Kirklees Council practices?	Yes
	…resident and worker lifestyles?	Yes
	…Practices of Supplier to Kirklees Council?	Yes
	…Practices of other Kirklees Council partners?	No
Please list your environmental evidence/intelligence here [you can include hyperlinks to files/research/websites]: Environmental impact assessments are undertaken for all new schemes or major refurbishments. New energy efficient properties have been developed at Abbey Road and a Passivhaus pilot is planned as part of our development programme. Our property services division is moving to a fleet of all electric vehicles.		

	Please select from drop down
To what extent do you feel you are able to mitigate any potential negative impact of your proposal on the environmtenal issues identified?	TO SOME EXTENT

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Name of meeting: **Cabinet**

Date: **21st December 2022**

Title of report: **Strategic Acquisition of a property in relation to the rationalisation of Corporate Stores.**

Purpose of report:

To seek Cabinet approval for the acquisition of a Strategic Long Leasehold asset on the outskirts of Huddersfield Town Centre.

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? Decisions having a particularly significant effect on a single ward may also be treated as if they were key decisions.	**Yes** Yes - this report is likely to result in expenditure exceeding £250K.
Key Decision - Is it in the Council's Forward Plan (key decisions and private reports)?	**Key Decision – Yes** **Public Report with Private Appendix**
The Decision - Is it eligible for call in by Scrutiny?	**Yes**
Date signed off by Strategic Director & 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 – Strategic Director Growth & Regeneration - 08/12/2022 Eamonn Croston – Finance & Accountancy - 07/12/2022 Julie Muscroft – Legal Governance & Monitoring – 05/12/2022
Cabinet member portfolio	Cllr Paul Davies - Corporate

Electoral wards affected: **Greenhead**

Ward councillors consulted: **No**

Public or private: **Public with private appendices**

(Exempt information under Part 1 of Schedule 12A of the Local Government Act 1972, as amended by the Local Government (Access to Information) (Variation) Order 2006 as the report contains information relating to the financial or business affairs of any particular person (including the authority holding that information). It was considered that the disclosure of the information would be contrary to confidential terms and that the public interest in maintaining the exemption outweighed the public interest in disclosing the information and providing greater openness and transparency in relation to public expenditure in the Council's decision making.)

Has GDPR been considered? no personal or sensitive data; or other information covered by GDPR is included in this report

1. Summary

1.1 This report is to seek Cabinet approval to purchase a property that will bring efficiencies to the Councils operations, save money on the costs of premises, and enhance our strategic landholding.

1.2 The rationalisation of office accommodation, changes in storage requirements resulting from the Cultural Heart and the efficient control and delivery of council assets bring into focus the need to provide a long-term base for corporate storage and logistics

1.3 An existing warehouse facility has become available which is of strategic importance above its actual usefulness to us over the medium term, as it allows the council to consolidate and control a strategic landholding across a broader site, bringing flexibility now and in the medium term in relation to the storage and delivery of the Councils assets; and longer term, when considering future land uses in this locality. To acquire the long leasehold interest now is strategically advantageous over and above its current usefulness to us in facilitating delivery of the corporate stores function.

2. Information required to take a decision

2.1 A corporate storage and logistics operation has been running from a warehouse close to Huddersfield Town Centre since July 2020. Having a centralised operation during the pandemic enhanced our resilience and ability to respond to future shocks.

2.2 The benefits identified during the pandemic have been the driving force behind the creation of a corporate approach to our assets and the same warehousing facilities are being used to consolidate the tools and materials services need to deliver their operations.

2.3 The lease on the current premises expires in July 2025 but a break clause provides the opportunity to leave by July 2023.

2.4 In considering our post July 2025 options and how to reduce the Councils costs, an opportunity has arisen to activate the break clause creating savings whilst securing a base for future delivery of the Councils services.

2.5 It is proposed that the Council acquires a strategic long leasehold asset (subject to existing tenancies) close to Huddersfield Town Centre. A detailed private report with appendices will be considered by Cabinet on 21st December 2022 as the information is exempt in accordance with Part 1 of Schedule 12A of the Local Government Act 1972, as amended by the Local Government (Access to Information) (Variation) Order 2006.

3. Implications for the Council

3.1 Working with People

The purchase of this property will contribute to the development of a corporate stores & logistics service that will be designed to prevent severe disruption to service delivery, supporting services as they deliver for residents & stakeholders.

