

# Public Document Pack



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

**Samantha Lawton**

Governance and Commissioning

PO Box 1720

Huddersfield

HD1 9EL

**Tel:** 01484 221000

Please ask for: Andrea Woodside

Email: [andrea.woodside@kirklees.gov.uk](mailto:andrea.woodside@kirklees.gov.uk)

Monday 3 February 2025

## Notice of Meeting

Dear Member

### Cabinet

The **Cabinet** will meet in the **Council Chamber - Town Hall, Huddersfield** at **1.30 pm** on **Tuesday 11 February 2025**.

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

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

A handwritten signature in cursive script, appearing to read "S Lawton".

**Samantha Lawton**

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

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

## Members of Cabinet :-

<b>Member</b>	<b>Responsible For:</b>
Councillor Carole Pattison	Leader of the Council
Councillor Moses Crook	Deputy Leader of the Council, Cabinet Member - Transport and Housing
Councillor Beverley Addy	Cabinet Member - Adult Social Care and Health
Councillor Munir Ahmed	Cabinet Member - Environment and Highways
Councillor Tyler Hawkins	Cabinet Member - Corporate
Councillor Viv Kendrick	Cabinet Member - Children' Services (Statutory Responsibility for Children)
Councillor Amanda Pinnock	Cabinet Member - Education and Communities
Councillor Graham Turner	Cabinet Member - Finance and Regeneration

# Agenda

## Reports or Explanatory Notes Attached

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### Pages

**1: Membership of Cabinet**

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

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**2: Minutes of Previous Meeting**

1 - 8

To approve the Minutes of the Meeting of the Cabinet held on 21 January 2025.

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**3: Declaration of Interest**

9 - 10

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

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**4: Admission of the Public**

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

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**5: Deputations/Petitions**

The Cabinet 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.

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## **6: Questions by Members of the Public**

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.

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## **7: Questions by Elected Members (Oral Questions)**

Cabinet will receive any questions from Elected Members.

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

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## **8: Long Stay Dementia Residential Homes**

11 - 36

To consider the report.

Contact: Saf Bhuta, In-House Provision

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## **9: Council Plan - 2025/2026 (Reference to Council)**

37 - 60

To consider the Council Plan, prior to submission to Council.

Contact: Stephen Bonnell, Partnerships, Policy and Corporate Planning

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**10: Council Annual Budget Report 2025-2026 and following years; incorporating Capital, Treasury Management, General Fund, Revenue and Housing Revenue Account (Reference to Council)** 61 - 214

To consider the report, prior to submission to Council.

Contact: Kevin Mulvaney, Finance

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**11: Leasehold Acquisition of housing properties in order to provide Temporary Accommodation for Homeless Households** 215 - 230

To consider the report.

Contact: Matthew Garbutt, Assets and Estates

(Exempt information is detailed in an appendix to the attached report. Consideration must be given to whether the public and press should be excluded from the meeting prior to the determination of the matter to enable the exempt information to be discussed by passing the following resolution: -

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

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**12: Determination of School Admission Arrangements for 2025/2026** 231 - 274

To consider the report.

Contact: Martin Wilby/Sharon Oldfield, Education Places and Access

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**13: Draft Kirklees Transport Strategy, Policy Themes and Consultation Plan** 275 - 322

To consider the report.

Contact: Rory Davis/Lucie Wade, Transport Strategy and Policy

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Contact Officer: Andrea Woodside

## KIRKLEES COUNCIL

### CABINET

**Tuesday 21st January 2025**

Present: Councillor Carole Pattison (Chair)  
Councillor Moses Crook  
Councillor Tyler Hawkins  
Councillor Viv Kendrick  
Councillor Amanda Pinnock  
Councillor Graham Turner

Observers: Councillor Andrew Cooper  
Councillor Alison Munro  
Councillor Josh Sheard  
Councillor Elizabeth Smaje  
Councillor Mohan Sokhal

Apologies: Councillor Beverley Addy  
Councillor Munir Ahmed

**80 Membership of Cabinet**

Apologies for absence were received on behalf of Councillor Addy and Councillor Munir Ahmed.

**81 Minutes of Previous Meeting**

**RESOLVED** – That the Minutes of the Meeting of Cabinet held on 10 December 2024 be approved as a correct record.

**82 Declaration of Interests**

No interests were declared.

**83 Admission of the Public**

It was noted that exempt information had been submitted in relation to Agenda Item 8 (Minute No. 87 refers).

**84 Deputations/Petitions**

No deputations or petitions were received.

**85 Questions by Members of the Public**

No questions were received.

**86 Questions by Elected Members (Oral Questions)**

**Question from Councillor Cooper**

“The decision by scrutiny that you look again at whether or not to privatise our dementia care homes gives you some time to reconsider this proposal. Next year, with the introduction of the fair funding formula for local government, Kirklees should be better off and this is an opportunity in the forthcoming budget to not prioritise the homes and find the £850k needed to bridge the gap with a view to mainstreaming and maintain the homes within Council control. Trying to push this through in this way will undermine people faith in local politics and in the way that we are governed. Do you agree with me that its time to abandon the proposals to privatise these care homes?”

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

**Question from Councillor Sheard**

“With regard to war grave burials in Dewsbury cemetery, will the Cabinet object to the Law Commission’s proposal to reuse graves and support the petition that has been supported by community activists to stop the Law Commission’s plans?”

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

**Question from Councillor Sheard**

Since closing Nab Lane tip, the facility of Dewsbury is experiencing delays of 45mins with traffic back logged through Saville Town. What action is the Council taking to make sure that congestion through Savile Town to Weaving Lane and Dewsbury tip is reduced?

A response was provided by the Deputy Leader of the Council (Councillor Crook).

**87 Our Cultural Heart, part of the Huddersfield Blueprint - Phase 2 Gateway 3**

(The report included exempt information in accordance with Schedule 12A of the Local Government Act 1972 (Access to Information) (Variation) Order 2006, namely it contains information relating to financial and business affairs of third parties (including the Authority holding that information). It is considered that the disclosure of the information would adversely affect those third parties including the Authority and therefore the public interest in maintaining the exemption, which would protect the rights of an individual or the Authority, outweighs the public interest in disclosing the information and providing greater openness and transparency in relation to public expenditure in the Authority’s decision making, and where the information is subject to an obligation to confidentiality. Cabinet gave consideration to the exempt information prior to the determination of this item).

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

Cabinet gave consideration to a report which sought approval to progress the design and pre-construction works for the Cultural Heart, Phase 2 (incorporating the



## Cabinet - 21 January 2025

combined museum, art gallery, public realm and basement) from Gateway 3 to Gateway 4.

The report provided an update on Phase 1 of the development, which included the library and food hall, pursuant to the commencement of construction on site, and an overview of the remaining phases within the rest of the master plan. The report also outlined the reallocation of some of the allocated budget of £262m within the capital development budget for design and construction, and provided an update on the budgets for pre and post opening costs in the preparation of opening and operating the facilities within the cultural heart. It was noted that the costs would continue to be reviewed within the update reports submitted to Cabinet.

Paragraph six of the report set out the timelines of the project, and it was noted that Phase 1 was expected to be complete, and open to the public, during summer 2026.

### **RESOLVED -**

- 1) That in regard to the Combined Museum & Gallery, Phase 2 RIBA 3, authority be delegated to the Executive Director of Place in consultation with the Leader and the Portfolio Holder for Finance & Regeneration to approve the Royal Institute of British Architects stage 3 design (RIBA 3) for the museum and gallery.
- 2) That in regard to the Combined Museum & Gallery, Phase 2 Gateway 4 Budget, the museum and gallery construction budget be noted and funding to progress from this Gateway 3 to Phase 2 Gateway 4 be approved.
- 3) That in regard to the Construction Partner, Phase 2, Pre Construction Services Agreement (PCSA) authority be delegated to the Executive Director of Place in consultation with the Portfolio Holder for Finance & Regeneration, the Director of Legal Governance & Commissioning, the Service Director Finance and the Head of Procurement to make the decision to enter into the Pre-PCSA, and subsequently award the PCSA and instruct any surveys and enabling works that may be necessary prior to the contract sum being agreed subject to compliance with Contract Procedure Rules.
- 4) That in regard to SDP, Architect and Engineer Services, Phase 2 Gateway 3 to Gateway 4, subject to agreement on fees, compliance with the procurement process and Contract Procedure Rules, approval be given to continue the services being provided by the Client delivery team (SDP, architect and the engineer) to progress from this Gateway 3 to Phase 2 to Gateway 4.
- 5) That in regard to Construction Capital Development Council Resources approval be given to the allocation of necessary council staff and resources to support the construction programme and it be noted that, in the absence of sufficient internal resources, additional external resources will be sourced from the existing appointments and/or from existing/future framework agreements, subject to compliance with procurement process and the Contract Procedure Rules.

## Cabinet - 21 January 2025

- 6) That in regard to the Construction Budget, Phase 1 Gateway 5, Phase 2 Gateway 4 & Master Plan Allowances, approval be given to the further drawdown of £5.663m (Phase 2, £5.413m & Master Plan, £250k) thereby increasing the committed funding for the programme from £73.329m to £78.992m.
- 7) That in regard to the reallocation of budget to the Combined Museum and Gallery Service Pre-opening Capital Costs, approval be given, subject to no other sources of funding being available, the reallocation of funding from the Our Cultural Heart construction budget future phases to fund the museum and gallery pre-opening capital costs including the fit out of the building.
- 8) That in regard to the reallocation of budget to operational services,  
  
approval be given, subject to no other sources of funding being available, the reallocation of funding from the Our Cultural Heart construction budget future phases to fund the West Yorkshire Archive Service (£371k) and the Events team (£50k) pre-opening capital costs.
- 9) That authority be delegated to the Executive Director of Place, in consultation with the Portfolio Holder for Finance & Regeneration, the Service Director for Culture and Visitor Economy and the Service Director Finance to explore ways of replenishing the construction budget following any reallocation of budget without exposing the council to any additional capital borrowing commitments.
- 10) That in regard to the Phase 5 Venue and Car Park Review, authority be delegated to the Executive Director of Place, in consultation with the Service Director Finance and the Portfolio Holder for Finance & Regeneration, and subject to agreeing the terms of reference to utilise part of the master plan feasibility budget to carry out the review of Phase 5.
- 11) That authority be delegated to the Executive Director of Place to work within approved budgets to deliver the design and construction of the programme to Phase 1 Gateway 5, Phase 2 Gateway 4 and develop the master plan including appointing third parties which for Phase 1 includes the food hall operator in compliance with the Contract Procedure Rules and the Financial Procedure Rules.
- 12) That in regard to Operational Services Additional Budgets Phase 1 & Phase 2 it be agreed that the Executive Directors of Place, Adults and Health and Corporate Resources, in consultation with the Service Director – Finance, work to identify the relevant service pre and post opening costs of the various phases of the Our Cultural Heart programme. The Service Director – Finance shall ensure that estimates are added to the Council's Medium Term Financial Plan and be refined as updated information becomes available.

### 88 Surplus Property Disposals 2025/2026

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

## Cabinet - 21 January 2025

Cabinet gave consideration to a report which sought approval of the proposed 2025/2026 capital receipts schedule for 2025/2026, as set out at Appendix A of the report, which aimed to deliver a targeted level of capital receipts in alignment with the Council's approved budget and capital strategy. Cabinet were also asked to consider an objection that had been received following the advertisement of the intention to dispose of open space at the former Gomersal First School, Oxford Road, Gomersal, as shown at Appendix B of the report and to determine whether to dispose of the open space.

Cabinet were advised that the proposal supported the requirement for capital receipts as part of the Council budget strategy and would help to reduce long term revenue commitments through the disposal of surplus buildings and land. The report advised that, in regards to the objection received to the former Gomersal First School, the objection did not highlight any current use or value of the open space and the concerns raised were associated with potential future development and use of the site, which would be considered as part of the statutory planning process.

The report explained that, subject to approval, work would progress the proposals to formulate an accelerated programme for delivery.

### **RESOLVED –**

- 1) That authority be delegated to the Executive Director for Place to dispose of any land and property identified within the Capital Receipts Schedule 2025/2026 (Appendix A refers) to support the Council's income targets, in line with the legal requirements as outlined at paragraph 3.7.1 of the report, on such terms as Officers deem most appropriate.
- 2) That authority be delegated to the Executive Director for Place to dispose of the former Gomersal First School land (Appendix B refers) and that the objection not be upheld.
- 3) That the Service Director (Legal, Governance and Commissioning) be delegate authority to enter into all agreements necessary to affect any of those disposals referred to (1) and (2) above.

### **89 Kirklees' School Funding Arrangements for Financial Year 2025-26**

Cabinet gave consideration to a report which sought approval for funding arrangements for the Dedicated Schools Grant for the 2025/2026 financial year, including allocations across four funding blocks; schools block, high needs block, early years block and central schools and services block.

The report advised that (i) the schools block per pupil funding rates had increased to £5,548 for primary and £7,201 for secondary, and that the Kirklees school block allocation had increased to £397.2m (ii) the high needs block for Kirklees had been allocated £72.02m for 2025/2026 and that a £3.6m transfer from the schools block would help support a range of investment measures as part of the broader Kirklees SEND transformation plan (iii) the early years block had received an allocation of 2025/2026 of £68.3m and (iv) the central school services block had been allocated at £43.38 per pupil, totalling £2.8m.

## Cabinet - 21 January 2025

Cabinet noted that the Schools Forum would continue to help shape school funding arrangements, prior to the deadline for the submission of the school funding allocations on 22 January 2025. It was noted that it was expected that maintained schools would be informed of their budget shares by 28 February 2025 and that academies would be advised by 31 March 2025.

### **RESOLVED –**

- 1) That approval be given to the local formula factors for the distribution of Dedicated Schools Grant (DSG) Schools Block Funding for 2025/2026 (Appendix A refers).
- 2) That the decisions made by the Schools Forum in terms of central budgets, de-delegated budgets and a fund for significant growth for 2025/2026 be noted.
- 3) That approval be given to the submission of the Schools' local funding formula to the ESFA for 2025/2026.
- 4) That the disapplication request made to the Education Skills and Funding Agency be noted.
- 5) That the ESFA approved exceptions application be noted.
- 6) That authority be delegated to the Executive Director for Children's Services, in consultation with the Cabinet Members for Children's Services, and Education and Communities, to take account of the outcomes of the provider consultation, the views of the Early Years and Childcare Reference Group and Schools Forum, and make a final decision on the Early Years local funding formula 2025/2026 value of the Special Education Needs and Disability Inclusion Fund and frequency of early years funding payments.

### **90 Approval of acceptance and expenditure of external grant funding on preliminary development enabling works**

Cabinet gave consideration to a report which sought authority to spend £1.25m of One Public Estate Brownfield Land Release funding on Estate Buildings in order to prepare the building for future development. The report advised that utilising external funding on enabling works for the building would help to reduce costs for a future developer, making the building more attractive to potential developers, and assisting the development of this landmark building and the delivery of the Huddersfield Blueprint. Cabinet noted that the proposed capital works would be funded by the One Public Estate brownfield land release grant.

The report advised that the One Public Estate Brownfield Land Release funding focused upon the release of surplus buildings and land in order to facilitate development for housing and that the successful bid would facilitate the future development of the building. Cabinet agreement was therefore sought for the spend of the grant upon the specified works. A cost breakdown of the capital works was set out at paragraph two of the report. It was noted that the funding agreement required the work to be in contract by 31 March 2025 with a view to delivering homes by 31 March 2028 to meet the funding conditions.

**RESOLVED –** That approval be given to expenditure of £1.25m of external grant funding from One Public Estate on Estates Building to facilitate its future development.

**91 Half Yearly Monitoring Report on Treasury Management Activities 2024/2025 (Reference to Council)**

Cabinet gave consideration to a report which set out treasury management performance during the first half of 2024/2025, prior to the submission of the report to Council on 12 February 2025.

The report provided reassurance that the treasury management function was being managed prudently and pro-actively and that the treasury management prudential indicators were being complied with. The report indicated that (i) external investments averaged £61.6m at an average rate of 5.06% (ii) the Council's net borrowing increased by 25.2m in the 6 month period from £668.2m at 31 March 2024 to £693.4m at 30 September 2024 (iii) all treasury management activity undertaken complied fully with the approved Treasury Management Strategy, and the principles of the Treasury Management Code (and (iv) the treasury management revenue budget for 2024/2025 was £27.1m.

Cabinet noted the content of the report which set out information on (i) economy and interest rates (ii) local context (iii) investment activity (iv) borrowing update and activity and (v) risk and compliance issues.

**RESOLVED** – That the half yearly monitoring report on treasury management activity 2024/2025 be noted and that the report be submitted to the meeting of Council on 12 February 2025.

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<b>KIRKLEES COUNCIL</b>			
<b>COUNCIL/CABINET/COMMITTEE MEETINGS ETC</b>			
<b>DECLARATION OF INTERESTS</b>			
<b>Name of Councillor</b>			
<b>Item in which you have an interest</b>	<b>Type of interest (eg a disclosable pecuniary interest or an "Other Interest")</b>	<b>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]</b>	<b>Brief description of your interest</b>

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.





**REPORT TITLE:** Long Stay Dementia Residential Homes

<b>Meeting</b>	Cabinet
<b>Date</b>	11 February 2025
<b>Cabinet Member (if applicable)</b>	Cllr Beverley Addy
<b>Key Decision</b>	Yes
<b>Eligible for Call In</b>	No
<p><b>Purpose of Report</b></p> <p>To provide Cabinet with further details on the future of Council operated dementia care home provision (Castle Grange and Claremont House) following the Call In decision at the Health and Adult Social Care (H&amp;ASC) Scrutiny Panel held on 10 January 2025.</p> <p>This report includes detailed multi-year financial analysis which has helped inform the proposal to identify new operators for these care homes.</p>	
<p><b>Recommendations</b></p> <p>The Cabinet are asked to:</p> <ol style="list-style-type: none"> <li>a. Note the outcome and recommendations from the H&amp;ASC Scrutiny Panel call in on 10th December 2024 in respect of the Future of Council operated Dementia Care Home Provision (Castle Grange and Claremont House).</li> <li>b. Note the detailed financial analysis provided (appendix 3) which includes: <ul style="list-style-type: none"> <li>▪ A 5-year summary of actual direct and net direct costs of operating these care homes under Council control (direct costs are service costs from operating the asset e.g. salaries, building costs such as cleaning, energy etc. Net Direct Costs are those costs after income from client contributions).</li> <li>▪ Historical and future comparisons of budgeted and actual direct costs (deficit) of operating the care homes</li> <li>▪ Historical and future comparisons of budgeted and actual income for both care homes</li> <li>▪ Historical and future comparisons of budgeted and actual net costs (deficit) and the real term potential saving to the Council for 2025/26</li> </ul> </li> </ol>	

- c. Reaffirm the decision made by cabinet at its meeting on 10<sup>th</sup> December 2024 to progress with the sale / business transfer of Castle Grange and Claremont House as going concerns.
- d. Delegate authority to the Executive Director for Adults and Health, in consultation with the Cabinet Member for Adult Social Care, the Service Director - Finance, and the Service Director – Legal, Governance & Commissioning, to select and finalise negotiations and agree the terms of the freehold transfers and Business Transfer Agreement with a preferred bidder and instruct the Service Director -Legal, Governance and Commissioning to execute and enter into all necessary documentation to effect the transfer of the care homes as going concerns .
- e. Note the contents of the Integrated Impact Assessment including mitigating actions

**Reasons for Recommendations**

- The detailed financial analysis reaffirms the financial business case and wider benefits of the sale of Castle Grange and Claremont House as going concerns.
- The savings have been modelled on the prudent budgeted cost for each care home based on high level occupancy and full staffing levels. The Council can only save in budget terms what is already stated in the budget.
- The running costs have been higher, and the real terms benefit would therefore be higher with the following additional factors included: avoidance of the overspend against budget, avoided obligations of capital investment, as well as the benefit of the potential capital receipt to the Council.
- The previous consultation (between 10/10/24 to 21/11/24) provided no substantial or significant reasons why the homes should be retained as directly operated facilities.
- Whilst the Best and Final Offers process with potential providers has been paused pending Cabinet decision, the process has secured competitive bids from four potential operators.
- This decision aligns with the council's strategic objectives to ensure financial sustainability while maintaining high-quality care for all residents in Kirklees. It meets the council's strategic objective of shaping the Kirklees' care market for the long term, which Adult Social care has the legal duty to do.

**Resource Implications:**

- Whilst pursuing the option of sale will involve substantial officer time, both relating to Adult Social Care, Finance, Legal, HR, Corporate Landlord and communications, internally and externally, the potential revenue cost savings of more than £0.8m each year along with the avoidance of potential overspend against budget, a potential capital receipt and mitigated capital borrowing

<p>continues to make this an attractive option financially. The Cabinet are asked to note the risk of reputational issues that will require resources to address.</p> <ul style="list-style-type: none"> <li>The transfer/sale of the care homes as going concerns will allow the Council to focus resource on specialist activity where there are market gaps or where only the Council can play a market facilitating role (e.g. Knowle Park House, the new dementia day service facility).</li> </ul>	
<p><b>Date signed off by <u>Executive Director</u> &amp; name</b></p>	<p>Michelle Cross Executive Director Adults and Health 20/01/2025</p>
<p><b>Is it also signed off by the Service Director for Finance?</b></p>	<p>Kevin Mulvaney – Service Director, Finance 20/01/2025</p>
<p><b>Is it also signed off by the Service Director for Legal Governance and Commissioning (Monitoring Officer)?</b></p>	<p>Samantha Lawton – Service Director, Legal and Commissioning 31/01/2025</p>

**Electoral wards affected:** All/ Newsome & Heckmondwike

**Ward councillors consulted:** None

**Public or private:** Public

**Has GDPR been considered?** Yes

## 1. Executive Summary

1.1 The Health and Social Care Scrutiny Panel requested a call-in on the decision taken by Cabinet on 10th December 2024 in respect of the future of Council Operated Dementia Care Home Provision (Castle Grange and Claremont House).

1.2 The decision of the Scrutiny Panel was to refer the decision back to Cabinet for further review, supported by a detailed multi-year financial analysis to help inform Cabinet considerations.

1.3 This report provides further information and assurance to Cabinet and to the Health and Social Care Scrutiny Panel of robustness and transparency in the financial business case and that the decision aims to secure the long-term sustainability of our care services, ensuring that the Council can continue to provide high-quality care to service users while managing the financial challenges the Council faces.

## 2. Information required to take a decision

### Financial Analysis – Key Points

Key points from each of the tabs in Appendix 3 are provided below:

#### 2.1 Budgeted Savings

2.1.1 The proposed savings to the Council of £0.867m have been modelled on the budgeted cost for each care home based on high level occupancy and full staffing levels. The savings calculation is based on the equivalent external provision costing less than the current in-house cost of running the homes.

	Castle Grange £'s	Claremont House £'s	Total £'s
<b>2025-26 MTFS budget</b>			
ASC Service budget (direct cashable)	1,938,417	1,908,142	3,846,559
Building/site budget (direct cashable)	121,226	100,760	221,986
<b>Direct cost budget saving (cashable)</b>	<b>- 2,059,643</b>	<b>- 2,008,902</b>	<b>- 4,068,545</b>
<b>Alternate external provision</b>			
	<b>1,600,625</b>	<b>1,600,625</b>	<b>3,201,250</b>
Based on	90% occupancy (36 beds each site) @ £852.69 per bed/per week		
	-36 * £852.69 * 52.143 = -36 * £852.69 * 52.143		
<b>Cost budget saving</b>	<b>- 459,018</b>	<b>- 408,277</b>	<b>- 867,295</b>

2.1.2 The figures in the table above show the direct cashable revenue savings level. It is important to note that the savings estimates have not changed. The figures referenced in previous Cabinet reports represent different views of the same analysis but with or without non-cashable overheads (non-cashable overheads are typically support services such as HR, Finance and service management costs).

#### 2.2 Actual Historical Overspend

2.2.1 A full five-year summary of actual expenditure is provided in the 'Summary – actuals' tab of Appendix 3.

2.2.2 For the financial year 2023-24, the total direct cost for Castle Grange was £2.388m and for Claremont House was £1.954m.

2.2.3 The net direct costs, after accounting for income, were £1.880m for Castle Grange and £1.665m for Claremont House.

2.2.4 The care homes have historically operated at a level of overspending against budget as highlighted in the 'variances - direct cost' and 'variances - net' tabs of Appendix 3. For example, the net deficit across both care homes for 2023/24 equates to almost £400k creating an unbudgeted pressure for the Council (which had to be funded from Council Reserves as part of the overall Adult Social Care overspend).

2.2.5 The decision to sell both care homes as going concerns would mitigate this pressure and would be a 'benefit' in addition to the £0.867m saving.

