

Public Document Pack

Kirklees Council



Council Chamber - Town Hall, Huddersfield

Tuesday 9 January 2024

Dear Member

The Council will meet on Wednesday 17 January 2024 at 5.30 pm at Council Chamber - Town Hall, Huddersfield.

This meeting will be webcast live and will be available to view via the Council's website.

The following matters will be debated:

Pages

1: Announcements by the Mayor and Chief Executive

To receive any announcements from the Mayor and Chief Executive.

2: Apologies for absence

Group Business Managers to submit any apologies for absence.

3: Minutes of Previous Meeting

1 - 6

To approve the Minutes of the Meeting of Council held on 13 December 2023.

4: Declaration of Interests

Councillors will be asked to advise if there are any items on the Agenda in which they have a disclosable pecuniary interest, or any other interests, which may prevent them from participating in the discussion or vote on any of the items.

5: Petitions (From Members of the Council)

To receive any Petitions from Members of the Council in accordance with Council Procedure Rule 9.

6: Deputations & Petitions (From Members of the Public)

Council will receive any petitions and/or 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 submit a petition at the meeting relating to a matter on which the body has powers and responsibilities.

In accordance with Council Procedure Rule 10, Members of the Public must submit a deputation in writing, at least three clear working days in advance of the meeting and shall subsequently be notified if the deputation shall be heard. A maximum of four deputations shall be heard at any one meeting.

7: Public Question Time

To receive any public questions.

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

Any questions must be submitted in writing at least three clear working days in advance of the meeting.

- 8: West Yorkshire Combined Authority - Minutes** 9 - 22
- To receive the Minutes of the Meetings of West Yorkshire Combined Authority held on 7 September and 28 September 2023.
-
- 9: Half yearly monitoring Report on Treasury Management Activities 2022-2023 (Reference from Cabinet)** 23 - 50
- To receive the report.
- Contact: James Anderson, Head of Accountancy
-
- 10: Appointment of Chair - District Wide Planning Sub Committee** 51 - 54
- To consider the report.
- Contact: Leigh Webb, Acting Governance Manager
-
- 11: Written Questions to the Leader, Cabinet Members, Chairs of Committees and Nominated Spokespersons**
- To receive written questions to the Leader, Cabinet Members, Chairs of Committees and Nominated Spokespersons in accordance with Council Procedure Rule 12.
- A scheduled of written questions will be tabled at the meeting.
-
- 12: Minutes of Cabinet** 55 - 68
- To receive the Minutes of Cabinet held on 14 November 2023 and 12 December 2023.
-
- 13: Holding the Executive to Account**
- (a) To receive a portfolio update from the Cabinet Member for Children's Services (Councillor Kendrick)
 - (b) To receive oral questions/comments to Cabinet Members on their portfolios and relevant Cabinet Minutes;

- The Leader of the Council (Councillor Scott)
 - The Deputy Leader of the Council/Corporate Portfolio (Councillor P Davies)
 - Children's Services Portfolio (Councillor Kendrick)
 - Communities Portfolio (Councillor Pervaiz)
 - Culture and Greener Kirklees Portfolio (Councillor Butt)
 - Finance and Regeneration Portfolio (Councillor Turner)
 - Health and Social Care Portfolio (Councillor Ramsay)
 - Housing and Highways Portfolio (Councillor Crook)
 - Learning and Aspiration and Portfolio (Councillor Reynolds)
-

14: Oral Questions to Committees/Sub Committees/Panel Chairs and Nominated Spokespersons of Joint Committees/External Bodies

To receive oral questions in accordance with Council Procedure Rule 13(4):

- Appeals Panel (Councillor H Zaman)
- Corporate Governance and Audit Committee (Councillor Homewood)
- Corporate Parenting Board (Councillor Kendrick)
- Health and Wellbeing Board (Councillor Ramsay)
- Licensing and Safety Committee - including Licensing and Regulatory Panel (Councillor A U Pinnock)
- Overview and Scrutiny Management Committee (Councillor Smaje)
- Personnel Committee (Councillor Scott)
- Planning Sub Committee - Heavy Woollen Area (Councillor E Firth)
- Planning Sub Committee - Huddersfield Area (Councillor Ullah)
- Scrutiny Panel – Childrens (Councillor Cooper)
- Scrutiny Panel – Environment and Climate Change (Councillor J D Lawson)
- Scrutiny Panel – Growth and Regeneration (Councillor Pandor)
- Scrutiny Panel – Health and Adult Social Care (Councillor Armer)
- Standards Committee (Councillor McCarthy)
- Strategic Planning Committee (Councillor S Hall)
- Kirklees Active Leisure (Councillor Sokhal)
- West Yorkshire Combined Authority (Councillor Scott)
- West Yorkshire Combined Authority Transport Committee (Councillor Anwar)
- West Yorkshire Fire and Rescue Authority (Councillor O'Donovan)
- West Yorkshire Joint Services Committee (Councillor H Zaman)

15: Motion submitted in accordance with Council Procedure Rule 14 as to the Ending of the Practice of using Council Street Furniture for the Displaying of Election Posters

To consider the following Motion in the names of Councillors Taylor and D Hall;

“This Council notes that:

The ‘Election Campaign Material Policy’ (last updated 24 January 2023) currently allows for small posters to be placed on the authority’s lamp posts.

The use of election posters on street furniture is mixed across Kirklees and political parties and there is no discernible correlation between those areas where posters are used and increased engagement or turnout. The policy distracts both Police and Council resources in needing to police it and where posters are used it can leave a place looking very untidy, especially when posters become defaced, damaged or start to peel. There are also issues about fairness in that posters cannot be installed in areas where streetlights are hosted in other ways, such as on telegraph poles, which means some more rural parts of the borough do not have the same level of Council support.

Their use is often hotly objected to by residents, especially where the poster is from a candidate the resident does not support, generating further work for Council Officers. Whilst there was a place for this type of advertising in the past, the current proliferation of media which are open to candidates to communicate their message to the electorate means that this is no longer the effective medium it may have been.

Furthermore, the Council does an excellent job in letting the public know when there is an election, and does so through a wide variety of media, as does the press, social media and political parties.

Removing the ability to erect posters on Council owned assets allows the following benefits:

- Reduces workload for Council staff and Police.
- Reduces the use of single use plastic (cable ties), which are often left to pollute the environment or remain around the lamppost.
- Frees up time for candidates and activists to engage with the public directly.
- Removes the health & safety issues and road safety issues associated with the erection and removal of posters.

- Frees up election expenses to be used to communicate directly with the electorate.

This Council therefore resolves to update the 'Election Campaign Material Policy' to remove the ability for parties to use Council street furniture for the displaying of election posters."

16: Motion submitted in accordance with Council Procedure Rule 14 as to a Permanent Ceasefire in Gaza

To consider the following Motion in the names of Councillors Cooper, Allison and Lee-Richards;

"This Council notes that;

1. East Jerusalem, the West Bank, the Golan Heights and Gaza are illegally occupied by Israel; and that Gaza has been subject to 16 years of blockade.
2. The Israeli government has been withholding essential resources from Gaza and bombing civilian targets, such as schools, hospitals, and media organisations all of which constitute war crimes.
3. Under Article II of the Convention on the Prevention and Punishment of the Crime of Genocide, genocide is defined as certain acts "committed with intent to destroy, in whole or in part, a national, ethnical, racial or religious group" and that, under Article I, the UK has confirmed that genocide is a crime under international law which it undertakes to prevent and to punish.
4. The UK, at the UN Security Council on 18 October 2023, refused to vote for "humanitarian pauses" to deliver lifesaving aid to millions in Gaza.
5. Deep concern is expressed about the conflict in Gaza by thousands of people in Kirklees.
6. The impact of conflict on displacing people from their homes makes them asylum seekers and refugees who then understandably flee to safer countries like the UK.
7. Hamas attacks took place on October 7th, when hundreds of innocent Israeli civilians and soldiers were killed and taken hostage.

This Council believes that;

1. All atrocities committed against civilians by Hamas or the Israeli Defence Force must be condemned and investigated.
2. All forms of racism, including anti-Palestinian racism, antisemitism and Islamophobia have no place in Kirklees and condemns any attacks on Palestinian, Jewish or Muslim people.
3. All political leaders have a responsibility to try to prevent

genocide, such as the annihilation of the civilian population of Gaza

4. That Hamas should release all hostages.
5. The state of Israel is enacting a system recognised as apartheid by Human Rights Watch, Amnesty International, B'tselem and the South African Government.
6. The only way to secure peace between Israelis and Palestinians is for a just political settlement based on the end of the occupation of Palestinian territories and an end to discriminatory apartheid policies, settler colonialism and ethnic cleansing.

This Council therefore resolves to ask the Chief Executive to write to the UK Government requesting it to;

- (i) call for an immediate permanent ceasefire and to vote for this at the UN.
- (ii) cease all arms sales to Israel and end military aid for Israel.
- (iii) call on Israel to resume negotiations with the Palestinians.
- (iv) ask to push for an end to the occupation and all parties to adhere to United Nations Resolution 242
- (v) ask all parties to release hostages and prisoners held in "administrative detention."

17: Motion submitted in accordance with Council Procedure Rule 14 as to School Uniform Costs

To consider the following Motion in the names of Councillors Reynolds, Scott, Marchington and Munro;

"This Council notes that:

- 1) School uniform can be a significant expense for many families and the cost-of-living crisis means that buying school uniforms is an even bigger concern than usual for many parents;
- 2) Recent research by the Children's Society found that parents spent on average £287 a year on primary school uniforms and £422 a year on secondary uniforms, with branded items costing more. The Children's Society also found that pupils are expected to have an average of 3 branded items of uniform, while almost a third of secondary school pupils are required to own up to branded items;
- 3) The cost of uniforms can be unnecessarily pushed up by practices such as sourcing a uniform from a single specialist provider;
- 4) The Government has published new statutory guidance aimed at making school uniforms more affordable after a legal requirement to do so passed into law in 2021. In contrast to the previous school

uniform guidance, which was non statutory, the Education (Guidance about Costs of School Uniforms) Act, which was introduced in the House of Commons in February 2020, and completed its stages in 2021, became law with cross-party support and requires the Government to publish legally binding guidance requiring school authorities to consider costs when setting school uniform policies. Schools and their governing boards must have regard to the statutory guidance when developing and implementing their school and trust uniform policies. The main points of the statutory guidance are:

- Parents should not have to think about the cost of a school uniform when choosing which school(s) to apply for. Therefore, schools need to ensure that their uniform is affordable.
- In considering cost, schools will need to think about the total cost of school uniforms, taking into account all items of uniform or clothing parents will need to provide while their child is at the school.
- Schools should keep the use of branded items to a minimum.
- A school's uniform policy should be published on the school's website, be available for all parents, including parents of prospective pupils, and be easily understood.
- Schools should ensure that their uniform supplier arrangements give the highest priority to cost and value for money (including the quality and durability of the garment).
- Single supplier contracts should be avoided unless regular tendering competitions are run where more than one supplier can compete for the contract and where the best value for money is secured. This contract should be retendered at least every 5 years.
- Schools should ensure that second-hand uniforms are available for parents to acquire. Information on second-hand uniforms should be clear for parents of current and prospective pupils and published on the school's website.
- Schools should engage with parents and pupils when they are developing their school uniform policy.

This Council believes that:

1. The statutory guidance set out by the Government is having a limited impact as some schools are still failing to adhere to the recommendations. This is compounded by the rising costs for standard uniform items and branded items in particular during the current unprecedented cost of living crisis.
2. Schools have a duty to consult parents when developing their uniform policy and to publish the details on their website for prospective and exiting parents.
3. The cost of highly branded or bespoke uniform policies is unacceptable unless schools are able to effectively subsidise the purchase throughout the child's tenure at their school.
4. Schools are under a huge range of pressures and are finding it increasingly difficult to support parents, although most of our local schools have reuse and recycle arrangements to assist especially since the Government removed the uniform grant provision in England in 2010. Although this has been continued in Scotland, Wales and Northern Ireland, English local authorities are no longer supported to do this.
5. The Children's Society should be supported in its recommendations to make school uniforms more affordable. This includes:
 - The Government reissuing school uniform guidance to all schools to remind them of their responsibilities in relation to the affordability and availability of school uniforms.
 - The Government to make the school uniform guidance a statutory requirement, so that schools have a legally binding commitment to comply with it.
 - The government should also explore capping the cost of school uniforms, which would help to ensure that parents are not paying unreasonable costs.

This Council therefore resolves to:

- 1) Write to the Secretary of State for Education to call on the Government to review and update its statutory guidance, remind all schools of their responsibilities on relation to the affordability and availability of school uniform and ensure schools have fair and effective uniform policies. To include:
 - a limit on the number of branded items in any school uniform, with an appropriate number of items specified for secondary, primary and specialist schools. Taking into account the frequency of use and lifespan requirement of all items.
 - to prevent schools from making frequent changes to their

uniform policy which may necessitate the purchase of new items, including during academisation.

- to provide further guidance on the requirement for multiple items of similar types of footwear e.g. indoor and outdoor shoes.

If a school does not comply with the updated statutory guidance, parents should be able to complain directly to the Department for Education who should be able to enforce compliance, rather than just to the governing body of a school.

In addition, it should be explored to see if Ofsted could be tasked with policing school's compliance with the statutory guidance.

2) Continue to work collaboratively with all our schools in Kirklees to:

- Ensure schools understand the importance of cost-effective uniform policies.
- Ensure that schools are aware that they should not sanction their students for uniform breaches outside parental or student control.
- Ensure that schools are able to provide appropriate guidance or support for families struggling with the cost of school uniform.
- Signpost schools and parents to the excellent provision within Kirklees for recycling and reuse of branded and unbranded uniform through organisations like Uniform Exchange.

18: Motion submitted in accordance with Council Procedure Rule 14 as to Water Quality and Sewage Discharge

To consider the following Motion in the names of Councillors Butt, Scott, Marchington and P A Davies;

“This Council notes that:

1) Most of the UK has a combined sewerage system, meaning that both rainwater and waste water (from toilets, bathrooms and kitchens) are carried in the same pipes to a sewage treatment works. However, during heavy rainfall, the capacity of these pipes can be exceeded, which has the potential to back up and flood people's homes, roads and open spaces, unless it is allowed to spill elsewhere. As a result, the system is designed to overflow occasionally and discharge excess wastewater into our rivers and seas. However, data shows that the use of overflows is not occasional, as it should be;

2) Sewage and wastewater discharge is a significant factor in water quality and has an adverse impact on the health of river ecosystems;

3) According to the Wildlife Trusts, only 16% of waters in England are currently in good ecological health and none meet chemical standards. This means that, overall, there are no rivers, lakes, estuaries or seas in England that are currently in a healthy condition;

4) This is a local issue as well. Last year, the amount of time sewage was allowed to spill into Yorkshire's waterways was 232,054 hours, with 54,273 monitored spill events. According to the Environment Agency, parts of Yorkshire have some of the highest number of serious water pollution incidents in England and Kirklees has ranked amongst the highest in recent years.

Data from 2021 has revealed that 5 of the top 20 most polluted rivers are in Yorkshire, with the River Calder the second most sewage-polluted waterway in the country, with sewage flowing into the river and tributaries for 27,901 hours;

5) The Labour Party has published a plan to end the Conservative Sewage Dumping Scandal, with action to:

- Deliver mandatory monitoring of all sewage outlets
- Give the Environment Agency the power to properly enforce the rules
- Introduce a legally binding target to end 90% of sewage discharges by 2030
- Introduce automatic fines for discharges, and a standing charge penalty for discharge points without monitoring in place
- Ensure any failure to improve is paid for by eroding dividends, not added to customer bills, or hitting vital investment in the system
- Make sure that water bosses that routinely and systematically break the rules will be held professionally and personally accountable, by striking off company directors and ensuring illegal activity is punished.

The national Liberal Democrat party has published a plan to help tackle the sewage scandal. This includes:

- A 'Sewage Tax' of 16% on water companies to create an emergency fund for cleaning up rivers. The party believe that a significant proportion of the profits that water companies make should be reinvested to protect Britain's streams and rivers, as it should be the water companies and not consumers who should pay to clean up the mess.
- Local environmental groups to be added onto water company boards to help support the water companies in their duties to protect and enhance the environment.
- Water companies should adopt a 'public benefit company' model, so that economic and environmental policy objectives are also considered when running the company, rather than just a return for shareholders.
- Ofwat, the water regulator, should be abolished and replaced with

a tough new independent regulator with real powers, to protect our rivers and beaches from sewage dumps. The new regulator would have the power to hand out unlimited fines and, if necessary, to prosecute companies who fail to meet their legal duties.

- Rivers in Britain should be given a new 'blue flag status' to protect waterways from sewage dumping. The designations would work in a similar way to the international scheme that exists for beaches and marinas and requires a series of environmental standards to be met.

This Council believes that:

1) Healthy waterways are the foundation for all life, but our rivers and lakes have become poisoned, which has had a hugely negative impact on aquatic wildlife and habitats;

2) The Government needs to set out more ambitious targets to repair the damage inflicted on our rivers and watercourses;

3) The council has a number of legal responsibilities in relation to protecting its rivers and watercourses as well as in relation to public health;

4) Local authorities, including Kirklees Council, should also have powers to fine water utility companies for preventable sewage dumping. The Council should use its voice to put pressure on water companies and the Government to make improvements and fulfil their obligations to Kirklees residents and resident elsewhere across the country;

5) Many Kirklees residents are concerned about water quality and the impact of regular wastewater discharge and untreated sewage into our rivers, and the impact that this has on human health and wildlife. Now, more than ever, water quality is at the forefront of public consciousness, as releasing sewage into rivers is no longer an emergency-only situation occurring as a result of severe rainfall, but a regular occurrence. This is at a time when water companies are reportedly pushing to be allowed to increase water bills in England by up to 40% by 2030 to pay for the sewage crisis, essentially offloading the cost of cleaning up sewage spills on to British households.