3.2 Working with Partners

Collaboration and working together with partner services is key to delivering an efficient, collaborative stores and logistics service. Concentrating the stores in one central location will support the asset rationalisation strategy to increase integration of services and support intelligence led outcome focused service delivery

3.3 Place Based Working

The benefits of concentrating the stores in one location, along with the offer of a delivery service, means that services will be able to utilise smaller, Locality bases and enable closer working with key partners

3.4 Climate Change and Air Quality

Focussing our service from a single, well-connected location will make our delivery system more efficient. Delivering to services where and when they require their materials will reduce the number of journeys, they themselves must make, consequently reducing carbon emissions and pollution in Kirklees. This will also give the logistics service the opportunity to work with other partners to avoid duplicating delivery routes.

3.5 Improving outcomes for children

No direct impact

3.6 Financial Implications for the people living or working in Kirklees

There are operational savings that will arise from this proposed strategic purchase as outlined in the private appendix

3.7 Other (e.g., Integrated Impact Assessment (IIA)/Legal/Financial or Human Resources) Consultees and their opinions

Legal

Section 120 of the Local Government Act 1972 provides the legal framework for Councils to acquire land for the purposes of any of their functions or the benefit, improvement, or development of their area. The proposed acquisition will provide an opportunity for the Council to efficiently deliver future services, to consolidate its landholding in the area and to assist the decant at the Flint

Street (North) site currently occupied by various Council services and which is allocated for Housing in the Local Plan.

The Council's Disposals and Acquisitions Policy sets out the general principles that govern strategic acquisitions, including having regard to prudent commercial practices. Should negotiations proceed to a successful conclusion, full legal due diligence (including title checks, review of leases, searches etc.) and structural and condition surveys are to be carried out prior to completion of the purchase. A RICS red book valuation will also be procured to ensure that any agreed purchase price represents market value.

Financial

The proposed strategic acquisition as set out in this report will be met from the Council's strategic acquisition fund allocation within the approved capital plan. The revenue implications of the proposed strategic purchase are contained within the private report as this is exempt information.

Integrated Impact Assessment

The overall impact of this proposal is positive due to the benefits to the environment of storing and delivering our assets from one site, reducing the number of journeys through smarter journey planning.

4. Consultation

No public consultation has taken place in relation to this item

5. Engagement

The Portfolio Holder has been consulted

6. Next steps and timelines

6.1 Subject to successful completion of negotiations and due diligence it is anticipated that contracts are exchanged by the end of March 2023 with completion taking place simultaneously or shortly thereafter.

7. Officer recommendations and reasons

7.1 Approve the strategic acquisition, as detailed in the red line boundary attached at private Appendix B;

7.2 Approve the required capital funding from the Strategic Acquisitions Fund as identified in the Council's Capital Plan.

7.3 Delegate authority to the Service Director for Legal, Governance and Commissioning to enter and execute any agreements or instruments relating to the acquisition.

8. Cabinet Portfolio Holder's recommendations

8.1 Approve the strategic acquisition, as detailed in the red line boundary attached at private Appendix B;

8.2 Approve the required capital funding from the Strategic Acquisitions Fund as identified in the Council's Capital Plan.

8.3 Delegate authority to the Service Director for Legal, Governance and Commissioning to enter and execute any agreements or instruments relating to the acquisition.