## **2.3 Income**

2.3.1 Please refer to the 'variances - income' tab of Appendix 3

2.3.2 Income from resident fees and contributions has been offset against the costs of running the homes and therefore reduces the net budget. However, whilst resident contributions help, they do not cover the full cost of care. The Council therefore must cover the shortfall between contributions and actual costs.

2.3.3 The Council uses a financial assessment, also known as a means test, to work out how much people should pay for their care home costs. Whether the care was provided by the Council or via a private provider – the service users would continue to contribute to their care at the assessed levels.

## **2.4 Avoided Obligations of Capital Investment**

2.4.1 The care homes require significant capital investment to maintain and upgrade facilities. It is estimated that £1.4m would be needed for capital improvements over the next 5 years. These costs have been calculated based on Vendor Surveys for both care homes as well as information the Council holds on the fabric, conditions and defects of corporate properties.

2.4.2 By selling the homes, the Council avoids this capital and borrowing obligations, which would equate to a revenue borrowing cost of £112k per annum over 20 years. This further enhances the financial benefits of the proposed sale.

## **2.5 Capital Receipt**

2.5.1 While the exact amount of the capital receipt from the sale cannot be disclosed at this stage, as work on the potential transfer of both care homes has been paused pending Cabinet decision, it is important to note that this receipt is not included in the £0.867m annual saving. Should a capital receipt be generated, this would be used to repay existing Council debt.

## **2.6 Conclusion**

2.6.1 The detailed 5-year financial analysis reaffirms the financial viability and benefits of selling Castle Grange and Claremont House as going concerns. This decision aligns with the Council's strategic objectives to ensure financial sustainability while maintaining high-quality care for residents.

2.6.2 The saving of £0.867m have been modelled on the prudent budgeted cost for each care home based on high level occupancy and full staffing levels. The Council can only save in budget terms what is already stated in the budget.

2.6.3 In reality, the operating costs for both care homes have been higher than budget, and the real terms benefit would therefore be higher with the following additional factors included: avoidance of the overspend against budget, avoided obligations of capital investment, as well as the benefit of the potential capital receipt to the Council.

2.6.4 The Cabinet are recommended to consider the additional information in this report and reaffirm the decision to progress with the sale / business transfer of Castle Grange and Claremont House as going concerns.

2.6.5 Note that the information used to inform this analysis is based on the 2025-26 proposed budget values at the point of the savings proposals being drawn up. There may be slight variations to this due to subsequent technical adjustments, however, it is unlikely that the values will materially change.

## **3. Implications for the Council**

Disposal of care homes is a typical action by local authorities in financial difficulties, or those which wish to transfer resources for other priorities. The Council would retain a role in providing more specialist services for both older people living with dementia and for people with a learning disability as well as working jointly with the healthcare system to provide residential step-down beds that support discharge.

### **3.1 Council Plan**

This proposal relates to the priorities outlined in the 24/25 Council Plan as per the above (3) and supports the Council's aim to transform services to become more efficient, effective and modern working towards a new operating model for Adult Social Care Services. [Council priorities - Council Plan 2024/25 | Kirklees Council](#)

### **3.2 Financial Implications**

The proposal will generate substantial ongoing savings if approved. It presents an ability to save revenue costs of more than £0.8m each year, avoid unbudgeted

pressures brought about by levels of overspends, avoid future potential capital and borrowing costs as well as benefiting from a potential capital receipt through the sale of both assets (albeit the Council will have two fewer assets)

### **3.3 Legal Implications**

3.3.1 Local authorities had a duty to provide residential accommodation for adults in need of care and attention not otherwise available to them under section 21 of the National Assistance Act 1948. This was repealed and replaced by a duty to meet needs for care and support (Section 18 of the Care Act 2014). Section 19 of the Care Act 2014 gives the local authority power to meet needs for care and support, where it is not a duty to do so. Unlike the National Assistance Act 1948, the Care Act 2014 does not specify separate duties for the provision of residential and non-residential care. Section 8 of the Care Act 2014 gives examples of the different ways that a local authority may meet the obligations under section 18, and the list includes “accommodation in a care home or premises of some other type” (s.8(1) (a)), or “care and support at home or in the community” (s.8(1)(b)).

3.3.2 The Council has a market shaping duty under section 5 of the Care Act 2014 and must exercise its duties in accordance with the Department of Health and Social Care’s “Care and support statutory guidance” (updated 27<sup>th</sup> September 2024).

3.3.3 The Council is required to carry out a non-statutory consultation process regarding proposals to reconfigure services and to carefully consider responses before reaching any decision. A lawful consultation should be in line with the ‘Gunning Principles’. To comply with these principles, a fair consultation is one undertaken when: 1) the proposals are at a formative stage; 2) sufficient reasons are given for the proposals to allow intelligent consideration by consultees together with criteria which will be applied when considering proposals and which factors will be considered decisive or of substantial importance; 3) adequate time must be given for responses; and 4) the product of consultation must be conscientiously considered before any final decision is taken. Members should carefully consider the outcomes of the consultation when considering the recommendations of officers including the Integrated Impact Assessment and all other relevant matters.

3.3.4 While some consultation has been previously carried out, this was in relation to a closure option and so further consultation is required in relation to the transfer of a going concern.

3.3.5 The Council has a duty of Best Value under section 3 of the Local Government Act 1999 to secure continuous improvement in the way functions are carried out having regard to a combination of economy, efficiency and effectiveness. The Council has a fiduciary duty to taxpayers when making funding decisions and commissioning services to ensure it has regard to all its legal duties and that it is prudent, affordable and sustainable in the context of the Council’s unprecedented budget challenges and the statutory requirement for a balanced budget.

3.3.6 Any Council staff transferring to another care home operator will benefit from protection under the Transfer of Undertakings (Protection of Employment) Regulations 2006 on the basis that it would constitute the transfer of a business as a going concern (Reg 3(1)). This means their contractual terms and conditions of employment and continuity of service will transfer. In the absence of any economic, technical or organisational reasons entailing changes in the workforce, there are restrictions on the ability of the transferee employer to change terms and conditions if they relate to the transfer itself. Minimum pension rights/benefits must be protected under the Pensions Act 2004 and the Transfer of Employment (Pension Protection) Regulations 2005. At this stage we are aware that none of the potential operators wish to join the LGPS. Affected staff and Trade Unions will be consulted as part of the decision-making process at the appropriate time. The transferee employer will need to inform the transferor (i.e. the Council) of any “measures” that it proposes regarding transferring employees following the transfer.

3.3.7 Employees who are not directly employed at the care homes and who do not have TUPE rights but who are nonetheless affected by the transfer may need to go on redeployment and or be entitled to a redundancy payment. The Council will follow its usual consultation procedures with any such affected employees.

3.3.8 Article 8 of the European Convention on Human Rights (ECHR) is a relevant consideration which requires the Council to respect the private and family life of persons resident in the Council’s care homes. Article 8 is only engaged if the proposals interfere with service user rights, and if so, may nonetheless be permissible if justified and proportionate. Provided the Council complies with its statutory duties its actions should be compliant with its obligations under the ECHR. Subject to the outcome of the consultation, the Council will need to ensure the needs of residents have been properly assessed in line with the Care Act 2014.

3.3.9 The Council has a duty under Section 123 Local Government Act 1972 when selling land to obtain the best consideration reasonably obtainable. Land can be sold at an undervalue of up to £2M under the General Disposal Consent 2003 if the purpose of the disposal is to promote or improve the economic, social or environmental wellbeing of the area and require Cabinet approval. If the consent did not apply the matter would need to be referred to the Secretary of State and the Council would need to comply with the Subsidy Control Act 2023. Officers have commissioned independent valuation advice in respect of each of the properties, these valuations have been received and are currently being reviewed.

3.3.10 The Council must comply with the Public Sector equality duty under Section 149 Equality Act 2010. An Integrated Impact Assessment will be required on the proposed sale of Council care homes and members must consider its findings before taking any decision. The Council when exercising its functions must have “due regard to the need to “- Eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act. a) Advance equality of opportunity



between persons who share a relevant protected characteristic and persons who do not share it; b) Foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

3.3.11 Section 149 (7) sets out 7 protected characteristics namely: age, disability, gender reassignment; pregnancy and maternity, race, religion or belief, sex or sexual orientation .it follows that age and disability, amongst others, will be relevant in taking decisions about the future of the Council's care homes. The IIA will need to be updated during and following any consultation.

3.3.12 The Council has the power to enter into any necessary contractual or other arrangements relying on Section 1 of the Localism Act 2011 and all other enabling powers. Section 1 introduced a general power of competence, subject to certain restrictions and prohibitions in other legislation, under which local authorities may do anything that an individual could do. All legal powers must be exercised reasonably in public law terms.

### **3.4 Climate Change and Air Quality**

As per previous Cabinet reports, no impact.

### **3.5 Other (e.g. Risk, Integrated Impact Assessment or Human Resources)**

An Integrated Impact Assessment has been undertaken to assess the impact of the transfer to private operators. This includes an assessment of the impact on staff, service users and their families. View the [Integrated Impact Assessment](#).

A summary of risks and mitigations were included in the previous Cabinet report dated 10 Dec 2024, please see section 3.4 of Appendix 2.

## **4. Consultation**

- 4.1 Recent consultation activities have been directed at existing service users and their relatives, and staff and their trade unions.
- 4.2 There has previously been a consultation on a proposed closure of these homes which resulted in a Cabinet decision to explore alternatives including transfer to the independent sector. Officers have undertaken an additional six-week consultation with service users and their relatives regarding the transfer of the care homes.
- 4.3 There are 45 residents currently residing across both Castle Grange and Claremont House. All resident families were contacted and offered one to one consultation meetings with officers, of which 31 service user families took up the offer of an optional one to one meeting. Further details of the current

consultation process and outcomes are set out in appendix 4 and appendix 5 summarised through 4.6.1 and 4.6.12 below.

- 4.4 The process being followed to select the potential new operator and to manage any subsequent transfer process will take consideration of the points raised below and officers will exercise good professional judgement in making decisions.
- 4.5 The commercially confidential nature of the provider selection process means that it is not possible for families to be involved in the selection process but their concerns about quality and experience will be reflected in the decision-making process.

#### 4.6 **Overview of generic themes**

- 4.6.1 Families were concerned about when the appointment of a new provider would be communicated with them. They want the opportunity to review the new provider's portfolio, their CQC rating(s) and meet and ask questions of the new provider. They asked what would happen if there were issues following the transfer of the homes. There was concern that the homes may not remain as dementia residential homes. Families are interested in knowing what, if any, restrictions will be in place to mitigate any immediate changes to the service. Officers have ensured that the criteria used for the Best and Final Offers process with potential providers has a greater focus on quality over price.
- 4.6.2 Families have also been advised that the council is only progressing talks with providers who are interested in and have a good track record in providing dementia care therefore we do not anticipate any change to the service focus. They have also been advised of the confidential nature of the BAFO bidding process and that a limited amount of information can be shared with them at this time. Additionally, the Council intends to impose a 20-year overage period on the properties and restrict the use of the properties to certain social care services for a period of 5 years from point of sale which further mitigates risk.
- 4.6.3 Families are very complimentary about the excellent and high-quality care currently received by residents at both homes. Concerns were raised about whether the quality of care would be maintained post transfer to a private provider.
- 4.6.4 Kirklees has a well-developed independent sector care home market. Should the homes be transferred to new operators (subject to cabinet approval), the Council will ensure it has oversight on quality and provision through its Contracts team. The Contracts team delivers proactive,

targeted support in partnership with the NHS and other key partners around improving the quality of care to regulated care providers in the borough.

- 4.6.5 Families raised concerns about staffing. They are aware of the TUPE process but are concerned staff may leave before the transfer occurs and have queried what support is available for staff during this time. They are also concerned about changes to staffing when a new provider is in place.
- 4.6.6 Staffing levels will be at the discretion of any new provider.
- 4.6.7 Families are extremely concerned about the potential increase in the cost of care and the possibility that top-up fees will be introduced. Most have added that they would not have any financial means to be able to contribute towards any increased cost of their loved one's care. Families would like to know who will pay for any shortfall if an individual's money depreciates below the threshold. Concerns were raised about delays with the payment process (delay in receiving invoices, timely responses when contacted, paying invoices, understanding how much they owe, if there is debt will it be transferred) and what would be done to address these.
- 4.6.8 Whilst any increase in fees will be at the discretion of the new provider, the council will continue to contribute to care costs for low-income residents based on the outcome of a financial assessment. Concerns about invoicing and payment issues have been raised with colleagues in Client Financial Affairs for resolution.
- 4.6.9 Families would like to be informed of the BAFO bidding process for a new provider including timescales and what the selection criteria are.
- 4.6.10 Subject to Cabinet approval, the Council is aiming to complete the full transfer by the end of May 2025.
- 4.6.11 Families would like to learn more about what happens after the transfer of the homes and what if any responsibilities the council would continue to have towards the service users residing in the homes. Families have been assured that the needs of residents will be properly assessed and individual service user reviews in line with the Care Act 2014 will be carried out to support this transition to a potential new provider.
- 4.6.12 The families have clearly stated their opposition to this proposal and are keen to know what will happen should a suitable provider not be found.

## 5. Engagement

As per previous Cabinet reports

## 6. Options

### 6.1 Options considered

As per the previous Cabinet report, the options for consideration are:

- a. Do nothing, and continue as is, recognising that the homes cost significantly more to operate than they generate in income through fees charged.
- b. Pursue the transfer of the two long stay homes as a going concern business. The preferred option here, and one which brings savings with minimal disruption to residents and their families and a transfer of employment arrangements for staff. This is the proposal recently consulted on as part of the six-week consultation undertaken with service users and their relatives regarding the transfer of the care homes
- c. Close the homes (a previously rejected option following a comprehensive public consultation, though the financial position of Council remains challenging)

### 6.2 Reasons for recommended option

At present, based on previous information shared the detailed financial analysis as well presented in this report - option b. is the option that enables the Council to better manage the financial position it faces in line with previous decision to not close the homes but to seek an alternative solution

## 7. Next steps and timelines

If the recommendations are reaffirmed and approved, officers will pursue further engagement with interested parties through the best and final offers process and to select and finalise negotiations with a preferred bidder with a view to completing the sale of both care homes in Quarter 1 2025/26

## 8. Contact Officer

Saf Bhuta, Head of In-House Provision

## 9. Background Papers and History of Decisions

- **CABINET Report: 10 December 2024** - [20241207 Care Homes Cabinet Report Final.pdf](#)
- **CABINET Report: 26 September 2023** - [UPDATED Cabinet Report 26.09.23 CH CG exit final 18.09BM.pdf](#)

- **CABINET Report: 12 March 2024 -**  
<https://democracy.kirklees.gov.uk/documents/s56151/CABINET%20REPORT-%202024%2003%2012-%20Dementia%20Care%20home%20FINAL.pdf>
- **CABINET Report: 8 October 2024**  
<https://democracy.kirklees.gov.uk/documents/s59575/Care%20Homes%20Cabinet%20Report%20Final.pdf>
- **Health and Adult Social Care Scrutiny Panel – 10 January 2025 Call in –**  
<https://democracy.kirklees.gov.uk/documents/s61724/Final%20Combined%20Report.pdf>
- **Health and Adult Social Care Scrutiny Panel: 22 November 2023**  
<https://democracy.kirklees.gov.uk/documents/s54387/Care%20Homes%20Consultation%20Scrutiny%20301023%20FINAL.pdf>

## 10. Appendices

1. Key Decision Notice
2. Previous Cabinet Report dated 10 December 2024
3. Financial Information – Variances and 5 Year Analysis
4. Thematic Feedback from Resident Families Consultation
5. Overview of ongoing communications and engagement with Families

## 11. Service Director Responsible

Michelle Cross, Executive Director – Adults and Health

### Appendix 1

#### **Key Decision Notice:**

LINK: [Long stay dementia residential homes](#)

Published: 14 January 2025

### Appendix 2

#### **Previous Cabinet Report:**

LINK: [20241207 Care Homes Cabinet Report Final.pdf](#)

Published: 2 December 2024

### Appendix 3

#### **5 Year Analysis**

Attached

## **Appendix 4: Thematic Feedback from Resident Families Consultation**

### **Family consultation**

**Consultation period:** 10/10/24 to 21/11/24

**Number of service user currently residing across the two homes:** 45

**Number of service user families engaged to date:** 31.

**Forum for consultation:** 1½ hour face to face 1-1 slots arranged across several days/times. Options also made available for meetings to be held over phone/MS Teams.

**Purpose of meetings:** To capture family members / next of kin views on the proposals and feedback from the consultation to inform a further Cabinet report for a decision to be made.

### **Overview of generic themes**

#### **The new provider**

Families were concerned about when the appointment of a new provider would be communicated with them. They want the opportunity to review the new provider's portfolio, their CQC rating(s) and meet and ask questions of the new provider. Families were also concerned about what would happen if there were issues following the transfer of the homes.

#### **Service change**

Families are concerned that the homes may not remain as dementia residential homes.

They are interested in knowing what, if any, restrictions will be in place to mitigate any immediate changes to the service.

#### **Service Quality**

Families are very complimentary about the excellent and high-quality care currently received by residents at both homes. Concerns were raised about whether the quality of care would be maintained post transfer to a private provider.

#### **Staff**

Families raised concerns about staffing. They are aware of the TUPE process but are concerned staff may leave before the transfer occurs and have queried what support is available for staff during this time. They are also concerned about changes to staffing when a new provider is in place.

## **Cost/Fees**

Families are extremely concerned about the potential increase in the cost of care and the possibility that top-up fees will be introduced. Most have added that they would not have any financial means to be able to contribute towards any increased cost of their loved one's care.

Families would like to know who will pay for any shortfall if an individual's money depreciates below the threshold.

Concerns were raised about delays with the payment process (delay in receiving invoices, timely responses when contacted, paying invoices, understanding how much they owe, if there is debt will it be transferred) and what would be done to address these.

## **Timescales and oversight**

Families would like to be informed of the procurement process for a new provider including timescales and what the selection criteria is.

## **Post transfer**

Families would like to learn more about what happens after the transfer of the homes and what if any responsibilities the council would continue to have towards the service users residing in the homes.

## **Future of the care homes**

The families have clearly stated their opposition to this proposal and are keen to know what will happen should a suitable provider not be found.

## **Appendix 5: Overview of ongoing communications and engagement with Families**

### **Family consultation**

<b>Activity</b>	<b>Audience</b>	<b>Lead</b>	<b>Date</b>
<b>Post-cabinet (08 Oct 2024) - cabinet meeting</b>			
Invites for one-to-one consultation meetings	CH/CG families	Service	26/09/2024
Letters informing of the KND and report to October Cabinet	CH/CG families	Service	05/09/24
<b>Consultation period (6 weeks duration)</b>			
1-1 consultation questions shared with families	CH/CG families		
1-1 meetings with service users families	CH/CG families	Audrey and Sarah	17/10/2024
1-1 meetings with service users families	CH/CG families	Audrey and Sarah	21/10/2024
1-1 meetings with service users families	CH/CG families	Audrey and Sarah	22/10/2024
Letter to families additional 1-1 dates added	CH/CG families	Service	24/10/2024
1-1 meetings with service users families	CH/CG families	Sarah	28/10/2024
1-1 meetings with service users families	CH/CG families	Audrey and Sarah	29/10/2024
1-1 meetings with service users families	CH/CG families	Audrey and Sarah	30/10/2024
1-1 meetings with service users families	CH/CG families	Audrey and Sarah	31/10/2024
1-1 meetings with service users families	CH/CG families	Sarah	05/11/2024
1-1 meetings with service users families	CH/CG families	Sarah	06/11/2024
1-1 meetings with service users families	CH/CG families	Sarah	11/11/2024
1-1 meetings with service users families	CH/CG families	Sarah	12/11/2024
1-1 meetings with service users families	CH/CG families	Sarah	13/11/2024
1-1 meetings with service users families	CH/CG families	Sarah	18/11/2024
Letter to families informing of December Cabinet and reminder of consultation ending	CH/CG families	Sarah	18/11/2024
1-1 meetings with service users families	CH/CG families	Sarah	19/11/2024



1-1 meetings with service users families	CH/CG families	Audrey and Sarah	20/11/2024
1-1 meetings with service users families	CH/CG families	Audrey and Sarah	21/11/2024

Across the two homes there are now 45 service users. To date – Over the consultation period,

- 31 consultation meetings have taken place
- 36 response forms have been completed as a result.
- 8 consultation meetings have been booked by families and then cancelled for various reasons

### Staff Information / Consultation

Activity	Audience	Lead	Deadline
<b>Post-cabinet (08 Oct 2024) - cabinet meeting</b>			
Letters inviting staff to update meeting	CH/CG teams	Service	01/10/2024
<b>Consultation period (6 weeks duration)</b>			
Meeting with staff following cabinet meeting	CH/CG teams	Saf	10/10/2024
Notice up inviting staff to update meeting	CH/CG teams	Bev	19/11/2024
Meeting with staff to provide KND and December cabinet update	CG team	Audrey	27/10/2024
Meeting with staff to provide KND and December cabinet update	CH team	Audrey	28/10/2024

### Email correspondence

Up to 26/11/24

31 emails have been received and logged onto the care home communications log. All these queries/questions have been responded to in full.

Since this date a further 18 emails have been received. All have been logged in, and a holding email has been while a response for their query is compiled.

### Questions

Over 160 questions have been collated through the received emails and the 1-1 consultation meetings. We are currently collating all these questions into one frequently asked questions list to be shared with family members. However, some questions will

continue to be unanswered due to commercially sensitive reasons until further information is released as the process to select a new provider continues.