This Council, therefore, resolves to:

1. Work collaboratively with the Canal & River Trust, Yorkshire Water and the Government, to improve water quality and adopt measures to end sewage dumping, including legally binding targets; mandatory monitoring; automatic fines; and using Ofwat's existing powers to make sure that it is company dividends, not customers who pay the price.

2. Write to the Secretary of State for Environment, Food and Rural Affairs calling for an urgent ban on sewage discharge in our rivers,

lakes and watercourses.

Furthermore, to request that the Government is more ambitious in its overall target to improve water quality. It should be in line with the Wildlife Trusts' target for at least 75% of rivers, streams and other freshwater bodies to reach an overall 'clean waters' status by 2042;

3. Write to Yorkshire Water to request that:

(1) They stop the routine discharge of sewage in our district's rivers, lakes and watercourses and invest in appropriate infrastructure to reduce the frequency of the discharges;

(2) They provide the Council with an action plan outlining the steps they are taking to mitigate such instances of sewage discharge; and

(3) They review the plan on a 6 monthly basis to consider how they are complying with their legal obligations on this issue.

19: Motion submitted in accordance with Council Procedure Rule 14 as to NHS Dental Contract Reform

To consider the following Motion in the names of Councillors Ramsay, Kendrick, Marchington and P A Davies;

"This Council notes that:

1) NHS dentistry operates similarly to GP practices in that most dentists are not employed directly by the NHS but operate as independent contractors. In practice, this means that dentists purchase and equip the surgery, hire staff and pay all the running costs (such as wages, materials and insurance) in order to provide an NHS dental service;

2) Dentists enter into agreements with NHS England which commits them to perform a set number of 'units' of treatment every year. The contract gives NHS dental practices targets to hit, and this is known as units of dental activity (UDA). If dental practices do not hit their targets, they risk losing a significant part of their NHS funding;

3) Dentists are paid by the NHS according to the number of UDAs they provide. UDAs are a measure of the amount of work done during dental treatment. More complex dental treatments count for more UDAs than simpler ones. For example, an examination is 1 UDA, fillings are 3 UDAs and dentures are 12 UDAs, but the UDA bears no relation to the amount of work or true cost of the treatment. This means that NHS dentists have to subsidise more complex work. In addition, dentists have inherited different UDA tariffs, so different dentists get paid different rates for the same treatment.

4) There is a shortage of dentists in England. According to NHS figures, the number of dentists providing NHS care in England fell from 23,733 at the end of 2020 to 21,544 at the end of January this year.

This means that the NHS now has the smallest number of dentists it has had for over a decade. It is also a local problem, with Kirklees losing 11% of its dentists, meaning that it is among the 25 most affected areas nationally.

This Council believes that:

1) Access to NHS dental care and treatment has become enormously limited and this is a huge issue. Many people across Kirklees and England have been forced to go private and are battling to get treatment as practices stop seeing NHS patients. Many people travel miles outside their areas to access NHS treatment and some have even travelled overseas for treatment. Sadly, there has been a rise in do-it-yourself dentistry, which is enormously risky and can be harmful to dental health;

2) Dental care is an essential part of health care and should be available to all, yet oral health inequality is widening across Kirklees and across the country. A shortage of NHS appointments and treatment is particularly affecting those on low incomes the hardest, as well as patients with high levels of need, including those who are vulnerable. A lack of access to NHS dental care has real implications; it is deepening health inequalities and resulting in a rise of health issues, such as tooth decay, gum disease and oral cancer;

3) Dental surgeries have been forced to scale back their services. In part this is due to recruitment and retention issues, as well as NHS dental care services being underfunded and overstretched. There are staffing shortages which has been exacerbated by Brexit and Covid-19. Many dentists are unhappy with the NHS dental contract, according to the British Dental Association, and this may also be a significant factor;

4) The current NHS dental contract is unworkable and is not fit for purpose. The dental contract, introduced in 2006, has attracted criticism from a range of bodies, including the British Dental Association and patient groups. It effectively remunerates dentists solely on their activity, meaning that dental surgeries are incentivised not to deal with the most serious cases. It wrongly puts the focus on meeting targets rather than delivering good patient care. Over the last year, there have been some changes made to the NHS dental contract, but as the British Dental Association note, these changes do not go far enough in helping to tackle the current crisis;

5) In some cases, dentists are losing money to see patients, particularly those with high needs. Many newly qualified dentists are simply unable to cover the costs of providing NHS treatment. Many

dentists are feeling pressure to go private in order to cover wages and equipment costs and to survive as a business; many are leaving the profession entirely. Under the current model, it is difficult for dentists to provide a standard level of care to all patients, given the time constraints and need to meet UDA targets;

6) There has been a worrying shift towards the privatisation of NHS dentistry. The current system is failing patients and dental teams and contributing significantly to access problems in Kirklees and across the country. The dental contract needs to be replaced with a more modern system which puts prevention at its heart and better reflects dentistry in the 21st century;

7) While a commitment to reform the current NHS dental contract has been an established goal of successive governments, progress has been slow and has not been substantive. The current Government and NHS England must intervene and speed up dental contract reform. Urgent and fundamental reform is required to ensure that people can access the dental care they are entitled to. In addition, the Government needs to provide sustained funding to tackle the underlying problems

This Council notes that:

1) NHS dentistry operates similarly to GP practices in that most dentists are not employed directly by the NHS but operate as independent contractors. In practice, this means that dentists purchase and equip the surgery, hire staff and pay all the running costs (such as wages, materials and insurance) in order to provide an NHS dental service;

2) Dentists enter into agreements with NHS England which commits them to perform a set number of 'units' of treatment every year. The contract gives NHS dental practices targets to hit, and this is known as units of dental activity (UDA). If dental practices do not hit their targets, they risk losing a significant part of their NHS funding;

3) Dentists are paid by the NHS according to the number of UDAs they provide. UDAs are a measure of the amount of work done during dental treatment. More complex dental treatments count for more UDAs than simpler ones. For example, an examination is 1 UDA, fillings are 3 UDAs and dentures are 12 UDAs, but the UDA bears no relation to the amount of work or true cost of the treatment. This means that NHS dentists have to subsidise more complex work. In addition, dentists have inherited different UDA tariffs, so different dentists get paid different rates for the same treatment.

4) There is a shortage of dentists in England. According to NHS figures, the number of dentists providing NHS care in England fell from 23,733 at the end of 2020 to 21,544 at the end of January this year.

This means that the NHS now has the smallest number of dentists it has had for over a decade. It is also a local problem, with Kirklees losing 11% of its dentists, meaning that it is among the 25 most affected areas nationally.

This Council believes that:

1) Access to NHS dental care and treatment has become enormously limited and this is a huge issue. Many people across Kirklees and England have been forced to go private and are battling to get treatment as practices stop seeing NHS patients. Many people travel miles outside their areas to access NHS treatment and some have even travelled overseas for treatment. Sadly, there has been a rise in do-it-yourself dentistry, which is enormously risky and can be harmful to dental health;

2) Dental care is an essential part of health care and should be available to all, yet oral health inequality is widening across Kirklees and across the country. A shortage of NHS appointments and treatment is particularly affecting those on low incomes the hardest, as well as patients with high levels of need, including those who are vulnerable. A lack of access to NHS dental care has real implications; it is deepening health inequalities and resulting in a rise of health issues, such as tooth decay, gum disease and oral cancer;

3) Dental surgeries have been forced to scale back their services. In part this is due to recruitment and retention issues, as well as NHS dental care services being underfunded and overstretched. There are staffing shortages which has been exacerbated by Brexit and Covid-19. Many dentists are unhappy with the NHS dental contract, according to the British Dental Association, and this may also be a significant factor;

4) The current NHS dental contract is unworkable and is not fit for purpose. The dental contract, introduced in 2006, has attracted criticism from a range of bodies, including the British Dental Association and patient groups. It effectively remunerates dentists solely on their activity, meaning that dental surgeries are incentivised not to deal with the most serious cases. It wrongly puts the focus on meeting targets rather than delivering good patient care. Over the last year, there have been some changes made to the NHS dental contract, but as the British Dental Association note, these changes do not go far enough in helping to tackle the current crisis;

5) In some cases, dentists are losing money to see patients, particularly those with high needs. Many newly qualified dentists are simply unable to cover the costs of providing NHS treatment. Many dentists are feeling pressure to go private in order to cover wages and equipment costs and to survive as a business; many are leaving the profession entirely. Under the current model, it is difficult for dentists to provide a standard level of care to all patients, given the time constraints and need to meet UDA targets;

6) There has been a worrying shift towards the privatisation of NHS dentistry. The current system is failing patients and dental teams and contributing significantly to access problems in Kirklees and across the country. The dental contract needs to be replaced with a more modern system which puts prevention at its heart and better reflects dentistry in the 21st century;

7) While a commitment to reform the current NHS dental contract has been an established goal of successive governments, progress has been slow and has not been substantive. The current Government and NHS England must intervene and speed up dental contract reform. Urgent and fundamental reform is required to ensure that people can access the dental care they are entitled to. In addition, the Government needs to provide sustained funding to tackle the underlying problems of dental access and affordability. These problems lead to increased risk of diabetes, cardiovascular disease and Alzheimer's disease;

8) It is shocking that there is a massive surge in children and teenagers needing teeth removed at hospital emergency departments due to decay due to a lack of dental healthcare access. Government data shows that 42,180 operations for tooth extraction took place in NHS hospitals in England in 2021/22 for those aged under 20. Tooth decay is the most common reason for children aged 6-10 to be admitted to hospital. We are failing our children. It is essential that we push the prevention of gingivitis before it progresses to periodontitis due to the high cost to the NHS of treating health related conditions, such as those outlined in the previous paragraph.

9) If elected, Labour have pledged to provide an extra 700,000 urgent dentist appointments and reform the NHS dental contract as part of a package of measures to rescue NHS dentistry. They will offer incentives for new dentists to work in areas with the greatest need so that those who need an appointment will be able to get one.

10) Labour would also introduce supervised toothbrushing in schools for 3–5-year-olds targeted at the areas with the highest childhood tooth decay. This shift to prevention will assist in the longer term.

This Council, therefore, resolves that:

The Leader of the Council writes to the Parliamentary Undersecretary of State for Primary Care and Public health to demand an urgent independent review of the NHS dental contract, and consideration of the pledges above.”

20: Response to Motion - Small Business Saturday

69 - 70

To receive, for information, the response to the Motion approved by Council on 15 November 2023.

By Order of the Council



Steve Mawson
Chief Executive

Contact Officer: Andrea Woodside

COUNCIL

KIRKLEES COUNCIL

**At the Meeting of the Council of the Borough of Kirklees held at
Council Chamber - Town Hall, Huddersfield on Wednesday 13 December 2023**

PRESENT

The Mayor (Councillor Cahal Burke) in the Chair

COUNCILLORS

Councillor Beverley Addy	Councillor Masood Ahmed
Councillor Itrat Ali	Councillor Karen Allison
Councillor Ammar Anwar	Councillor Zarina Amin
Councillor Bill Armer	Councillor Timothy Bamford
Councillor Donna Bellamy	Councillor Aafaq Butt
Councillor Martyn Bolt	Councillor Andrew Cooper
Councillor Moses Crook	Councillor Nosheen Dad
Councillor Paola Antonia Davies	Councillor Paul Davies
Councillor Eric Firth	Councillor Charles Greaves
Councillor Adam Gregg	Councillor David Hall
Councillor Steve Hall	Councillor Tyler Hawkins
Councillor James Homewood	Councillor Yusra Hussain
Councillor Manisha Roma Kaushik	Councillor Viv Kendrick
Councillor Musarrat Khan	Councillor Jo Lawson
Councillor John Lawson	Councillor Vivien Lees-Hamilton
Councillor Gwen Lowe	Councillor Andrew Marchington
Councillor Naheed Mather	Councillor Harry McCarthy
Councillor Tony McGrath	Councillor Bernard McGuin
Councillor Hannah McKerchar	Councillor Matthew McLoughlin
Councillor Paul Moore	Councillor Alison Munro
Councillor Darren O'Donovan	Councillor Shabir Pandor
Councillor Carole Pattison	Councillor Mussarat Pervaiz
Councillor Amanda Pinnock	Councillor Jackie Ramsay
Councillor Elizabeth Reynolds	Councillor Imran Safdar
Councillor Cathy Scott	Councillor Joshua Sheard
Councillor Anthony Smith	Councillor Elizabeth Smaje
Councillor Richard Smith	Councillor Melanie Stephen
Councillor Mohan Sokhal	Councillor John Taylor
Councillor Mark Thompson	Councillor Graham Turner
Councillor Adam Zaman	Councillor Habiban Zaman

73

Announcements by the Mayor and Chief Executive

The Mayor presented Omaid Badar with a token of acknowledgement, following his achievement in being awarded Social Worker of the Year.

Council - 13 December 2023

The Mayor advised that the University of Huddersfield had been successful in being awarded Business School of the Year at The Times Higher Education Awards 2023.

The Mayor also advised of the forthcoming retirement of Civic Attendant Steve Booth, and conveyed thanks for his service to the Civic Office over the past twelve years.

74 Apologies for absence

Apologies for absence were received on behalf of Councillor Dockrat, Councillor D Firth, Councillor Holmes, Councillor Lee-Richards, Councillor A Pinnock, Councillor K Pinnock and Councillor Ullah.

75 Minutes of Previous Meeting

RESOLVED – That the Minutes of the Meeting held on 15 November 2023 be approved as a correct record.

76 Declaration of Interests

No interests were declared.

77 Petitions (From Members of the Council)

Council received petitions from Councillor Bolt and Councillor Gregg regarding proposed changes to parking tariffs in Kirklees.

The Mayor advised that, in accordance with Council Procedure Rule 9(3), the subject matter of the petitions be referred to the relevant Service Director.

78 Deputations & Petitions (From Members of the Public)

In accordance with Council Procedure Rule 10, Council received the following deputations;

- (i) John Beaumont, on behalf of Huddersfield Allotments and Gardens federation, in objection to an increase in allotment rents.

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

- (ii) Hanifa Darwan, regarding humanitarian crisis.

(A response was provided by the Leader of the Council – Councillor Scott).

79 Public Question Time

No questions were asked.

80 Council Petition Debate

Council held a Petition Debate in accordance with Council Procedure Rule 9a regarding Claremont House Care Home.

Council - 13 December 2023

Council debated the content of the petition which had been submitted to Council on 15 November 2023 and exceeded 3,000 signatures.

The contents of the debate were received and noted.

81 **Elected Member attendance at Meetings**

It was moved by Councillor R Smith, seconded by Councillor Sokhal and

RESOLVED – That the absence of Councillor Donald Firth from qualifying meetings of the Authority, which would ordinarily lead to his disqualification as a Councillor, shall be authorised until 22 May 2024.

82 **Kirklees Council Tax Reduction Scheme Review 2024/2025 (Reference from Cabinet)**

It was moved by Councillor Turner, seconded by Councillor Scott and

RESOLVED –

- 1) That the existing Council Tax Reduction Scheme be reviewed and that Option 2 to reduce protection for all and implement a 25% scheme be adopted in accordance with the scheme as set out in Appendix 5, and that it take effect from 1 April 2024.
- 2) That the administrative easement, as set out at Option 4, be adopted and developed in order to ensue smooth administration.
- 3) That the findings of the statutory consultation exercise, as set out at Appendix 4, be noted.
- 4) That the results of the Integrated Impact Assessment be noted.

83 **Written Questions to the Leader, Cabinet Members, Chairs of Committees and Nominated Spokespersons**

Council received the following written questions in accordance with Council Procedure Rule 12;

Question from Councillor Greaves to the Cabinet Member for Health and Social Care (Councillor Ramsay)

“Will consideration be given to reconfiguring the services to generate additional income by enabling the dementia care homes to use the skills and resources they have to provide day support and respite provision to people living with dementia in the wider community?”

A response was provided by the Cabinet Member.

Question from Councillor Greaves to the Cabinet Member for Health and Social Care (Councillor Ramsay)

“If the decision is made to close the two dementia care homes, will the Council look to sell, lease or transfer the buildings to a private care operator so that the residents can remain in place, or will the council look to sell the sites for development?”

A response was provided by the Cabinet Member.

Question from Councillor Greaves to the Cabinet Member for Finance and Regeneration (Councillor Turner)

“What steps has the Council taken since the November meeting to collect the £150k in s106 park/play money from developments in Meltham that hasn’t been paid over? Has the Council issued a statutory demand for payment and will it proceed with a bankruptcy petition if the debts are not settled immediately?”

A response was provided by the Cabinet Member.

Question from Councillor McGuin to the Cabinet Member for Culture and Greener Kirklees (Councillor Hussain)

“The Art Gallery closed in the Library Building several years ago. What is the estimated time for its return to the former library building?”

A response was provided by the Cabinet Member.

Question from Councillor McGuin to the Cabinet Member for Corporate Services (Councillor P Davies)

“What has happened to books that were in the former library building?”

A response was provided by the Cabinet Member.

Question from Councillor McGuin to the Cabinet Member for Corporate Services (Councillor P Davies)

“Do you think that the present library, in Civic Centre 3, is adequate for the needs of the population of Huddersfield?”

A response was provided by the Cabinet Member.

Question from Councillor Munro to the Cabinet Member for Housing and Highways (Councillor Crook)

“What is the maximum number of volunteer snow wardens permitted per Ward in Kirklees?”