9. Contact officer

David Martin – Head of Service for Corporate Landlord and Capital

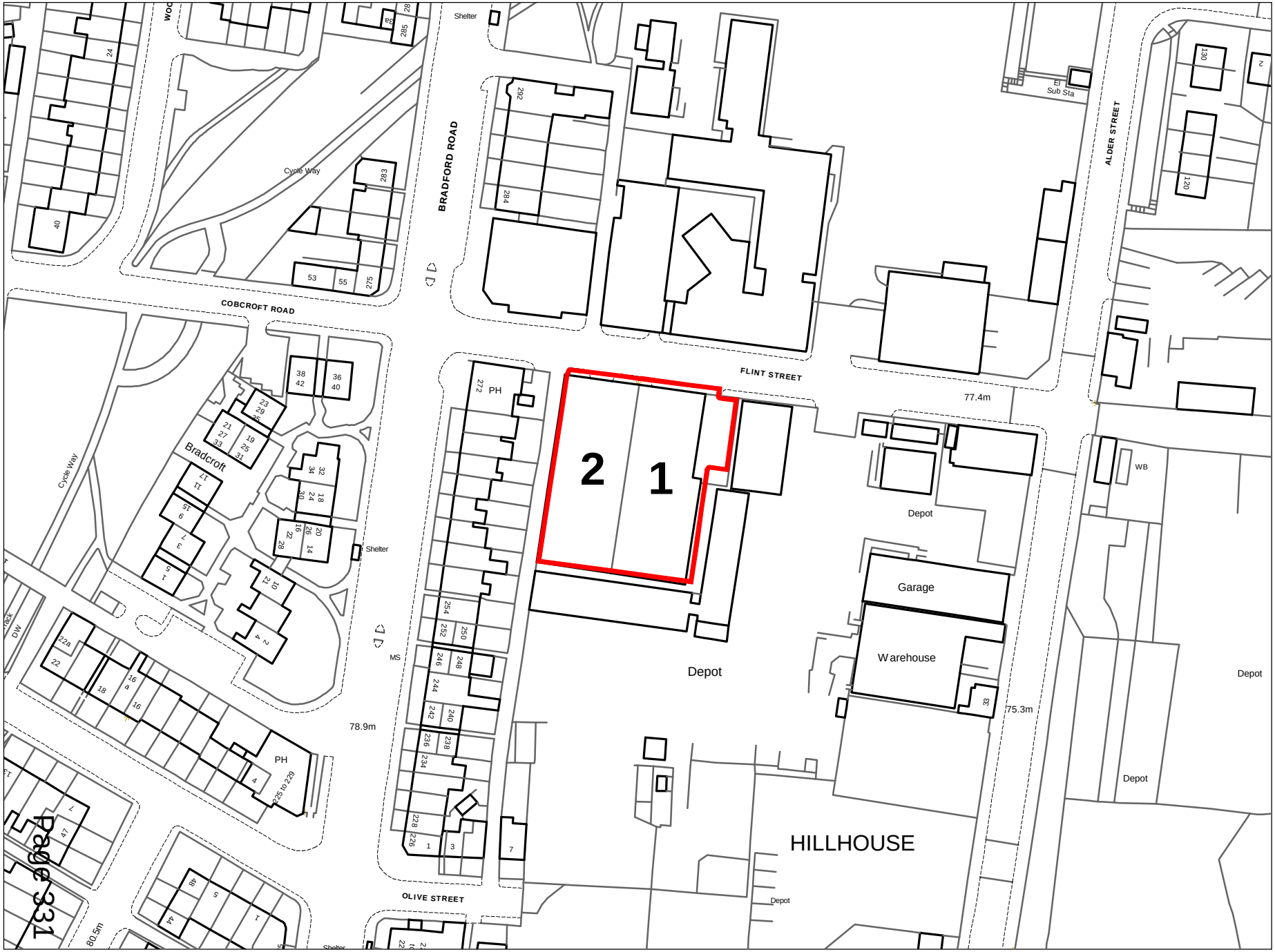
10. Background Papers and History of Decisions

Private Appendix A – Private report on the proposed strategic acquisition
Private Appendix B – Red line boundary plan
Private Appendix C – Council land ownership plan

11. Service Director responsible

David Shepherd - Strategic Director Growth and Regeneration

Appendix B- Plan reference 22-0374



Kirklees COUNCIL

Economy & Infrastructure

Date:
02/12/2022

Scale:
1:1250 @ A4

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Appendix C- Plan reference 22-0375

Date: 02/12/2022 Scale: 1:1250 @ A3

Economy & Infrastructure

Kirklees COUNCIL

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Kirklees COUNCIL

Name of meeting: **Cabinet**

Date: **21 December 2022**

Title of report: **Strategic Acquisition of a property in relation to the Huddersfield Blueprint Cultural Heart.**

Purpose of report:

This report requests that Cabinet considers the opportunity to acquire a Strategic Long Leasehold asset (subject to existing tenancies) in Huddersfield Town Centre in line with the Huddersfield Town Centre Masterplan.

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? Decisions having a particularly significant effect on a single ward may also be treated as if they were key decisions.	Yes - this report is likely to result in expenditure exceeding £250K.
Key Decision - Is it in the Council's Forward Plan (key decisions and private reports?)	Key Decision - Yes Public Report with private appendices
The Decision - Is it eligible for call in by Scrutiny?	Yes
Date signed off by Strategic Director & name **Is it also signed off by the Service Director (Finance)?** **Is it also signed off by the Service Director for Legal Governance and Commissioning?**	David Shepherd - Strategic Director Growth and Regeneration - 08/12/2022 Eamonn Croston - Finance and Accountancy – 07/12/2022 Julie Muscroft – Legal Governance and Commissioning – 12/12/2002
Cabinet member portfolio	Cllr Paul Davies - Corporate Cllr Graham Turner - Regeneration

Electoral wards affected: Newsome

Ward councillors consulted: No

Public or private: Public with Private Appendices

(Exempt information under Part 1 of Schedule 12A of the Local Government Act 1972, as amended by the Local Government (Access to Information) (Variation) Order 2006 as the report contains information relating to the financial or business affairs of any particular person (including the authority holding that information). It was considered that the disclosure of the information would be contrary to confidential terms and that the public

interest in maintaining the exemption outweighed the public interest in disclosing the information and providing greater openness and transparency in relation to public expenditure in the Council's decision making.)