## Appendix 3

# Long Stay Dementia Residential Homes

February 2025

# Castle Grange, and Claremont House - Summary 1:3

(multi year summary of budget, actuals and variance of actuals against budget)

	Budget	Actual	Variance	Budget	Actual	Variance	Budget	Actual	Variance	Budget	Actual	Variance	Budget	Actual	Variance	Based on month 9 forecasts (employees autoforecasted)			
	2019-20	2019-20	2019-20	2020-21	2020-21	2020-21	2021-22	2021-22	2021-22	2022-23	2022-23	2022-23	2023-24	2023-24	2023-24	Budget	Projection	Variance	
	Castle Grange	Castle Grange	Castle Grange	Castle Grange	Castle Grange	Castle Grange	Castle Grange	Castle Grange	Castle Grange	Castle Grange	Castle Grange	Castle Grange	Castle Grange	Castle Grange	Castle Grange	Castle Grange	Castle Grange	Castle Grange	
	£'s	£'s	£'s	£'s	£'s	£'s	£'s	£'s	£'s	£'s	£'s	£'s	£'s	£'s	£'s	£'s	£'s	£'s	
<b>Direct costs</b>																			
<b>Employees</b>	1,364,161	1,483,621		1,702,483	1,501,438		1,723,802	1,639,714	- 84,088	1,742,837	1,821,289	78,452	1,836,661	2,035,602	198,941	1,885,314	2,019,134	133,820	
Direct Staff: Wages	1,276,661	848,612	- 428,049	1,702,483	926,250	- 776,233	1,723,802	1,092,892	- 630,910	1,742,837	1,157,193	- 585,644	1,836,661	1,193,079	- 643,582	1,885,314	1,755,426	- 129,888	
Direct Staff: Employer Contributions		397,587	397,587		459,398	459,398		471,893	471,893		478,858	478,858		534,132	534,132				
Direct Staff: Additional Costs		1,120	1,120		285	285		3,483	3,483		246	246		82	82		690	690	
Agency	87,500	236,301	148,801		115,505	115,505		71,446	71,446		184,992	184,992		308,308	308,308		263,018	263,018	
<b>Premises - Cleaning &amp; domestic</b>	20,105	22,689	2,584	20,105	18,984	- 1,121	20,105	20,881	776	20,105	20,152	47	20,105	17,123	- 2,982	20,105	25,019	4,914	
<b>Transport</b>																			
Public transport	25	34	9	25	41	16	25	32	7	25	42	17	25	26	1	25	7	- 18	
Car allowances	62	2	- 60	62	-	- 62	62	-	- 62	62	72	10	62	-	- 62	62	113	51	
<b>Supplies &amp; Services</b>																			
Equipment/Furniture/Materials	3,698	25,939	29,637	24,768	34,773	10,005	24,768	27,991	3,223	24,768	27,378	2,610	24,768	16,998	- 7,770	24,768	24,030	- 738	
Catering	71,426	74,029	2,603	71,426	72,770	1,344	71,426	69,450	- 1,976	71,426	83,649	12,223	71,426	95,035	23,609	71,426	79,417	7,991	
Clothing/uniform/laundry	3,411	2,637	- 774	3,411	2,813	- 598	3,411	3,317	- 94	3,411	2,877	- 534	3,411	581	- 2,830	3,411	1,383	- 2,028	
Printing/Office Expenditure	1,321	1,786	465	1,321	943	- 378	1,321	811	- 510	1,321	661	- 660	1,321	386	- 935	1,321	628	- 693	
Services	307	1,343	1,036	307	34	- 273	307	578	271	307	350	43	307	1,237	930	307	1,809	1,502	
Communications	-	225	225	-	11,248	11,248	-	3,613	3,613	-	2,528	2,528	-	1,901	1,901	-	3,076	3,076	
Miscellaneous expenditure	372	628	256	372	76	- 296	372	2,317	1,945	372	6,730	6,358	372	3,656	3,284	372	3,487	3,115	
<b>Direct expenditure (non-buildings related)</b>	1,457,492	1,612,932	155,440	1,824,280	1,643,118	- 181,162	1,845,599	1,768,704	- 76,895	1,864,634	1,965,727	101,093	1,958,458	2,172,545	214,087	2,007,111	2,158,102	150,991	
<b>Direct buildings costs</b>																			
Planned & unplanned works	-	75,203	75,203	-	38,647	38,647	-	39,647	39,647	1,511	50,121	48,610	1,511	44,783	43,272	1,511	24,759	23,248	
Grounds	2,663	2,662	- 1	2,663	616	- 3,279	2,663	3,439	776	2,724	1,816	- 908	2,724	1,483	- 1,241	2,724	2,724	-	
Energy costs	35,937	37,110	1,173	34,946	36,000	1,054	37,100	35,847	- 1,253	101,467	101,467	0	120,734	120,734	0	101,467	86,160	- 15,307	
Rates and council tax	1,639	1,761	122	1,639	1,832	193	1,639	1,927	288	1,639	2,489	850	1,639	2,096	457	1,639	2,200	561	
Water services	8,430	11,905	3,475	8,430	9,581	1,151	8,430	10,644	2,214	8,430	11,725	3,295	8,430	11,993	3,563	8,430	11,566	3,136	
Fixtures & fittings		3,092	3,092		2,154	2,154	-	2,252	2,252	-	5,146	5,146	-	1,325	1,325	-	3,415	3,415	
Other miscellaneous & recharges											66	66							
Cleaning & domestic	5,455	5,180	- 275	5,455	5,224	- 231	5,455	4,933	- 522	5,455	27,764	22,309	21,617	32,914	11,297	5,455	30,566	25,111	
	54,124	136,914	82,790	53,133	92,821	39,688	55,287	98,689	43,402	121,226	200,593	79,367	156,655	215,326	58,671	121,226	161,390	40,164	
<b>Total (direct costs)</b>	1,511,616	1,749,846	238,230	1,877,413	1,735,939	- 141,474	1,900,886	1,867,393	- 33,493	1,985,860	2,166,320	180,460	2,115,113	2,387,871	272,758	2,128,337	2,319,492	191,155	
<b>Income</b>	-	500,434	477,707	22,727	-	510,443	-	442,978	67,465	-	508,100	-	449,744	58,356	-	515,722	-	439,074	76,648
<b>Total (net direct cost)</b>	1,011,182	1,272,139	260,957	1,366,970	1,292,962	- 74,008	1,392,786	1,417,649	24,863	1,470,138	1,727,246	257,108	1,591,655	1,880,472	288,817	1,597,027	1,952,397	355,370	

# Castle Grange, and Claremont House - Summary 2:3

(multi year summary of budget, actuals and variance of actuals against budget)

	2019-20			2020-21			2021-22			2022-23			2023-24			2024-25		
	Budget	Actual	Variance	Budget	Actual	Variance	Budget	Actual	Variance	Budget	Actual	Variance	Budget	Actual	Variance	Budget	Projection	Variance
	Claremont House	Claremont House	Claremont House	Claremont House	Claremont House	Claremont House	Claremont House	Claremont House	Claremont House	Claremont House	Claremont House	Claremont House	Claremont House	Claremont House	Claremont House	Claremont House	Claremont House	Claremont House
	£'s	£'s	£'s	£'s	£'s	£'s	£'s	£'s	£'s	£'s	£'s	£'s	£'s	£'s	£'s	£'s	£'s	£'s
Based on month 9 forecasts (employees autoforecasted)																		
<b>Direct costs</b>																		
<b>Employees</b>	1,365,041	1,357,618	- 7,423	1,690,648	1,416,971	- 273,677	1,710,965	1,485,973	- 224,992	1,760,951	1,684,441	- 76,510	1,855,791	1,693,765	- 162,026	1,858,823	1,729,633	- 129,190
Direct Staff: Wages	1,277,541	817,983	- 459,558	1,690,648	908,361	- 782,287	1,710,965	1,094,186	- 616,779	1,760,951	1,169,746	- 591,205	1,855,791	1,234,632	- 621,159	1,858,823	1,567,355	- 291,468
Direct Staff: Employer Contributions		330,463	330,463		349,284	349,284		339,384	339,384		372,370	372,370		369,564	369,564			
Direct Staff: Additional Costs		570	570		613	613		743	743		1,356	1,356		416	416		492	492
Agency	87,500	208,602	121,102		158,713	158,713		51,660	51,660		140,969	140,969		89,153	89,153		161,786	161,786
<b>Premises - Cleaning &amp; domestic</b>	22,951	25,488	2,537	22,951	22,003	- 948	22,951	20,411	- 2,540	22,951	9,792	- 13,159	22,951	24,851	1,900	22,951	25,478	2,527
<b>Transport</b>																		
Public transport	200	100	- 100	200	45	- 156	200	45	- 155	200	1,092	892	200	93	- 107	200	57	- 143
Car allowances	315	346	31	315	62	- 253	315	8	- 307	315	39	- 276	315	259	- 56	315	44	- 271
<b>Supplies &amp; Services</b>																		
Equipment/Furniture/Materials	15,192	25,812	14,620	24,755	29,327	4,572	24,755	19,124	- 5,631	24,755	18,479	- 6,276	24,755	14,807	- 9,948	24,755	16,366	- 8,389
Catering	57,378	54,198	- 3,180	57,378	51,458	- 5,920	57,378	41,645	- 15,733	57,378	48,684	- 8,694	57,378	50,805	- 6,573	57,378	50,444	- 6,934
Clothing/uniform/laundry	2,078	3,891	1,813	2,078	1,980	- 98	2,078	1,482	- 596	2,078	3,294	1,216	2,078	2,377	299	2,078	941	- 1,137
Printing/Office Expenditure	841	585	- 256	841	813	- 28	841	191	- 650	841	147	- 694	841	1,097	256	841	301	- 540
Services	372	1,372	1,000	372	351	- 21	372	27	- 345	372	379	7	372	1,256	884	372	394	22
Communications	1,088	4,989	3,901	1,088	7,957	6,869	1,088	5,920	4,832	1,088	4,741	3,653	1,088	2,975	1,887	1,088	3,914	2,826
Miscellaneous expenditure	372	245	- 127	372	149	- 223	372	169	- 203	372	249	- 123	372	5,453	5,081	372	359	- 13
<b>Direct expenditure (non-buildings related)</b>	1,435,444	1,474,644	39,200	1,800,998	1,527,155	- 273,843	1,821,315	1,574,994	- 246,321	1,871,301	1,771,043	- 100,258	1,966,141	1,797,738	- 168,403	1,969,173	1,827,931	- 141,242
<b>Direct buildings costs</b>																		
Planned & unplanned works	-	35,938	35,938	-	36,769	36,769	-	28,710	28,710	1,511	45,819	44,308	1,511	39,684	38,173	1,511	34,720	33,209
Grounds	2,663	2,662	- 1	2,663	793	- 1,870	2,663	3,764	1,101	2,724	1,816	- 908	2,724	500	- 2,224	2,724	2,724	-
Energy costs	34,397	32,398	- 1,999	34,155	30,654	- 3,501	36,170	28,852	- 7,318	78,774	78,774	0	92,446	92,446	0	78,774	68,630	- 10,144
Rates and council tax	1,639	1,761	122	1,639	1,832	193	1,639	1,927	288	1,639	1,493	- 146	1,639	2,096	457	1,639	2,200	561
Water services	8,207	7,821	- 386	8,207	12,998	4,791	8,207	8,345	138	8,207	8,401	194	8,207	10,273	2,066	8,207	11,041	2,834
Fixtures & fittings		3,145	3,145		1,497	1,497		2,339	2,339		2,834	2,834		3,381	3,381		1,643	1,643
Other miscellaneous & recharges		-	-		-	-		-	-		-	-		-	-		-	-
Cleaning & domestic	6,649	8,355	1,706	6,649	4,555	- 2,094	6,649	7,369	720	7,905	19,452	11,547	7,905	7,629	- 276	7,905	8,521	616
	53,555	92,079	38,524	53,313	89,099	35,786	55,328	81,306	25,978	100,760	158,589	57,829	114,432	156,008	41,576	100,760	129,478	28,718
<b>Total (direct costs)</b>	1,488,999	1,566,722	77,723	1,854,311	1,616,254	- 238,057	1,876,643	1,656,299	- 220,344	1,972,061	1,929,632	- 42,429	2,080,573	1,953,746	- 126,827	2,069,933	1,957,410	- 112,523
<b>Income</b>	-	472,520	472,520	-	481,970	481,970	-	509,623	509,623	-	517,267	517,267	-	525,026	525,026	-	532,901	532,901
<b>Total (net direct cost)</b>	1,016,479	1,022,668	6,189	1,372,341	1,150,430	- 221,911	1,367,020	1,435,551	68,531	1,454,794	1,769,201	314,407	1,555,547	1,664,705	109,158	1,537,032	1,674,960	137,928

# Castle Grange, and Claremont House - Summary 3:3

(multi year summary of budget, actuals and variance of actuals against budget)

	Budget	Actual	Variance	Budget	Actual	Variance	Budget	Actual	Variance	Budget	Actual	Variance	Budget	Actual	Variance	Based on month 9 forecasts (employees autoforecasted)		
	2019-20	2019-20	2019-20	2020-21	2020-21	2020-21	2021-22	2021-22	2021-22	2022-23	2022-23	2022-23	2023-24	2023-24	2023-24	Budget	Forecast	Variance
	Total	Total	Total	Total	Total	Total	Total	Total	Total	Total	Total	Total	Total	Total	Total	Total	Total	Total
	£'s	£'s	£'s	£'s	£'s	£'s	£'s	£'s	£'s	£'s	£'s	£'s	£'s	£'s	£'s	£'s	£'s	£'s
<b>Direct costs</b>																		
<b>Employees</b>	2,729,202	2,841,238	112,036	3,393,131	2,918,409	474,722	3,434,767	3,125,687	309,080	3,503,788	3,505,730	1,942	3,692,452	3,729,367	36,915	3,744,137	3,748,767	4,630
Direct Staff: Wages	2,554,202	1,666,595	887,607	3,393,131	1,834,611	1,558,520	3,434,767	2,187,078	1,247,689	3,503,788	2,326,938	1,176,850	3,692,452	2,427,711	1,264,741	3,744,137	3,322,781	421,356
Direct Staff: Employer Contributions	-	728,050	728,050	-	808,682	808,682	-	811,277	811,277	-	851,228	851,228	-	903,697	903,697	-	-	-
Direct Staff: Additional Costs	-	1,690	1,690	-	898	898	-	4,226	4,226	-	1,602	1,602	-	498	498	-	1,182	1,182
Agency	175,000	444,903	269,903	-	274,218	274,218	-	123,107	123,107	-	325,961	325,961	-	397,461	397,461	-	424,804	424,804
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Premises - Cleaning &amp; domestic</b>	43,056	48,178	5,122	43,056	40,987	2,069	43,056	41,292	1,764	43,056	29,944	13,112	43,056	41,973	1,083	43,056	50,498	7,442
<b>Transport</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Public transport	225	134	91	225	86	140	225	77	148	225	1,133	908	225	119	106	225	64	161
Car allowances	377	347	30	377	62	315	377	8	369	377	110	267	377	259	118	377	157	220
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Supplies &amp; Services</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Equipment/Furniture/Materials	18,890	51,751	70,641	49,523	64,100	14,577	49,523	47,114	2,409	49,523	45,857	3,666	49,523	31,805	17,718	49,523	40,396	9,127
Catering	128,804	128,227	577	128,804	124,228	4,576	128,804	111,094	17,710	128,804	132,333	3,529	128,804	145,841	17,037	128,804	129,861	1,057
Clothing/uniform/laundry	5,489	6,528	1,039	5,489	832	4,657	5,489	4,799	690	5,489	6,171	682	5,489	2,958	2,531	5,489	2,324	3,165
Printing/Office Expenditure	2,162	2,371	209	2,162	1,755	407	2,162	1,002	1,160	2,162	514	1,648	2,162	1,483	679	2,162	929	1,233
Services	679	2,716	2,037	679	385	294	679	605	74	679	730	51	679	2,493	1,814	679	2,203	1,524
Communications	1,088	5,214	4,126	1,088	19,205	18,117	1,088	9,533	8,445	1,088	7,269	6,181	1,088	4,875	3,787	1,088	6,990	5,902
Miscellaneous expenditure	744	873	129	744	225	519	744	2,486	1,742	744	6,978	6,234	744	9,109	8,365	744	3,846	3,102
<b>Direct expenditure (non-buildings related)</b>	2,892,936	3,087,576	194,640	3,625,278	3,170,274	455,004	3,666,914	3,343,698	323,216	3,735,935	3,736,770	835	3,924,599	3,970,283	45,684	3,976,284	3,986,033	9,749
<b>Direct buildings costs</b>																		
Planned & unplanned works	-	111,141	111,141	-	75,416	75,416	-	68,357	68,357	3,022	95,939	92,917	3,022	84,467	81,445	3,022	59,478	56,456
Grounds	5,326	5,325	1	5,326	177	5,149	5,326	7,203	1,877	5,448	3,632	1,816	5,448	1,983	3,465	5,448	5,448	-
Energy costs	70,334	69,508	826	69,101	66,654	2,447	73,270	64,700	8,570	180,241	180,241	0	213,180	213,180	0	180,241	154,790	25,451
Rates and council tax	3,278	3,522	244	3,278	3,664	386	3,278	3,853	575	3,278	3,982	704	3,278	4,191	913	3,278	4,400	1,122
Water services	16,637	19,726	3,089	16,637	22,579	5,942	16,637	18,989	2,352	16,637	20,126	3,489	16,637	22,265	5,628	16,637	22,607	5,970
Fixtures & fittings	-	6,237	6,237	-	3,651	3,651	-	4,591	4,591	-	7,980	7,980	-	4,706	4,706	-	5,058	5,058
Other miscellaneous & recharges	-	-	-	-	-	-	-	-	-	-	66	66	-	-	-	-	-	-
Cleaning & domestic	12,104	13,535	1,431	12,104	9,779	2,325	12,104	12,302	198	13,360	47,217	33,857	29,522	40,542	11,020	13,360	39,087	25,727
-	107,679	228,993	121,314	106,446	181,920	75,474	110,615	179,994	69,379	221,986	359,182	137,196	271,087	371,334	100,247	221,986	290,868	68,882
<b>Total (direct costs)</b>	3,000,615	3,316,569	315,954	3,731,724	3,352,193	379,531	3,777,529	3,523,692	253,837	3,957,921	4,095,952	138,031	4,195,686	4,341,617	145,931	4,198,270	4,276,901	78,631
<b>Income</b>	-	972,954	972,954	-	992,413	992,413	-	1,017,723	1,017,723	-	1,032,989	1,032,989	-	1,048,484	1,048,484	-	1,064,211	1,064,211
<b>Total (net direct cost)</b>	2,027,661	2,294,807	267,146	2,739,311	2,443,391	295,920	2,759,806	2,853,200	93,394	2,924,932	3,496,448	571,516	3,147,202	3,545,177	397,975	3,134,059	3,627,357	493,298

# Comparison of budget vs actual (direct costs) over years

	2019-20			2020-21			2021-22 Direct cost			2022-23 Direct cost			2023-24 Direct cost			2024-25 Direct cost			2025-26 Budget	2025-26 Budget saving	Real terms 2025-26 saving including coverage of deficit level seen at 23-24	
	Budget	Actual	Variance	Budget	Actual	Variance	Budget	Actual	Variance	Budget	Actual	Variance	Budget	Actual	Variance	Budget	Actual	Variance	£'s	£'s	£'s	
Castle Grange	1,511,616	1,749,846	238,230	1,877,413	1,735,939	- 141,474	1,900,886	1,867,393	- 33,493	1,985,860	2,166,283	180,423	2,115,113	2,387,871	272,758	2,128,337	2,319,492	191,155	2,059,643	- 459,018	459,018	
																					272,758	
																						731,776
Claremont House	1,488,999	1,566,722	77,723	1,854,311	1,616,254	- 238,057	1,876,643	1,656,299	- 220,344	1,972,061	1,929,720	- 42,341	2,080,573	1,953,746	- 126,827	2,069,933	1,957,410	- 112,523	2,008,902	- 408,277	408,277	
																						126,827
																						281,450
Combined	3,000,615	3,316,569	315,954	3,731,724	3,352,193	- 379,531	3,777,529	3,523,692	- 253,837	3,957,921	4,096,003	138,082	4,195,686	4,341,617	145,931	4,198,270	4,276,901	78,631	4,068,545	- 867,295	867,295	
																						145,931
																						1,013,226
Direct costs				2019-20	2020-21	2021-22	2022-23	2023-24	2024-25 forecast	Budget 2025-26												
Combined sites				£'s	£'s	£'s	£'s	£'s	£'s	£'s												
Variance against budget				315,954	- 379,531	- 253,837	138,082	145,931	78,631													
Budget Saving																						- 867,295
Overspend avoided																						- 78,631
Real terms benefit																						- 945,926

# Comparison of budget vs actual (income) over years

	2019-20			2020-21			2021-22 Income			2022-23 Income			2023-24 Income			2024-25 Income			2025-26 Budget	2025-26 Budget saving	Real terms 2025-26 saving including coverage of deficit level seen at 23-24	
	Budget	Actual	Variance	Budget	Actual	Variance	Budget	Actual	Variance	Budget	Actual	Variance	Budget	Actual	Variance	Budget	Actual	Variance	£'s	£'s	£'s	
Castle Grange	- 500,434	- 477,707	22,727	- 510,443	- 442,978	67,465	- 508,100	- 449,744	58,356	- 515,722	- 439,074	76,648	- 523,458	- 507,399	16,059	- 531,310	- 367,094	164,216	- 531,310	-	16,059	
																					16,059	
																						16,059

	2019-20			2020-21			2021-22 Income			2022-23 Income			2023-24 Income			2024-25 Income			2025-26 Budget	2025-26 Budget saving	Real terms 2025-26 saving including coverage of deficit level seen at 23-24	
	Budget	Actual	Variance	Budget	Actual	Variance	Budget	Actual	Variance	Budget	Actual	Variance	Budget	Actual	Variance	Budget	Actual	Variance	£'s	£'s	£'s	
Claremont House	- 472,520	- 544,054	- 71,534	- 481,970	- 465,824	16,146	- 509,623	- 220,748	288,875	- 517,267	- 160,431	356,836	- 526,026	- 289,041	236,985	- 532,901	- 282,450	250,451	- 532,901	-	236,985	
																						236,985
																						236,985

	2019-20			2020-21			2021-22 Income			2022-23 Income			2023-24 Income			2024-25 Income			2025-26 Budget	2025-26 Budget saving	Real terms 2025-26 saving including coverage of deficit level seen at 23-24	
	Budget	Actual	Variance	Budget	Actual	Variance	Budget	Actual	Variance	Budget	Actual	Variance	Budget	Actual	Variance	Budget	Actual	Variance	£'s	£'s	£'s	
Combined	- 972,954	- 1,021,761	48,807	- 992,413	- 908,802	83,611	- 1,017,723	- 670,492	347,231	- 1,032,989	- 599,505	433,484	- 1,049,484	- 796,440	253,044	- 1,064,211	- 649,544	414,667	- 1,064,211	-	253,044	
																						253,044
																						253,044

Income	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25 forecast	Budget 2025-26
Combined sites	£'s	£'s	£'s	£'s	£'s	£'s	£'s
Variance against budget	- 48,807	83,611	347,231	433,484	253,044	414,667	
Budget Saving							-
Overspend avoided							- 414,667
Real terms benefit							- 414,667



# Comparison of budget vs actual (net) over years

	2019-20			2020-21			2021-22 Net			2022-23 Net			2023-24 Net			2024-25 Net			2025-26 Budget	2025-26 Budget saving	Real terms 2025-26 saving including coverage of deficit level seen at 23-24
	Budget	Actual	Variance	Budget	Actual	Variance	Budget	Actual	Variance	Budget	Actual	Variance	Budget	Actual	Variance	Budget	Actual	Variance	£'s	£'s	£'s
Castle Grange	1,011,182	1,272,139	260,957	1,366,970	1,292,962	- 74,008	1,392,786	1,417,649	24,863	1,470,138	1,727,209	257,071	1,591,655	1,880,472	288,817	1,597,027	1,952,397	355,370	1,528,333	- 459,018	- 459,018
																					- 288,817
																					- 747,835
Claremont House	1,016,479	1,022,668	6,189	1,372,341	1,150,430	- 221,911	1,367,020	1,435,551	68,531	1,454,794	1,769,289	314,495	1,554,547	1,664,705	110,158	1,537,032	1,674,960	137,928	1,476,001	- 408,277	- 408,277
																					- 110,158
																					- 518,435
Combined	2,027,661	2,294,807	267,146	2,739,311	2,443,391	- 295,920	2,759,806	2,853,200	93,394	2,924,932	3,496,498	571,566	3,146,202	3,545,177	398,975	3,134,059	3,627,357	493,298	3,004,334	- 867,295	- 867,295
																					- 398,975
																					- 1,266,270
Net				2019-20	2020-21	2021-22	2022-23	2023-24	2024-25 forecast	Budget 2025-26											
Combined sites				£'s	£'s	£'s	£'s	£'s	£'s	£'s											
Variance against budget				267,146	- 295,920	93,394	571,566	398,975	493,298												
Budget Saving																					- 867,295
Overspend avoided																					- 493,298
Real terms benefit																					- 1,360,593

## Summary

The saving calculation is on the basis of the equivalent external provision costing less than the current in-house cost of running the homes.

At an occupancy level of 90% (36 beds out of a current 40 bed sites) and at an estimated externally commissioned weekly rate of £852.69 per bed per week, the alternative cost would be

- Castle Grange = £1,600,625 (36 beds \* £852.69 \* 52.143 weeks)
- Claremont House = £1,600,625 (36 beds \* £852.69 \* 52.143 weeks)

When compared to the in-house costs this presents a saving as follows:

	Castle Grange £'s	Claremont House £'s	Total £'s
2025-26 MTFS budget			
Direct cost budget saving	- 2,059,643	- 2,008,902	- 4,068,545
Alternate external provision	1,600,625	1,600,625	3,201,250
<b>Cost budget saving</b>	<b>- 459,018</b>	<b>- 408,277</b>	<b>- 867,295</b>

Note that these figures take into account costs and do not include income



**Report title: 2025/26 Council Plan**

<b>Meeting</b>	<b>Cabinet</b>
<b>Date</b>	<b>11 February 2025</b>
<b>Cabinet Member</b> (if applicable)	<b>Cllr Carole Pattison, Leader of the Council</b>
<b>Key Decision Eligible for Call In</b>	<b>Yes Yes</b>
<p><b>Purpose of Report</b>                  Our 2025/26 Council Plan (provided at <b>Appendix A</b>) sets out our ongoing commitment to our long-term vision and shared outcomes and council priorities and areas of focus for the 2025/26 financial year, supported by the budget. As such, it has been provided for approval alongside the 2025/26 annual budget.</p> <p>Cabinet is asked to consider the contents of the plan and recommend adoption of the Council Plan (subject to any further changes) at Council on 5 March 2025.</p>	
<p><b>Recommendations</b></p> <ul style="list-style-type: none"> <li>• For Cabinet to consider the contents of the Council Plan, as presented at <b>Appendix A of this report</b>.</li> <li>• For Cabinet to note the comments from Overview and Scrutiny Management Committee, as provided in <b>section 5</b> of this report, and how these are reflected in the draft Council Plan.</li> <li>• For Cabinet to consider the results of the public budget engagement, provided at <b>Appendix L</b> of the 2025/26 annual budget report, and note how these are reflected in the draft Council Plan.</li> <li>• For Cabinet to recommend adoption of the Council Plan (subject to any further changes) at Council on 5 March 2025.</li> </ul> <p><b>Reasons for Recommendations</b></p> <ul style="list-style-type: none"> <li>• The Council Plan is included in the Policy Framework for the Council, and as such must be approved by Council to become adopted as part of that framework.</li> <li>• The Council Plan sets the overarching strategic direction for the services and activities relating to the business of the Council, across all directorates and service delivery areas. As such, it is an important document providing strategic direction to all other plans, activities and services delivered by the Council.</li> </ul>	
<p><b>Resource Implication:</b> The Council Plan sets out the strategic framework for the Council's budget and is to be considered alongside the Council's budget for decision at Council in March 2025.</p>	
<b>Date signed off by <u>Executive Director</u> &amp; name</b>	Rachel Spencer-Henshall – Deputy Chief Executive and Executive Director for Public Health and Corporate Resources

<p><b>Is it also signed off by the Service Director for Finance?</b></p>	<p>30/1/2025 Kevin Mulvaney 31/1/2025</p>
<p><b>Is it also signed off by the Service Director for Legal and Commissioning (Monitoring Officer)?</b></p>	<p>Samantha Lawton 30/1/2025</p>

**Electoral wards affected:** All

**Ward councillors consulted:** Not applicable

**Public or private:** Public

**Has GDPR been considered?** No personal data is included in this report.

## 1. Executive Summary

- 1.1 The Council Plan sets the overarching strategic direction for the services and activities relating to the business of the Council and is aligned to the setting of our annual budget.
- 1.2 The Council Plan and the budget are aligned, because the Council Plan sets out our strategic priorities, and the budget sets out how resources have been aligned to deliver upon those priorities. As such, the Council Plan, attached at **Appendix A** covers the 2025/26 financial year.
- 1.3 The Council Plan retains and reasserts the longer-term cross-directorate principles which we work alongside our partners to achieve, including our vision, our shared outcomes, and our key partnership strategies.
- 1.4 The Council Plan also retains existing internal principles and ways of working, including our approach (working alongside people, partners and in our places), and our People Strategy, and associated organisational values and supporting behaviours (values of Kindness, Inclusion and Pride).
- 1.5 The 2025/26 Council Plan includes several changes setting out the direction and priorities of the Council for the 25/26 financial year, including four priorities, and associated 'areas of focus' which set out some of the key areas of work we are undertaking to progress each priority in the 25/26 financial year.