A response was provided by the Cabinet Member.

84

Minutes of Cabinet and Cabinet Committee - Local Issues

Council received and noted the Minutes of (i) Cabinet held on 26 September and 17 October 2023 and (ii) Cabinet Committee – Local Issues held on 20 October 2023.

85 Holding the Executive to Account

Council received a portfolio update from the Leader, Councillor Scott, prior to oral questions to the Leader and Cabinet Members in accordance with Council Procedure Rule 13.

86 Minutes of Other Committees

Council received and noted the Minutes of (i) Corporate Parenting Board held on 12 September 2023 and 24 October 2023 (ii) Overview and Scrutiny Management Committee held on 5 September 2023 and 24 October 2023 and (iii) Strategic Planning Committee held on 5 October 2023 and 2 November 2023.

87 Oral Questions to Committee/Sub Committee/Panel Chairs and Nominated Spokespersons of Joint Committees/External Bodies

Council received Oral Questions in accordance with Council Procedure Rule 13(4).

88 Motion submitted in accordance with Council Procedure Rule 14 as to School Uniform Costs

Deferred to the following meeting of Council to enable the submission of a revised Motion, incorporating the Labour Group amendment.

89 Motion submitted in accordance with Council Procedure Rule 14 as to Water Quality and Sewage Discharge

Deferred to the following meeting of Council to enable the submission of a revised Motion, incorporating the Labour Group amendment.

90 Motion submitted in accordance with Council Procedure Rule 14 as to NHS Dental Contract Reform

Deferred to the following meeting of Council to enable the submission of a revised Motion, incorporating the Labour Group amendment.

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KIRKLEES COUNCIL			
COUNCIL/CABINET/COMMITTEE MEETINGS ETC			
DECLARATION OF INTERESTS			
Council			
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.



**MINUTES OF THE MEETING OF THE
WEST YORKSHIRE COMBINED AUTHORITY
HELD ON THURSDAY, 7 SEPTEMBER 2023 AT COMMITTEE ROOM 1, WELLINGTON
HOUSE, 40-50 WELLINGTON STREET, LEEDS**

Present:

Mayor Tracy Brabin (Chair)	West Yorkshire Combined Authority
Councillor Susan Hinchcliffe	Bradford Council
Councillor James Lewis	Leeds City Council
Councillor Rebecca Poulsen	Bradford Council
Councillor Alan Lamb	Leeds City Council
Councillor Sue Holdsworth	Calderdale Council
Councillor Claire Douglas	City of York Council
Councillor Cathy Scott	Kirklees Council
Councillor Matthew Morley (Substitute)	Wakefield Council

In attendance:

Councillor Silvia Dacre	Calderdale Council
Nicky Chance-Thompson	LEP
Ben Still	West Yorkshire Combined Authority
Alan Reiss	West Yorkshire Combined Authority
Simon Warburton	West Yorkshire Combined Authority
Luke Albanese	West Yorkshire Combined Authority
Mick Bunting	West Yorkshire Combined Authority
Melanie Corcoran	West Yorkshire Combined Authority
Dave Haskins	West Yorkshire Combined Authority
Liz Hunter	West Yorkshire Combined Authority
Felix Kumi-Ampofo	West Yorkshire Combined Authority
Angela Taylor	West Yorkshire Combined Authority
Heather Waddington	West Yorkshire Combined Authority
Caroline Allen	West Yorkshire Combined Authority
Ian Parr	West Yorkshire Combined Authority

31. Apologies for Absence

Apologies were received from Cllr Jeffery, Cllr Scullion and Cllr Swift.

A round of introductions were made for the benefit of those in attendance.

The Mayor expressed gratitude to the leaders, councillors and officers across West Yorkshire who were dealing with the challenges of addressing the safety of school buildings, alongside the existing financial challenges faced by councils across the country.

32. Declarations of Disclosable Pecuniary Interests

There were no declarations of disclosable pecuniary interests.

33. Exempt Information - Possible Exclusion of the Press and Public

The Mayor noted that appendix 2 to agenda item 9, and agenda item 10, had been identified by officers as exempt from the press and public.

Resolved: That in accordance with paragraph 3 of Part 1 of Schedule 12A to the Local Government Act 1972, the public be excluded from the meeting during consideration of Appendix 2 to Agenda Item 9, and Agenda item 10, on the grounds that it is likely, in view of the nature of the business to be transacted or the nature of the proceedings, that if members of the press and public were present there would be disclosure to them of exempt information and for the reasons set out in the report that in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

34. Minutes of the Meeting of the Combined Authority held on 27 July 2023

Members noted an error within minute 28, which referred to a government ban on the sale of new electric vehicles from 2030. The Mayor clarified the error, and explained the ban was for the sale of new petrol and diesel vehicles after 2030.

Resolved: That subject to amendment, the minutes of the meeting of the West Yorkshire Combined Authority held on 27 July 2023 be approved and signed by the Chair.

35. Project Approvals

(a) Investment Priority 3: Creating Great Places and Accelerated Infrastructure

The Combined Authority considered three schemes recommended for progression through the assurance process. The schemes would contribute to the development of new homes in the region and increase the availability of affordable housing.

The Mayor informed members that she had written to Michael Gove, the Secretary of State for Levelling Up, Housing and Communities, to express the need for more flexibility for the region to determine which sites to develop.

Officers provided details of the three recommended schemes: Points Cross Phase 2, Sky Gardens, and Water Lane, which collectively aimed to deliver a total of 864 homes including a mixture of social rent and affordable shared ownership options.

Members queried the demand for apartments in Leeds. Members clarified that the schemes were designed to develop brownfield sites in Leeds city centre, but many other private housing developments were in progress across Leeds. The Mayor acknowledged the importance of rental properties in providing accessible housing options to enable people to get onto the property ladder.

Members questioned the justification of using public money on schemes

where developers could make substantial profits. The Mayor responded that the funding aimed to develop areas which would benefit from regeneration. Officers added that development appraisals were conducted for each scheme to assess viability and challenge developer profit margins.

Resolved:

Brownfield Housing Fund (BHF) Points Cross Phase 2

The Combined Authority, subject to the conditions set by the Programme Appraisal Team, approved that:

- (i) The Points Cross Phase 2 scheme proceed through decision point 4 (full business case), and work commence on activity 5 (delivery).
- (ii) The Combined Authority's contribution of £3,000,000 be approved. The total scheme value is £63,836,839.
- (iii) The Combined Authority enter into a funding agreement with The Guinness Partnership for expenditure of up to £3,000,000.
- (iv) Future approvals be made in accordance with the assurance pathway and approval route outlined in the submitted report. This would be subject to the scheme remaining within the tolerances outlined in the report.

Brownfield Housing Fund (BHF) - Sky Gardens

The Combined Authority, subject to the conditions set by the Programme Appraisal Team, approved that:

- (i) The Sky Gardens BHF scheme proceed through decision point 4 (full business case), and work commence on activity 5 (delivery).
- (ii) The Combined Authority's contribution of £2,850,000 be approved. The total scheme value is £72,510,719.
- (iii) The Combined Authority enter into a funding agreement with CityLife Holdings 6 Limited for expenditure of up to £2,850,000.
- (iv) Future approvals be made in accordance with the assurance pathway and approval route outlined in the submitted report. This would be subject to the scheme remaining within the tolerances outlined in the report.

Brownfield Housing Fund (BHF) – Water Lane:

The Combined Authority subject to the conditions set by the Programme Appraisal Team, approved that:

- (i) The BHF Water Lane scheme proceed through decision point 4 (full business case), and work commence on activity 5 (delivery).
- (ii) The Combined Authority's contribution of £4,600,000 be approved. The total scheme value is £89,955,633.
- (iii) The Combined Authority enter into a funding agreement with McLaren Living for expenditure of up to £4,600,000.
- (iv) Future approvals be made in accordance with the assurance pathway and approval route outlined in the submitted report. This would be subject to the scheme remaining within the tolerances outlined in the report.

(b) Investment Priority 5: Future Transport

The Combined Authority considered five schemes recommended for progression through the assurance process:

- City Region Sustainable Transport (CRSTS) Capacity Funding scheme - a government grant of £830 million over five years, and a further £21.3 million to develop a pipeline of projects.
- Network Management and Enhancement scheme - which focused on the replacement and enhancement of ageing traffic signals, infrastructure, and equipment.
- Bus Cycle Priority Corridors - Woodhouse Lane Gateway scheme, which would enhance bus priority routes and promote active travel along a 1.1km stretch of Woodhouse lane by re-routing traffic, widening footpaths, and delivering new pedestrian crossings.
- A6110 Leeds Outer Ring Road scheme – the scheme would be delivered over two phases and would address junction signals, a bus bypass, and a new cycle route along Elland Road South.
- A58 Beckett Street scheme - the scheme would deliver improvements to bus lanes, traffic signals, cycle routes, pedestrian crossings, and footpaths. The Mayor asked whether data from the bus safety app would inform the delivery of the scheme and officers agreed to take the suggestion into consideration.

On Bus Cycle Priority Corridors, members raised concerns about the impact on drivers, given the route was among the busiest in and out of Leeds. The Mayor responded that diversion plans would be in place during the works, and officers added that more permanent traffic redirection would be in place following completion of the scheme.

Resolved:

Transport Committee delegation

(i) That the Combined Authority delegates authority to the Transport Committee at its meeting on 19 September 2023 to approve the Leeds Healthier Streets Spaces and Communities and the LUF2 A639 Park Road schemes in accordance with the Assurance Framework.

CRSTS Capacity Fund

The Combined Authority, subject to the conditions set by the Programme Appraisal Team, approved that:

(i) The CRSTS Capacity Fund scheme proceed through decision point 2 to 4 (business justification) and work continue on activity 5 (delivery).

(ii) Approval to £15,586,589 be given, including initial allocations for partner councils as detailed below, bringing the total approval to £21,343,000:

- Bradford Council £888,099
- Calderdale Council £1,043,253
- Kirklees Council £700,559 3
- Leeds City Council £1,350,000
- Wakefield Council £161,854
- Combined Authority and for further allocation £11,442,824

(iii) The Combined Authority enter into a funding agreement with each of the councils for expenditure as detailed in ii) above.

(iv) Changes to ii) and iii) above be delegated to the SRO for the scheme.

(v) Future approvals be made in accordance with the assurance pathway and approval route outlined in the submitted report. This would be subject to the scheme remaining within the tolerances outlined in this report.

Network Management Renewals and Enhancements

The Combined Authority approved that:

(i) The CRSTS Network Management and Enhancement programme proceed through decision point 2 (strategic outline case) and decision point 4 (full business case) and delivery continue for the second, third and fourth quarter of the 2023/24 (year 2) and work commence on the Approval to Proceed for year 3 of the programme.

(ii) Approval be given to an additional £3,966,250 of development and delivery costs for the second, third and fourth quarters of the 2023/24 financial year (year 2), to be allocated to each partner council up to the amounts shown below. This brings the total programme approval for years 1 and 2 to £9,260,000.

- Bradford Council £625,000
- Calderdale Council £300,000
- Kirklees Council £518,750
- Leeds City Council £1,997,500
- Wakefield Council £525,000

(iii) The Combined Authority enter into addendums to the existing funding agreements with partner councils for expenditure of up to the amounts shown below:

- Bradford Council £2,100,000
- Calderdale Council £580,000
- Kirklees Council £1,525,000
- Leeds City Council £3,655,000
- Wakefield Council £1,400,000

The Combined Authority, subject to the conditions set by the Programme Appraisal Team, approved 4 that:

(i) The CRSTS Network Management and Enhancement Programme for the financial year 2024/25 (year 3) proceed through decision point 2 (strategic outline case) and decision point 4 (full business case) and delivery continue to the end of the 2024/25 financial year.

(ii) Approval be given to an additional £5,697,500 of development and delivery costs for the 2024/25 financial year (year 3), to be allocated to partner councils up to the amounts shown below. This brings the total programme approval for years one, two and three to £14,957,500.

- Bradford Council £1,550,000
- Calderdale Council £357,000
- Kirklees Council £755,000
- Leeds City Council £2,325,000
- Wakefield Council £710,000

(iii) The Combined Authority enter into addendums to the existing funding agreements with partner councils for expenditure up to the amounts shown below:

- Bradford Council £3,650,000
- Calderdale Council £937,500 • Kirklees Council £2,280,000
- Leeds City Council £5,980,000
- Wakefield Council £2,110,000

(iv) Future approvals be made in accordance with the assurance pathway, approval route, and tolerances outlined in the submitted report. Where required, any future committee level approvals be delegated to the Transport Committee.

Bus Cycle Priority Corridors (BCPC) – Woodhouse Lane Gateway:

(i) The Bus Cycle Priority Corridors (BCPC) – Woodhouse Lane Gateway scheme proceed through decision point 2 (strategic outline case) and work commence on activity 3 (outline business case).

(ii) An indicative approval to the Combined Authority's contribution of £20,500,000 be given. The total scheme value is £20,500,000.

(iii) Approval of £300,000 development costs be given, in order to progress the scheme to decision point 3 (outline business case), taking the total scheme approval to £400,000.

(iv) The Combined Authority enter into an 5 addendum to the existing funding agreement with Leeds City Council for expenditure of up to £400,000.

(v) Future approvals be made in accordance with the assurance pathway and approval route outlined in the submitted report and where required, any change requests are delegated to the Transport Committee. This would be subject to the scheme remaining within the tolerances outlined in the report.

A6110 Leeds Outer Ring Road

The Combined Authority approved that:

(i) The A6110 Leeds Outer Ring Road scheme proceed through decision point 3 (outline business case) and work commence on activity 4 (full business case).

(ii) Indicative approval to the Combined Authority's contribution of £7,000,000 be given. The total scheme value is £14,212,000.

(iii) Approval be given of £879,000 development costs, in order to progress the scheme to decision point 4 (full business case) taking the total scheme approval to £1,700,000.

(iv) The Combined Authority enter into an addendum to the existing funding agreement with Leeds City Council for expenditure of up to £1,700,000.

(v) Future approvals be made in accordance with the assurance pathway and approval route and tolerances outlined in the submitted report. This will be subject to the scheme remaining within the tolerances outlined in the report.

A58 Beckett Street:

(i) The change request to revise the scope of the scheme, to change the total scheme costs to £16,420,000 (an increase of £2,477,000), for additional development costs of £1,500,000 to progress the scheme to full business case and to extend the scheme's delivery timeframe to July 2026 be approved.

(ii) Indicative approval to the Combined Authority's contribution of £16,420,000 be given. The total scheme value is £16,420,000.

(iii) Approval of £1,500,000 development costs be given, in order to progress the scheme to decision point 4 (full business case) taking the total scheme approval to £2,920,000.

(iv) The Combined Authority enter into an addendum to an existing funding agreement with Leeds City Council for expenditure of up to £2,920,000.

(v) Future approvals be made in accordance with the assurance pathway and approval route outlined in the submitted report. This will be subject to the scheme remaining within the tolerances outlined in the submitted report.

36. Strengthening Private Sector Engagement

Members considered a report to update members on the local plans to strengthen private sector engagement and partnerships as a result of national policy changes towards LEPs.

Members sought clarification on the selection process and the rationale for selecting representative organisations such as the Federation of Small Businesses (FSB). The Mayor advised that the selection process was based on expertise across various sectors, and officers added that there had previously been arrangements for representation from the FSB with more being done to increase business group representation under the new arrangements. Officers advised that appointments were made based on the experience and career of an individual over a three-year term of office.

Members suggested representation from Bradford City of Culture 2025. The Mayor acknowledged the contribution of Leeds 2023 to the region's cultural landscape and emphasised the significant job growth in the creative sector in West Yorkshire as a result, and added that the Culture, Heritage and Sport Committee was the appropriate forum to discuss and promote cultural initiatives.

Members highlighted the need for engagement with the voluntary and community sector and added that coordination would be needed to ensure that work was not unnecessarily duplicated.

Resolved:

- (i) The latest Government position on Local Enterprise Partnerships (LEPs) be noted.
- (ii) The steps being taken to facilitate the transition of LEP functions into the Combined Authority and to strengthen the relationship with the private and third sectors be noted.

37. Combined Authority Brand Review

Members considered a report to request formal approval of the revised logo for the West Yorkshire Combined Authority and Mayor of West Yorkshire, and to commence using it from October 2023.

Resolved: That the revised Combined Authority and Mayoral logo and its use from October 2023 be approved.

38. Corporate Change

Corporate Change Members considered a report to provide an update on corporate change activities that have progressed since the previous meeting, including the appointment of Sarah Eaton as the new Strategy, Communications and Intelligence Director, and changes to the role and accountabilities of the role profile of Deputy Director, Legal, Governance and Compliance which includes Monitoring Officer responsibilities.

Resolved:

- (i) That the appointment of Sarah Eaton to the role of Strategy, Communications and Intelligence Director, made by the Chief Executive under delegations previously provided be noted.
- (ii) That the appointment to the role of Deputy Director Legal, Governance and Compliance, and that the previous designation of Monitoring Officer remains be noted.

39. UK Shared Prosperity Fund

Members considered a report providing an update on implementing the West Yorkshire UKSPF Local Investment Plans, including Core UKSPF, Multiply and the new Rural England Prosperity Fund.

The Mayor commended officers for their efforts and expressed gratitude to the businesses that had engaged with the Fund, emphasising its importance in delivering on exports, training, skills, and rural development.

Members highlighted the distinction of UKSPF from previous EU Structural Funds and the reduction in both the amount of funding received and the comparatively lower value due to inflation. The Mayor acknowledged the challenges and noted there was potential for greater impact with further devolution.

Members requested to be kept informed of forthcoming Rural Fund workshops to promote the available support more widely.