Has GDPR been considered? Yes

No personal or sensitive data; or other information covered by GDPR is included in this report

1 Summary

Town centres and the high street are experiencing long term structural changes and therefore a new forward-thinking approach is required to support vibrancy and the Council's strategic objectives.

This report is to seek Cabinet approval to purchase a property that will support the delivery of the Cultural Heart regeneration scheme in Huddersfield town centre.

The acquisition of this strategic asset will provide an opportunity for the Council to further control the ownership in the proposed Cultural Heart and support the implementation of the Masterplan, building on other previous acquisitions such as the Piazza and 18 to 28 Victoria Lane.

2 Information required to take a decision

2.1 Huddersfield Blueprint

Kirklees Council launched its ambitious Huddersfield Blueprint ("Blueprint") regeneration vision in June 2019. The Blueprint is a ten-year vision to create a thriving, modern-day town centre that will be accessible, busy, inclusive, family-friendly, sustainable and a safe environment that will stay open longer. The significant regeneration and investment planned for the town will transform Huddersfield, helping to stimulate and induce demand for domestic and international tourism.

The Blueprint focuses on regenerating six key areas of Huddersfield Town Centre: Station Gateway, St Peter's, Kingsgate and King Street/New Street, the Civic Quarter and a new Cultural Heart in the Queensgate and Piazza area.

The strategic aim of the Blueprint is to

- Create a busy town centre with a thriving economy and a balanced offer
- Increase residential living in the town centre.
- Have family and student friendly spaces, attractions, and activities.
- Have an economically vibrant town with improved employment opportunities.
- Refocus the retail core.
- Position Kirklees as a destination for tourism.
- Join up disparate areas in the town centre.
- Regenerate iconic architecture, complemented by new, modern buildings.
- Bring back 'civic pride'.
- Encourage third party private investment.

2.2 Cultural Heart

The aim to create a cultural hub (the Cultural Heart) in the town is a key component of the plan. Its location around the Queensgate market and library area is significant as it will anchor footfall in this area and create a cluster of cultural activities that link back to the Town Hall and also the Lawrence Batley Theatre.

The Council's vision for a new Cultural Heart is to cluster the art gallery, museum, library, archive service and music venue in this area and use the opportunity to

create very high-quality public realm and address the connectivity issues with the university in that area. This is set out further in the Kirklees Cultural Heart – Gateway 2 Cabinet Report (September 2022).

It is proposed that the Council acquires a strategic long leasehold asset (subject to existing tenancies) in Huddersfield Town Centre. A detailed private report with a number of appendices will be considered by Cabinet on 21 December 2022 as the information is exempt in accordance with Part 1 of Schedule 12A of the Local Government Act 1972, as amended by the Local Government (Access to Information) (Variation) Order 2006.

Implications for the Council

3.1 Working with People

This report deals with the delivery aspect of one part of the Blueprint. The Blueprint was subject to a number of engagement exercises commencing in 2018 as part of the Blueprint development and then again late in 2019 after the Blueprint launch the Council undertook a Place Standard exercise to benchmark public reaction to the approach and projects. The key report for this can be found by accessing the following link:

https://howgoodisourplace.org.uk/huddersfield-town-centre/

As part of initial development work into options around the core projects a number of external stakeholders have been consulted as a way of testing out and developing options. A programme of this scale will continue to require engagement and consultation at various stages of programme development.

Another two phases of public and stakeholder consultation were carried out in Sept/Oct 2022. This consultation builds on the consultation feedback received so far and was another opportunity for the community to consider and help shape the development of these important plans prior to the planning application being submitted.

3.2 Working with Partners

Stakeholders with an interest in the town were involved in the initial development of the Blueprint. The Council will work with potential partners to develop the most appropriate and deliverable plans to bring forward the development of the Cultural Heart.

3.3 Place Based Working

The development of the Blueprint and the associated Place Standard exercise has engaged town centre stakeholders, businesses, and users to help shape the overall approach to redeveloping Huddersfield Town Centre, including the plans for the Cultural Heart.

The Cultural Heart programme is made up of a number of different projects, some of which will be operated by Council service teams and others by third party

operators. Since their appointment, the design team have applied their resources and experience in working with each of the service teams and involved them in the design to promote positive outcomes. Fact finding visits to similar assets have also taken place to inform the design of the projects within the Cultural Heart.