## 2. Information required to take a decision

- 2.1 The Council Plan sets the overarching strategic direction for the services and activities relating to the business of the council.
- 2.2 The plan is part of the Council's Policy Framework as set out in Article 4 of the council's constitution. As such, it is approved at Full Council.
- 2.3 The plan doesn't attempt to list all the council's services and programmes. It summarises the council's role alongside partners in delivering our vision and shared outcomes and sets out how the council is prioritising our activity in the current context with the resources available.

2.4 The plan is developed alongside the budget in line with our Annual Business Planning Cycle and will go to Full Council alongside the budget in March for decision. The timings align the Council Plan with the financial year and the setting of the budget, with the Council Plan setting out our strategic priorities for the forthcoming financial year, and the budget setting out how resources have been aligned to deliver upon those priorities.

## 2.5 **Key Features of the Council Plan retained from previous versions**

The 2025/26 Council Plan retains and reasserts a number of long-term cross-directorate principles, which we have been working to for several years alongside partners across the district. Most of these can only be delivered in partnership. These include:

- **Vision** - Our vision for Kirklees is “to be a district that combines a strong, sustainable economy with a great quality of life - leading to thriving communities, growing businesses, high prosperity and low inequality where people enjoy better health throughout their lives.”
- **Shared Outcomes** – These eight outcomes describe the impact the council and our partners are looking to have. These are summarised as: Healthy and Well, Best Start, Independence, Aspire and Achieve, Sustainable Economy, Shaped by People, Safe and Cohesive, and Clean and Green. It also includes an outcome we have chosen for ourselves: a commitment to be ‘Efficient and Effective’.
- **Our Key Partnership Strategies:** Environment Strategy, Inclusive Economy Strategy, Health and Wellbeing Strategy, and the Inclusive Communities Framework.
- **Approach** - How working with People, Partners and in our Places is central to the way that we do things.
- **Values and Behaviours** - Our People Strategy, and values of ‘Kindness, Inclusion and Pride’, and supporting behaviours.

## 2.6 **Key Features of the Plan which are new for 2025/26**

The 2025/26 Council Plan includes several changes setting out the direction and priorities of the Council for the 25/26 financial year. These include:

Four strategic priorities:

1. **Getting the basics right** – a balanced budget and a modern organisation
2. **Protecting the vulnerable and achieving inclusion**
3. **Thriving people and communities** – now and over the longer-term
4. **Local economic growth** – working with regional and national partners

Underneath each of the four broad priorities, further details cover:

- What the priority means
- Why it is important
- Areas of focus, setting out some of the key areas of work we are undertaking to progress the priority in the 25/26 financial year.

## 2.7 **Key Features of the Plan which apply over the medium to long-term**

The 2025/26 version of the Council Plan sets out the direction of key priorities for the Council for the forthcoming financial year, however there are several elements to the plan which go beyond this timeframe and are relevant across both medium and longer-term timescales. These key areas of focus in the Plan have been highlighted here:

### **Getting the basics right – a balanced budget and modern organisation**

- Build on our performance on refuse collection
- Deliver an effective road network.
- Enable our members to carry out their roles effectively and building officer awareness and confidence when supporting members.
- Build on the progress to design and deliver improvements in customer access.
- Deliver a programme of work to ensure managers are confident in managing budgets, performance, contracts and staff in their service.
- Develop services further through benchmarking, best practice and research.
- Develop and deliver an action plan setting out how we will act on the recommendations provided by the Local Government Association Corporate Peer Challenge in November 2024
- Focus on bringing in external funding for projects in Kirklees through working more collaboratively with partners.

### **Protecting the vulnerable and achieving inclusion:**

- Implement the 'Big Plan' – our offer to children and families with special educational needs and disabilities
- Work to ensure we have the right blend and availability of accommodation for people with social care needs
- Work with partners to enable children in care and care leavers to access the services they need
- Promote inclusion through workforce planning
- Prevent homelessness and rough sleeping

### **Thriving people and communities – now and over the longer-term**

- Work with our whole family of schools and educational settings to develop longer term plans for our operational arrangements and relationships.
- Build on our children's services continuous improvement plan and success.
- Work with businesses and community groups to build safe, clean and green places
- Ensure people are living in homes that are modern, safe and warm.
- Raise awareness of the Environment Strategy.
- Work closely with ward councillors as local place-leaders, enabling place-based responses to the unique challenges and opportunities of each place.
- Continue to deliver the community sector infrastructure contract with Third Sector Leaders.

### **Local economic growth, working with regional and national partners**

- Progress phase 1 of the Cultural Heart development in Huddersfield.
- Progress the Blueprint for regeneration in Dewsbury.
- Make progress on smaller town regeneration plans across the district, including in Batley, Cleckheaton, Heckmondwike, Holmfirth and Marsden.

- Deliver on the next stages of the West Yorkshire Investment Zone, working with the West Yorkshire Combined Authority, Huddersfield University and Leeds and Bradford Councils.
- Work with local, regional and national partners across all sectors to promote investment in local places.
- Produce, consult on, and begin the delivery of the Kirklees Transport Strategy.
- Strengthen rail links within the district and beyond, working with the Government and other partners.
- Deliver priority improvements to our transport hubs, including bus stations in Huddersfield, Dewsbury and Heckmondwike.
- Work with local employers to develop workforce skills and support inclusive employment.
- Develop and deliver new employment programmes to support residents with long-term health conditions.
- Delivering a range of adult learning programmes in several community settings.
- Progress planning and development of key housing sites.
- Progress the refresh of the Local Plan in line with the revised National Planning Policy Framework.

### **3. Implications for the Council**

#### **3.1 Council Plan**

The new Council Plan (provided at **Appendix A** will replace the current version of the Council Plan (2024/25).

#### **3.2 Financial Implications**

The Council Plan provides the overarching strategic framework for the Budget, which sets out the resources available for delivering upon the priorities contained with the Council Plan.

#### **3.3 Legal Implications**

The Council Plan is included in the Policy Framework for the Council, as set out in Part 2, Article 4 of the Council's Constitution, and as such, it is the decision of Full Council whether to adopt any Council Plan.

#### **3.4 Other (e.g. Risk, Integrated Impact Assessment or Human Resources)**

Our Council Plan restates our commitment to our People Strategy, which sets out how we will achieve our shared outcomes with the support of healthy, motivated and flexible staff with the right skills, values and behaviours to work in partnership with people and places.

An Integrated Impact Assessment has been completed and is available on the Council website here: <https://www.kirklees.gov.uk/beta/delivering-services/integrated-impact-assessments>

### **4 Consultation**

The public consultation to support the 2025/26 annual budget was launched on the 11 December and ran up until the 15 January 2025. The purpose of the consultation is to

help the council understand what is most important to people and communities in Kirklees, and to inform the development of, and decision making related to, the council's 2025/26 annual budget and associated Council Plan. A summary of the feedback has been appended to the 2025/26 budget report at **Appendix L**.

The public budget consultation highlighted the council services which matter the most to respondents. These were: emptying bins and cleaning streets, highways maintenance and improvement, schools, and services to support vulnerable adults and children and families.

The priorities, and associated areas of focus in the Council Plan (attached at **Appendix A**) explicitly include priorities for improvement on areas which matter the most to respondents to the consultation, including waste services, highways improvements, schools and services to protect vulnerable adults, children and families.

Cabinet is asked to consider the results of the public budget engagement and note how these are reflected in the draft Council Plan.

## **5 Engagement**

The vision and shared outcomes are products of partner engagement. The shared outcomes indicators and measures and any updates are discussed and agreed at a partnership level with the Partnership Executive.

All four council directorates have been engaged in developing the areas of focus in the plan.

Leading Members have been updated on the ongoing development of the plan.

The Leader provided an initial overview of the Administration's thinking around new priorities at an OSMC session in September 2024. The priorities and areas of focus are further developments from that presentation and discussion.

On 17 January 2025, Overview and Scrutiny Management Committee considered the four priorities presented in the Plan, and suggestions for 'Areas of Focus'. Comments provided by members of the Committee were recorded as follows:

- That the intention to undertake an in-depth review of the Council Plan be noted and that it be recommended that it should more explicitly cover a longer timeframe than one year.
- That, in light of third sector partners and local community organisations being able to access external funding that is not available to the Council which could be used to help achieve Council objectives, it be recommended that the enablement approach be further strengthened to support them to take advantage of such funding opportunities.

The Committee also commented on the extent to which the green/environmental agenda was featured in the plan.

As a result of their feedback, we have incorporated the following amendments into the content of the Council Plan:



- Refined the area of focus on external funding, so it emphasises the importance of bringing external funding into our partnership working, especially with community organisations.
- Added a more explicit reference to the environment as an aspect of 'place' under 'people, partners, place'.
- Added an additional 'area of focus' – to raise awareness of the Environment Strategy, engaging with partners and communities on our shared role in delivering its ambitions.

With reference to the recommendation about the plan being more explicit about covering a longer timeframe than one-year, key features of the plan which apply to a timeframe longer than the 25/26 financial year have been included in section 2.7 of this report. Additionally, timeframes will also be considered whilst undertaking a more in-depth review ahead of the 2026 Council Plan.

Cabinet is asked to note the comments from Overview and Scrutiny Management Committee and how these are reflected in the draft Council Plan as set out above.

## 6 Options

### 6.1 Options Considered

Cabinet may either choose to approve the plan as presented or indicate any amendments or changes they may wish to make.

Our recommendations to Cabinet are:

- For Cabinet to approve the contents of the Council Plan
- For Cabinet to note the comments from Overview and Scrutiny Management Committee, as provided in **section 5** of this report, and how these are reflected in the draft Council Plan.
- For Cabinet to note the results of the public budget engagement, provided at **Appendix L** of the 2025/26 annual budget report, and note how this is reflected in the draft Council Plan.
- For Cabinet to recommend adoption of the Council Plan (subject to any further changes) at Council on 5 March 2025.

### 6.2 Reasons for recommended Option

- The Council Plan is included in the Policy Framework for the Council, and as such must be approved by Council to become adopted as part of that framework.
- The Council Plan sets the overarching strategic direction for the services and activities relating to the business of the Council, across all directorates and service delivery areas. As such, it is an important document providing strategic direction to all other plans, activities and services delivered by the Council.

## 7. Next steps and timelines

The 2025/26 Council Plan will be considered for adoption by Council on 5 March 2025.

If the Council Plan is adopted by Council, it will be published on the council website, replacing the current version of the Council Plan.

The Council Plan will then move into implementation and be used across all council directorates to guide and prioritise planning, and activities relating to the delivery of services. The plan, and the priorities and areas of focus within it, will also be communicated both internally and externally, to ensure wider awareness and engagement.

**8. Contact officer**

Stephen Bonnell, Head of Policy, Partnerships, and Corporate Planning  
[Stephen.bonnell@kirklees.gov.uk](mailto:Stephen.bonnell@kirklees.gov.uk)

**9. Background Papers and History of Decisions**

The Council Plan for 2024/25, [approved by Council on 6 March 2024](#).

**10. Appendices**

Appendix A: 2025/26 Council Plan

**11. Service Director responsible**

Andy Simcox, Service Director Strategy and Innovation



Kirklees Council

# Our Council Plan

1 April 2025 - 31 March 2026



Kirklees Council

# Our Council Plan

1 April 2025 - 31 March 2026

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ACHIEVING INCLUSION

# Introductions



## Introduction from the Leader

This Council Plan sets out our commitment to continue to serve the people of Kirklees, make things better where needed, and enable thriving communities across Kirklees, now and over the longer-term.

Every day, we deliver a large variety of services to people across Kirklees, doing brilliant things for people in need. But we know that sometimes it is difficult for people interacting with us, and there is always room to do better.

That's why this year, the Council will focus on getting the basics right for our residents and customers. Our commitment is to ensure that, as much as possible, residents have a positive experience when interacting with us. It might be small things, like keeping people informed about an issue they've reported, having easily accessible information on our website, or making sure people are clear about what they can expect from us. But it's also about larger change and transformation, ensuring we have the technology, processes, culture, and skills to make improvements where needed. This is better for our residents and service-users, and it's also better for our committed staff, who need the right support to continue to do the brilliant things we see across services every day.

As part of getting the basics right, we know we need to maintain a partnership focus on protecting the most vulnerable people in our communities, who rely on our services. People continue to face complex, long-standing economic, health, and social challenges. Yet despite over a decade of underfunding of services in Kirklees, together with our partners, we continue to help a large variety of people to access support. This remains a priority.

As well as addressing the challenges we face, we see significant opportunities on the horizon, and that is why ambition is also at the heart of this plan. Our long-term plans to regenerate the towns and villages across Kirklees will continue to help us with this, as well as national policy changes. These present us with a once-in-a-generation opportunity to address the underfunding of the last decade, face our challenges head on, and unlock the local economic growth we need.

We can only build thriving communities in Kirklees if we work with partners to tackle our challenges head-on, do things better when we need to, and maintain our ambitions for the future. This plan sets out how we will do just that. I look forward to continuing to work with you to deliver together.

**Cllr Carole Pattison**

Leader of the Council



## Introduction from the Chief Executive

Recent years have been extremely challenging for council finances, both in Kirklees and across the country. We have already made significant strides towards putting our council on a sustainable footing, and this journey must continue. Our budget for the coming year does include new savings, but at a lower level than in previous years.

This is not just about reducing services. Where needed, we have put additional resources into budgets that need it to cope with demand, inflation, and shortfalls. We have also ensured there is funding available to facilitate further service transformation. Throughout our budget planning process we have asked ourselves not just about where we need to do less, but how we can do it differently.

This Council Plan sets out our direction for this ongoing transformation. We know there is always room to do better. It's essential that we work more closely with communities and listen to them about what is needed. This will require changing the way we work across all council services, building a customer focussed culture, and developing a shared understanding with partners and communities about the services they can expect from us.

We don't always have the powers and resources that our residents expect, and sometimes the best way to meet our communities' needs is for the council to get out of the way. Partners and communities – with the right support – can often be better placed to deliver. That's why engagement and partnership working runs throughout this plan. We will only be able to deliver our shared aspirations together.

It won't be easy, but I have complete faith in our ability to make the changes required. Our recent Local Government Association Corporate Peer Challenge confirmed what I have seen every day at every level of the organisation: the strength of our workforce. Our workforce's pride in serving the people of Kirklees continues to shine through, and I've seen this confirmed in the visits I make to teams across the district. It's this pride that will provide the springboard to the transformation we need to make and to deliver a sustainable, positive future for people in Kirklees.

**Steve Mawson**

Chief Executive

# Our Council Plan – Summary



# Working in partnership

## Our vision

For Kirklees to be a district that combines a strong, sustainable economy with a great quality of life – leading to thriving communities, growing businesses, high prosperity and low inequality where people enjoy better health throughout their lives.

## Shared outcomes

Our shared outcomes are descriptions – agreed in partnership – of the ongoing collective impact we aim to have now and over the long-term. Change in these outcomes is only possible in collaboration across our organisations.

### Our Shared Outcomes are:



#### Shaped by People

We make our places what they are.



#### Aspire and Achieve

People in Kirklees have aspiration to achieve their ambitions through education, training, employment, and lifelong learning.



#### Best Start

Children have the best start in life.



#### Sustainable Economy

Kirklees has sustainable economic growth and provides good employment for and with communities and businesses.



#### Well

People in Kirklees are as well as possible for as long as possible.



#### Safe and Cohesive

People in Kirklees live in cohesive communities, feel safe, and are protected from harm.



#### Independent

People in Kirklees live independently and have control over their lives.



#### Clean and Green

People in Kirklees experience a high quality, clean, sustainable, and green environment.

# Our key partnership strategies

Our four key partnership strategies are developed and delivered with partners, across the district. In supporting our shared outcomes and vision for Kirklees, they complement each other and our Council Plan.

These strategies are partnership-led. They explain where we are at in Kirklees – what our opportunities and challenges are, what we need to do to improve, and the role each of us has to make this happen together. Each of these top-tier strategies support the others to achieve the overall vision of the Council Plan. Success in one, translates into success in another.

Acting on the feedback from the council's recent corporate peer challenge, we will aim to work even more closely with partners on delivery of our shared priorities and outcomes.



You can find out more about these strategies at: [www.kirklees.gov.uk/policiesandstrategies](http://www.kirklees.gov.uk/policiesandstrategies)



# Our Council Priorities for 2025/26





**Getting the basics right – a balanced budget and a modern organisation**

**We are committed to being a well-run organisation where excellence, accountability, and transparency are at the core of everything we do.**

For residents, this means having access to reliable, high-quality services that improve their lives as well as residents having a clear understanding of what we can and can't do with the powers and resources available to us. This includes communicating effectively with residents whilst also celebrating our assets and successes. Partners, including business, community organisations, and public-sector services, will find a stable, well-managed partner that can champion, advise, and support their activities. Employees will benefit from a supportive and effective workplace where their contributions are clearly defined and valued. Overall, this priority is essential for our role alongside partners in enabling a thriving, inclusive, and sustainable district. Whatever we do, we do it well, striving to deliver services with the highest standards within the powers and resources available.

**Areas of focus**

**High demand services**

- Build on our refuse collection performance, reduce contamination to improve recycling rates, and deliver on the new national requirements around simpler recycling.
- Deliver an effective road network to help people get to where they need to be, including repairing potholes in a timely manner and responding to extreme weather.

**An efficient and effective organisation**

- Support our councillors to carry out their roles effectively, including building officer awareness of councillors' work and confidence in working with them.
- Build on the progress to design and deliver improvements in residents' and customers' access to and experience of our services, with a focus on reducing failure demand and establishing shared expectations.
- Deliver a programme of work to ensure managers are confident managing the budgets, performance, contracts, and staff in their services, supported by a technology strategy to help all staff use technology to make services more efficient and effective.
- Identify opportunities for further development of services through:
  - continuing to use a range of data to benchmark our performance compared to other councils
  - monitoring the activities of other councils and learning from national best practice
  - strengthening connections with researchers and experts across the region.
- Develop and begin delivery of an action plan setting out how we will act on the recommendations from the Local Government Association Corporate Peer Challenge in November 2024.

**Financially sustainable services**

- Deliver and monitor the agreed budget to ensure the sustainability and value for money of council services across the period of the Medium-Term Financial Plan, including reviewing the capital plan and rebuilding council reserves following demand and inflationary pressures in recent years.
- Bring in additional external funding for projects in Kirklees, both council-led and partnership-led, working especially closely with the local community sector, West Yorkshire Combined Authority, Homes England, and central government.

Knowl Park House, new Dementia Day Care Centre



## Protecting the vulnerable and achieving inclusion

**Protecting the vulnerable and inclusion is key to our vision of being an organisation with a culture of inclusion and diversity, where our people and those we work with have equal access to opportunities and resources and feel valued for who they are.**

Some people face greater disadvantages or structural barriers, requiring targeted help to reach their full potential. By addressing the needs of the most vulnerable, we want no one to be left behind and everyone to have the chance to contribute to and benefit from our collective progress. Inclusive and supportive communities are the backbone of a thriving society, where diverse perspectives and experiences are not only acknowledged but celebrated.

## Areas of focus

### Inclusive care and support

- Implement 'The Big Plan', our offer to children and families with special educational needs and disabilities, with a focus on:
  - providing the right support at the right time in the right place
  - supported transition of children into adulthood, enabling people to live fulfilled adult lives.
- Work to ensure we have the right blend and availability of accommodation for people with social care needs, supporting the local care market to be diverse, high quality, and sustainable. In particular, we will do this by:
  - accelerating delivery of more extra care units
  - increasing supported living arrangements
  - reviewing in-house and external market provision, working across our adults, housing, and capital programmes
  - continue the partnership with our local care association (KirCA), including progressing work to improve the experience of local people who are LGBTQ+ and using social care services
  - continue the focus on adaptations to enable people to live well in their current accommodation.
- As Corporate Parents, deliver the best services and outcomes for our children and young people, and provide continuing support for those that are care experienced, including:
  - enhancing our foster carer recruitment and retention approach to increase the number of foster carers
  - enhancing our corporate parenting responsibility by more widely implementing the concept of a 'family firm' for all our children in care and care leavers in Kirklees
- Work with partners to enable children in care and care leavers to access the services they need, including:
  - employment and skills support
  - access to housing, building on recent successes in ensuring wrap-around arrangements are in place for care leavers.

### An inclusive organisation

- Promote inclusion through workforce planning, including pathways for underrepresented groups that enable better representation in our leadership positions.
- Deliver on 'Year 1' of the action plan for the new Inclusion and Diversity Strategy.
- Review and improve the use of integrated impact assessments, which help services consider the impact of our decision-making on inclusion and equality, the environment, and access to services.
- Implement new support and guidance for employee networks, enabling them to support organisational and member priorities and expectations.
- Enhance our workforce data, ensuring we have the data we need to meet changing statutory requirements and our organisational ambitions for inclusion.

### Preventing homelessness and rough sleeping

- Prevent homelessness and rough sleeping, ensuring those most in need can access the right help in the right place at the right time. We want to prevent homelessness occurring in the first place, and ensure rough sleeping is rare, brief, and not recurring. We will do this through:
  - rapid early help and intervention
  - strengthening partnership working to secure the right accommodation
  - improve access to safe, decent, accessible, and affordable accommodation, whether long-term homes or temporary accommodation
  - work with private sector partners to enhance and incentivise access to private rented tenancies and provide good quality rented, affordable accommodation available for long term tenancies.



**Thriving people and communities – now and over the longer-term**

**We will work closely with local leaders and partners to foster thriving communities, recognising that each area has unique needs.**

By focusing on health, education, sustainability, and early intervention, we aim to build robust support networks across our communities involving schools, healthcare providers, and community organisations. This collaborative approach ensures that everyone in our diverse communities receives the help they need to live healthy, independent lives, thereby creating a stronger and more inclusive society for all.

Our strategy is rooted in the fundamental role of community organisations, which are the backbone of our efforts. These local champions, passionate about their neighbourhoods, collaborate with a variety of partners including health, care, police, fire services, education, and local businesses. Together, we strive to provide accessible, high-quality services, enhance learning outcomes, and promote clean, safe, and healthy places.

Every one of our services are pivotal to these efforts, designing services that make sense alongside partners, and working alongside partners and communities to ensure tangible benefits for local residents.

**Areas of focus**

**Children and families**

- Work with our whole family of schools and educational settings to develop longer-term plans for our operational arrangements and relationships.
- Build on our children's services continuous improvement plan and success, we will implement integrated models of care and preventative services to provide holistic support to our children, young people and families.

**Clean, safe and healthy places**

- Work with businesses and community groups in local places to support their efforts to build safe, clean, and green places where people want to live, work, and visit.
- Work with statutory partners, including the police and fire service, to coordinate enforcement activity and raise standards.
- Work with partners in agreeing a new shared Physical Activity Strategy for Kirklees.
- Ensure people are living in homes that are modern, safe, and warm, addressing all outstanding issues in compliance relating to fire safety, water quality, and damp, mould, and condensation.
- Raise awareness of the Environment Strategy, engaging with partners and communities on our shared role in delivering its ambitions.