Resolved:

- (i) That the progress made on implementing the West Yorkshire UKSPF Local Investment Plans be noted.
- (ii) That the recommendations made by the West Yorkshire UKSPF Local Partnership Group on its 31st July 2023 meeting be noted and approved, which were:

- the endorsement of the list of selected projects.
- that remaining funds be held back and pooled with any other uncommitted funds from Pillar 3 and a decision be sought from the Finance, Resources and Corporate Committee under the existing delegation to where any remaining funds should be allocated.

- (iii) The recommended list of projects in Exempt Appendix 2 be approved, totalling £11,416,315 of 7 UKSPF (within a 10% tolerance where subject to final contracting figures may vary slightly), in response to the Pillar 2 Supporting Local Business Invitation to Bid to allow Grant Funding Agreements to be issued and delivery to begin.

40. Property Matter

The meeting entered into a private session to allow members to discuss the contents of the exempt report.

Cllr Silvia Dacre and Nicky Chance-Thompson left the room for the duration of the discussion.

Resolved: Members agreed the recommendation as contained in the exempt report.

41. Minutes for information

Resolved: That the minutes and notes of the Combined Authority's committees and panels be noted.

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**MINUTES OF THE MEETING OF THE
WEST YORKSHIRE COMBINED AUTHORITY
HELD ON THURSDAY, 28 SEPTEMBER 2023 AT MEETING ROOM 1 -
WELLINGTON HOUSE, LEEDS**

Present:

Mayor Tracy Brabin (Chair)	West Yorkshire Combined Authority
Councillor Susan Hinchcliffe	Bradford Council
Councillor Jane Scullion	Calderdale Council
Councillor James Lewis	Leeds City Council
Councillor Alan Lamb	Leeds City Council
Councillor Claire Douglas	City of York Council
Councillor Cathy Scott (Substitute)	Kirklees Council
Councillor Matthew Morley (Substitute)	Wakefield Council

In attendance:

Annette Joseph MBE	Diverse & Equal (Leeds)
Caroline Allen	West Yorkshire Combined Authority
Alexander Clarke	West Yorkshire Combined Authority
Alan Reiss	West Yorkshire Combined Authority
Ben Still	West Yorkshire Combined Authority
Angela Taylor	West Yorkshire Combined Authority
Simon Warburton	West Yorkshire Combined Authority

42. Apologies for Absence

Apologies had been received from Councillor Jeffery, Councillor Poulsen, Councillor Davies, and Councillor Holdsworth.

The Mayor welcomed Annette Joseph, who attended the meeting as the LEP representative.

43. Declarations of Disclosable Pecuniary Interests

There were no declarations of pecuniary interests at the meeting.

44. Exempt Information - Possible Exclusion of the Press and Public

The Mayor noted that appendices 1, 2.1, 2.2, 2.3 and 3 to agenda item 5 had been identified by officers as exempt from the press and public.

RESOLVED – That in accordance with paragraph 3 of Part 1 of Schedule 12A

to the Local Government Act 1972, the public be excluded from the meeting during consideration of Agenda Item 5, Appendices 1, 2.1, 2.2, 2.3, and 3, on the grounds that it is likely, in view of the nature of the business to be transacted or the nature of the proceedings, that if members of the press and public were present there would be disclosure to them of exempt information and for the reasons set out in the report that in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

45. Minutes of the Meeting of the Combined Authority held on 7 September 2023

Resolved: That the minutes of the meeting of the West Yorkshire Combined Authority held on 7 September be approved.

46. Bus Reform

The Combined Authority considered a report which set out the next steps for Bus Reform following the completion of the external Audit Report.

Members were supportive of the proposed bus franchising scheme and the commencement of a public consultation.

Councillor Lamb suggested that the Enhanced Partnership Plus option could provide significant improvements to the current bus network for a lower cost, and requested the public consultation be presented in a balanced manner which would ensure respondents understood the available options. Cllr Lamb expressed his intention to abstain from recommendation (ii).

Resolved:

- (i) That the following be noted:
 - final approval of the Bus Reform Assessment which was then provided to the independent auditor for a report to be obtained of the Bus Reform Assessment.
 - the provision of the external Audit Report, and determination to proceed with the proposed bus franchising scheme.

- (ii) That in accordance with the Act, the following be agreed:
 - notice of the proposed bus franchising scheme be given, and copies of the proposed bus franchising scheme, consultation document, Bus Reform Assessment and Audit Report be made available for inspection.
 - consultation be undertaken of all statutory consultees as listed in section 123E(4) of the Act, and set out in this report, as well as the general public more broadly.

- (iii) That the Bus Reform Assessment, the Audit Report and a consultation document relating to the bus franchising scheme (with finalisation of this delegated to the Executive Director of Transport)

be approved for publication.

47. Governance Arrangements

Members considered a report which outlined membership changes across the Combined Authority committee structure.

Resolved:

- (i) That the change in appointment of Kirklees CA member and substitute as set out in paragraph 2.2 of the submitted report be noted.
- (ii) That Cllr Cathy Scott be appointed to replace Cllr Pandor on the Governance and Audit Committee and on the Finance, Resources & Corporate Committee as set out in paragraph 2.3 of the submitted report.
- (iii) That Councillor Eric Firth be appointed as Deputy Chair of the Transport Committee in place of Cllr Manisha Kaushik as detailed in paragraphs 2.4 – 2.5 of the submitted report.
- (iv) That Cllr Manisha Kaushik be appointed to the Economy Scrutiny Committee replacing Cllr Gwen Lowe as set out in paragraph 2.6 of the submitted report.
- (v) That Cllr Masood Ahmed be appointed to replace Cllr Eric Firth as Kirklees Transport Portfolio Holder on the Transport Committee as set out in paragraph 2.7 of the submitted report.
- (vi) That, following changes to portfolio holder responsibilities, the Combined Authority Cllr James Lewis be appointed as Chair of the Business, Economy & Innovation Committee and Cllr Cathy Scott as Chair of the Employment and Skills Committee as set out in paragraph 2.8 of the submitted report.
- (vii) That the changes to appointment of members to committees approved under delegation and set out in paragraph 2.9 to the submitted report be noted.

48. Minutes for Information

Resolved: That the minutes and notes of the Combined Authority's committees and panels be noted.

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Name and date of meeting: Corporate Governance and Audit Committee
24 November 2023

Cabinet
21 December 2023

Council
17 January 2024

Title of report: Half Yearly Monitoring report on Treasury Management activities 2023/24

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 2023/24 covering the period 1 April to 30 September 2023.

Key Decision - Is it likely to result in spending or saving £500k 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	N/A
Date signed off by Service Director	Isabel Brittain – 15 November 2023
Is it also signed off by the Service Director Legal Governance and Monitoring?	Julie Muscroft – 15 November 2023
Cabinet member portfolio	Corporate Cllr Graham Turner

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 the £10.0 million Local Authority Property Fund (LAPF), averaged £44.5 million during the period at an average rate of 4.43%. Investments have ranged from a peak of £76.1 million in April to a low of £25.8 million in August.
- 1.2 All treasury management activities undertaken during the period complied fully with the principles in the Treasury Management Code and the Council's approved Treasury Management Strategy. Compliance with specific investment limits is demonstrated in Appendix 1.
- 1.3 The treasury management revenue budget is £33.4 million. This is covered in more detail at paragraph 2.19 later in this report.
- 1.4 This report includes the new requirement in the 2021 Code, mandatory from 1st April 2023, of quarterly reporting of the treasury management prudential indicators – shown in Appendix 4. The non-treasury prudential indicators are now incorporated in the Council's normal quarterly revenue reports along with the treasury management indicators.

2 Information required to take a decision:

- 2.1 The treasury management strategy for 2023/24 was approved by Council on 8 March 2023. 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 £30.0 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 Money Market Funds, the Debt Management Office (DMO), Local Authorities and major British owned banks and building societies. Diversification amongst counterparties is key.

Economic Context

- 2.3 *The following economic update has been provided via our external advisors Arlingclose (paragraphs 2.4 to 2.11 below):*
- 2.4 UK inflation remained stubbornly high over much of the period compared to the US and euro zone, keeping expectations elevated of how much further the Bank of England (BoE) would hike rates compared to other regions. However, inflation data published in the latter part of the period undershot expectations, causing financial markets to reassess the peak in BoE Bank Rate. This was followed very soon after by the BoE deciding to keep Bank Rate on hold at 5.25% in September, against expectation for another 0.25% rise.
- 2.5 Economic growth in the UK remained relatively weak over the period. In calendar Q2 2023, the economy expanded by 0.4%, beating expectations of a 0.2% increase. However, monthly GDP data showed a 0.5% contraction in

July, the largest fall to date in 2023 and worse than the 0.2% decline predicted which could be an indication the monetary tightening cycle is starting to cause recessionary or at the very least stagnating economic conditions.

- 2.6 July data showed the unemployment rate increased to 4.3% (3mth/year) while the employment rate rose to 75.5%. Pay growth was 8.5% for total pay (including bonuses) and 7.8% for regular pay, which for the latter was the highest recorded annual growth rate. Adjusting for inflation, pay growth in real terms were positive at 1.2% and 0.6% for total pay and regular pay respectively.
- 2.7 Inflation continued to fall from its peak as annual headline CPI declined to 6.7% in July 2023 from 6.8% in the previous month against expectations for a tick back up to 7.0%. The largest downward contribution came from food prices. The core rate also surprised on the downside, falling to 6.2% from 6.9% compared to predictions for it to only edge down to 6.8%.
- 2.8 The Bank of England's Monetary Policy Committee continued tightening monetary policy over most of the period, taking Bank Rate to 5.25% in August. Against expectations of a further hike in September, the Committee voted 5-4 to maintain Bank Rate at 5.25%. Each of the four dissenters were in favour of another 0.25% increase.
- 2.9 Financial market Bank Rate expectations moderated over the period as falling inflation and weakening data gave some indication that higher interest rates were working. Following the September MPC meeting, Arlingclose, the Council's treasury adviser, modestly revised its interest forecast to reflect the central view that 5.25% will now be the peak in Bank Rate. In the short term the risks are to the upside if inflation increases again, but over the remaining part of the time horizon the risks are to the downside from economic activity weakening more than expected.
- 2.10 The lagged effect of monetary policy together with the staggered fixed term mortgage maturities over the next 12-24 months means the full impact from Bank Rate rises are still yet to be felt by households.
- 2.11 Financial market sentiment and bond yields remained volatile, with the latter generally trending downwards as there were signs inflation, while still high, was moderating and interest rates were at a peak. Gilt yields fell towards the end of the period. The 5-year UK benchmark gilt yield rose from 3.30% to peak at 4.91% in July before trending downwards to 4.29%, the 10-year gilt yield rose from 3.43% to 4.75% in August before declining to 4.45%, and the 20-year yield from 3.75% to 4.97% in August and then fell back to 4.84%.

Investment Performance

- 2.12 The Council invested an average balance of £34.5 million externally (excluding the LAPF) during the period (£59.7 million in the first six months of 2022/23), generating £789k in investment income over the period (£285k in 2022/23). The LAPF investment of £10.0 million generated £198k of dividend income during the period (£174k in the first six months of 2022/23).

- 2.13 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. The Council's objective when investing money is to strike an appropriate balance between risk and return, minimising the risk on incurring losses from defaults and the risk of receiving unsuitably low investment income.
- 2.14 Balances were invested in instant access accounts such as Money Market Funds, short term deposits, Debt Management Office (DMO), Local Authority fixed 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.
- 2.15 As demonstrated by the liability benchmark in this report (Appendix 4), the Council expects to be a long-term borrower and treasury investments are therefore primarily made to manage day-to-day cash flows using short-term low risk instruments. The existing portfolio of strategic pooled funds will be maintained to diversify risk into different asset classes and boost investment income.
- 2.16 The Bank Rate increased by 1%, from 4.25% at the beginning of April to 5.25% by the end of September. Short-dated cash rates rose proportionately, with 3-month rates rising to around 5.25% and 12-month rates to nearly 6%. The rates on Debt Management Account Deposit Facility (DMADF) also rose, ranging between 4.8% and 5.4% by the end of June and Money Market Rates between 4.6% and 4.9%.
- 2.17 The Council's average investment rate for the period was 4.43%. This is higher than the average in the same period in 2022/23 of 1.32%, as the base rate rose rapidly during the previous year. Returns on liquid cash balances were 4.57% and 3.97% on the LAPF (after deducting charges). The actual gross dividend yield quoted from the fund on Net Asset Value was 4.66% at the end of September for the last 12 months, and the fund size was £1,186.3 million (3.40% and £1,451.4 million respectively for the 12 months to September 2022).
- 2.18 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.

Revenue Budget Monitoring

- 2.19 The treasury management budget is £33.4 million. Forecasted outturn is currently over budget by £2.3 million. This reflects increased borrowing costs as a result of the in-year overspend along with the depletion of reserves beyond the assumptions made in the budget, resulting in the requirement for extra borrowing and the resulting interest charges. The change in Minimum Revenue Provision (MRP) policy allowed for a planned release of £9.1 million MRP budget over provision in 2023/24. The budget strategy update report 2024/25 re-affirmed the decision taken in the annual budget report in March 2023 to forward profile the release of the MRP over-provision with an additional £4.6 million. 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.

Borrowing

2.20 At 31st March 2023, the Council had net borrowing of £569.8 million, arising from its revenue and capital income and expenditure. The underlying need to borrow for capital purposes is measured by the Capital Financing Requirement (CFR), while balance sheet resources are the underlying resources available for investment. These factors are summarised in the table below. A council can choose to fund its CFR through a combination of internal and external borrowing.

2.21 The Council has an increasing CFR due to the capital programme and an estimated borrowing requirement as determined by the Liability Benchmark (Appendix 4) which also reflects usable reserves and working capital.

Balance Sheet Summary

	Actual 2022/23 £m	Strategy Estimate 2023/24 £m	Revised Forecast 2023/24 £m
General Fund CFR - Non PFI	617.0	678.8	667.6
PFI	35.5	33.6	33.6
HRA CFR - Non PFI	168.0	170.3	169.6
PFI	42.7	40.6	40.6
Total CFR	863.2	923.3	911.4
Less: PFI debt liabilities	78.2	74.2	74.2
Less: Other debt liabilities	3.5	3.6	3.6
Borrowing CFR	781.5	845.5	833.6
Less actual external borrowing *	613.8	476.4	578.1
Internal (over) borrowing	167.7	369.1	255.5
Total borrowing (investments)	781.5	845.5	833.6
Liability benchmark	600.9	660.3	719.8

*shows only loans to which the Council is committed and excludes future borrowing and refinancing

2.22 The treasury management position at 30th September and the change over the six months is shown in the Table below.

Treasury Management Summary

	31.03.23 Balance £m	Movement £m	30.09.23 Balance £m
<i>Long-term borrowing:</i>			
PWLB	379.0	31.0	410.0
LOBOs	61.5	0	61.5
Other	91.3	9.3	100.6
Short-term borrowing	82.0	(3.9)	78.1
Total borrowing	613.8	36.4	650.2
Long-term investments	10.0	0	10.0
Short-term investments	15.0	17.6	32.6
Cash and cash equivalents	19.0	2.4	21.4
Total investments	44.0	20.0	64.0
Net borrowing	569.8	16.4	586.2

Borrowing strategy and activity

- 2.23 CIPFA's 2021 Prudential Code is clear that local authorities must not borrow to invest primarily for financial return and that it is not prudent for local authorities to make any investment or spending decisions that will increase the Capital Financing Requirement, and so may lead to new borrowing, unless directly and primarily related to the functions of the Council. The Council has not invested in assets primarily for financial return or that are not primarily related to the functions of the Council. It has no plans to do so in the future.
- 2.24 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.
- 2.25 There was a substantial rise in the cost of both short and long-term borrowing over the last 18 months. Bank Rate rose by 1% from 4.25% at the beginning of April to 5.25% at the end of September. Bank Rate was 2% higher than at the end of September 2022.
- 2.26 UK gilt yields were volatile, mainly facing upward pressure since early April following signs that UK growth had been more resilient, inflation stickier than expected, and that the Bank of England saw persistently higher rates through 2023/24 as key to dampening domestic demand. Gilt yields, and consequently PWLB borrowing rates, rose and broadly remained at elevated levels. On 30 September, the PWLB certainty rates for maturity loans were 5.26% for 10-year loans, 5.64% for 20-year loans and 5.43% for 50-year loans. Their equivalents on 31st March 2023 were 4.33%, 4.70% and 4.41% respectively.
- 2.27 A new PWLB HRA rate which is 0.4% below the certainty rate was made available from 15 June 2023. Initially available for a period of one year, this discounted rate is to support local authorities borrowing for the Housing Revenue Account.

Borrowing performance

- 2.28 Long-term loans at the end of September totalled £562.1 million (£531.8 million 31 March 2023) and short-term loans £96.7 million (£80.7 million 31 March 2023).
- 2.29 Fixed rate loans account for 89.5% 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 6.5% 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.
- 2.30 The mid-year forecasted liability benchmark (shown in Appendix 4), based on updated capital plans, highlights that there is an expectation of additional long-term borrowing of £106.0 million for the year. In July a £10.0 million EIP loan was arranged and further EIP loans of £30.0 million were arranged from the PWLB in September. These loans provide some longer-term certainty and stability to the debt portfolio. A mixture of medium-term loans and further PWLB will be taken during the remainder of the year to fund the additional borrowing required.
- 2.31 Appendix 5 sets out in year repayments on long-term borrowing and further repayments for the next 6 months.
- 2.32 The Council's borrowing costs has continued to increase with the rise in Bank Rate and short-dated market rates. The Council's borrowing decisions are not predicated on any one outcome for interest rates and a balanced portfolio of short, medium and long-term borrowing was maintained.