3.4 **Climate Change and Air Quality**

The reduction of carbon emissions and the minimization of air quality problems is a key objective for the Blueprint.

In addition, climate change initiatives are associated with the delivery and promotion of other projects and programmes across the town. For example, the promotion of active travel facilities and better connectivity by public transport. Both help to reduce adverse transport derived impacts on communities and public health.

3.5 **Improving outcomes for children**

The Blueprint includes within it a key objective of providing a family friendly town centre. This means that uses, streets and places will favour all age groups, including children. Part of the strategy to renew the town is to bring in new uses that attract families and young people in a way the town doesn't at present. This means that the introduction of cultural activities and associated food and beverage offers need to be managed in a way that appeals to all age groups.

Additionally, streets and spaces such as the Town Park will be designed with all generations in mind making them both safe and inclusive at the same time.

The range of venues that will be clustered in the Cultural Heart including the park, museum, art gallery, library, food hall and not least the venue will provide opportunities for children to explore, learn and have fun.

3.6 **Cost of Living Crisis**

Increased activity in the town centre as a result of Blueprint development will increase footfall which in turn helps support the services and businesses that already exist.

3.7 **Other (e.g Integrated Impact Assessment/Legal/Financial or Human Resources)**

3.7.1 **Legal**

Section 120 of the Local Government Act 1972 provides the legal framework for Councils to acquire land for the purposes of any of their functions or the benefit, improvement or development of their area. The proposed acquisition will provide an opportunity for the Council to deliver on the early phases of the Masterplan to implement targeted investment and improve the offer of the town centre.

The Council's Disposals and Acquisitions Policy sets out the general principles that govern strategic acquisitions, including having regard to prudent commercial practises. External consultants have been appointed to provide a Red Book Valuation

for the proposed purchase. The Valuation Report is contained within Appendix E to the private report as it is exempt information.

3.7.2 **Financial**

The proposed strategic acquisition as set out in this report will be met from the Council's strategic acquisition fund allocation within the approved capital plan. The revenue implications of the proposed strategic purchase are contained within the private report as this is exempt information.

4 Consultees and their opinions

No consultation has been undertaken specifically with regard to this item. However there has been extensive consultation on the Huddersfield Blueprint as outlined in section 3.1 of this report.

5 Engagement

No engagement has been undertaken specifically with regard to this item. However there has been extensive engagement on Huddersfield Blueprint as outlined in sections 3.1 and 3.2 of this report.

6 Next steps and timelines

The purchase of this property will support the delivery of the Cultural Heart regeneration scheme in Huddersfield town centre. An acquisition of this strategic asset will provide an opportunity for the Council to control the ownership in the proposed Cultural Heart and support the implementation of the Masterplan, building on other acquisitions such as the Piazza and 18-28 Victoria Lane.

If the Officer recommendations are approved, Officers will seek to exchange contracts by the end of January 2023 and complete the transfer either simultaneously or shortly thereafter.

7 Officer recommendations

The Officers recommendation, having regard to the detail in the private appendices, is to complete the purchase of this strategic asset.

Cabinet is requested to:

(a) Consider the content of the public and private reports and private appendices;

(b) Approve the strategic acquisition, as detailed in the red line boundary attached at private Appendix B, and in line with the Agreed Heads of Terms in private Appendix C for the purchase price outlined in the Valuation Report in Appendix E;

(c) Approve the required capital funding from the Strategic Acquisitions Fund for Huddersfield Town Centre as identified in the Council's Capital Plan;

(d) Delegate authority to the Service Director for Legal, Governance and Commissioning to enter into and execute any agreements or instruments relating to the acquisition;

(e) Delegate authority to the Service Director for Development to undertake the strategic and operational management, working with the Service Director for Legal, Governance and Commissioning, to agree relevant leases and management agreements as required.

8 Cabinet Portfolio Holder's recommendations

The Portfolio Holders for Regeneration and Corporate endorse the officer recommendation.

9 Contact officers

Joanne Bartholomew – Service Director for Development –
joanne.bartholomew@kirklees.gov.uk – 01484 221000

Matthew Garbutt – Disposal and Acquisition Surveyor –
matthew.garbutt@kirklees.gov.uk – 01484 221000

10 Background Papers and History of Decisions

Private Appendix A – Private report on the proposed strategic acquisition
Private Appendix B – Red line boundary plan
Private Appendix C – Agreed Heads of Terms
Private Appendix D – Tenancy Schedule
Private Appendix E - Valuation Report

11 Strategic Director responsible

David Shepherd – Strategic Director for Growth & Regeneration

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