**Thriving communities**

- Work closely with ward councillors as local place-leaders, enabling place-based responses to the unique challenges and opportunities in each place with the support of place standard engagement and action plans.
- Continue to work with local places to support an excellent network of libraries.
- Continue to support the development and growth of a stronger community sector through our community sector infrastructure contract with Third Sector Leaders, supported by a clear plan for improving council processes and collaboration with the community sector.



**Local economic growth, working with regional and national partners**

**We will enable local economic growth by making the most of partnership working through our role in the West Yorkshire Combined Authority and partnership with government bodies, businesses, communities, and other key organisations. This means attracting investments, promoting business growth, and creating jobs, in particular when it comes to benefitting from innovation and technology as well as national economic growth and devolution.**

Enhancing our transport network is central to our plans. We want to ensure we benefit from our unique position at the heart of the north, with ever stronger connections into surrounding cities and towns. We also want transport to be better within Kirklees, whether that’s road, rail, or active travel.

We are ambitious about sustainability and inclusion, ensuring everyone in this generation and future generations can benefit from economic growth. As set out in the Environment Strategy, we continue to aim for a greener, net zero, and climate-ready Kirklees by 2038 – that means mitigating and reducing emissions as well as adapting to the social, economic, and environmental impacts of climate change.

Our long-term programmes include our ongoing work to revitalise our town and village centres, creating good places to do business and vibrant, safe, and inclusive spaces, where everyone can enjoy the district’s rich leisure, cultural, and heritage activities, including women and girls. This lies at the heart of our approach to growing the local economy.

**Areas of focus**

**Investment & Place**

- Engage on and deliver the Inclusive Economy Strategy.
- Progress Phase 1 of Our Cultural Heart, an ambitious centrepiece for Huddersfield and the whole of Kirklees, including a new library, food hall, and events square.
- Progress the Dewsbury Blueprint through the Arcade, Market, Field House, Civic Spaces, and Bond Street improvements.
- Progress our smaller town regeneration plans across the district, including in Batley, Cleckheaton, Heckmondwike, Holmfirth and Marsden.
- Work with West Yorkshire Combined Authority, Huddersfield University, and Leeds and Bradford councils to deliver on the next stages of the West Yorkshire Investment Zone, focussing on the development of the Gas Works Street site for high value business expansion and relocation.
- Work with local, regional, and national partners across all sectors to promote investment in local places, including supporting:
  - the relocation, retention and expansion of a major local IT company
  - both new inward investors and existing indigenous companies looking to grow and locate within and adjacent to the Investment Zone and Station to Stadium Corridor areas.

**Transport**

- Produce, consult on, and begin delivery of the Kirklees Transport Strategy, setting the vision and framework for the future transport network in Kirklees.
- Strengthen rail links within the district and beyond, working with government and partners including Network Rail to deliver transformational change through improvements to the Penistone Line connections to South Yorkshire and the unprecedented investment in the Transpennine Route Upgrade.

- Deliver priority improvements to our transport hubs through a number of sites, including bus stations in Huddersfield, Dewsbury, and Heckmondwike.

**Skills and employment support**

- Work with local employers to develop workforce skills and support inclusive recruitment through promoting apprenticeships, and delivery of Skills Bootcamp and the Employment Kirklees programme in key sectors including textiles, construction, and early years education.
- Develop and deliver new employment programmes to support residents with long-term health conditions to access and remain in good work, in partnership with the Department for Work and Pensions and West Yorkshire Combined Authority.
- Deliver a range of adult learning programmes in several community settings including provision of English for Speakers of Other Languages (ESOL).

**Housing growth**

- Progress planning and development on our key housing sites at Dewsbury Riverside, and Bradley Park, ultimately delivering 3,000 units for Riverside and 473 for the first phase at Bradley.
- Progress the refresh of the Local Plan in line with the revised National Planning Policy Framework ahead of submission to government in late 2027.

**Devolution**

- Ensure Kirklees responds to and maximises the benefits from national changes in devolution as set out in the English Devolution White Paper published December 2024, particularly the opportunities that are likely to emerge through the West Yorkshire Mayoral Combined Authority.



# Who we are and how we do things

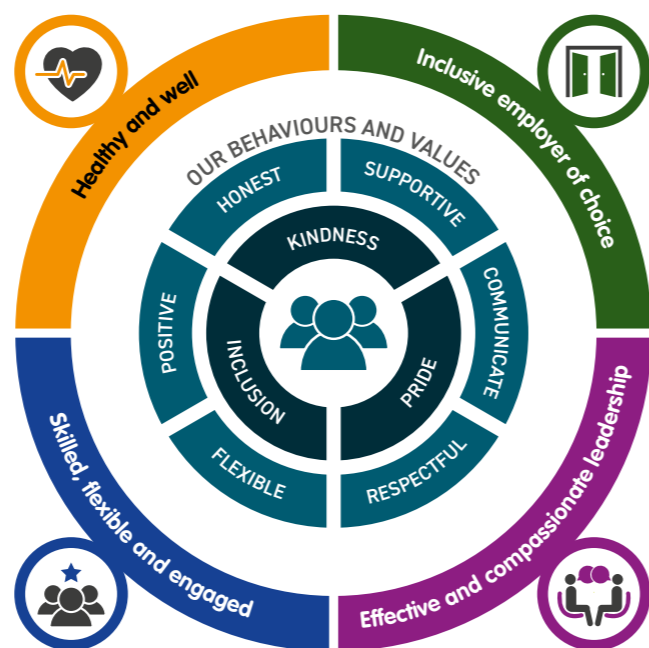
## Our people

Our People Strategy sets out how we will achieve our shared outcomes by having people with the right skills, values and behaviours, and by working in partnership in our places.

Our People Strategy has our values and behaviours at its heart. The Strategy has four outcomes, supported by our People Pledge and a programme of work that supports working towards achieving the outcomes for all our staff. These outcomes are: 'healthy and well', 'inclusive employer of choice', 'effective and compassionate leadership', and 'skilled, flexible and engaged'.

We want healthy, motivated and flexible staff with the right skills, values and behaviours to work in partnership with people and places.

Our six behaviours are: supportive, communicate, respectful, flexible, positive and honest.



## Our values

Just like individuals, our organisation's values guide the way we think and act, and our behaviours underpin our values and set out how we act upon them. These are the foundations for our People Strategy, which sets out how we will achieve our shared outcomes by having people with the right skills, values and behaviours.

### Kindness

- We are kind so that our behaviour makes each other feel included, happy and well.
- We work with each other and are friendly, considerate and appreciative.
- We 'do with, not to', showing kindness to each other and to our citizens.

### Inclusion

- We recognise the unique identities of our local places, their strengths and aspirations. We know that one size doesn't fit all.
- We want to enable active citizens to make a difference, recognising their valuable skills, strengths and local knowledge, as well as delivering support and services that are shaped by local people.

### Pride

- We work with pride to achieve positive outcomes for colleagues, citizens and our places.
- We have self-respect, dignity and take satisfaction from our achievements and those of our colleagues.
- We are proud of what we do as individuals, together as a council, and together with our citizens and places.

## Who we work with

We use the phrase 'We're Kirklees' within our staff teams to reflect our pride in Kirklees and our commitment to working together for all our places. 'People', 'partners', and 'place' are three principles that cut across everything we do.

### People

We work with people; we don't do things to them. Our focus is on engaging people, building relationships based on trust, and working together with people and communities to solve problems and make the most of opportunities.

### Partners

We work with and alongside our partners. With a shared sense of purpose, we bring our collective insight, expertise, and resources together to achieve greater impacts and make our local places even better.

This includes collaborative partnership working to inform and shape priorities and action across the public, private and community sectors in Kirklees.

### Place

We recognise the unique identities of our local places, their strengths and aspirations. We know that one size doesn't fit all. We want to enable active citizens to make a difference, recognising their valuable skills, strengths and local knowledge, as well as delivering support and services that are shaped by local people. This also includes recognising how places are shaped by their natural environments and the wider changing climate.

## Shared customer and resident expectations

Over the course of the coming year we will be continuing an important piece of work related to customer and resident expectations. This relates to all of our services

Not all customers and residents have the same expectations of the council, and so it is impossible to provide everything that people expect of us. Furthermore, we don't always have the powers and resources people think we have. This is made even harder at a time of severe budget cuts.

Our aim is to create a mutual understanding between the council and the residents. We recognise that residents see the council as a unified entity and expect seamless service without being shuffled between teams. Our commitment lies in delivering excellent services while also ensuring that residents understand that some issues are inherently complex and require time to resolve.

In essence, we are committing to open and honest communication with our residents, setting realistic expectations, and collaborating to achieve the best possible outcomes. This approach helps build trust, manage expectations effectively, and ensures that our residents feel valued and informed about the services they receive.



### Efficient and Effective

Kirklees Council works smart and delivers efficiently and effectively.



# Our ongoing day-to-day focus

Supported by this year's Council priorities, we will maintain a focus on the day-to-day activities that support our shared outcomes. In this section you will find a description agreed with partners of the ongoing collective impact we aim to have now and over the long-term. It also includes a set of indicators which help us measure how well things are going against the outcomes. The measures are influenced by regional, national, and even international events, but we can use them to help us understand our collective impact across our partnerships.



## Shaped by people

We make our places what they are.

### Our shared day-to-day focus

- More people believe that getting involved is worthwhile and feel inspired to take part.
- More people have the confidence to get involved and know how to get support.
- More people feel included, respected, listened to and able to contribute.
- More people feel connected and know people in their communities well.

### Tracking our shared impact:

- % people who agree that (in the last 12 months) they got involved in their community and something positive came out of it
- % people who agree that people in their local area pull together to improve the local area
- % people who agree that they personally can influence decisions affecting their local area
- % people who agree that their local area is a place where people trust each other.



## Best start

Children have the best start in life.

### Our shared day-to-day focus

- Confident children ready to do well at school and in life.
- Better outcomes for vulnerable children.
- Child focused activities that support families.
- As many children as possible staying with their families.

### Tracking our shared impact:

- healthy birth weight
- school readiness
- children in poverty
- emotional wellbeing at age 13-14 years.



## Well

People in Kirklees are as well as possible for as long as possible.

### Our shared day-to-day focus

- People have access to opportunities to improve their health and wellbeing.
- A joined-up health and care system in Kirklees.
- Support, help and advice for people in the communities where they live.
- Protection of the public's health through education, support and interventions.

### Tracking our shared impact:

- healthy life expectancy
- confidence managing health (with multiple conditions)
- emotional wellbeing (adults).



## Independent

People in Kirklees live independently and have control over their lives.

### Our shared day-to-day focus

- Joined-up and personalised support that enables independence, helps people to live as close to home as possible, draws on support from their communities and prevents or delays inappropriate admission to hospital or long-term care.
- If people need it, they can choose between a broad range of high-quality options for care and support and are always treated with dignity and respect.
- People can successfully manage the changes in their lives.
- People live in suitable and affordable homes in attractive places within a supportive community.

### Tracking our shared impact:

- overall life satisfaction
- loneliness and isolation
- suitable housing
- % people who live without social care support.



## Aspire and achieve

People in Kirklees aspire to achieve their ambitions through education, training, employment, and lifelong learning.

### Our shared day-to-day focus

- People in Kirklees have access to the highest quality, inclusive learning and education provision.
- Learning provision responds to the needs of people throughout their lives.
- Children making good progress and achieving the best outcome, and improved life chances for everyone.
- A highly skilled population able to secure good jobs both now and in the future.

### Tracking our shared impact:

- educational achievement (reading, writing, maths) at age 11 (KS2)
- people qualified to Level 2, Level 4, Level 6 and Level 7.



## Sustainable economy

Kirklees has sustainable economic growth and provides good employment for and with communities and businesses.

### Our shared day-to-day focus

- More and better-quality jobs in Kirklees.
- Create the environment to enable major regeneration activity to support economic resilience and greater inward investment into the district.
- People have access to an appealing cultural offer and vibrant town centres.

### Tracking our shared impact:

- disposable income per household (£)
- start-up businesses/businesses exporting
- productivity per hour worked (£) - Gross Value Added (GVA)
- median earnings.



## Safe and cohesive

People in Kirklees live in cohesive communities, feel safe and are protected from harm.

### Our shared day-to-day focus

- More people active in their communities and engaged in local democracy.
- A thriving voluntary and community sector.
- High quality, joined-up and accessible services that safeguard children and adults from harm.

### Tracking our shared impact:

- % adults who agree that people from different backgrounds get on well together in their local area
- % adults who say they feel safe
- recorded crime rate.



### Clean and green

People in Kirklees enjoy a high quality, clean and green environment.

#### Our shared day-to-day focus

- Well planned places and sustainable communities.
- Better infrastructure for our communities.
- People have access to greenspaces, including appropriate sports and leisure opportunities.
- Address the Climate Emergency in Kirklees and work towards achieving our net-zero and climate ready ambitions for 2038.

#### Tracking our shared impact:

- overall satisfaction with local area
- greenhouse gas emissions (CO<sub>2</sub> equivalent)
- waste recycling rate
- % of mortality attributable to particulate pollution.



### Efficient and effective

Kirklees Council works smart and delivers efficiently and effectively.

#### Our shared day-to-day focus

- Healthy, motivated and flexible staff with the right skills, values and behaviours to work in partnership with people and places.
- Strong political leadership, intelligence-led decision making, strategies and policies.
- Getting the basics right, with robust systems, processes and governance that make best use of available resources.
- Collaborative partnership working to inform and shape priorities and action across the public, private and community sectors in Kirklees.

#### Tracking our shared impact:

- % employees who agree they are happy in their job
- staff sickness absence
- local spend (amount spent on locally-based suppliers)
- overall efficiency and effectiveness of council plan areas of focus.







Our beautiful borough

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**Report title:** Council Budget Report 2025/26 and 2026/27; incorporating Capital, Treasury Management, General Fund Revenue and Housing Revenue Account

<b>Meeting:</b>	<b>Cabinet</b>
<b>Date:</b>	<b>11 February 2025</b>
<b>Cabinet Member (if applicable)</b>	<b>Cllr Graham Turner</b>
<b>Key Decision Eligible for Call In</b>	<b>Yes No – Report is a recommendation on the Cabinet’s proposed budget to full Council on 5 March 2025</b>
<p><b>Purpose of Report</b> The purpose of this report is for Cabinet to receive information to enable them to consider and recommend a budget to Council for Capital, General Fund revenue and Housing Revenue Account (HRA) and approve the Council Treasury Management strategy.</p>	
<p><b>Recommendations</b> Having read this report and the accompanying appendices, and having regard to the consultation process and integrated impact assessments, Cabinet recommend the following for approval by Council:</p> <p><u>General Fund Revenue</u></p> <ul style="list-style-type: none"> <li>• That the Revenue Budget for 2025/26 to deliver a balanced position, be approved (Appendix A);</li> <li>• That the forecast spending and funding plans for the 2025/26 and 2026/27 period be noted (Appendix A);</li> <li>• That the forecast levels of statutory and other Council reserves as set out at Appendix C be noted;</li> <li>• That the strategy for the use of balances and reserves, is approved; (section 2.18);</li> <li>• That members approve the Council’s flexible capital receipts policy for 2025/26 (section 2.15 and Appendix G);</li> <li>• Approve the Council Tax requirement for 2025/26 (Appendix M, budget motion);</li> </ul>	

- Note the Council's Statutory s151 Officer's positive assurance statement as to the robustness of the forecasts and estimates and adequacy of financial reserves; (section 2.23);
- That the Council's Statutory s151 Officer be given delegated authority to amend how the finally approved precepts are recorded in the Council's revenue budget in line with the final notifications received following decisions by the West Yorkshire Mayor Police and Crime Commissioner, the Fire & Rescue Authority and Parish Councils should these be received after 5 March 2025 (paragraph 3.1.3);

### Treasury Management

- Approve the following recommendations set out in the 2025/26 Treasury Management report at Appendix J:
- The borrowing strategy outlined in paragraphs 2.16-2.29 of the appended report;
- The investment strategy outlined in paragraphs 2.30 - 2.38 of the appended report, including Appendices A and B of said report;
- The policy for provision of repayment of debt (minimum revenue provision or MRP) outlined in paragraphs 2.39 - 2.40 of the appended report including Appendix C of said report;
- The treasury management prudential indicators in the appended report, Appendix D of said report;
- The Investment Strategy (Non-Treasury Investments) in the appended report, at Appendix F of said report;

### Capital

- That the updated Capital Plan for 2024-32, be approved; (Appendix F)
- That the Capital Strategy (including Prudential Indicators), set out at Appendix I, be approved;

### Housing Revenue Account (HRA)

- That the HRA Budget for 2025/26 be approved; (Appendix K)
- That the strategy for the use of HRA reserves, as set out at Appendix K be approved;

### Other

- To consider the feedback from Overview and Scrutiny Management Committee in reaching decisions regarding the final budget recommendations for 2025/26 within this report.

**Reasons for Recommendations**

- The Council has a statutory duty to set a balanced budget each year before 11 March.
- The section 151 Officer has a duty under section 25 of the Local Government Act 2003 to report to full Council on the robustness of the forecasts and estimates and adequacy of the financial reserves.

**Resource Implications:**

This report sets the budget resource allocations for 2025/26 and 2026/27 details of which are included in the following pages and appendices.

**Date signed off by Strategic Director & name**

**Rachel Spencer-Henshall – 3 February 2025**

**Is it also signed off by the Service Director for Finance?**

**Kevin Mulvaney – 3 February 2025**

**Is it also signed off by the Service Director for Legal Governance and Commissioning?**

**Sam Lawton – 3 February 2025**

**Electoral wards affected:** All

**Ward Councillors consulted:** All

**Public or private:** Public

Have you considered GDPR: Yes – there is no personal data within the budget details and calculations set out in this report and accompanying Appendices

**RESTRICTIONS ON VOTING**

Members should be aware of the provisions of Section 106 of the Local Government Finance Act 1992, which applies to members where –

- they are present at a meeting of the Council, the Cabinet or a Committee and at the time of the meeting an amount of Council Tax is payable by them and has remained unpaid for at least two months, and
- any budget or Council Tax calculation, or recommendation or decision which might affect the making of any such calculation, is the subject of consideration at the meeting.

In these circumstances, any such members shall at the meeting and as soon as practicable after its commencement disclose the fact that Section 106 applies to them and shall not vote on any question concerning the matter in (b) above. It should be noted that such members are not debarred from speaking on these matters.

Failure to comply with these requirements constitutes a criminal offence, unless any such members can prove they did not know that Section 106 applied to them at the time of the meeting or that the matter in question was the subject of consideration at the meeting.

## 1. Overview

- 1.1 The structure of this report begins with an executive summary, followed by a range of Appendices.

A	General Fund Summary
B	Movement in Budgets by Directorate
C	Reserves
D	Savings proposals
E	Grants Within Services
F	Capital Plan
G	Flexible Capital Receipts Strategy
H	General Fund Working Balance
I	Capital Strategy
J	Treasury Management Strategy
K	HRA
L	Budget Consultation exercise – summary
M	Council Tax Motion

### **Integrated Impact Assessments**

- 1.2 Members' attention is drawn to the information and advice in section 3.9 of this report which makes reference to the Council's Public Sector Equality Duty.

1.3 Cabinet are asked to:-

- (i) Approve the budget proposals contained in this report in the context of the existing medium term financial plan (MTFP), to achieve a balanced General Fund revenue budget in 2025/26, and indicative revenue budget forecast for 2026/27;
- (ii) incorporate the Government's announcement on the provisional Local Government Finance Settlement for 2025/26, made on 18 December 2024;
- (iii) review the current levels of General Fund revenue reserves and balances and make recommendations on the level of reserves;
- (iv) incorporate Housing Revenue Account (HRA) budget proposals to achieve a balanced HRA in 2025/26, and indicative revenue budget plan for 2026/27, informed by the HRA 30 year business plan;
- (v) review the current levels of Housing Revenue Account reserves, and make recommendations on the level of reserves;
- (vi) consider the 2025/26-2031/32 plan for Capital Investment. The Cabinet is required under Financial Procedure Rules to recommend to the Council a multi-year Plan for Capital Investment;
- (vii) review and approve the 2025/26 Treasury Management Strategy, Investment Strategy and Capital Strategy, which the Council must consider before the start of the financial year to comply both with the Chartered Institute of Public Finance & Accountancy

(CIPFA) Prudential Code and Treasury Management Code and with the Ministry of Housing, Communities and Local Government (MHCLG) statutory guidance;

- (viii) make recommendations on the Council Tax requirement for 2025/26; and
- (ix) incorporate a statement of assurance from the Council's statutory s151 officer in relation to the robustness of budget estimates and adequacy of General Fund and HRA reserves (Section 25 Statement).

### **Executive Summary**

- 1.4 The budget for 2025/26 gives the Council stability for the coming financial year as well as supporting its ambitions for Kirklees into the future. The revenue budget is balanced so that spending matches available income. This is not only a legal obligation for the Council but also gives certainty for vital services to continue delivering for local communities.
- 1.5 Alongside the revenue budget, the capital programme is an ambitious investment into the Kirklees economy and its infrastructure. It aims to stimulate growth, jobs and opportunities for the future, not just in the largest urban areas but across the borough.
- 1.6 Budgets are about choices. To assist those choices, the 2025/26 budget has been guided by clear principles. Decisions on spending and savings will focus, as far as possible, on services that promote prevention and early intervention. This is a beneficial approach in financial terms as well as delivering better outcomes for local people.
- 1.7 The budget principles also safeguard key economic regeneration activity that will assist Kirklees households and businesses cope with future demands. The aftermath of the pandemic and the cost-of-living crisis have shown the importance of economic resilience to families and businesses in Kirklees. The Council will play its part in investing in Kirklees communities for future generations.
- 1.8 As far as possible, the budget looks to increase efficiencies and reduce administrative costs to minimise the impact of savings on residents and local businesses. Service transformation will always be the Council's preference for making its necessary savings alongside maximising income where feasible and affordable.
- 1.9 Underpinning the budget, and ensuring value for money for Kirklees taxpayers, are robust systems of financial management and cost controls across the organisation. Following a period of high inflation and increased demand, the Council has implemented controls on spending, recruitment and investment. This ethos, and the systems that support it, will continue in 2025/26 with the intention that the Council's finances are placed on a long term sustainable footing.
- 1.10 Inevitably, the budget is also constructed within strict parameters which affect the decisions available to the Council. According to the Local Government Association, more than 90% of Councils in England will need to make revenue budget savings in the coming financial year to achieve a balanced budget. Alongside Councils across the country, Kirklees continues to face similar financial pressures.

- 1.11 Savings are needed due to demand, demographic and inflationary pressures on service budgets. In Kirklees, these pressures amount to around £47m in the coming financial year and include £20m additional demand for older and disabled people, who need social care, £3.6m in extra funding required for homelessness and £9.5m to provide support for children. Any credible budget needs to take account of these demands.
- 1.12 Alongside demand pressures, all Councils face limitations on the income they generate. In order to address some of the cost pressures, the budget proposes a 2.99% increase in Council Tax with a further 2% for the social care precept. In total, the budget increases the Kirklees Council element of Council Tax bills for a typical Band D property by £1.80 per week.
- 1.13 Whilst the Provisional Local Government Finance Settlement has provided additional funding to the sector and a some redistribution of funding through the Recovery grant (see paragraphs 2.3.4 and 2.3.6), this Council still loses an estimated £20m per year compared to other parts of the country of a similar size, due to the historic local government funding formula.
- 1.14 In light of both the limitations on the Council's income and increases in the cost and demand of many services, the revenue budget includes £11.0m of new savings and £15.8m of savings set out in the 2024/25 budget in order to achieve a balanced budget. Achieving these savings requires difficult decisions and not every Council will be able to meet the same obligation. In fact an LGA survey conducted in Autumn 2024 estimated nearly half of Councils with social care responsibilities forecast that they will require emergency budget intervention in the next two years.
- 1.15 Failing to set a balanced budget and requiring Government intervention represents a threat to service provision and in some cases could remove local decision making responsibility. Budget savings would still need to be made but they could be imposed from outside the borough and in the event that exceptional financial support was required, this would need to be repaid with interest, worsening the Council's financial position for years. The Council's budget strategy for 2025/26 continues to move further away from this risk and the increase of additional budget this year makes this possible.
- 1.16 A balanced budget also allows the Council to invest in services that are important to local people. For the coming financial year that means the Council will invest in vital social care for adults in Kirklees and for care services for children who need extra support. The Council will invest in maintaining and improving local roads and in dealing with residents' waste and recycling. The Housing Revenue Account will also provide the necessary funding to achieve the improvements to local homes that the Council is committed to delivering.
- 1.17 In the medium term, the capital programme will invest in over £1bn in the Kirklees economy and infrastructure over the next five years. Alongside major investments by partner organisations and Government, this budget provides additional resources for Kirklees' economic future and well beyond the life of the plan itself.
- 1.18 The Council's budget for 2025/26 is a means to an end. Achieving a balanced budget where key demand pressures are appropriately funded provides a step towards financial stability and allows Kirklees Council to focus on the priorities that matter to people in Kirklees. It provides the platform for improving services and the experience



residents have when they deal with the Council. As well as supporting people and communities, it will fund the services and activities that make Kirklees neighbourhoods greener and healthier. Finally, while the budget funds important day-to-day services, it also invests in the future.