Future Treasury Management Strategy

- 2.33 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 £20.0 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.
- 2.34 There remains a strong argument for diversifying funding sources, particularly if rates can be achieved on alternatives which are below gilt yields +0.8%. The Council will evaluate and pursue these lower cost solutions and opportunities with its advisor, Arlingclose.
- 2.35 The UK Infrastructure bank is one alternative source of funding which offers funding at gilt yields +0.40% (0.40% below the PWLB certainty rate) and the possibility of more flexible funding structures than the PWLB. Funding from UKIP is generally only available for certain types of projects that meet its criteria of green energy, transport, digital, water and waste. The minimum loan size is £5.0 million.

2.36 On 1 April 2023 the Council held £61.5 million of LOBO (Lender's Option Borrower's Option) loans where the lender has the option to propose an increase in the interest rate at set dates, following which the Council has the option to either accept the new rate and terms or to repay the loan at no additional cost.

2.37 As market interest rates rose, there was increased probability of call options on the LOBOs being exercised by lenders. No LOBO loans were called during the 6 month period to September 2023.

2.38 All the Council LOBO loans could be called within the next 12 months. If the option is exercised and an increased rate proposed, the Council plans to repay the loan at no additional cost as accepting the revised terms would mean the Council would still have refinancing risk in later years. If required, the Council will repay the LOBO's by borrowing from other local authorities or the PWLB.

Risk and Compliance issues

2.39 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 Financial Implications for the people living or working in Kirklees: N/A

3.7 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

Arlingclose, the treasury management advisors to the Council, have provided the economic context commentary contained in this report.

5 Next steps

Not applicable – for information only.

6 Officer recommendations and reasons

6.1 Note the half-year treasury management performance in 2023/24 as set out in the report.

7 Contact Officer

James Anderson	Head of Accountancy	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 2023/24 - Council 8 March 2023
Council Budget Strategy Update Report 2024/25 – Council 13 September 2023
Annual Report on Treasury Management 2022/23 - Annual Financial Outturn
Report 2022/23; Council 12 July 2023

9 Service Director (Interim) responsible

Isabel Brittain 01484 221000

Kirklees Council Investments 2023/24													
Counterparty	Approved Strategy Limit £m	Approved Strategy Credit	Credit Rating Sept 2023*	1 April 2023 (opening)			30-Jun-23			30-Sep-23			
				£m	Interest Rate	Type of Investment	£m	Interest Rate	Type of Investment	£m	Interest Rate	Type of Investment	
Specified Investments													
LAPF	Property Fund	10.0	-	-	10.0	-	***	10.0	-	***	10.0	-	***
DMD	Central Government	Unlimited	-	F1+/AA-	-	-	Fixed Deposit	5.8	4.88%	Fixed Deposit	-	-	Fixed Deposit
North Northamptonshire Council	Local Authority	10.0	-	F1+/AA-	5.0	4.50%	Fixed Deposit	0.0	-	Fixed Deposit	-	-	Fixed Deposit
PCC for West Mercia	Local Authority	10.0	-	F1+/AA-	3.0	4.60%	Fixed Deposit	0.0	-	Fixed Deposit	7.0	5.40%	Fixed Deposit
PCC for Warwickshire	Local Authority	10.0	-	F1+/AA-	2.0	4.60%	Fixed Deposit	0.0	-	Fixed Deposit	-	-	Fixed Deposit
PCC for West Yorkshire	Local Authority	10.0	-	F1+/AA-	5.0	4.65%	Fixed Deposit	5.0	5.00%	Fixed Deposit	-	-	Fixed Deposit
Wakefield MDC	Local Authority	10.0	-	F1+/AA-	-	-	Fixed Deposit	5.0	4.75%	Fixed Deposit	5.0	5.35%	Fixed Deposit
Manchester City Council	Local Authority	10.0	-	F1+/AA-	-	-	Fixed Deposit	5.0	4.80%	Fixed Deposit	-	-	Fixed Deposit
PCC for Hertfordshire	Local Authority	10.0	-	F1+/AA-	-	-	Fixed Deposit	6.0	5.00%	Fixed Deposit	-	-	Fixed Deposit
Eastleigh Borough Council	Local Authority	10.0	-	F1+/AA-	-	-	Fixed Deposit	-	-	Fixed Deposit	3.0	5.40%	Fixed Deposit
Uttlesford District Council	Local Authority	10.0	-	F1+/AA-	-	-	Fixed Deposit	-	-	Fixed Deposit	4.5	5.40%	Fixed Deposit
Cheltenham Borough Council	Local Authority	10.0	-	F1+/AA-	-	-	Fixed Deposit	-	-	Fixed Deposit	1.1	5.38%	Fixed Deposit
Leeds City Council	Local Authority	10.0	-	F1+/AA-	-	-	Fixed Deposit	-	-	Fixed Deposit	5.0	5.40%	Fixed Deposit
Central Bedfordshire Council	Local Authority	10.0	-	F1+/AA-	-	-	Fixed Deposit	-	-	Fixed Deposit	5.0	5.35%	Fixed Deposit
Dover District Council	Local Authority	10.0	-	F1+/AA-	-	-	Fixed Deposit	-	-	Fixed Deposit	2.0	5.40%	Fixed Deposit
Barclays Deposit Account	Bank	3.0	-	F1A+	0.5	3.57%	Fixed Deposit	0.0	-	Fixed Deposit	0.2	3.57%	Fixed Deposit
Aberdeen Standard	MMF**	10.0	AAA-A	AAA	0.2	4.06%	MMF	6.7	4.84%	MMF	10.0	5.29%	MMF
Aviva	MMF**	10.0	Aaa-A2	Aaa*	8.3	4.12%	MMF	2.3	4.84%	MMF	10.0	5.32%	MMF
Deutsche	MMF**	10.0	AAA-A	AAA	10.0	4.16%	MMF	0.3	4.80%	MMF	0.0	5.23%	MMF
Goldman Sachs	MMF**	10.0	AAA-A	AAA	0.0	4.01%	MMF	0.0	4.70%	MMF	1.2	5.22%	MMF
					44.0			46.1			64.0		
Sector analysis													
Property Fund		10.0			10.0	23%		10.0	22%		10.0	16%	
Local Authorities		10.0			15.0	34%		21.0	46%		32.6	51%	
Bank		3.0			0.5	1%		0.0	0%		0.2	0%	
MMF**		50.0			18.5	42%		9.3	20%		21.2	33%	
Central Government		Unlimited			0.0	0%		5.8	12%		0.0	0%	
					44.0	100%		46.1	100%		64.0	100%	
Country analysis													
UK					25.5	58%		36.8	80%		42.8	67%	
MMF**					18.5	42%		9.3	20%		21.2	33%	
					44.0	100%		46.1	100%		64.0	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.

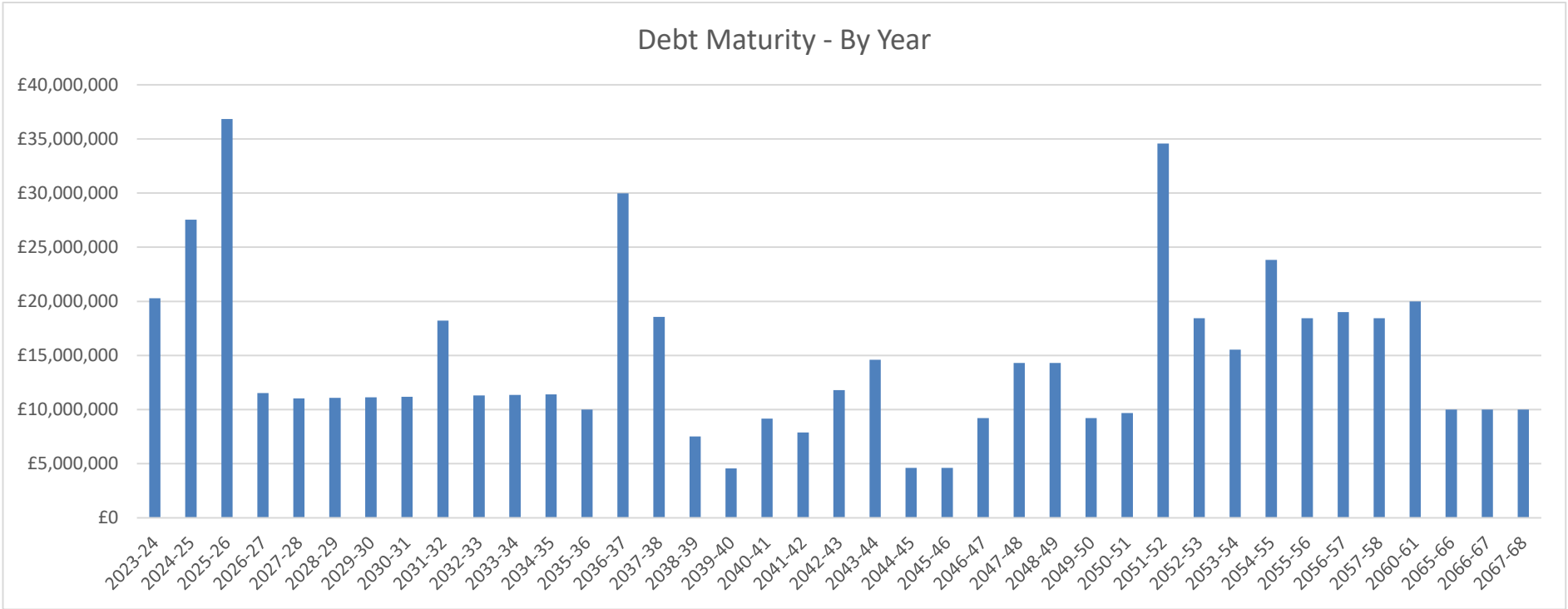
**MMF – Money Market Fund. These funds are domiciled in Ireland for tax reasons, but the funds are made up of numerous diverse investments with highly rated banks and other institutions. The credit risk is therefore spread over numerous countries, including the UK. The exception to this is the Aviva 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.

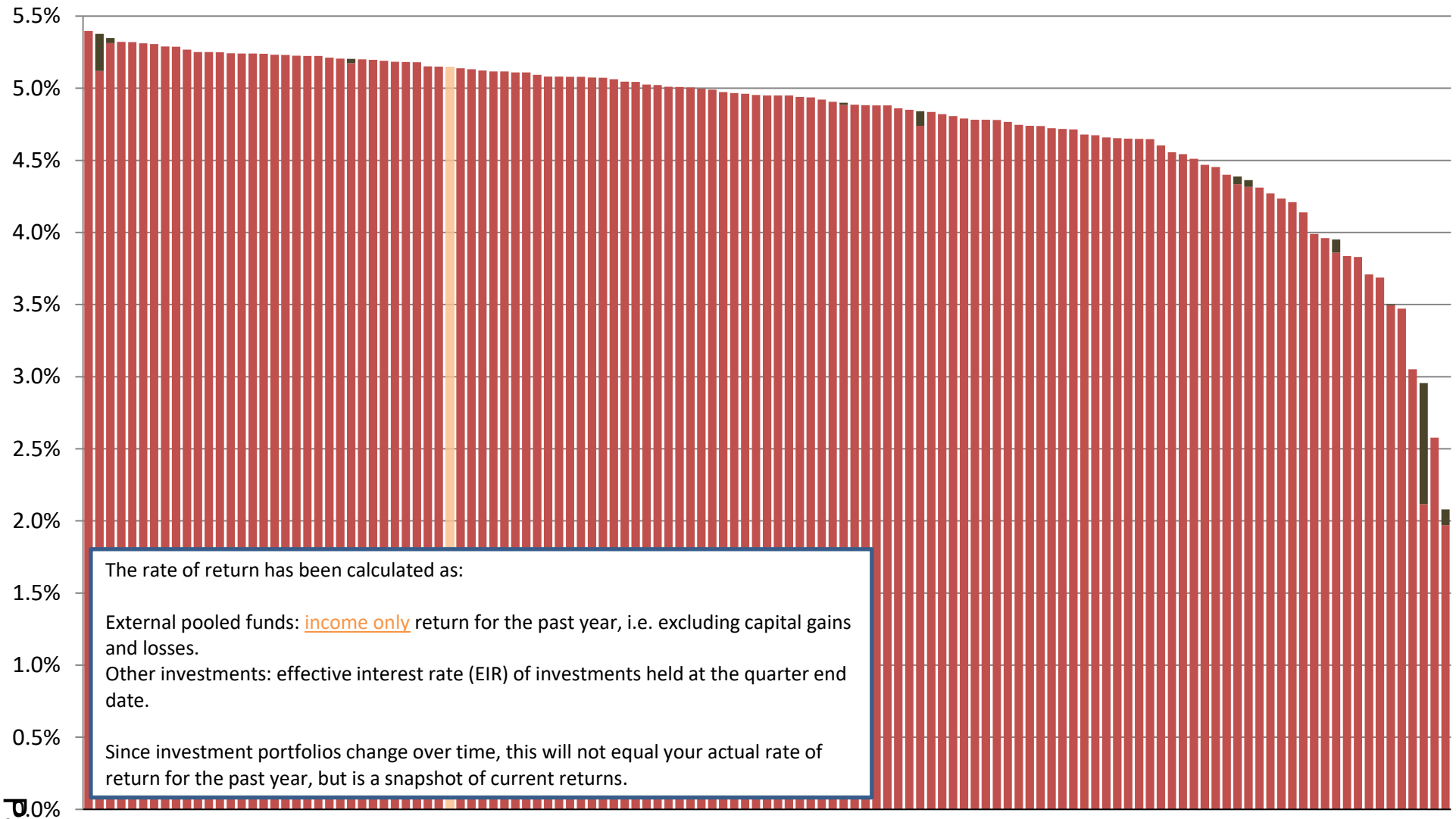
Key – Fitch’s credit ratings:

Appendix 1 Continued

		Long	Short
Investment Grade	Extremely Strong	AAA	F1+
		AA+	
	Very Strong	AA	
		AA-	
		A+	
	Strong	A	
		A-	
		BBB+	F2
	Adequate	BBB	
BBB-		F3	
BB+		B	
Speculative	BB		
	BB-		
	Very Speculative		B+
B			
B-			
Vulnerable	CCC+	C	
	CCC		
	CCC-		
	CC		
	C		
	Defaulting	D	D



Income Only Return on Total Investments (Internal & External Funds)



■ Average income on internal investments ■ Over-performance of external funds ■ Kirklees - 30/09/23

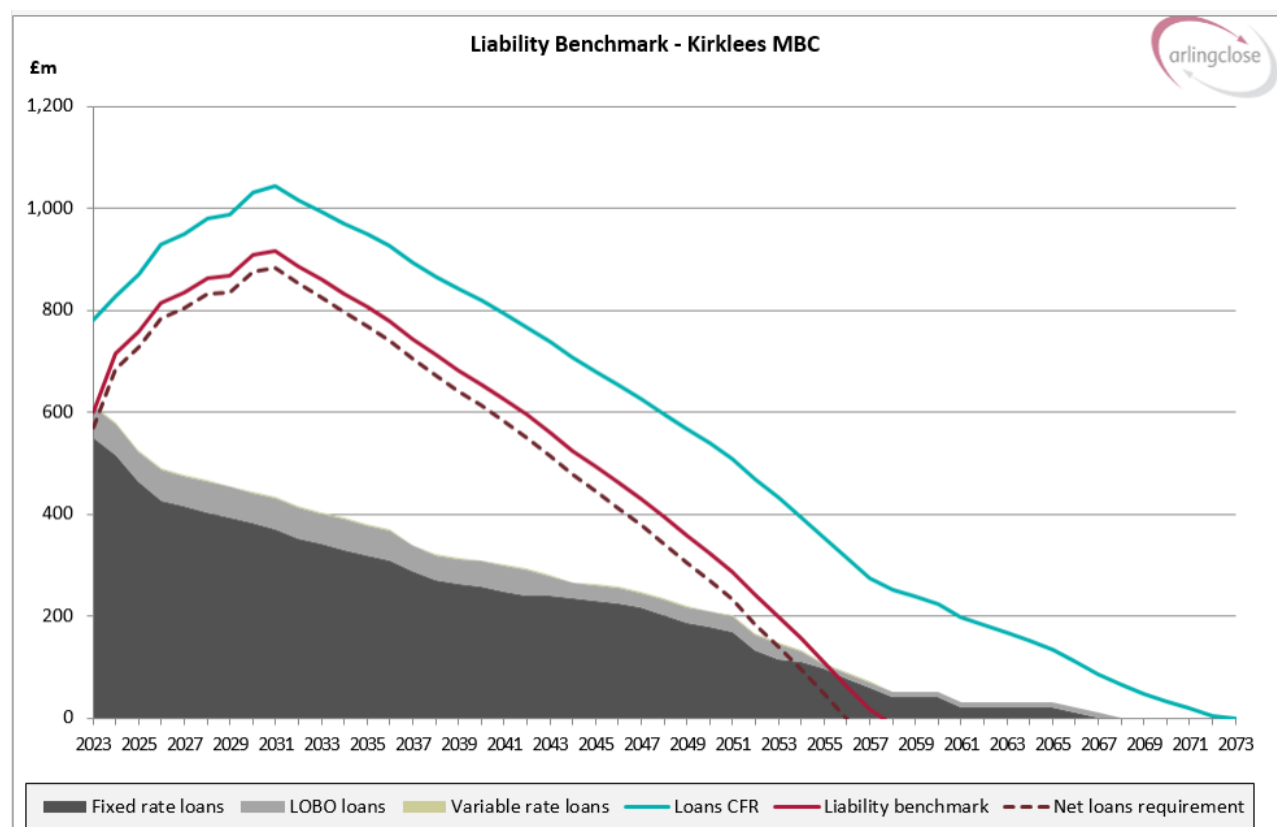
Treasury Management Prudential Indicators

Liability Benchmark

This new indicator compares the Council's actual existing borrowing against a liability benchmark that has been calculated to show the lowest risk level of borrowing. The liability benchmark is an important tool to help establish whether the Council is likely to be a long-term borrower or long-term investor in the future, and so shape its strategic focus and decision making. It represents an estimate of the cumulative amount of external borrowing the Council must hold to fund its current capital and revenue plans while keeping treasury investments at the minimum level of £30.0 million required to manage day-to-day cash flow.

	31.03.23 actual £m	31.03.24 forecast £m	31.03.25 forecast £m	31.03.26 forecast £m
Loans CFR	781.5	833.6	883.5	947.5
Less: Balance sheet resources	210.6	143.8	143.8	143.8
Net loans requirement	570.9	689.8	739.7	803.7
Plus: Liquidity allowance	30.0	30.0	30.0	30.0
Liability benchmark	600.9	719.8	769.7	833.7
Existing borrowing	613.8	578.1	526.0	489.1

Following on from the medium term forecast above, the long the long-term liability benchmark assumes capital expenditure funded by borrowing of £57.0 million in 2023/24, minimum revenue provision on new building capital expenditure based on a 50-year asset life and reduction in balance sheet resources of £67.0 million.



The total liability benchmark is shown in the chart above together with the maturity profile of the Council's existing borrowing. The red line is the liability benchmark reaching a peak in 2032 highlighting the gap between current borrowing identified in grey, which is reducing over time with repayments, and the additional borrowing required to fund the capital plan.

Maturity Structure of Borrowing

This indicator is set to control the Authority's exposure to refinancing risk. The upper and lower limits on the maturity structure of all borrowing were:

	Upper limit	Lower limit	30.09.23 actual	Complied
Under 12 months	20%	0%	23%	No
12 months and within 24 months	20%	0%	5%	Yes
24 months and within 5 years	60%	0%	8%	Yes
5 years and within 10 years	80%	0%	8%	Yes
10 years and above	100%	20%	55%	Yes

Time periods start on the first day of each financial year. The maturity date of borrowing is the earliest date on which the lender can demand repayment. LOBO options of £61.5 million have a potential repayment date during 2023/24 and have been included in the under 12 months line.

Long term Treasury Management Investments

The purpose of this indicator is to control the Council's exposure to the risk of incurring losses by seeking early repayment of its investments. The prudential limits on the long-term treasury management limits are:

	2023/24	2024/25	2025/26	No fixed date
Limit on principal invested beyond year end	n/a	n/a	n/a	n/a
Actual principal invested beyond year end	£10.0m	£10.0m	£10.0m	£10.0m
Complied	Yes	Yes	Yes	Yes

Long-term investments with no fixed maturity date include strategic pooled funds, real estate investment trusts and directly held equity but exclude money market funds and bank accounts with no fixed maturity date as these are considered short-term.

Interest Rate Exposures

Bank Rate rose by 1.25% from 4.25% on 1st April to 5.25% by 30th September. For context, the changes in interest rates during the quarter were:

	31.03.23	30.09.23
Bank Rate	4.25%	5.25%
1-year PWLB certainty rate, maturity loans	4.78%	5.69%
5-year PWLB certainty rate, maturity loans	4.31%	5.22%
10-year PWLB certainty rate, maturity loans	4.33%	5.26%
20-year PWLB certainty rate, maturity loans	4.70%	5.64%
50-year PWLB certainty rate, maturity loans	4.41%	5.43%

Long-term loans repaid during the period 01/04/23 to 30/09/23

	Amount £000s	Rate %	Date repaid
Salix - Annuity	490	0.00%	01-Apr-23
PWLB (Maturity) 480127	4,889	6.63%	15-Apr-23
PWLB (EIP) 340221	250	1.63%	27-Apr-23
PWLB (EIP) 439173	250	1.66%	17-May-23
PWLB (EIP) 373440	250	1.46%	12-Jul-23
PWLB (EIP) 594601	500	4.10%	31-Jul-23
PWLB (EIP) 594848	536	3.99%	01-Aug-23
PWLB (EIP) 538379	500	2.60%	09-Aug-23
PWLB (EIP) 487385	250	2.28%	21-Aug-23
Salix - Annuity	186	0.00%	01-Sep-23
PWLB (EIP) 313112	250	1.64%	04-Sep-23
PWLB (EIP) 493145	250	1.98%	11-Sep-23
PWLB (EIP) 608189	667	4.15%	21-Sep-23
PWLB (Annuity) 496956	423	4.58%	29-Sep-23
Total	9,691		

Long-term loans to be repaid during the period 01/10/23 to 31/03/24

	Amount £000s	Rate %	Date to be repaid
Salix - Annuity	490	0.00	02-Oct-23
PWLB (Maturity) 480128	4,613	6.63%	15-Oct-23
PWLB (EIP) 340221	250	1.63%	27-Oct-23
PWLB (EIP) 439173	250	1.66%	17-Nov-23
PWLB (EIP) 373440	250	1.46%	12-Jan-24
PWLB (EIP) 643579	278	5.01%	29-Jan-24
PWLB (EIP) 594601	500	4.10%	31-Jan-24
PWLB (EIP) 594848	536	3.99%	01-Feb-24
PWLB (EIP) 538379	500	2.60%	09-Feb-24
PWLB (EIP) 487385	250	2.28%	21-Feb-24
WYCA	200	2.02%	28-Feb-24
WYCA	109	0.00%	28-Feb-24
Salix - Annuity	186	0.00%	01-Mar-24
PWLB (EIP) 313112	250	1.64%	04-Mar-24
PWLB (EIP) 493145	250	1.98%	11-Mar-24
PWLB (EIP) 608189	667	4.15%	21-Mar-24
PWLB (EIP) 659904	333	5.06%	21-Mar-24
PWLB (EIP) 660447	333	5.08%	22-Mar-24
PWLB (EIP) 661522	357	5.00%	27-Mar-24
Total	10,602		

Medium and Long-term loans taken during the period 01/04/23 to 30/09/23

	Loan Period	Amount £m	Rate %	Date to be repaid
PWLB 643579 – EIP	18 years	10.0	5.01%	27/07/2041
PWLB 659904 – EIP	15 years	10.0	5.06%	21/09/2038
PWLB 660447 – EIP	15 years	10.0	5.08%	22/09/2038
PWLB 661522 – EIP	14 years	10.0	5.00%	27/09/2037
Total		40.0		

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.

PWLB Borrowing Rates %							
	29/09/2023	31/03/2023	30/09/2022	31/03/2022	30/09/2021	31/03/2021	30/09/2020
Annuity							
15 years	5.39	4.46	5.17	2.54	1.87	1.74	2.09
20 years	5.54	4.60	5.14	2.67	2.07	1.97	2.27
30 years	5.81	4.87	5.15	2.84	2.31	2.26	2.58
50 years	5.80	4.83	4.80	2.79	2.38	2.38	2.76
Maturity							
15 years	5.70	4.78	5.15	2.81	2.28	2.22	2.56
20 years	5.83	4.90	5.11	2.86	2.38	2.35	2.72
30 years	5.84	4.86	4.85	2.78	2.36	2.37	2.74
50 years	5.61	4.61	4.41	2.59	2.17	2.20	2.60
EIP							
15 years	5.36	4.45	5.20	2.54	1.86	1.72	2.09
20 years	5.46	4.54	5.14	2.65	2.04	1.95	2.26
30 years	5.71	4.79	5.15	2.82	2.28	2.22	2.56
50 years	5.86	4.90	4.99	2.83	2.39	2.39	2.77

Glossary of Treasury Terms

Authorised Limit	The affordable borrowing limit determined in compliance with the Local Government Act 2003 (English and Welsh authorities) and the Local Government in Scotland Act 2003. This Prudential Indicator is a statutory limit for total external debt. It is set by the Authority and needs to be consistent with the Authority's plans for capital expenditure financing and funding. The Authorised Limit provides headroom over and above the <i>Operational Boundary</i> to accommodate expected cash movements. Affordability and prudence are matters which must be taken into account when setting this limit.
Balances and Reserves	Accumulated sums that are maintained either earmarked for specific future costs or commitments or generally held to meet unforeseen or emergency expenditure.
Bank Rate	The official interest rate set by the Bank of England's Monetary Policy Committee and what is generally termed at the "base rate". This rate is also referred to as the 'repo rate'.
Basis Point	1/100th of 1%, i.e. 0.01%
Bill	A certificate of short-term debt issued by a company, government or other institution, tradable on the financial market
Bond	A certificate of debt issued by a company, government, or other institution. The bond holder receives interest at a rate stated at the time of issue of the bond. The price of a bond may vary during its life.
Capital Expenditure	Expenditure on the acquisition, creation or enhancement of capital assets.
Capital Financing Requirement (CFR)	The Council's underlying need to borrow for capital purposes representing the cumulative capital expenditure of the local authority that has not been financed.
Capital gain or loss	An increase or decrease in the capital value of an investment, for example through movements in its market price.
Capital growth	Increase in the value of the asset (in the context of a collective investment scheme, it will be the increase in the unit price of the fund).
Capital receipts	Money obtained on the sale of a capital asset.
Certainty Rate	The government has reduced by 20 basis points (0.20%) the interest rates on loans via the Public Works Loan Board (PWLb) to principal local authorities who provide information as specified on their plans for long-term borrowing and associated capital spending.
CIPFA	Chartered Institute of Public Finance and Accountancy
Collective Investment Schemes	Funds in which several investors collectively hold units or shares. The assets in the fund are not held directly by each investor, but as part of a pool (hence these funds are also referred to as 'Pooled Funds'). Unit Trusts and Open-Ended Investment Companies are types of collective investment schemes/pooled funds.
Corporate Bonds	Corporate bonds are bonds issued by companies. The term is often used to cover all bonds other than those issued by governments in their own currencies and includes issues by companies, supranational organisations and government agencies.
Corporate Bond Funds	Collective Investment Schemes investing predominantly in bonds issued by companies and supranational organisations.
CPI <i>Also see RPI</i>	Consumer Price Index. (This measure is used as the Bank of England's inflation target.)
Cost of carry	When a loan is borrowed in advance of requirement, this is the difference between the interest rate and (other associated costs) on the loan and the income earned from investing the cash in the interim.
Counterparty List	List of approved financial institutions with which the Council can place investments.
Credit Default Swap (CDS)	A Credit Default Swap is similar to an insurance policy against a credit default. Both the buyer and seller of a CDS are exposed to credit risk. Naked CDS, i.e. one which is not linked to an underlying security, can lead to speculative trading.
Credit Rating	Formal opinion by a registered rating agency of a counterparty's future ability to meet its financial liabilities; these are opinions only and not guarantees.

Debt Management Office (DMO)	The DMO is an Executive Agency of Her Majesty's Treasury and provides direct access for local authorities into a government deposit facility known as the Debt Management Account Deposit Fund (DMADF). All deposits are guaranteed by HM Government and therefore have the equivalent of a sovereign triple-A credit rating.
Diversification / diversified exposure	The spreading of investments among different types of assets or between markets in order to reduce risk.
Derivatives	Financial instruments whose value, and price, are dependent on one or more underlying assets. Derivatives can be used to gain exposure to, or to help protect against, expected changes in the value of the underlying investments. Derivatives may be traded on a regulated exchange or traded 'over the counter'.
ECB	European Central Bank
Fair Value	Fair value is defined as a sale price agreed to by a willing buyer and seller, assuming both parties enter the transaction freely. Many investments have a fair value determined by a market where the security is traded.
Federal Reserve	The US central bank. (Often referred to as "the Fed")
Floating Rate Notes	A bond issued by a company where the interest rate paid on the bond changes at set intervals (generally every 3 months). The rate of interest is linked to LIBOR and may therefore increase or decrease at each rate setting.
GDP	Gross domestic product – also termed as "growth" in the economy. The value of the national aggregate production of goods and services in the economy.
General Fund	This includes most of the day-to-day spending and income. (All spending and income related to the management and maintenance of the housing stock is kept separately in the Housing Revenue Account).
Gilts (UK Govt)	Gilts are bonds issued by the UK Government. They take their name from 'gilt-edged': being issued by the UK government, they are deemed to be very secure as the investor expects to receive the full face value of the bond to be repaid on maturity.
Housing Revenue Account (HRA)	A ring-fenced account of all housing income and expenditure, required by statute.
IFRS	International Financial Reporting Standards.
Income Distribution	The payment made to investors from the income generated by a fund; such a payment can also be referred to as a 'dividend'.
Local Authority Property Fund (LAPF)	A pooled property collective investment scheme for Churches, Charities and Local Authorities. (See Collective Investment Scheme).
Liability Benchmark	Term in CIPFA's Risk Management Toolkit which refers to the minimum amount of borrowing required to keep investments at a minimum liquidity level (which may be zero).
LOBOs	LOBO stands for 'Lender's Option Borrower's Option'. The underlying loan facility is typically long term and the interest rate is fixed. However, in the LOBO facility the lender has the option to call on the facilities at pre-determined future dates. On these call dates, the lender can propose or impose a new fixed rate for the remaining term of the facility and the borrower has the 'option' to either accept the new imposed fixed rate or repay the loan facility.
Maturity	The date when an investment or borrowing is repaid.
Maturity profile	A table or graph showing the amount (or percentage) of debt or investments maturing over a time period. The amount or percent maturing could be shown on a year-by-year or quarter-by-quarter or month-by-month basis.
MiFID II	MiFID II replaced the Markets in Financial Instruments Directive (MiFID I) from 3 January 2018. It is a legislative framework instituted by the European Union to regulate financial markets in the bloc and improve protections for investors.
Minimum Revenue Provision (MRP)	An annual provision that the Authority is statutorily required to set aside and charge to the Revenue Account for the repayment of debt associated with expenditure incurred on capital assets.
Money Market Funds (MMF)	Pooled funds which invest in a range of short term assets providing high credit quality and high liquidity.

Net Asset Value (NAV)	A fund's net asset value is calculated by taking the current value of the fund's assets and subtracting its liabilities.
Operational Boundary	This is the limit set by the Authority as its most likely, i.e. prudent, estimate level of external debt, but not the worst case scenario. This limit links directly to the Authority's plans for capital expenditure, the estimates of the Capital Financing Requirement (CFR) and the estimate of cashflow requirements for the year.
Pooled funds	See Collective Investment Schemes (above).
Premiums and Discounts	<p>In the context of local authority borrowing, (a) the premium is the penalty arising when a loan is redeemed prior to its maturity date and (b) the discount is the gain arising when a loan is redeemed prior to its maturity date. If on a £1 million loan, it is calculated* that a £100,000 premium is payable on premature redemption, then the amount paid by the borrower to redeem the loan is £1,100,000 plus accrued interest. If on a £1 million loan, it is calculated that a £100,000 discount receivable on premature redemption, then the amount paid by the borrower to redeem the loan is £900,000 plus accrued interest. PWLB premium/discount rates are calculated according to the length of time to maturity, current market rates (plus a margin), and the existing loan rate which then produces a premium/discount dependent on whether the discount rate is lower/higher than the coupon rate.</p> <p>*The calculation of the total amount payable to redeem a loan borrowed from the Public Works Loans Board (PWLB) is the present value of the remaining payments of principal and interest due in respect of the loan being repaid prematurely, calculated on normal actuarial principles. More details are contained in the PWLB's lending arrangements circular.</p>
Private Finance Initiative (PFI)	Private Finance Initiative (PFI) provides a way of funding major capital investments, without immediate recourse to the public purse. Private consortia, usually involving large construction firms, are contracted to design, build, and in some cases manage new projects. Contracts can typically last for 30 years, during which time the asset is leased by a public authority.
Investment Property	Property (land or a building or part of a building or both) held (by the owner or by the lessee under a finance lease) to earn rentals or for capital appreciation or both.
Prudential Code	Developed by CIPFA and introduced on 01/4/2004 as a professional code of practice to support local authority capital investment planning within a clear, affordable, prudent and sustainable framework and in accordance with good professional practice.
Prudential Indicators	Indicators determined by the local authority to define its capital expenditure and asset management framework. They are designed to support and record local decision making in a manner that is publicly accountable; they are not intended to be comparative performance indicators between authorities.
PWLB	Public Works Loans Board. It is a statutory body operating within the United Kingdom Debt Management Office, an Executive Agency of HM Treasury. The PWLB's function is to lend money from the National Loans Fund to local authorities and other prescribed bodies, and to collect the repayments.
Revenue Expenditure	Expenditure to meet the continuing cost of delivery of services including salaries and wages, the purchase of materials and capital financing charges.
Risk	<p>Credit and counterparty risk The risk of failure by a counterparty to meet its contractual obligations to the organisation under an investment, borrowing, capital, project or partnership financing, particularly as a result of the counterparty's diminished creditworthiness, and the resulting detrimental effect on the organisation's capital or current (revenue) resources.</p> <p>Liquidity risk The risk that cash will not be available when it is needed, that ineffective management of liquidity creates additional unbudgeted costs, and that the organisation's business/service objectives will be thereby compromised.</p> <p>Refinancing risk The risk that maturing borrowings, capital, project or partnership financings cannot be refinanced on terms that reflect the provisions made by the organisation for those refinancings, both capital and current (revenue), and/or that the terms are inconsistent with prevailing market conditions at the time.</p> <p>Interest Rate risk</p>

	<p>The risk that fluctuations in the levels of interest rates create an unexpected or unbudgeted burden on the organisation's finances, against which the organisation has failed to protect itself adequately.</p> <p>Legal risk The risk that the organisation itself, or an organisation with which it is dealing in its treasury management activities, fails to act in accordance with its legal powers or regulatory requirements, and that the organisation suffers losses accordingly.</p> <p>Operational risk The risk that an organisation fails to identify the circumstances in which it may be exposed to the risk of loss through fraud, error, corruption or other eventualities in its treasury management dealings, and fails to employ suitable systems and procedures and maintain effective contingency management arrangements to these ends. It includes the area of risk commonly referred to as operational risk.</p> <p>Market Risk The risk that, through adverse market fluctuations in the value of the principal sums an organisation borrows and invests, its stated treasury management policies and objectives are compromised, against which effects it has failed to protect itself adequately.</p>
RPI	Retail Prices Index. A monthly index demonstrating the movement in the cost of living as it tracks the prices of goods and services including mortgage interest and rent. Pensions and index-linked gilts are updated using the CPI index.
SORP	Statement of Recommended Practice for Accounting (Code of Practice on Local Authority Accounting in the United Kingdom).
Specified Investments	Term used in the CLG Guidance and Welsh Assembly Guidance for Local Authority Investments. Investments that offer high security and high liquidity, in sterling and for no more than 1 year. UK government, local authorities and bodies that have a high credit rating.
Supported Borrowing	Borrowing for which the costs are supported by the government or third party.
Temporary Borrowing	Borrowing to cover peaks and troughs of cash flow, not to fund spending.
Term Deposits	Deposits of cash with terms attached relating to maturity and rate of return (interest).
Treasury (T) -Bills	Treasury Bills are short term Government debt instruments and, just like temporary loans used by local authorities, are a means to manage cash flow. Treasury Bills (T-Bills) are issued by the Debt Management Office and are an eligible sovereign instrument, meaning that they have a AAA-rating.
Treasury Management Code	CIPFA's Code of Practice for Treasury Management in the Public Services. The current Code is the edition released in 2021.
Treasury Management Practices (TMP)	Treasury Management Practices set out the manner in which the Council will seek to achieve its policies and objectives and prescribe how it will manage and control these activities.
Unsupported Borrowing	Borrowing which is self-financed by the local authority. This is also sometimes referred to as Prudential Borrowing.
Usable Reserves	Resources available to finance future revenue and capital expenditure.
Variable Net Asset Value (VNAV)	A term used in relation to the valuation of 1 share in a fund. This means that the net asset value (NAV) of these funds is calculated daily based on market prices.
Working Capital	Timing differences between income/expenditure and receipts/payments
Yield	The measure of the return on an investment instrument.