1.19 However, there is still much work to be done to deliver long term sustainability and so the Council will continue its transformation journey to be more efficient and effective, it will need to replenish reserves that have been used to fund overspends in the recent past and live within its means on an ongoing basis.

## 1.20 **Overall Budget Position**

1.21 The table below summarises the updated balanced budget position for 2025/26 from the 2024/25 base.

	<b>2025/26 £m</b>
<b>Opening Position Balanced 2024/25 Budget</b>	-
Additional Funding	(28.5)
Use of Reserves Changes	5.0
Directorate Spend Changes (net)	50.3
Savings Proposals (total inc previously approved)	(26.8)
<b>Balanced Budget</b>	<b>0.0</b>

## **Information required to make a decision.**

### **2 BACKGROUND**

#### **2.1 Financial Strategy**

2.1.1 The 2025/26 Medium Term Financial Strategy (MTFS) reported to Council on 18<sup>th</sup> September 2024 is a five-year financial plan, which sets out the Council's commitment to provide value for money services to deliver the vision and shared outcomes for Kirklees, and our priorities for the Council, within the overall resources available to it. The MTFS shows how our Council's finances will be structured and managed to ensure that this fits with, and supports, the delivery of our Council Plan priorities, which will drive delivery of the work.

2.1.2 A sustainable financial plan is required to help ensure the Council is well placed to achieve its ambitions as set out in the Council plan. The overarching principles of the Financial Strategy are:

- The Council will become more sustainable by reducing the reliance of one-off funding sources, such as reserves, to fund recurring expenditure and it must continue to make an appropriate provision to top up its unallocated (general) reserve to ensure that on a risk-based approach this reserve is always above a minimum level.

- The strategy will also provide specific funding earmarked reserves to continue to fund transformation costs that will be required to deliver service change across the Council. This change can help deliver its ambition of being a modern efficient Council.
- The strategy also recognises the need to provide the Council's agreed contribution to the SEND Safety Valve plan at c.£10m by 2029/30.
- This financial plan aims to provide funding to address known pressures in the base budget and will make appropriate provision for inflation (pay and prices) and a reasonable assessment of demand pressures based upon the latest available information. In the main these are the demand pressures being reported in Q2 2024/25 financial monitoring along with anything else we already know about for 2025/26.
- In general, fees and charges to the public are assumed to be increased annually by 3%. Where costs rise beyond this, services will continue to seek to recover full costs in line with the Council policy on fees and charges - so as to not to create additional burdens on the general fund. Charges for users of Adult Social Care services will continue to be based on assessment of a clients' ability to pay.
- The Capital plan, currently £1.4bn, will continue to be subject to review and presently no new schemes that require council borrowing have been added to those already in the plan. It is likely that as part of the ongoing review, some schemes will need to be slipped or removed from the Capital Plan.
- New capital schemes will be considered for inclusion in the Capital plan as part of the Council's investment and modernisation programme if they deliver ongoing revenue savings against the base budget; or are required to meet health and safety priorities or on the basis that new bids are assessed as a greater priority than existing Council funded schemes which would subsequently be removed. To this end, £50m is available over the life of the plan to support proposals that deliver a net revenue saving after capital financing costs are taken into account.
- Collectively, these principles are designed to create a more stable base budget from which Members can make decisions on savings proposals.
- By recognising the ongoing pressures within the base budget the S151 Officer is content that this ensures a more robust budget for the Council.

## **2.2 Proposed Budget 2025/26**

- 2.2.1 The budget includes the estimated changes to the Council's main sources of income (i.e. Central Government grant and local taxation), corporate expenditure (e.g. capital financing costs) and pressures on services (arising from inflation, demand or legislative changes such as the increase to the Government national minimum wage) based on current information.
- 2.2.2 Given the financial challenges facing the Council, the focus of attention has been to set a balanced budget for 2025/26, based on detailed up to date estimates of all the pressures and developing savings proposals to address the immediate reported gap, which for 2025/26 alone stood at £29.3m when reported in September. A more

significant piece of work to update the Council's Medium Term Financial Plan for 2026/27 onwards will commence in the Spring of 2025.

2.2.3 The overall budget process was directed by these guiding principles:

We must set a **balanced budget** and maintain **prudent levels of reserves** and:

- Continue to maintain a focus on services that deliver **prevention and intervention** early on before issues become worse for people
- Safeguard key **regeneration activity** to support longer-term inclusive economic growth
- Consider opportunities for **maximising income** and identify alternative sources of funding where possible
- Prioritise **transformation of services** which increase efficiency and effectiveness of service delivery
- Make sure we maintain appropriate **risk and governance** practices
- **Learn lessons from the past** – for example from our approach to responding to the pandemic

2.2.4 The Draft Budget Report published in December reflected detailed work undertaken to close the £29.3m savings gap for 2025/26. The report presented a balanced budget for consultation.

2.2.5 The updated figures presented in this report include changes in funding in the Provisional Local Government Finance Settlement released in December 2024. Members should be aware that the Final Settlement is expected in early February 2025.

### **2.3 Autumn Budget and Provisional Financial Settlement 2024**

2.3.1 The Chancellor announced the Autumn Budget 2024 on 30 October 2024.

2.3.2 Within the Autumn Budget, Core Spending Power (CSP) was confirmed to be increasing by 3.2% in real terms nationally; equivalent to c5.6% in cash terms. The Core Spending Power (CSP) is the Government preferred measure of calculating the theoretical resources available to local authorities to fund service delivery. It sets out the money that has been made available to local authorities through the Provisional Local Government Finance Settlement and includes assumptions from Government around Council Tax increases.

2.3.3 The CSP increase for individual Councils was published as part of the Provisional Local Government Finance Settlement announced on 18 December 2024. Nationally, the CSP cash increase rose from the 5.6% issued in the Autumn Budget, up to 6.0%.

2.3.4 The Autumn Budget confirmed an increase in grants within the CSP uplift of £1.3bn nationally in 2025/26. This total was increased to £1.7bn in the Provisional Local Government Finance Settlement and is made up of three priority grants:

- Recovery Fund - £600m
- Social Care Grant Increase - £880m
- Children's services Preventative Grant - £250m

- 2.3.5 These grants will be funded by the £1.3bn announced in the Autumn Budget, savings in other grants (abolition of the Rural Services Delivery Grant (RSDG, £110m) and the Services Grant (£87m), and the scaling-back of the Minimum Funding Guarantee (MFG)).
- 2.3.6 The £600m Recovery Grant has been used to redistribute funding to the most deprived areas. It targets funding very clearly towards high-need, low-taxbase authorities, with Metropolitan authorities due to receive over half of the national total.
- 2.3.7 The £250m Children's Social Care Prevention Grant also uses a new formula that gives a higher share of funding to high-need authorities than the current Children's Relative Needs Formula (RNF).
- 2.3.8 The Adult Social Care grant will increase by £880m (£600m announced in the 2024 Budget plus a further £80m in the Policy Statement and a further £200m in the provisional settlement). The distribution methodology remains the same as in 2024/25.
- 2.3.9 Overall, the 2025/26 settlement gives much higher increases in CSP to high-need, low-taxbase authorities (areas of high deprivation). Metropolitan authorities will receive an average CSP increase of 8.3% (Kirklees 7.4%), compared to only 5.9% in shire counties and Districts 0.4%. These figures include Government assumptions on maximising Council Tax increases.
- 2.3.10 Further increases in other grants outside of the CSP were also announced as part of the Autumn Budget. This includes £1bn nationally for SEND (paragraph 2.19.10) and £230m for homelessness (paragraph 2.10.1). In addition, Household Support Fund (£1bn nationally) was confirmed to be continuing into 2025/26, although it is has since been indicated that this will be rolled up with existing Discretionary Housing Payments funding within the national pot. Confirmation of the final value of the Household Support Fund for the Council is awaited.
- 2.3.11 The Autumn Budget also confirmed changes to Employers National Insurance Contributions (NICs) from 1 April 2025. Currently, employers pay secondary class 1 NIC at the rate of 13.8% on the amount by which an employee's earnings exceeds the secondary threshold (ST) of £9,100 per year. The Chancellor announced that the rate will be increased to 15%, and that the ST will be reduced to £5,000 per year. This will significantly increase costs to employers.
- 2.3.12 The Provisional Local Government Finance Settlement confirmed that a £515m national pot has been made available by Government to fund directly employed staff costs in councils; although individual council allocations will only be announced in the Final Settlement, expected early February 2025. The £515m has been determined based on Local Government's share of the directly employed staff across the public sector however it is estimated by the LGA that this amount will fall short of the actual increase in direct costs within Local Government. Allocations to individual councils will be made as part of the final settlement figures expected in early February.
- 2.3.13 In the Autumn Budget the Chancellor also announced that Local authorities are expected to receive around £1.1bn of new funding in 2025/26 through the implementation of the Extended Producer Responsibility scheme. Extended producer responsibility (EPR) aims to make producers responsible for the cost of

collection, managing and recycling of packaging and incentivise them to make their products recyclable by modulating fees based on the recyclability of products. It will also aim to reduce unnecessary packaging, increase quality and reduce litter. Exceptionally for 2025/26 only and recognising the importance of local authorities being able to effectively plan their budgets, the Treasury will guarantee that if local authorities do not receive Extended Producer Responsibility income in line with the central estimate there will be an in-year top up, with the detail on this to be set out through the Local Government Finance Settlement. It is currently assumed this funding does not come with additional responsibilities for councils. The Council received written notification from DEFRA on November 28<sup>th</sup> of this allocation, and advised this amount was indicative at this stage, but was included in the December budget proposals.

### **Updates to Budget Plans following the Draft Budget Report**

2.3.14 The draft budget plans published in December have been updated for the detailed funding figures that were released as part of the Provisional Local Government Finance Settlement. It should be noted that not all grant allocations are published alongside the settlement and estimates remain within the budget figures where this is the case.

2.3.15 Overall, the funding adjustments arising from the Provisional Local Government Finance Settlement have resulted in additional grant income of £3.9m compared to the assumptions in the Draft Budget Report. These changes are as follows:

<b>Provisional Finance Settlement - Funding Changes since Draft Budget Report</b>	<b>2025/26 £m</b>
<b>Directorate Funding</b>	
Social Care Grant	(1.4)
Children's Social Care Prevention Grant	(1.8)
Homelessness Grant	(0.2)
	<b>(3.4)</b>
<b>Other Funding</b>	
Business Rates Top Up	0.1
Revenue Support Grant	(0.4)
New Homes Bonus	1.3
Services Grant	0.5
Recovery Funding	(4.2)
Estimated shortfall NI funding*	2.2
	<b>(0.5)</b>
	<b>(3.9)</b>

\* Additional NI costs for direct council employees are £5.8m compared to estimated Government funding of £3.6m. The Draft Budget Report assumed the £5.8m costs would be fully funded.

2.3.16 The additional £3.9m funding outlined above has been used to increase expenditure budgets in priority areas as per the below table and are discussed in the relevant service area within this report. The overall net budget position remains balanced.

Expenditure Budget Changes	2025/26
	£m
<b>Children</b>	
Contribution to increased costs of NI and ongoing demand pressures being seen in year to date	0.5
Special Guardianship Orders	0.1
Staffing Sendact team	0.2
	0.8
<b>Adults</b>	
Contribution to increased costs of NI and ongoing demand pressures being seen in Q3	1.5
Removal of Libraries Saving agreed in 2024/25 budget (24AH17)	0.8
	2.3
<b>Place</b>	
Removal of proposed Bins Saving (PL2527)	0.1
Additional Seasonal Weather Budget to reflect increase in number of weather events	0.5
Allocate additional Homelessness Grant increase	0.2
	0.8
	<b>3.9</b>

## 2.4 Net Revenue Charge Assumption

- 2.4.1 The Council's net revenue budget is primarily determined from the amount of Council Tax collected and funding provided from the Government Settlement Funding Assessment (SFA) with adjustments made with either contributions to or from reserves to support the overall total base budget for service provision.
- 2.4.2 The table below summarises the funding assumed to support the updated net budget plans. The figures exclude specific grant funding streams that are budgeted within directorates.
- 2.4.3 The net revenue budget changes from the December report reflect a combination of additional funding (£3.9m) and also that the Government in its commitment to grant simplification has rolled up a number of service specific grants into the SFA figures.

	2024/25	2025/26	Change
	£m	£m	£m
Retained Business Rates	(62.5)	(62.4)	0.1
Government Funding	(70.7)	(82.5)	(11.8)
Council Tax	(234.0)	(250.8)	(16.8)
<b>Funding Total</b>	<b>(367.2)</b>	<b>(395.7)</b>	<b>(28.5)</b>

## 2.5 **Business Rates (NNDR) and Government Funding**

2.5.1 A breakdown of the Business Rates and Government funding allocations included in the updated budget plans is outlined in the table below.

	2024/25	2025/26
	£m	£m
<b>Funding</b>		
Business Rates Local Share	(63.2)	(64.1)
Deficit Repayment	0.7	1.7
Retained Business Rates	(62.5)	(62.4)
Government Funding:		
- Business Rates Top Up	(31.7)	(32.0)
- Business Rates Grants	(19.3)	(20.3)
- Revenue Support Grant	(16.5)	(17.1)
- Recovery Funding	-	(8.4)
- Estimated share of £515m NI funding	-	(3.6)
- New Homes Bonus	(1.5)	(0.1)
- Housing Benefit Admin Grant	(1.1)	(1.0)
- Services Grant	(0.6)	-
Total Government Funding	(70.7)	(82.5)
<b>Total</b>	<b>(133.2)</b>	<b>(144.9)</b>

### Business Rates

- 2.5.2 The Business Rates Retention scheme, whereby 50% of local business rates income is retained locally, (the Council retains 49% and passes on 1% to the West Yorkshire Fire & Rescue Authority) and 50% is paid to Government, has been in operation since 2013/14.
- 2.5.3 The Final Local Government Finance Settlement for 2013/14 set the baseline funding levels for the local retention of business rates model. The difference between each council's individual business rate baseline and their calculated baseline funding level results in either a top up or a tariff that is paid from/to councils from Central Government. The Council will receive top-up grant of £32.0m for 2025/26.
- 2.5.4 The updated funding figures reflect the new business rates multiplier levels for 2025/26. The small business rating multiplier will be frozen (it will remain at 49.9p) whereas the standard multiplier (payable by businesses with premises valued at more than £51,000) will increase from 54.6p to 55.5p, in line with September 2024 CPI, at 1.67%. Each authority's baselines are indexed based on their proportion of business rates derived from each of the multipliers. This equates to approximately 0.9% for Kirklees.
- 2.5.5 Government also compensates councils for any business rates income foregone as a result of freezing the business rates multipliers (or uplifting them by less than CPI). These compensation payments are built into the updated budget figures.

- 2.5.6 The net business rates retained income is also reduced for losses on collection and losses due to appeals. Collectively these adjustments equate to approximately 3.2% of net rates payable.

### Revenue Support Grant (RSG) and Other Unringfenced Grants

- 2.5.7 RSG forms part of the Settlement Funding Assessment set by Government. For 2025/26, Kirklees' allocation is £17.1m; an increase of £0.6m from 2024/25.
- 2.5.8 As illustrated in the table at 2.5.1, there are also other un-ringfenced grants of £13.1m in the 2025/26 budget plans. This figure includes £8.4m Recovery Funding and an estimated £3.6m compensation from Government for increased NI costs. The remaining balance relates to £0.1m New Homes Bonus and an estimated £1.0m for Housing Benefit Admin Grant. Note that the allocation of this grant has not yet been announced.

## **2.6 Business Rates Pool**

- 2.6.1 The Council has been part of a regional Business Rates Pool since 2013. All Pools are subject of an annual application process to Government; both existing and new Pools. The 2025/26 MTFs update report to Council on 18 September 2024 gave delegated authority for the Chief Executive and Service Director – Finance, in consultation with the Leader and Finance and Regeneration Portfolio holder to endorse the Council's continued participation in a Leeds City Region (LCR) Pool for 2025/26, which included all West Yorkshire Councils and York.
- 2.6.2 The acceptance of the LCR Pool bid for 2025/26, was confirmed by Government through the 2025/26 Financial Settlement announcement.
- 2.6.3 As in previous years, the governance arrangements for the 2025/26 LCR Pool will be ratified in March 2025 through the Business Rates Joint Committee. On 11 December 2024 Cabinet approved delegated authority to the Chief Executive and Service Director – Finance, in consultation with the Leader and Corporate Portfolio holder, to agree the governance arrangements for 2025/26, for approval through the Business Rates Joint Committee.
- 2.6.4 The Committee includes leading members across the participating councils and is administered on behalf of the member councils by Leeds Council. This includes proposals for the allocation of retained business rates levies which will be considered through the Business Rates Joint Committee.

## **2.7 Council Tax**

### Council Tax Base

- 2.7.1 Council budget plans incorporate the updated 2025/26 Council Tax Base (CTB) calculation as approved by the Section 151 Officer, in consultation with the relevant Cabinet member; reflecting a proposed increase of 2,400 Band D equivalents to 128,742 for 2025/26. This is equivalent to 1.9% growth overall. This growth includes an assessment of the impact of additional premiums for second homes which come into force on 1 April 2025.



## Council Tax Referendum Principles

- 2.7.2 Government Council Tax referendum principles are set out in the 2025/26 Provisional Local Government Finance Settlement and allow councils to apply up to a 3% Council Tax uplift without requiring a local referendum. Council updated budget plans reflect a proposed 2.99% Council Tax uplift in 2025/26 (excluding precepts).
- 2.7.3 In addition to allowable Council Tax uplifts within referendum principles, Government also granted councils with Social Care responsibilities local discretion to uplift Council Tax in 2025/26 up to a maximum of a further 2%.
- 2.7.4 Council updated budget plans include the maximum allowable uplift of 2% for Adult Social Care (ASC) precept in 2025/26 and this will be ring-fenced to support adult social care base budget additional spend requirements in 2025/26.
- 2.7.5 Taking into account both the basic Council Tax uplift and the ASC precept, the current budget includes a total proposed Council Tax increase for 2025/26 of 4.99%.
- 2.7.6 A breakdown of the 2025/26 Council Tax Income and assumptions is provided below.

	2024/25 £m	2025/26 £m
<b>Base Council Tax Income</b>		<b>(236.4)</b>
<i>2025/26 Changes:</i>		
Change in Taxbase - 2nd Homes		(1.6)
Change in Taxbase - Net growth		(2.9)
Increase - Basic Council Tax Charge 2.99%		(7.2)
Increase - ASC precept 2%		(4.8)
<b>Council Tax Income</b>	<b>(236.4)</b>	<b>(252.9)</b>
<b>Deficit Repayment</b>	<b>2.3</b>	<b>2.1</b>
<b>Total Council Tax Funding</b>	<b>(234.1)</b>	<b>(250.8)</b>

- 2.7.7 Council Tax charges are assumed to increase by a total of 4.99% as outlined above. The impact of this uplift on households in Kirklees is shown in the below table.

Council Tax Charge - Kirklees Only	Band A £	Band B £	Band C £	Band D £	Band E £	Band F £	Band G £	Band H £
<b>Annual</b>								
2024/25	1,247.36	1,455.25	1,663.15	1,871.04	2,286.83	2,702.61	3,118.40	3,742.08
2025/26	1,309.60	1,527.87	1,746.13	1,964.40	2,400.93	2,837.47	3,274.00	3,928.80
Increase	62.24	72.62	82.98	93.36	114.10	134.86	155.60	186.72
<b>Weekly</b>								
2024/25	23.99	27.99	31.98	35.98	43.98	51.97	59.97	71.96
2025/26	25.18	29.38	33.58	37.78	46.17	54.57	62.96	75.55
Increase	1.19	1.39	1.60	1.80	2.19	2.60	2.99	3.59

- 2.7.8 The Council is mindful of the current financial challenges facing the citizens of Kirklees but faces a tough choice about whether to increase Council Tax to bring in desperately needed funding to protect services to the most vulnerable residents, whilst at the same time being acutely aware of the significant financial burden that places on households.
- 2.7.9 The Council Tax system continues to be disproportionate across the country and successive Governments have failed to come up with an alternative method of local taxation.

### **Directorate Portfolios**

The 2025/26 proposed budgets identifying the additional pressures and savings are provided at Appendix B by Directorate with the key points described below.

### **2.8 Children and Families**

- 2.8.1 Updated budget plans include a total of £7.7m of additional funding to be invested into Children's Services (prior to savings proposals). This provides funding to support demand led pressures including External Residential Placements, Leaving Care Supported Accommodation 18+, Special Guardianship Orders Educational Psychology and Home Care support to Children with Disabilities. The service will continue to develop local internal residential provision which will enable more children to be placed within Kirklees and efforts will be made to increase the number of internal foster care placements, all of which will help to provide a robust sufficiency offer. The additional funding includes a total of £0.8m from the new Children's Social Care Prevention Grant.
- 2.8.2 Within the £7.7m, £5.1m is specifically from demand led pressures for Children Looked After and a sum of £1.1m is initially provided for the cost of Home Care/ Direct payments support for Children with Disabilities.
- 2.8.3 An additional £1.3m is included for pressures highlighted in the current year with regard to both cost and demand. These include Section 17 wrap around support, support to families with no recourse to public funds, financial support for Care Leavers, commissioned services including Kirklees Integrated Community Equipment Service and Inter Agency Adoption Fees, and SENDACT.
- 2.8.4 There is also a £2.15m contribution to High Needs built into the budget figures as part of the High Needs Safety Valve Agreement, as referenced in section 2.19.
- 2.8.5 Children's Services new savings proposals total £3.4m in 2025/26, and a further £0.2m in 2026/27, and these are summarised at Appendix D.
- 2.8.6 Directorate savings proposals include the redesign of a number of internal and commissioned areas to ensure the most effective service is delivered. Individual savings proposals include the mainstreaming of the Multisystemic Therapy (MST) Service, further savings from review of Family Help Services, rationalisation of the Early Years SEND function, rationalisation of Early Help Community Hub Co-ordinators, consolidation of the Compliments and Complaints team, and savings across commissioned services.

## 2.9 **Adults & Health**

- 2.9.1 The budget proposals provide an additional £19m of gross spend (excluding pay awards for directly employed staff as these are budgeted for centrally until pay awards are agreed) to cope with demand and cost pressures due to the volume and complexity of need.
- 2.9.2 Within this figure, there are significant forecast pressures arising from the impact of the Chancellor's budget. The Government's 6.7% headline National Living Wage (NLW) uplift for 2025/26 will raise the NLW to £12.21 per hour. This is estimated to cost c.£6.9m.
- 2.9.3 Similarly, the recently announced changes to National Insurance for employers has added a further pressure. Collectively both the change in the underlying % rate to 15% from 13.8%, and the change in the threshold level to £5,000 from £9,100 is forecast to add an additional £2.6m.
- 2.9.4 These pressures and the continuing economic landscape continues to bring uncertainty within the Adult Social Care market. Continued review remains key, alongside dialogue with key partners. Discussions around the uplifts on the rates paid to external providers for demand-led activities are ongoing and will consider the pressure on the market as well as the available funding envelope for the Council.
- 2.9.5 The Government has announced an extra £880m of social care funding in the Provisional settlement. Total additional grant is now £6.9m (£5.5m was assumed in the budget proposals) and was being used to help mitigate various pressures in the service including, NLW increase and the changes in National Insurance referenced above. The additional grant is being added in full to the social care demand budget.
- 2.9.6 Savings approved as part of last year's budget for 2025/26 were £13.5m and are in the main on the way to being delivered. As Adult Social care had already identified significant savings towards the 2025/26 budget gap, there is reduced scope for further savings and a total of £1.8m is proposed.
- 2.9.7 These new proposals for Adult Social Care savings centre around reviewing the scope and means of current provision. A sum of £0.8m is proposed for the transfer of 2 care homes to the private sector, which is subject to a separate report on this agenda. Additional staffing savings of £0.5m are proposed, mainly from long held budgeted vacancies and a saving of £0.5m from Commissioned activity.
- 2.9.8 With regard to the wider trends and shape of the market, transformational work will continue to model future demand and to identify and deliver social care efficiencies.
- 2.9.9 Additional funding as part of the 2025/26 settlement is being used to protect the existing Libraries service from reductions by removing £800k saving originally planned in the 24/25 budget.