Name of meeting: Council

Date: 17 January 2023

Title of report: Appointment of Chair – District Wide Planning Committee

Purpose of report: To appoint the Chair of District Wide Planning Committee, pursuant to the decision of Council on 13 September 2023.

Key Decision - Is it likely to result in spending or saving £500k or more, or to have a significant effect on two or more electoral wards?	No
Key Decision - Is it in the <u>Council's Forward Plan (key decisions and private reports)</u>?	No
The Decision - Is it eligible for call in by Scrutiny?	No
Date signed off by <u>Strategic Director</u> & name	Rachel Spencer Henshall 08.01.24
Is it also signed off by the Service Director for Finance?	Isabel Brittain: n/a
Is it also signed off by the Service Director for Legal Governance and Commissioning?	Julie Muscroft 03.01.24
Cabinet member <u>portfolio</u>	Not applicable

Electoral wards affected: All

Ward councillors consulted: Not applicable

Public or private: Public

Has GDPR been considered? Yes

1. Summary

- 1.1** This report seeks the appointment of the Chair of District Wide Planning Committee, which will be established on 9 February 2024, in accordance with the decision of Council on 13 September 2023.

2. Information required to take a decision

- 2.1** At the meeting of Council on 13 September 2023 a decision was taken to make changes to the Planning Scheme of Delegation and Planning Committees. It was agreed that;
- (i) from 10 November 2023 and for the remainder of the 2023/2024 municipal year, Strategic Planning Committee (to be named 'Strategic Planning Committee (Major Planning Applications)) would continue with the current membership.
 - (ii) that the District Wide Planning Committee (replacing Heavy Woollen Planning Sub Committee and Huddersfield Planning Sub Committee) be constituted on a ratio of 5:3:1 and that authority be delegated to Group Business Managers to nominate the membership.
- 2.2** In the context of the changes to arrangements of the Planning Committee structure, Council is asked to appoint a Chair of the District Wide Planning Committee, to take effect from 9 February 2024, for the remainder of the 2023/2024 municipal year.
- 2.3** The dates of the meetings from the implementation date of the new structure (9 February 2024) shall be as follows;

Strategic Planning Committee: 22 February 2024, 28 March 2024, 16 May 2024

District Wide Planning Committee: 21 March 2024, 9 May 2024

3. Implications for the Council

3.1 Working with People

Not applicable.

3.2 Working with Partners

Not applicable.

3.3 Place Based Working

Not applicable.

3.4 Climate Change and Air Quality

Not applicable.

3.5 Improving outcomes for children

Not applicable.

3.6 Financial Implications for the People Living or Working in Kirklees

Not applicable.

3.7 Other (eg Legal/Financial or Human Resources)

Not applicable.

4. Consultees and their opinions

Not applicable

5. Next steps and timelines

That Group Business Managers nominate the membership of the Committee on a 5:3:1 ratio.

6. Officer recommendations and reasons

That Council appoint the Chair of District Wide Planning Committee, to take effect from 9 February 2024.

7. Cabinet Portfolio Holder's recommendations

Not applicable

8. Contact officer

Leigh Webb, Acting Head of Governance

9. Background Papers and History of Decisions

Not applicable.

10. Service Director responsible

Julie Muscroft – Service Director – Legal, Governance & Commissioning

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Contact Officer: Andrea Woodside

KIRKLEES COUNCIL

CABINET

Tuesday 14th November 2023

Present: Councillor Cathy Scott (Chair)
Councillor Paul Davies
Councillor Graham Turner
Councillor Viv Kendrick
Councillor Jackie Ramsay
Councillor Yusra Hussain
Councillor Moses Crook

Observers: Councillor Martyn Bolt
Councillor Charles Greaves
Councillor Adam Gregg
Councillor David Hall
Councillor Tyler Hawkins
Councillor Musarrat Khan
Councillor John Lawson
Councillor Alison Munro
Councillor Amanda Pinnock
Councillor Mark Thompson

Apologies: Councillor Elizabeth Reynolds
Councillor Mussarat Pervaiz

77 Membership of Cabinet

Apologies for absence were received on behalf of Councillors Pervaiz and Reynolds.

78 Minutes of Previous Meetings

RESOLVED – That the Minutes of the Meetings held on 26 September and 17 October 2023 be approved as a correct record subject to the amendment that Councillor Y Hussain declared an interest in relation to Minute No 73. as a Member of the outside body, Suez.

79 Declaration of Interests

No interests were declared.

80 Admission of the Public

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

81 Deputations/Petitions

No deputations or petitions were received.

82 Questions by Members of the Public

No questions were asked.

83 Questions by Elected Members (Oral Questions)

Cabinet received the following oral questions under Executive Procedure Rule 2.3;

Question from Councillor J Lawson

“At the last Council we established that we are downsizing Council and establishing a new relationship with the public. I asked what the road map was, and what the vision was for the new Council. Are we any closer to having a vision of what will be left of Council once the dust has settled?”

A response was provided by the Leader of the Council.

Question from Councillor Greaves

“Regarding the consultation on leisure provision with Kirklees Active Leisure, I was surprised that the consultation process is solely a Council review. Can you clarify how involved KAL is in the consultation and will the review process be looking at how leisure services are designed, delivered and operated within the Borough?”

A response was provided by the Cabinet Member for Finance and Regeneration (Councillor Turner).

Question from Councillor Greaves

“Regarding the closure of dementia care homes, have opportunities to redress and restructure the care provision been taken over the past couple of years? How long and why have the homes been running at half capacity? What is the thinking behind how they have been managed?”

A response was provided by the Cabinet Member for Health and Social Care (Councillor Ramsay).

Question from Councillor Bolt

“There are items on the agenda which affect Town and Parish Councils. Some years ago Cabinet signed a Charter giving Town and Parish Councils an opportunity to comment on decisions impacting upon their areas. Could you give an undertaking to uphold the spirit of this Charter?”

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

Question from Councillor Bolt

“In February 2023, I attended Cabinet along with Councillor Lawson and asked questions relating to the Oakenshaw Cross and Kirklees Active Leisure, and was promised a response. Can you tell me when that response will be coming?”

A response was provided by the Leader of the Council.

84 Revision of Car Parking Tariffs / Charges

(Under the provision of Council Procedure Rule 37, Cabinet received representations from local residents Richard Noon, Tina Newsome and Dean Worsnop. Under the provision of Council Procedure Rule 36(1), Cabinet received representations from Councillor Gregg, Councillor Thompson, Councillor Greaves, Councillor J Lawson, Councillor Munro, Councillor D Hall and Councillor Bolt. Petitions were submitted by Councillors Gregg and Thompson).

Cabinet received a report which sought approval for the revision of parking tariffs, tariffs for on-street parking bays and off-street parking across Kirklees.

Cabinet were notified by the Monitoring Officer that a Notice of Concern had been received regarding this matter, submitted by the Chair of Overview and Scrutiny Management Committee and received in accordance with Section 17 of Overview and Scrutiny Procedure Rules. The Monitoring Officer summarised the concerns that had been set out within the submitted Notice. The Cabinet Member for Culture and Greener Kirklees responded to the Notice of Concern prior to Cabinet giving consideration to the report.

The report set out proposals to increase existing tariffs, retrospectively in line with inflation, from 2009, and also to introduce a comparable rate on car parks that were currently free of charge. Cabinet were advised that a review of short stay and long stay provision would be undertaken in order to reflect the changing demand for retail, commuter and cultural time in towns and villages. It was noted that the increase in charges was proposed to be introduced from January 2024.

Cabinet noted that car parking charges had remained unchanged since 2009 and that benchmarking reflected that the tariffs charged in Kirklees were now significantly lower than in other Yorkshire authorities. The report indicated that the proposed charges would be consistent with parking tariffs in the region.

Table 1 of the report (para 2.4) set out proposed tariffs for the Huddersfield area, whereby current all day provision for £4 would be increased to £6.50. The proposed increase for Dewsbury and other areas was set out at Table 2, and also proposed a charge of £6.50 for an all day tariff.

The report advised that a statutory consultation would be undertaken as part of the legal process required to implement the revised charges and that, following the consultation, a report would be presented to Cabinet Committee – Local Issues for consideration prior to the implementation of the new fees.

Appendix 1 to the report set out a summary of the aims of the Parking Service, which included the management of car parking provision, a reduction in the demand for parking and the setting of appropriate charges. Appendix 2 listed the locations where car parking charges are not currently applied and the number of spaces available in each location.

Cabinet - 14 November 2023

The Cabinet Member for Culture and Greener Kirklees, in response to the public comments at the meeting advised, encouraged input and feedback into the public consultation process and confirmed that an audit process would take place over a period of twelve months which would examine the economic viability of parking provision.

RESOLVED –

- 1) That approval be given to introduce new parking charges and that a statutory consultation process in relation to new charges will be undertaken in order to do this.
- 2) That approval also be given to increase existing parking charges by inflation, retrospectively and that in addition a non-statutory engagement and consultation process in relation to increased charges will be undertaken.
- 3) Note that in accordance with usual procedures, on completion of the consultations, a report will be submitted to Cabinet Committee Local Issues for consideration in relation to the Traffic Regulation Order.
- 4) That authority be delegated to CCLI for the decision prior to implementation of revised charges.
- 5) That it be noted that any future annual revisions of car parking tariffs / charges may be delegated to the relevant Service Director responsible for the Parking Service, in accordance with the Financial Procedure Rules.

85 Housing Growth Update

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

Cabinet received a report which set out an update on the progress of the Housing Growth programme, with specific reference to allocated housing sites at Dewsbury Riverside and Fenay Lane which would deliver both market and affordable housing. The report sought approval relating to funding to support delivery across the housing growth programme. It advised that delivery across the programme was currently estimated at 2,124 units, to be delivered by 2030, and that work was currently on site or in contract for circa 800 homes, including two extra care schemes to provide supported housing for older people.

The report set out a summary of information on (i) Dewsbury Riverside and proposed next steps (ii) Fenay Lane and proposed disposal route (iii) site development, preparation and delivery costs relating to the Housing Growth Programme and (iv) the funding position. Proposed timelines, as set out at paragraph 5, indicated that, in regards to Dewsbury Riverside, the detailed planning and development phase was scheduled for November 2024.

RESOLVED –

- 1) That in relation to Dewsbury Riverside, authority be delegated to the Service Director – Skills & Regeneration, in consultation with the relevant portfolio holder, the Service Director - Finance and the Service Director – Legal, Governance and Commissioning, power to enter into appropriate legal agreements, including an MoU with Homes England and Network Rail, and

undertake the appropriate procurement route required for the appointment of a master developer to deliver the site, including relevant agreements with other land owners and interested parties.

- 2) That, pursuant to (1) above, authority be delegated to the Service Director – Skills & Regeneration, in consultation with relevant portfolio holder, the Service Director - Finance and the Service Director – Legal, Governance and Commissioning, to dispose of the Council’s land as required to facilitate the delivery of the Dewsbury Riverside site (Local Plan Ref: HS61).
- 3) That, pursuant to (1) above, authority be delegated to the Service Director – Legal, Governance and Commissioning to enter into all agreements necessary to effect the disposals referred to at resolutions 1 and 2 above.
- 4) That in relation to Fenay Lane, approval be given to the disposal of the site at ‘less than best consideration’ to the preferred partner when appointed in accordance with the General Disposal Consent (England) 2003.
- 5) That, pursuant to (4) above, authority be delegated to the Strategic Director, Growth and Regeneration to negotiate and agree the terms of disposal for the site with the preferred partner; and determine the appropriate level of discount for the site following a comprehensive assessment of the appointed partner’s development appraisal reflecting the housing mix which receives planning consent.
- 6) That, pursuant to (4) above, authority be delegated to the Service Director, Legal, Governance and Commissioning to enter into and execute any agreement and other ancillary documents necessary to dispose of the site to the preferred partner for use as affordable and market housing dependent on the final housing mix.
- 7) That in relation to site development, preparation and delivery, a grant (Capital Allowances) be added into the Capital Plan to support the delivery of the Housing Growth Programme.
- 8) That, pursuant to (7) above, approval be given to the capital funding from grant (Capital Allowances) up to the maximum available for this activity which is £1.014M in total for Housing Growth site development, preparation, and delivery costs to support progress of sites in the Housing Growth Programme, whereby the capital funding will be drawn down into the capital plan as each element of expenditure is required and when expenditure is approved by the chair of Housing Growth Board.

86 Council Owned Tree and Woodland Management Policy

Cabinet received the revised and updated Council Owned Trees and Woodlands Policy, which had been formulated following a review of the existing policy. The report advised that the Council had adopted a Tree Policy, Tree Risk Framework and Tree Management Guidance in 2020 and that the documents had been reviewed in order to reflect current national policy, best practice and to help focus service delivery with more effective and strategically focussed use of resources.

Cabinet noted that the new policy document consisted of (i) revised policy statements, aligned with existing wider national and local policies (ii) a revised and updated risk framework, aligned with current industry best practice (iii) management standards and (iv) new service standards, setting out priorities, response time for enquiries received and timeframes for works to be completed.

The report advised that, subject to adoption, the new policy documents would be rolled out across the management of Council owned trees.

RESOLVED – That the Council Owned Tree and Woodland Management Policy be adopted and that authority be delegated to the Service Director for Highways and Streetscene to make any future updates to the policy document.

87 Asset Review November 2023

(Under the provision of Council Procedure Rule 37, Cabinet received representations from local residents Peter McBride, Halina Kasperowicz, Natalie Pinnock-Hamilton, Johnnie Flowers, Paul Lavine, Jason Robinson, Portia Roberts, George Matheson and Phil James in regards to the future of the Hudawi Centre.

Under the provision of Council Procedure Rule 36(1), Cabinet received representations from Councillor Hawkins, Councillor Khan and Councillor D Hall).

Cabinet received a report which was the second in a series of asset review reports, which identified further opportunities and recommendations to rationalise the estate, reduce costs and forward liability, and to generate capital income through the disposal of property which has been deemed as surplus to needs.

The report summarised the statutory requirements of Assets of Community Value and the position of the Council's current Community Asset Transfer Policy, which was being applied as part of the Council's approach to property disposals. Paragraph 1.14 set out details of the four properties that were currently registered as an asset of Community Value.

Cabinet were advised that the asset review had identified additional surplus property interests to be brought forward for disposal and four properties ((i)1 Beech Street, Huddersfield (ii) DRAM Sport and Community Centre (iii) Hudawi Centre, Huddersfield and (iv) Red House, Gomersal) for specific consideration which were proposed to be declared as surplus to organisational requirements and brought forward for disposal, which would achieve an annual revenue saving of £240k.

Appendix A to the report set out proposed additions to the capital receipts schedule.

RESOLVED –

- 1) That approval be given to the ongoing and planned activity being managed under business as usual, including the surplus declaration of the four identified assets to be brought forward for disposal:

- (i) 1 Beech Street, Huddersfield, HD1 4JN
- (ii) (DRAM Sports & Community Centre, Ridgeway, Dalton, Huddersfield, HD5 9QJ
- (iii) HUDAWI Centre, Great Northern Street, Huddersfield, HD1 6BG
- (iv) Red House, 281 Oxford Road, Gomersal, Cleckheaton, BD19 4JP

- 2) That authority be delegated to the Strategic Director for Growth and Regeneration in consultation with the relevant portfolio holder, Service Director – Legal, Governance and Commissioning, to dispose of the identified property assets to support the Council's income targets, irrespective of the value of the site and on such terms as officers deem most appropriate,
- 3) That authority be delegated to the Service Director – Legal, Governance and Commissioning power to enter into all agreements necessary to effect any of those disposals referred to at (1) above.

88 Data Network

Cabinet gave consideration to a report which sought approval of the procurement of new corporate data network services. The report advised that the current data network was designed nine years ago, around the provision of a public sector network and underpinned by open public networks provided by City Fibre and Openreach. It was noted that 85% of Kirklees residents now had gigabit capable network connectivity in their homes as a consequence of the previous investment and the report set out details of the decision required to (i) replace the core network hardware and (ii) the data network services between corporate council assets.

The report set out details of the current costs, and estimated future costs, based on a like for like replacement and advised that the cost to change from the existing network to a new contract would be covered by the IT capital refresh budget, as previously agreed on 14 June 2022. It was noted that the contract was proposed to be awarded in March 2024.

RESOLVED –

- 1) That approval be given to proceed with procurements for the core network hardware and the corporate data network services in line with the Technology Strategy and to ensure that procurements are delivered within existing capital and revenue budgets.
- 2) That approval be given to provide data network services into existing library and information centres, children's centres, and community centres and that the contract will include options for more cost effective connections and aim to provide social value tariffs for community based assets across Kirklees.

89 Corporate Financial Monitoring Report - Quarter 2, 2023-24

Cabinet received the Corporate Financial Monitoring Report, Quarter 2, 2023/2024. The report provided information on financial monitoring for General Fund Revenue, Housing Revenue Account and the Capital Plan.

In summary, the report set out a forecast overspend of £16.102m for Quarter 2 with savings forecast to be delivered totalling circa £18.7m, against a target of £19.8m. It advised that total usable reserves were forecast to be circa £35 by 31 March 2024 of which unallocated reserves were forecast to be £16m and earmarked reserves were forecast to be £19m.

The report provided information on (i) the forecast General Fund revenue outturn position in 2023/2024 by service area (ii) General Fund reserves and balances movements in year (iii) forecast Housing Revenue Account revenue outturn position,

including movements in Housing Revenue Account reserves in-year (iv) forecast capital outturn position 2023/2024 (v) treasury management prudential indicators.

RESOLVED –

- 1) That the forecast revenue outturn position at Quarter 2 for 2023/24 (£16.1m overspend), and the forecast year end position on the Council's reserves and balances (£47.4 Reserves, of which £35.4m are Usable Reserves) be noted;
- 2) That the Quarter 2 forecast HRA position (£34k surplus) and forecast year-end reserves position be noted;
- 3) That the Quarter 2 forecast capital monitoring position for 2023/24 in regard to Capital (£57.9m underspend) be noted;
- 4) That approval be given to the re-profiling of the 2023/24 capital plan as set out in the slides appended to the considered report;
- 5) That approval be given to £0.32m to purchase three highways tipper vehicles with delivery expected before April 2024;
- 6) That the Quarter 2 treasury management prudential indicators be noted.

90 Withdrawal of Netherton & South Crosland Neighbourhood Plan Forum Designation

Cabinet received a report which sought approval of the withdrawal of the Netherton and South Crosland Neighbourhood Plan Forum Designation on the basis of non-compliance with statutory requirements in relation to the publicity of the forum, and that the forum is no longer meeting to progress a neighbourhood plan.

The report advised that, pursuant to the meeting of Cabinet in November 2021, the Council had been unable to proceed with Regulation 10 to publicise the neighbourhood forum as relevant contact details had not been provided in compliance with statutory requirements. The designation was therefore in non-compliance with Regulation 8(d) of the Neighbourhood Planning (General) Regulations 2012. The report advised that the matter was not likely to be resolved and it was therefore recommended that the designation be removed, as set out at Option 2 of the report (withdrawal of the designation by the Local Authority).

The report advised that, subject to approval, the withdrawal statement would be published on the Council's website.

RESOLVED –

- 1) That approval be given to the withdrawal of the designation of the Netherton and South Crosland neighbourhood Forum in accordance with the Town and Country Planning Act 1990, Section 61F(9).
- 2) That approval be given to the publication of the withdrawal statement in compliance with Neighbourhood Planning (General) Regulation 2012, Regulation 12(2).

Contact Officer: Andrea Woodside

KIRKLEES COUNCIL

CABINET

Tuesday 12th December 2023

Present: Councillor Cathy Scott (Chair)
Councillor Paul Davies
Councillor Graham Turner
Councillor Jackie Ramsay
Councillor Mussarat Pervaiz
Councillor Yusra Hussain
Councillor Moses Crook

Observers: Councillor John Lawson
Councillor Andrew Marchington
Councillor Elizabeth Smaje

Apologies: Councillor Elizabeth Reynolds
Councillor Viv Kendrick

91 Membership of Cabinet

Apologies for absence were received from Councillors Kendrick and Reynolds.

92 Minutes of Previous Meeting

RESOLVED - That the Minutes of the Meeting of the Cabinet held on 14 November 2023 be approved as a correct record.

93 Declaration of Interests

No interests were declared.

94 Admission of the Public

Cabinet noted the submission of exempt information, as set out at Agenda Item 13 (Minute No.103 refers).

95 Deputations/Petitions

No deputations or petitions were received.

96 Questions by Members of the Public

Cabinet received the following question under Council Procedure Rule 11;

Question from Ken Shaw

“I am the longest serving gym member. I joined Kirklees gyms in 1973 and have gone nearly every week. I am disabled. If I did not go to the gym I would not be able to walk at all. That is why all gyms and sports facilities should be kept open. Who authorised the Stadium closure?”

A response was provided by the Cabinet Member for Finance and Regeneration (Councillor Turner).

97 Questions by Elected Members (Oral Questions)

Cabinet received the following oral questions under Executive Procedure Rule 2.3;

Question from Councillor J Lawson

“With regards to car parking charges, can I ask what arrangements will be made so that Cleckheaton Farmers Market and other open air markets held on car parks throughout the borough will be made so that they can continue to happen?”

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

Question from Councillor Marchington

“Why is the cost of KAL renting space at John Smith Stadium is not commercially sensitive information?”

A response was provided by the Cabinet Member for Finance and Regeneration (Councillor Turner).

98 Leisure Centre Offer 2024/2025

Cabinet gave consideration to a report which set out the findings of the leisure centre consultation process, and sought agreement for the rationalisation of the estate and withdrawal from specific Kirklees Active Leisure (KAL) sites. It was noted that the consultation process had been undertaken for a period of six weeks from 29 September 2023 and there had been 17,860 responses.

The report set out the challenges that had been faced by KAL to achieve financial sustainability due to inflationary measures and other increases in operational costs. It was noted that the Council could no longer offer additional financial support and that from April 2024 only the core grant of £2.555m could be made available. Cabinet were advised that for these reasons KAL could not continue to manage all of the sites currently within its portfolio and that the closure of some sites was therefore proposed.

The report advised that it was proposed that (i) the following existing sites would remain open to the public for 2024/2025; Batley Sports and Tennis Centre, Bradley Park Golf Club, Colne Valley Leisure Centre, Holmfirth Pool and Fitness Centre, Huddersfield Leisure Centre, Leeds Road Sports Complex, Scissett Baths and Fitness Centre and Spen Valley Leisure Centre (including Princess Mary Stadium/Running Track) (ii) there would be a withdrawal of services at Dewsbury Sports Centre and Huddersfield Stadium and Fitness Centre, and that these sites would cease to continue operating and (iii) Deighton Sports Arena would remain open and continue to be operated by KAL in the short term whilst a longer term solution is sought.

Cabinet gave consideration to the exempt information at Agenda Item 13 (Minute No. 103 refers) prior to the determination of this item.)

RESOLVED –

- 1) That (i) the findings of the six-week public consultation held between 29 September 2023 and 12 November 2023 (as attached at Appendix 1) (ii) the contents of the Integrated Impact Assessment (iii) the capital investment required for essential repairs and (iv) the proposed funding to KAL of the £2.555M, as set out in the budget book, be noted.
- 2) That the further work required to clarify the redundancy and other costs relating to the closure of facilities as identified in this report be noted.
- 3) That approval be given to the £2.555M leisure offer for 2024/25, specifically: Batley Sports & Tennis Centre; Bradley Park Golf Club; Colne Valley Leisure Centre; Holmfirth Pool and Fitness Centre; Huddersfield Leisure Centre; Leeds Road Sports Complex; Scissett Baths and Fitness Centre (subject to funding being awarded by Sport England); and Spen Valley Leisure Centre (including Princess Mary Stadium & Running Track).
- 4) That approval be given to Dewsbury Sports Centre (DSC), Deighton Sports Arena and Huddersfield Stadium Health & Fitness Club not being part of the leisure offer.
- 5) That Officers be authorised to continue discussions regarding the future use of Deighton Sports Arena, in order to enable options to maintain community access to the facility to be explored within the next 12 to 24 months.
- 6) That Officers be authorised to develop a future plan for physical activity across Dewsbury, which would contain a range of long term options, and that an assessment be made on the cost and feasibility of creating access to the dry-side facilities at Dewsbury Sports Centre.
- 7) That Officers be authorised to continue to work with Kirklees Stadium Development Ltd (KSDL) to try and attract another operator for the Stadium Health and Fitness Club to aid the financial viability of the site.
- 8) That approval be given to phase 2 of the Leisure Centre Transformation Programme, to focus on the future vision for sport and physical activity ensuring Kirklees citizens have access to a wide choice of activities.
- 9) That a further report be considered in 2024 regarding the property implications of the proposed changes to the leisure offer provision and its impact on individual sites.

99 Implementing Integrated Community Approaches

Cabinet gave consideration to a report which sought approval for a service redesign which was part of a phased approach to develop an integrated model of support across Kirklees communities. The report advised that the model proposed to streamline community and access service functions in order to provide a more cohesive support network and achieve better outcomes and improved efficiencies. It identified the impacts and mitigating actions upon employees, residents, the voluntary and community sector and place based working approaches. The report explained that the model would focus upon working in a more integrated holistic way, supporting transformational conversations, reacting to emerging community needs, and increasing local community knowledge.

Cabinet were advised of changes to three service and function areas; (i) integration of community facing teams during 2024 resulting in new multi-disciplinary teams (ii) integration of the Council's individual telephone contact centres during 2024 and (iii) a reduction in grant distribution from the community plus grants scheme used to distribute external funding from April 2024. It was noted that the proposal provided cumulative savings of £519k, and a reduction of 12.5fte.

RESOLVED –

- 1) That the overall approach to integrate currently segregated community services from across Community and Access Services be approved.
- 2) That approval be given to commence a service change process to reduce management and staffing capacity by the required amounts to achieve integration and savings.

100 Housing Revenue Account (HRA) Rent and Service Charge Setting and Key Housing Challenges

Cabinet gave consideration to a report which set out the financial context and basis for the annual setting of rents and service charges and sought a decision regarding the annual rent and service charge increases for 2024/2025, which would form part of the budget proposals.

Cabinet were advised that, in order to comply with the requirements of the Local Government and Housing Act 1989 to have a balanced Housing Revenue Account, it was proposed that social housing rent charges be increased by 7.7% (an average of £6.10 per week) and service charges also at 7.7% with effect from 1 April 2024. The schedule of proposed weekly rent and service charges for 2024/2025 were set out at Appendix 1. The report indicated that tenants would be advised of increases in payment by letter in accordance with the statutory four week notice period.

RESOLVED –

- 1) That approval be given to increase rents by an average of £6.10 per week (7.7%) and service charges payable by between 0.08p and £1.52 per week (7.7%) for social housing from 1 April 2024.
- 2) That approval be given for charges for Extra Care Services – Intensive Housing Management to increase by between £2.05 and £5.22 (7.7%) and Extra Care Services – Night Care Service to increase by £1.58 per week (7.7%).
- 3) That the national and local financial challenges as outlined in the report, in preparation for the HRA budget discussions in January 2024, be noted.

101 Council Tax Reduction Scheme Review 2024/2025

Cabinet gave consideration to a report which sought a decision to revise the existing council tax reduction scheme, to be effective from 1 April 2024. It advised that the current scheme had been in operation since 1 April 2018.

Cabinet were advised that a consultation exercise upon a number of options had been undertaken from 16 August to 11 October 2023, and that 717 responses had been received. The options proposed were; (i) make no major changes (ii) reduce

protection for all working age households (a 25% scheme) and (iii) remove the protection and have a standard 15% council tax reduction working age scheme. The responses to the consultation were set out at Appendix 4.

The report proposed the adoption of option (ii), whereby all protection would be removed and the charge would be increased for all working age households to at least 25% of liability, whilst retaining other features of the current scheme. The report advised that the revised scheme would cost £31.7m, which would reflect a reduction of approximately £4.33m.

RESOLVED –

- 1) That the Discretionary Reduction Policy be amended so that it no longer excludes any person that does not already receive a reduction under the main reduction scheme, and that it be noted the responsibility in relation to care leavers is to age 25.
- 2) That the report be submitted to the Meeting of Council on 13 December 2023 with a recommendation that; (i) the existing Council Tax Reduction scheme be reviewed and that Option 2 to reduce protection for all and implement a 25% scheme be adopted in accordance with the scheme as set out in Appendix 5, and that it take effect from 1 April 2024 (ii) that the administrative easement, as set out at Option 4 be adopted and developed in order to ensue smooth administration (iii) the findings of the statutory consultation exercise, as set out at Appendix 4, be noted and (iv) that the results of the Integrated Impact Assessment be noted.

102 Exclusion of Public

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

103 Leisure Centre Offer 2024/2025

(Exempt information 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 a third party. It is considered that the disclosure of the information would adversely affect KAL 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 in the Authority's decision making.)

The exempt information was noted prior to the consideration of Agenda Item 8 (Minute No. 98 refers).

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Department for
Business & Trade

Kevin Hollinrake MP
Parliamentary Under Secretary of State

Department for Business and Trade
Old Admiralty Building
Admiralty Place
London SW1A 2DY

Andrea Woodside
Principal Governance Officer
Legal and Governance Services
Kirklees Council
By email: andrea.woodside@kirklees.gov.uk

T: +44 (0) 020 4551 0011
W: www.gov.uk

Our ref: MCB2023/07435

08 December 2023

Dear Andrea,

Thank you for your email of 21 November, regarding issues raised from your recent Kirklees Council meeting around Small Business Saturday. As I hope you will appreciate, the Secretary of State receives significant volumes of correspondence on a daily basis, and, regrettably, is unable to respond to each one personally. These issues fall within my remit as Minister for Enterprise, Markets and Small Business and I have been asked to respond.

The Government fully supports Small Business Saturday. Since its inception in 2013, it has engaged millions of people and has made a real difference to local businesses.

We want to encourage as many people as possible to take part in the campaign and help shine a light on our diverse small business population right across the UK. It is important to continue championing shopping at smaller retailers throughout the festive season and the winter months, highlighting their role in local communities and keeping our small businesses thriving.

In the recent Autumn Statement, the Chancellor announced a substantial business rates package to support the UK's small businesses worth £4.3 billion over the next 5 years. This includes a rollover of Retail, Hospitality and Leisure relief for 230,000 properties and a freeze to the small business multiplier, which will protect c.90% of ratepayers (when taken together with Small Business Rates Relief) from inflationary multiplier increases for a fourth consecutive year. This balances support for the high street with fiscal responsibility, by ensuring that support is targeted at those who need it most.

The Government also wants the tax system to be simpler, fair and to support growth and announced a range of changes to make it easier for businesses to interact with the tax system, including expanding the 'cash basis' – a simplified way for over 4 million smaller, growing traders to use a simpler method of calculating their profits and pay their income tax. This ensures that businesses start out on the simpler regime as standard.

The Government also acknowledges that late payment remains a significant problem for small businesses. We are completely focussed and determined to see late payments reduced to ensure that small businesses are given the best chance of succeeding and growing. The Office of the Small Business Commissioner (OSBC) was set up by the Government under the Enterprise Act 2016, to tackle late payment and unfavourable payment practices in the private sector. The OSBC considers complaints from small businesses that are having issues receiving payment from larger customers. The service is

impartial and free to use, and they can provide recommendations and advice to both parties within the dispute in addressing unpaid invoices. Further details can be found at www.smallbusinesscommissioner.gov.uk.

We launched a review of Cash flow and Prompt Payment, alongside a public consultation on the Payment Performance Regulations at the beginning of 2023 to tackle and improve delivery and enforcement of policies, enabling more small businesses to get paid on time. The findings of the review, alongside the consultation response, has been published alongside the 2023 Autumn Statement, see the following link: www.gov.uk/government/publications/publication-of-the-prompt-payment-and-cash-flow-review

Small and medium sized enterprises (SMEs) are the backbone of our economy and this Government places them at the heart of our policy making. We provide extensive support to new and aspiring businesses, through Business Support Helpline, a network of Growth Hubs and GOV.UK website, which contains information and guidance on starting up and running a business.

All individuals and businesses can access core services, information and guidance on starting up and running a business, including statutory rights and obligations for business owners, on GOV.UK at www.gov.uk/browse/business. Specific advice on what you need to do to start a business is provided online at www.gov.uk/set-up-business.

Thank you again for writing. I hope you find this response helpful.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Kevin', written in a cursive style.

KEVIN HOLLINRAKE MP

Minister for Enterprise, Markets and Small Business