## 2.10 **Place**

- 2.10.1 In Development there are pressures relating to the management and maintenance of the Core Estate at £1.4m and £0.4m to address the reduction in rental income from properties no longer held. There is an assumption of new grant funding of £0.6m,

relating to additional Homeless Prevention grant, which will be used to partially offset temporary accommodation pressures.

- 2.10.2 New savings proposals include reductions in the level of cleaning across the Core Estate £0.6m, building disposals/mothballing £0.4m, reductions in grounds maintenance of council buildings £0.1m and income increases £0.2m.
- 2.10.3 Elsewhere in Development there are £0.3m of savings including management savings across the directorate of £0.1m and £0.2m of vacancies within Housing Growth.
- 2.10.4 For Skills & Regeneration new proposed savings include a £0.2m reduction in management capacity and vacant posts. There is also £0.1m in reduced activity and capitalisation across Employment & Skills, Business & Economy and Major projects.
- 2.10.5 Environmental Strategy & Climate Change has recognised pressures of £0.4m related to Home to School Transport. New savings include £0.4m for an authority wide review on Business Support activity, £0.1m related to Employers NI savings from the introduction of an Electric Vehicle Salary Sacrifice scheme and £0.1m from a new approach to the management of the Nighttime Noise service.
- 2.10.6 In Waste there are pressures of in the region of £3.1m, of which £1.4m relates to the extension of the waste disposal contract including Qualifying Change in NI costs of £0.1m, £1m relates to disposal costs, landfill tax and chemical treatment costs and £0.8m relates to the cost of hiring vehicles, pending the delivery of new council owned vehicles. Additional grant of £6m is recognised related to Externed Producer Responsibility in Waste.
- 2.10.7 There are proposed savings of £0.4m including £0.1m in Trade Waste. There are also further savings related to efficiencies in better management and usage of Pool Cars £0.1m.
- 2.10.8 Following feedback on the budget, the proposal around the reduction in bin sizes has been removed.
- 2.10.9 Parking services have an income pressure of £0.8m following a revised decision by cabinet in October 2024, which revised the offer and amended the full year saving arising from residential and district parking and penalty charge notices.
- 2.10.10 There is a pressure of £0.5m recognised for Adverse Weather in Highways, with further increases in future years. Within Highways there is a saving related to increased capital recharging of £0.2m.
- 2.10.11 There is a further pressure in transport of £0.3m related to fleet maintenance.
- 2.11 **Public Health and Corporate Resources**
- 2.11.1 The updated proposals for 2025/26 include pressures of £3.95m, existing savings of £0.6m and new savings of £1m.

- 2.11.2 Housing Benefit Subsidy loss pressures in 2024/25 are currently reported at £4.4m. The proposed budget provides for an additional £3.6m reflecting the work being undertaken to reduce Temporary Accommodations and Bed and Breakfast numbers. The Government's subsidy system does not fully support councils in placing housing benefit recipients in certain types of temporary accommodation, such as temporary bed and breakfast accommodation. Under Housing Benefit Subsidy rules the maximum claim for bed and breakfast is limited to the one bedroom (self contained) January 2011 Kirklees Local Housing Allowance rate. For temporary accommodation the maximum claim is 90% of the January 2011 Kirklees Local Housing Allowance rate, based on the property size. Any costs above these rates must be funded by the Council. The significantly increasing demand for temporary housing is a national issue and very challenging in terms of finding appropriate accommodation.
- 2.11.3 A sum of £0.35m is provided to reflect the reduction in court fee income.
- 2.11.4 IT savings are £0.5m in total reflecting continuation of plans to improve efficiencies of IT usage including reducing contract spend, and general cost of equipment printing, mail, and peripherals.
- 2.11.5 A review of fees and charges across various services plans to generate £0.6m, and the remaining £0.5m will be achieved through vacancy management across the directorate.

## 2.12 **Central budgets**

- 2.12.1 The budget provides for a pay award of 3% in 2025/26. Each 1% costs broadly £2.5m per annum and therefore £7.5m is budgeted.
- 2.12.2 Inflation budgets for 2025/26 reflect a review of requirements across the organisation, including energy cost uplifts of £0.5m and waste contract inflation of £1m. Budgets for pay awards and inflation continue to be held centrally until they are agreed nationally or are contractually committed.
- 2.12.3 Central Budgets also reflect a 0.1% reduction in the superannuation budget as part of the current triennial review, covering the period 2023-2026. This is equivalent to a reduction of £0.2m compared with current budget levels and a further reduction of £0.1m relating to fall out of historic pension charges from the WYPF.
- 2.12.4 Updated central budgets also reflect the removal of one-off funding from the insurance provision which had been used to support the 2024/25 base budget at £1.5m.

## 2.13 **West Yorkshire Combined Authority Funding (WYCA)**

- 2.13.1 WYCA have provided a total of £5.3m of funding to Kirklees over 3 years as part of the Devolution Gainshare agreement. This will be used to pay for council resources to deliver WYCA priorities, thereby reducing pressure on council budgets for additional schemes.
- 2.13.2 The 2024/2025 base budget already provides c.£930k of funding from WYCA which is used to support Housing Growth staff costs in the Place Directorate. This was due to end in 2025/2026 but has now been extended until 2027/28. This commits £2.8m

of the total funding against existing costs for the next 3 years .

2.13.3 As the 2025/26 budget was balanced prior to this additional funding, the remaining £2.5m will be set aside to spread out over the next three years.

## 2.14 **Treasury Management**

2.14.1 Treasury management budgets assume that the Bank of England base rate of 4.75% (as at January 2025) is estimated to fall to 3.75% by March 2026 based on advice from the Council's Treasury advisors. The budget reflects assumed combined average borrowing rates of 4.69% in 2025/26. This is based on the continuation of current borrowing strategy, which combines the use of both short- and long-term borrowing.

2.14.2 The budget also provides in full for the borrowing associated with the updated Capital Plan borrowing requirements and associated annual revenue resources to be set aside to service council debt, including additional interest payable of £4.7m and Minimum Revenue Provision (MRP) costs of £17m following the unwind of a previous overprovision from the 2017/18 review. There has been a further independent review in 2023/24 which identified an overprovision which allowed for an unwind of £6.3m to revenue in 2023/24. A saving of £15.2m was released through a Voluntary Revenue Provision in 2024/25 and £10.8m in 2025/26.

## 2.15 **Flexible Capital Receipts**

2.15.1 Government guidance allows the capitalisation of certain types of qualifying revenue expenditure in-year, funded from the flexible use of 'in-year' generated capital receipts. The original Government guidance covered the 2016-19 period, but this was subsequently extended by a further 3 years, to 2021/22. The Local Government Finance Settlement for 2021/22 extended these capital receipts flexibilities for a further three years, which covers the period up to and including 2024/25. Further to this, there was a 'Call for Views' from the then Department for Levelling Up, Housing and Communities (DLUHC) consultation, designed to identify and develop options for the use of capital resources and borrowing to support and encourage invest-to-save activity and to manage budget pressures without seeking exceptional financial support. Whilst we await an official announcement from Government, the expectation is that the current capital receipt flexibilities are extended up to 2030.

2.15.2 The current guidance states that the flexible use of capital receipts must be approved by full Council, but that it can be 'retrospectively' applied provided the Council's flexible use of capital receipts strategy is presented to Council at the earliest opportunity. The Council's flexible capital receipts strategy along with a list of each project and the expected savings each is expected to realise is included at Appendix G.

2.15.3 The Council will use the powers under the Government guidance on the flexible use of capital receipts to fund up to £4m qualifying transformation expenditure in 2024/25 and £4m in 2025/26. It is assumed that guidance this will continue up to 2030, although the Council will need to review capital receipts disposal forecasts over this period. The proposals set out are 'in principle' and allow officers the flexibility to consider a range of funding options in-year that meet the intended objectives set out

in the Council's budget strategy.

## 2.16 **Budget Savings**

2.16.1 On the 18 September 2024, Council approved the Medium-Term Financial Strategy (MTFS) for the Council, which updates on the Council's projected financial position and sets its longer-term strategy for managing its finances going forward. The MTFS identified that there was a projected budget gap of £29.3m for the 2025/26 financial year. Additional funding in the settlement combined with an ongoing review of pressures and has reduced the new savings proposals down to £11m in 2025/26.

2.16.2 In order to bridge that gap, further savings have been developed. These are summarised by Directorate in the table below:

<b>SAVINGS PROPOSALS 2025/26</b>	<b>Existing £m</b>	<b>New £m</b>	<b>Total £m</b>
Children & Families	(0.5)	(3.4)	(3.9)
Adults & Health	(13.0)	(1.7)	(14.7)
Place	(1.3)	(3.0)	(4.3)
Public Health and Corporate Resources	(1.0)	(0.9)	(1.9)
Central	-	(2.0)	(2.0)
<b>TOTAL</b>	<b>(15.8)</b>	<b>(11.0)</b>	<b>(26.8)</b>

2.16.3 Full details of each proposal within **Appendix D**, can be accessed on the Council's website here: [Detailed Saving Plans: 25/26 Budget](#) and any associated Integrated Impact Assessments here: [Integrated Impact Assessments - IntegratedImpactAssessment \(kirklees.gov.uk\)](#).

2.16.4 A number of actions have already been taken to control net expenditure. These include:

- Cessation of all but priority expenditure (limiting spending to maintaining health and safety, meeting statutory service requirements, fulfilling contractual obligations, preventing further costs and to helping generate income).
- Stricter controls on recruitment whereby all posts subject to release are approved by the relevant Executive Director and the Council's People Panel but stopping short of a total recruitment freeze.
- An ongoing review of all discretionary fees and charges to seek to ensure full cost recovery in line with the Council's approved fees and charges policy.
- Accelerating the sale of assets that the Cabinet has already agreed to dispose of and bring forward further options for assets disposals (both to reduce the operating cost of the Council's Estate and to generate capital receipts);
- Continuing to explore all external funding opportunities to bring additional income into the Council;

- Undertaking a review of the Council’s Capital Programme to determine to what extent schemes can be rephased, deferred, stopped or not started at all to the reduce the cost of borrowing to the Council and to free up capital receipts so that they can be reallocated to essential spending commitments. To date over £136m of spend has been slipped from 2024/25 into future years which has reduced Council borrowing requirements to be in line with the budget

2.16.5 When the Council Plan, and Annual Budget for 2025/26 is approved, next steps will be focused on delivery of this budget, the savings within it, and delivering the priorities set out in the Council Plan. We will continue to monitor external factors such as demand and costs, so we are able to respond early and appropriately. Robust programme management of the delivery of the budget, and effective governance mechanisms will continue, alongside regular monitoring of capacity and demand information, and monitoring of financial situation.

2.16.6 It is not expected that these controls will be removed in the short term as the Executive needs to be satisfied that the volatile demand budgets and savings proposals are on track to be delivered, but the position will be reviewed on a quarterly basis.

## 2.17 **Monitoring & Challenge**

2.17.1 Throughout the process of developing the current MTFs and the detailed proposals contained here for the 2025/26 budget, Members and Executive Directors have been regularly briefed regarding the base budget pressures the Council faces and which need to be reflected in the base budget. Savings proposals have been developed by Service teams and agreed with Executive Directors and their Portfolio leads as a means of helping deliver a balanced budget for 2025/26.

2.17.2 The Council’s budget in any one financial year is allocated to budget holders and each budget holder is notified of their budget at the start of the financial year. Given the consultation with Service Directors, they are fully aware of what pressures have been funded and the savings they are expected to deliver. Within the performance and development review process for people managers there is a core target to effectively manage and monitor budgets, highlighting any pressures or potential underspends in a timely way. Budget holders are able to review the latest financial monitoring information, including projections, directly from the on-line financial system in an easy-to-use format.

2.17.3 The Financial Management teams are structured to support budget holders, deal with queries and proactively monitor key budget areas. The quarterly Financial Monitoring report presents the Council’s revenue and capital projections, prepared by managers working in conjunction with finance teams. In addition, a monthly review enables Directors to monitor the Council’s revenue projection and take any further action to ensure effective management of the budget.

## 2.18 **Reserves**

2.18.1 The Council holds both “earmarked” and “general” reserves. Earmarked reserves are balances set aside for specific purposes and corrective actions; these are summarised in Appendix C.



2.18.2 General reserves are balances held as contingencies against risks such as emergency events. The general reserves are expected to be £22.0m by March 26, assuming no further use of these balances is required in 2024/25 as illustrated in the table below and assumes the use of £3m in 2024/25 to offset overspends that have been caused by slippage in savings.

31 March 2024 £m	31 March 2025 £m	31 March 2026 £m	31 March 2027 £m
(25.0)	(22.0)	(23.0)	(24.5)

2.18.3 £2.5m will be added to the Transformation Reserve to help deliver change capacity within the organisation.

2.18.4 The base budget will be supported by £5.5m from the Voluntary Revenue Provision reserve. This is a temporary source of funding that will need to be removed from the base over the life of the MTFs. It should be noted that the 2024/25 budget is supported by c.£13m of one off provisions and reserves. The Council is moving in the right direction to reduce the reliance on one off funding to support ongoing revenue expenditure and will need to remove the use of and then replenish reserves in the medium term plan.

2.18.5 A risk assessment of the Council's level of reserves is carried out each financial year, when setting the budget and updating the financial plan. It is updated regularly during the financial year as part of the formal financial management reporting process. The risk assessment is based on the following key factors and an underlying presumption that significant risks need an appropriate level of cover:

- a review of known provisions and contingent liabilities
- the likelihood of overspend for either revenue or capital;
- the likelihood of any additional income that would be credited to reserves;
- the robustness of the Council's revenue budget proposals;
- the adequacy of funding for the Capital Programme; and
- any potential significant expenditure items for which explicit funding has not yet been identified.

2.18.6 Appendix H provides the risk assessment of the Council's level of general reserves, which estimates the minimum value of the general reserve at £16.0m and a desirable value at £29m based on this approach. The Council will ensure the reserves remain at an adequate level to manage effectively all future risks and liabilities, in particular whilst operating in the current volatile and uncertain environment. Therefore, careful consideration should continue to be given before funding any unexpected costs from reserves. In addition, where funds are allocated, any unspent funding should be transferred back to uncommitted reserves.

## **2.19 Schools Funding (Dedicated Schools Grant or DSG)**

2.19.1 A detailed report on Schools funding for 2025/26 was approved at Cabinet on 21 January 2025. The link to this report is included at section 9.

- 2.19.2 Overall, School funding is increasing by £52 million or 10.6% from 2024/25 to 2025/26.
- 2.19.3 Kirklees' Schools Block funding allocation for 2025/2026 is £397.2m (£368.1m in 2024/2025), the High Needs Block is £72.02m (£65.9m in 2024/2025), the indicative Early Years Block figure is £68.3m (£48.7m in 2024/2025) and the Central Schools Services Block £2.8m (£2.6m in 2024/2025). The above funding allocations are before any subsequent block transfers, which will be reflected in the finalised allocations to individual school budgets for the start of 2025/26.

### **High Needs Safety Valve funding agreement**

- 2.19.4 The Council signed up to the Government's Safety Valve Agreement in March 2022 as one of a number of councils with a significant Dedicated Schools Grant (DSG) deficit; £36m at the time the safety valve agreement was signed in March 2022.
- 2.19.5 The Safety Valve Agreement was intended to eliminate the Council's DSG deficit completely by 2026/27 through a Council 5 year Special Educational Needs & Disabilities (SEND) management plan. As a result of continued rising demand, complexity of cases and inflationary costs, the original timescale has been extended, with approval from the DfE, to 2029/30. The plan is intended to bring the in-year High Needs spend position into 'balance' within available in-year DSG funding, by 2029/30. Government agreed a contribution of £33.5m to help clear the historic DSG deficit, including an initial £13.5m 'down payment' received in March 2022.
- 2.19.6 Further annual contributions by Government of £2.3m between 2025/26 – 2029/30 will be released quarterly subject to satisfactory quarterly monitoring reviews with the Department for Education (DfE) Safety Valve Team. To date, the Council has received £4m for 2022/23, £2.2m for 2023/24 and £1.5m so far in 2024/25.
- 2.19.7 The Council has also prioritised significant revenue resources of its own, including Capital Plan to increase High Needs sufficiency across the district, to be funded through a mix of borrowing and grant funding and a commitment to contribute more than £10m of its own revenue resource, the first £2.15m of this is to be provided as part of the 2025/26 budget.
- 2.19.8 There has also been significant broader schools' system support through schools block funding transfers to the High Needs Block; £1.6m in 2022/23, £2.1m in 2023/24, £2.6m for 2024/25 and £3.6m recently agreed for 2025/26. The transfers were approved through Schools Forum. This funding will ensure more children receive additional support to remain in, or return to, mainstream school and supports the DSG deficit reduction plans; reflecting the collaborative partner approach to addressing the growing pressures relating to High Needs.
- 2.19.9 Any future year annual block transfer requests will be subject to review and consultation through Schools Forum. Despite this additional funding, both locally and nationally, there is a forecast overspend of £20.6m in year, increasing the deficit at the end of the 2024/25 to around £65m. This is primarily due to the rising numbers, inflationary costs and complexity of cases.
- 2.19.10 As part of the Autumn Budget and in recognition of the severe pressures in this service, the Government announced an additional £1bn is being made available to

councils in 2025/26 to help fund SEND pressures (paragraph 2.3.10). To date individual council allocations have not been provided, however the current guaranteed funding uplift of 4%, will rise to a minimum of 7%.

2.19.11 The latest reporting to the DfE on the SEND position indicates that the deficit is estimated at £17m by the end of the Safety Valve period.

2.19.12 There is currently a statutory override in place for DSG deficits. This is a provision introduced by the Government in 2020 (and extended to 2026) that separates local authorities' Dedicated Schools Grant (DSG) deficits from their wider financial position. The DSG is a ring-fenced grant for local authorities' school budgets, and any deficit associated with it is held in an Unusable Reserve due to this statutory override.

2.19.13 Further guidance is awaited from Government with regard to the statutory override and the implications for those councils with a Safety Valve agreement.

## **2.20 Housing Revenue Account (HRA)**

2.20.1 The Council is required to maintain a self-financing Housing Revenue Account (HRA), which is a ring-fenced account separate to the General Fund and is a record of all revenue expenditure and income relating to the authority's own housing stock. It is the responsibility of all councils with an HRA to ensure it sets a balanced budget and makes provision for adequate resources to invest in council properties. This is to keep tenants safe and ensure that they are living in properties that meet a decent home standard including energy efficiency which will support tenants with the cost of living. The main requirements of the HRA are as follows:

- Capital component replacements, improvements and maintenance of all Council housing stock to a decent standard with a focus on building safety, warmth and energy efficiency and decarbonisation.
- Delivery of a high quality and cost-effective housing management service, engaging with tenants and putting the tenant voice at the forefront of service delivery. Delivering a repairs service which maintains the housing stock at a decent standard and addresses tenants requirements.
- Inclusion of funding for new build and other strategic capital priorities
- Annual servicing of HRA debt
- Maximising rent and service charge income which complies with the requirements of the Local Government and Housing Act 1989 to have a balanced HRA, the Welfare Reform and Work Act 2016 and the rent standard.
- Holding reserves at a level which is adequate to address business risks. (£500 per unit)
- Addressing the requirements of the Social Housing Regulation Act which includes the consumer standards.

Link to the inflationary uplift report which went to Cabinet on 10<sup>th</sup> December 2024.

- [Rent Inflationary Uplift Report to Cabinet 10th December 2024 final.pdf](#)

## **2.21 CAPITAL**

2.21.1 The Council Budget Strategy Update (18th September 2024) and the Corporate Financial Monitoring Report, Quarter 2 (Cabinet 10th December 2024) referred to a corporate review and affordability assessment of the Capital Plan being undertaken

as one of several initiatives to mitigate against the forecast 2024/25 outturn position and ongoing financial challenges facing the Council.

2.21.2 As part of the Councils governance arrangements, the Capital Assurance Board (CAB) provides strategic oversight of the Council's Capital Plan to ensure capital investments align with the Council's priorities and objectives, support the regeneration of the borough, improve infrastructure, and enhance the efficient and effective operational delivery of services.

2.21.3 The capital review undertaken by the Capital Assurance Board considered options to re-phase capital projects/programmes, examine opportunities to release borrowing or identify alternative funding sources, and bring forward asset disposals (both to reduce operational costs as well as generating capital receipts) to help control the cost of borrowing. Given the extent of borrowing that underpins the Programme, and the current and forecast cost of that debt, the focus of the review is to consider what scope there is to reduce/re-profile the Capital Plan for the Council. This is being balanced against the future investment needs of the Council, both in maintaining the delivery of essential services, providing match funding where it is necessary to leverage external funding and to deliver ambitions around growth and regeneration.

### **Update of the Medium-Term Capital Plan 2024/32**

2.21.4 For capital purposes, longer term planning horizons are required to undertake feasibility work, design, plan and build. The Council's multi-year capital investment plan has been extensively reviewed to reflect the scale of the Council's ambition whilst being cognisant of the underlying financial position.

2.21.5 Following a review of the plan, the updated multi-year plan will deliver capital investment of £1.418bn (£1.036bn General Fund, £382m Housing Revenue Account). The plan is summarised in the table below, and shown in more detail at Appendix F.

### **Overall Multi-Year Capital Expenditure Summary**

<b>Council Plan</b>	<b>24/25 £m</b>	<b>25/26 £m</b>	<b>26/27 £m</b>	<b>27/28 £m</b>	<b>28/29 £m</b>	<b>29/30 - 31/32 £m</b>	<b>Total £m</b>
Children & Families	19.0	35.1	21.1	4.7	3.0	2.8	<b>85.7</b>
Adults & Health	5.5	3.9	8.2	1.6	0.0	0.0	<b>19.2</b>
Place	128.3	258.7	171.4	84.6	86.8	132.3	<b>862.1</b>
Public Health & Corporate Resources	6.5	16.5	11.9	11.6	11.5	11.1	<b>69.1</b>
<b>General Fund</b>	<b>159.3</b>	<b>314.2</b>	<b>212.6</b>	<b>102.5</b>	<b>101.3</b>	<b>146.2</b>	<b>1,036.1</b>
<b>Housing Revenue Account</b>	<b>43.2</b>	<b>47.6</b>	<b>71.1</b>	<b>63.0</b>	<b>50.8</b>	<b>106.3</b>	<b>382.0</b>
<b>Council Total</b>	<b>202.5</b>	<b>361.8</b>	<b>283.7</b>	<b>165.5</b>	<b>152.1</b>	<b>252.5</b>	<b>1,418.1</b>

\*It should be noted that figures shown in the table's penultimate column represent spend in the last 3 years of the Plan i.e. 2029/30 – 2031/32.

2.21.6 The Quarter 2 Financial Monitoring report was presented at the meeting of Cabinet on 10th December 2024. Members were asked to consider an updated position on the Council's multi-year Capital Plan. £67.6m of spend had been slipped from 2024/25 into future years, overall grant levels increased by £4.7m and £2.3m borrowing removed for the General Fund. The Quarter 2 budget of £208.4m for

2024/25 remained under review, particularly in terms of borrowing. A further £5.9m borrowing slippage has been identified, including £4.3m slippage for the Cultural Heart. This has now been incorporated into the Capital Plan, leading to a revised budget of £202.5m for 2024/25. Any further slippage will be reported at Quarter 3

### **General Fund Capital Plan**

2.21.7 The Capital Plan is under a continual review and budget allocation from 2025/26 onwards have been updated since Quarter 2. The main proposals from the corporate review which are incorporated into the revised Capital Plan for the General Fund are summarised below:

- i) £16.4m capital investments funded via borrowing has been re-profiled out of 2025/26 and moved back into later years to help deliver the £2m saving within Treasury Management. £0.5m grant funded expenditure has been brought forward into 2025/26, resulting in a net re-profile of £15.9m. Any further re-profiling of the multi-year financial budget is to be reported within the Quarter 3 Financial Monitoring Report.
- ii) £0.68m borrowing relating to Leeds City Region Revolving Investment Fund (RIF) partnership agreement has been removed from the programme. The remaining balance of £0.5m in the revised plan reflects the Councils obligations in relation to the RIF.
- iii) Grant assumptions and spend profiles have been updated with an additional £9.6m of grant being built into the Plan. Indicative CRSTS grant funding is included for major Transport schemes A62 / A644 Bus Priority Scheme (£4.8m), Dalton / Deighton Cycle Track (£2.8m), and Active Travel (£2m). A further £2.9m Local Highways Maintenance funding allocation was announced in December 24 and has since been added into the Highways Baseline Capital Plan for 2025/26.
- iv) Invest to Save schemes approved by Cabinet have now been added into the Plan; £3.26m to replace Waste and Recycling hired fleet with capital purchase and £1.8m to replace the current fleet of hired bulk gritting vehicles.
- v) The proposal to extend the Flexible Capital Receipts Strategy over the 2024-30 period (see section 2.15). This allows for the annual capitalisation of transformation related revenue costs, funded from in-year capital receipts. An additional £4m has been added to 2025/26.
- vi) Cabinet (5 November 2024) continues to support the redevelopment of the George Hotel, with £9.8m agreed to be re-profiled from future phases of the Our Cultural Heart budget, increasing the budget allocation to £30m. This transfer is now reflected in the updated Capital Plan.
- vii) Baseline capital investment supports maintenance work programmes across the Council's existing asset base, including Schools, Highways, Corporate Buildings, and transport infrastructure. All baseline capital programmes include a new financial Yr5 allocation (2028/29) based on the previous year's baseline levels. The total in 2028/29 is £11m borrowing, £17.2m grant assumption and £0.4m assumed ringfenced capital receipts.

- 2.21.8 New capital schemes will be considered for inclusion in the Capital plan if they deliver ongoing revenue savings against the base budget; or are required to meet health and safety priorities or on the basis that new bids are assessed as a greater priority than existing Council funded schemes which would subsequently be removed.
- 2.21.9 In order for the Council to achieve key strategic objectives and priorities and to help deliver transformation at pace, it is recognised that a more corporate and flexible approach to the application of capital funding is needed. As part of the new approach, it is proposed to add a new 'Investment and Modernisation Fund' into the Capital Plan under Corporate from 2025/26 for 5 years at £10m per annum. This fund will be entirely self-financing and meets the criteria around using capital to help transform services to deliver ongoing revenue savings.
- 2.21.10 In terms of Governance processes, the Capital Assurance Board will appraise business cases based on an assessment of Council priority outcomes, strategic and operational significance and delivery of revenue savings. This Board will make recommendations to both Executive Leadership Team and Cabinet towards a draw down against the 'Investment and Modernisation Fund'. Final approval of Invest to Save initiatives will be via Cabinet. Drawn down allocations will then be transferred to Directorate Capital plans.
- 2.21.11 In December, Cabinet approved the permanent closure of the Dewsbury Sports Centre. This requires the demolition of the wet side building and the conversion of the cleared space to car parking or other alternative use to be identified at a cost of £3.483m. It was noted that it could be possible to generate a capital receipt from the disposal of the wet side site to offset the demolition cost, however funding for this work needs to be identified from reprofiling or reductions in the plan.

### Summary Capital Plan Changes

	2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000	2028/29 £'000	2029/30 – 31/32 £'000	Total £'000
<b>Q2 Financial Monitoring Report</b>	<b>208,350</b>	<b>355,344</b>	<b>245,571</b>	<b>161,433</b>	<b>135,278</b>	<b>186,564</b>	<b>1,292,540</b>
<b>General Fund:</b>							
Re-profiling (24/25)	(5,858)	5,858	0	0	0	0	<b>0</b>
Re-profiling (25/26)	0	(15,897)	25,607	2,035	(126)	(11,619)	<b>0</b>
Invest to Save	0	5,064	0	0	0	0	<b>5,064</b>
Grant Adjustments	0	7,350	5,191	7	0	0	<b>12,548</b>
LCR Removal	0	0	0	0	(274)	(411)	<b>(685)</b>
Transformation Capitalisation (FCR)	0	4,000	0	0	0	0	<b>4,000</b>
Investment and Modernisation Fund	0	10,000	10,000	10,000	10,000	10,000	<b>50,000</b>
Continued Baseline	0	0	0	0	0	28,674	<b>28,674</b>
<b>Housing Revenue Account:</b>							
Change incl Re-profiling	0	(9,979)	(2,623)	(7,937)	7,272	13,267	<b>0</b>
Continued Baseline/Council House building	0	0	0	0	0	25,985	<b>25,985</b>
<b>Revised Capital Plan</b>	<b>202,492</b>	<b>361,740</b>	<b>283,746</b>	<b>165,538</b>	<b>152,150</b>	<b>252,460</b>	<b>1,418,126</b>

- 2.21.12 The General Fund Capital Plan has a net increase of £99.6m and this is to be funded mainly by £55m self-financed borrowing (55%), £10.4m borrowing (10%), £29.8m grants (30%) and £4.4m un-ringfenced capital receipts (5%). The Housing Revenue Account Capital Plan has increased by £26m, to be funded by a mixture of increased HRA reserves/revenue contributions to capital by £38.8m and increase in £4.6m grants offset by a reduction in £11.2m borrowing and reduction of capital receipts by £6.3m.
- 2.21.13 Officers will continue to re-shape the plan to reflect realistic delivery timescales and funding needs/opportunities going forward; including emerging further National Government and regional intelligence on emerging infrastructure developments. The Plan will continue to be reviewed to identify areas where potential exists to reduce capital allocations to lower the Council's borrowing costs. Where pressures are identified, the current borrowing envelope will be assessed, and funds reprioritised to areas of highest need.

## **2.22 Risk**

- 2.22.1 The corporate risk register summarises the key strategic risks or barriers to achieving the organisation objectives, including meeting challenging savings targets and successfully completing transformation projects along with the continued financial challenges. It also provides visibility about the management actions which are either in place or brought into action to mitigate the impact of these risks. Many of these are of a financial nature and provide contextual information when setting the Council's budget.
- 2.22.2 The risk assessment reflects the provisional budget proposals put forward by officers. Subsequent changes to these proposals may affect the risk assessment. The areas identified are summarised below:
- Risk that additional funding announced comes with new burdens
  - Failure to maintain sufficient level of priority and focus leading to required savings initiatives not being delivered, resulting in budget overspend.
  - Risk of increased costs due to inflation, in particular the pay award and NLW increases being above those assumed in the budget.
  - Risk that the capital programme is not sustainable due to a reliance on capital receipts from asset disposals that are not guaranteed and borrowing at a time of elevated interest rates.
  - The risk of a reduction in expected income as tenants, residents and businesses are unable to meet financial commitments, resulting in a failure to meet budgeted income targets.
  - Risk of medium-long term financial instability caused by failure to develop or adhere to robust financial planning processes and procedures leading to reductions in service provision, possible Government intervention and reputational damage.
  - Risks associated with the availability and provision of Temporary Accommodation for persons accepted as homeless and the resulting cost implications.
  - Demand pressures, generally, and particularly within Adults Social Care result in unbudgeted additional costs.

- Inability to meet the needs of the SEND community due to continued increases in demand, greater complexity in clients' needs and insufficient locally available provision.
- Exposure to material unforeseen costs or uninsured losses and the overall adequacy of Council Reserves.

## **2.23 Positive Assurance Statement**

- 2.23.1 Under Section 25 of the Local Government Act 2003, when the Council sets the budget, the Council's Section 151 Officer is required to report on:
- the robustness of estimates made for the purposes of the calculations; and
  - the adequacy of the proposed financial reserves

### **Section 25 Statement from the Council's Section 151 Officer (Service Director - Finance)**

- 2.23.2 This report sets out proposals for the delivery of an overall balanced budget for 2025/26.
- 2.23.3 Cabinet has received in year financial monitoring reports for 2024/25 with pressures being reported particularly in social care, temporary accommodation and a range of place based services including waste management.
- 2.23.4 The Quarter 2 position shows the projected overspend is £9.9m (draft Quarter 3 position is unchanged from Quarter 2 overall) and whilst officers will continue to explore all available options to reduce this, there will be a requirement to use some reserves bring the 2024/25 budget back into balance.
- 2.23.5 The financial pressures highlighted in-year impact the 2025/26 budget plans. There is a clear strategy to make the 2025/26 budget as robust as possible reflecting pressures services are currently facing and providing over £20m of additional funding for demand pressures alone and over £50m of funding for pressures in total. Budget plans also reflect the Government funding allocations included in the 2024/25 provisional financial settlement and will be updated once the final settlement is announced in the early February 2025.
- 2.23.6 Proposals to bring the revenue budget position into balance in 2025/26 include new budget savings totalling c.£11m, bringing total savings required to c£27m. Around 55% of the savings totals are required to be delivered by Adult Social Care as part of the Transformation Programme. Social care budgets can be volatile in nature and there is an inherent risk that the assumptions made in the budget, both relating to activity levels and the cost of packages may prove to be incorrect. However, countering that is the fact the an extra £21m of costs has been added to this budget for demand and inflationary pressures. The Council must ensure that it delivers the £27m of total savings in 2025/26 to prevent further diminution of reserves.
- 2.23.7 The Capital Plan proposals set out in the Capital Strategy, reflect the previously agreed Capital plan. Ongoing reviews of A target saving of £2m of capital financing costs have been built into these proposals and this is deliverable for 2025/26 based on the plan.



These savings plus the updated Minimum Revenue Provision calculation have released headroom for the authority of approximately £10m per annum. This headroom will be allocated to a Voluntary Revenue Provision Reserve for use against future capital financing pressures. The capital strategy also builds in greater future flexibility in programme and project review to ensure it can remain affordable and sustainable in light of continually updated and refreshed Council financial strategies and plans over the medium term.

- 2.23.8 The Council's reserves strategy identifies a minimum working balance of unallocated balances of £16m with a desirable balance recalculated at £29m. The current forecast unallocated balance at March 31 2026 is £23m, equivalent to 5.8% of the net revenue budget.
- 2.23.9 As noted in the reserves section in the report, unallocated reserves within the range of c.£16m to £29m may be considered adequate from an external auditor's perspective, to manage a typical range of budget risks relative to a Council's size and complexity. However, over-reliance on "one-off" revenue reserves to support annual balanced budgets over the medium term is not a financially sustainable strategy and the significant depletion in reserves over time leaves the Council very exposed to financial risks. Therefore, the financial strategy will be updated to remove the reliance on one off funding and increase general balances over the medium term to provide greater sustainability. The use of reserves to support the 2025/2026 budget has reduced by around £8m to £5.5m and the financial strategy will continue to remove reserves as a source of funding for recurring expenditure.
- 2.23.10 Whilst there is no set percentage value as to the level of general balances and Councils are required to take a risk based approach to these issues, the s151 Officer's view is that £16m must be considered the absolute minimum level of unallocated reserves for this Council to hold at any one and the Council should strive to achieve the desirable balance of £29m over time.
- 2.23.12 The report also makes reference to the Safety Valve (SV) agreement between the Council and the Department for Education (DfE) to manage down the Council's Dedicated Schools Grant (DSG) accumulated deficit and deliver a balanced in-year funding position by 2029/30.
- 2.23.13 The Safety Valve funding agreement also includes some 'flexibility' to review and re-profile these plans as appropriate, in agreement with DfE. This will be important going forward as the scale of the challenge remains significant, notwithstanding the sound plans that are in place.
- 2.23.14 Government confirmation that DSG deficits will continue to roll forward on council balance sheets as 'unusable negative reserves' until at least March 2026 when the Statutory Override date is scheduled to end. This Council, along with others across the country, are awaiting updated guidance with regard to the treatment of the Statutory override. The Council's own position is further complicated by the fact it is has a SV agreement which ends some 4 years after the current Statutory Override date. Should there be a DSG deficit after the SV ends and there is no permissible statutory override then councils will be required to offset their DSG deficits against usable reserves and put significant further pressure on council financial resilience.

2.23.15 The self-financed and ring-fenced HRA business plan remains in balance over the short and longer term and continues to prioritise significant investment in compliance to meet more stringent social housing regulator requirements. The HRA is also impacted on by ongoing demand and pressures, and sound financial stewardship is equally applicable to HRA as it is to the general fund, to ensure it can operate sustainably within its financial means.

2.23.16 Subject to the conditions and assumptions I have set out above, I can give you positive assurance on the reliability and robustness of the forecasts and estimates in the budget proposals as far as I can in the context of current local and national intelligence.

If members approve the recommendations in this report, I can give the Council positive assurance on the adequacy of reserves and balances for this budget.

### **3. Implications for the Council**

#### **3.1 Formal Resolution**

3.1.1 It is necessary for the motion to Budget Council on 5 March 2025, set out at Appendix M, and for the final resolution to include certain statutory declarations. The motion to be put forward will be incomplete, because the precepts for the Fire and Rescue Authority and West Yorkshire Mayor Police and Crime Commissioner and Parish Councils may not be determined until after Council budget papers are published. The Council motion will include estimated precepts based on best available information at the time.

3.1.2 It may be necessary therefore for an amended motion to be moved, as in previous years, to correct the motion where there is any change between the estimated and actual precepts. This assumes that the precepting bodies will have determined their precepts before 5 March 2025.

3.1.3 It is requested that the Council's statutory s151 Officer (Service Director – Finance) be given delegated authority to amend how the finally approved precepts are recorded in the Council's revenue budget in line with the final notifications received following decisions by the West Yorkshire Mayor Police and Crime Commissioner, the Fire & Rescue Authority and Parish Councils, should these be received after 5 March 2025.

3.1.4 The West Yorkshire Mayor Police and Crime Commissioner, Fire & Rescue Authority and Parish Council precepts included in the Council motion do not affect the Council budget, and neither will any subsequent amendment to the precept figures, delegated to the Council's statutory s151 Officer.

#### **Special Expenses**

3.1.5 The expenditure of Parish and Town Councils is funded by way of a precept which is levied only on the area of the individual Parish Councils. There are, however, occasions when individual Parish and/or Town Councils provide services which would otherwise be provided by District Councils if there were no Parish Council in existence. The result is that residents of a parish Council can pay twice for some services. This is known as "double taxation".

3.1.6 The Local Government Finance Act 1992 provides for expenditure incurred by District Councils which ranks as double taxation to be treated as special expenses, which are not charged to the residents of the Parish and/or Town Councils concerned unless the District Council resolves otherwise. There are no special expense arrangements in place at the current time.

### 3.2 Council Plan

Our 2025/26 Council Plan, sets out our ongoing commitment to our long-term vision and shared outcomes, and our council priorities and areas of focus for the 2025/26 financial year. The Council Plan sets out the overarching strategic direction for the services and activities relating to the business of the Council, across all directorates and service delivery areas. As such, the Council Plan sets out the strategic framework for the Council's budget and is to be considered alongside the annual budget for decision at Council in March 2025.

### 3.3 Financial Implications

The budget proposals contained within this report have been developed to ensure that funding is made available in the areas that will allow the Council to further improve the outcomes for individuals and communities as a whole. To facilitate this, resources have been allocated in areas that will allow the Council to maximise contributions to the Council's strategic priorities as listed above.

### 3.4 Legal Implications

Budget and Policy Framework at Part 4.3 of the Constitution, sets out the process that must be followed when the Council sets the budget. It is for the Cabinet to approve the proposals and submit them to full Council for adoption.

Under section 151 of the Local Government Act 1972, the s151 officer has responsibility for the Council's financial management.

Section 25 of the Local Government Act 2003 provides that where the Council makes Council Tax calculations (i.e sets the annual budget) the section 151 officer must report to it the following matters –

- (a) the robustness of the estimates made for the purposes of the calculations, and
- (b) the adequacy of the proposed financial reserves.

Under section 25(2) of the Local Government Act 2003 an authority to which a report under this section is made shall have regard to the report when making decisions about the calculations in connection with which it is made.

Section 31A of the Local Government Finance Act 1992 (as amended) provides a duty to calculate expenditure in the forthcoming year and deduct income. This is the duty to calculate the "Council Tax requirement" and is the duty to set a balanced budget.

### 3.5 Climate Change & Air Quality

### 3.6 Other (eg Risk, Integrated Impact Assessment or Human Resources)

Paragraph 1.2 of this report refers to Integrated Impact Assessments. The Equality Act 2010 creates the Public Sector Equality Duty (PSED).

Under section 149 of the Act:

- (1) A public authority must, in the exercise of its functions, have due regard to the need to:
  - (a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;
  - (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
  - (c) foster good relations between persons who share a relevant protected characteristic ; and persons who do not share it.

The relevant protected characteristics are:

age;  
disability;  
gender reassignment;  
pregnancy and maternity;  
race;  
religion or belief;  
sex; and sexual orientation

In order to fulfil the PSED the Council is required to assess the impact of any proposed action on the equality objectives set out above. The way in which the Council has approached this task previously was to conduct Equality Impact Assessments (EIA's) as appropriate.

The current EIA process has been updated to an Integrated Impact Assessment (IIA) process, as part of the Council's developing approach to Inclusion & Diversity; to go beyond just PSED compliance, and to incorporate additional diversity characteristics, such as low income/poverty and unpaid carers.

The Climate Emergency Motion passed on 16 January 2019 also committed the Council to consider Environmental Impact as part of any new IIA policy. The proposed approach also seeks to assess impact across the range of environmental and sustainability impacts.

As in previous years, any specific savings proposals, where appropriate, still make reference to Impact Assessments. These are available for member reference on the following website link ([Integrated Impact Assessments](#)) and members should read the assessments in full in order to inform them in coming to their decision, as in previous years; cross referenced as appropriate to the savings templates.

There is also a clear expectation that the IIA process is not limited to consideration of savings proposals, but in the context of the totality of resource allocation proposals set out in this report, and other emerging policy changes and developments, any subsequent detailed proposals that result from these, will be informed by the IIA process to help inform key decision making in the future.

#### 4. Consultation

The Capital Investment Plan proposals have been considered by Cabinet and Executive Directors in conjunction with the Service Director - Finance, following initial assessment through the Capital Assurance Board.

The 2025/26 Treasury Management Strategy Report included at Appendix J, has been prepared by the Council's s151 Officer (Service Director - Finance), and in consultation with the Council's external treasury management advisors, Arlingclose Limited Treasury Management Consultants. The Treasury Management report has also been considered at the Council's Corporate Governance and Audit Committee (CGAC), on 31 January 2025.

The public consultation to support the 2025/26 annual budget was launched on the 11 December 2024 and ran up until the 15 January 2025. The purpose of the consultation is to help the Council understand what is most important to people and communities in Kirklees, and to inform the development of, and decision making related to, the Council's 2025/26 annual budget, and associated Council Plan.

The public consultation was available online and was supported by information which provides an overview of what the Council does, and the funding challenges the Council is currently facing. The supporting information also provided a summary of the proposed areas for savings which were included in the draft budget documentation that was made publicly available and considered by Cabinet on the 10 December 2024. The consultation asked the public for opinions on the draft budget, and whether they are impacted by any of the savings' proposals contained within it. The consultation was promoted to citizens, communities, businesses and partners.

A summary of the consultation responses is attached at Appendix L. There was a total of 881 respondents.

As a direct result of the feedback received through the consultation, the Executive has taken the decision to not proceed with one of the savings proposals that was contained within the draft budget documentation. The proposal was around reducing the size of household waste wheeled bins from 240L to 180L (proposal reference number in the draft budget PL2527). The proposal was aimed at helping to encourage more recycling in Kirklees, and to contribute to our climate commitments, while also reducing the cost of the service. A significant number of respondents completing the consultation expressed a number of concerns relating to this proposal, citing reasons such as potential increased fly-tipping as a result of the changes, and how there would be a disproportionate impact on larger households. Further details on the feedback received is included in the consultation summary at Appendix L.

The public budget consultation also highlighted the council services which matter the most to respondents. These were: emptying bins and cleaning streets, highways maintenance and improvement, schools, and services to support vulnerable adults and children and families.

## 5. Engagement

The Council has sought to ensure transparent engagement, and an ongoing dialogue with all key stakeholders throughout the process of developing the Council's annual budget for the 2025/26 financial year.

A draft annual budget for 2025/26 was made publicly available and was considered by Cabinet on the 10 December 2024. The budget was released earlier this year in comparison to previous years, to allow for greater transparency and engagement on the proposals contained within it. Also different to previous years, this time the Council has sought to encourage improved engagement on the budget through pre-decision scrutiny. As such, a session of the Overview and Scrutiny Management Committee (OSMC) took place on the 17 January 2025 for this purpose.

Cross-party budget meetings have brought all the different political group leaders together to receive regular updates on the development and delivery of the Council's budget. The forum provides group leaders with an opportunity to ask questions, and to provide feedback as part of this process. It is attended by the Chief Executive, the Deputy Chief Executive and also includes the Service Director for Finance. The first meeting took place on the 29 August 2024 and it continues to meet on a two-weekly basis.

Meetings to engage with each political group were undertaken between 13 and 21 January 2025. The purpose of these meetings was to ensure political groups are aware of the financial challenges facing the Council, the details relating to key elements of the budget, and to allow space for any feedback or questions they might have on the draft budget itself.

Over the last year, we have also regularly provided budget briefings to representatives from our Trade Unions, and representatives from our internal Employee Networks, to ensure they understand developments associated with the budget and our financial position, and to discuss and receive feedback on implications of associated budget proposals on staffing and services across the Council.

On the 17 January 2025, the Overview and Scrutiny Management Committee (OSMC) considered proposals relating to the development of the 2025/26 Council Plan and associated draft budget for the 2025/26 financial year. Feedback from the committee has been considered when finalising and preparing the final proposed budget as presented and will be considered at the beginning of the process of developing annual budgets for the next financial year. Cabinet/Council are asked to consider this feedback when final decisions on the budget are made. Comments made by the committee are as follows:

- The improvements made in terms of the approach to pre-decision scrutiny in the last few years are welcomed and it is recommended that engagement with scrutiny be undertaken at the earliest possible stage of decision-making or policy formulation.
- The proposals to support and assist communities to undertake activities and minimise barriers are welcomed.
- The importance of ward budgets and, whilst recognising the need for monitoring, a review of the complexity of the governance arrangements would be welcomed.

- The importance of the principle of developing resilience being adopted in the approach to budget development.
- Consideration should be given to how the budget is presented, with the recommendation that additional detail should be provided for context and to help understanding of the impacts and risks associated with the key pressures and savings, and how they would be addressed.
- The improvements in children's services over the last ten years and the recent 'Good' Ofsted outcome are welcomed and that all those involved be thanked for their dedication and hard work in contributing to this.
- The important investment into early years and support and the efforts being made to reduce the numbers of out of area placements for children looked after is welcomed.

## **6. Options**

### **6.1 Options Considered**

N/A

### **6.2 Reasons for Recommended Option**

N/A

## **7. Next Steps and timelines**

- 7.1 This report and the draft Budget form the background and the proposed formal motion. The Cabinet will need to decide if they are to accept this or propose amendments to the draft budget which will be proposed to Council on 5 March 2025 (Cabinet draft budget). Members will need to decide if they are to accept this or propose amendments to the draft Budget which will be proposed to Council. Any such amendments will be published on 26 February 2025.
- 7.2 Proposed amendments shall be submitted to the Chief Executive on or before 12.00pm on Monday 24 February 2025 to ensure that, in conjunction with the Service Director-Finance, they can be reviewed to ensure they are financially sound and sustainable prior to the final submission deadline of 26 February 2025. The Notice of any such amendment must specify the terms of the proposed amendment and the effect which it will have on the draft Revenue Budget.
- 7.3 Members should note that once a budget is agreed by Council there may be a number of further steps and/or actions which would need to be taken in order to implement budget decisions for example – consultation, further detail of the steps needed or final proposals for making the planned changes. This is to ensure that the Council complies with legal and other requirements.
- 7.4 Following Council approval of the Capital Investment Plan, schemes will be released subject to Financial Procedure Rules.

## **8. Contact Officer and Relevant Papers**

Kevin Mulvaney      Service Director – Finance  
Jacqui Fieldhouse    Head of Finance

James Anderson    Head of Accountancy  
Sarah Hill            Finance Manager

## 9. Background Papers and History of Decisions

### Background Papers

- Council budget report 2025/26, Cabinet 10 December 2024 (Item 10)
- Council approved annual budget report 2024-25, 6 March 2024 (Item 7)
- Council financial outturn report 2023/24 to Council, 14 July 2024 (item 12)
- Autumn Budget 2024 - GOV.UK
- Kirklees' School Funding Arrangements for the Financial Year 2025/26
- Council Budget Strategy Update report; 2025/26 and future years; 18th September 2024 (Item 10)
- Our 2024/25 Council Plan: Council 6 March 2024
- Corporate Financial Monitoring Report Quarter 2, 2024/25 to Cabinet December 2024 (item 12)
- Provisional local government finance settlement 2025 to 2026 - GOV.UK
- Housing Revenue Account annual rent setting and service charge and key housing challenges report, to Cabinet on 10 December 2024 (Item 11)
- Integrated Impact Assessments (kirklees.gov.uk).
- Budget Consultation exercise 2024/25

## 10. Appendices

Appendix A    General Fund Summary  
Appendix B    Movement in Budgets by Directorate  
Appendix C    Reserves  
Appendix D    Savings Proposals  
Appendix E    Grants Within Services  
Appendix F    Capital Plan  
Appendix G    Flexible Capital Receipts Strategy  
Appendix H    General Fund Working Balance  
Appendix I    Capital Strategy  
Appendix J    Treasury Management Strategy  
Appendix K    Housing Revenue Account (HRA)  
Appendix L    Budget Consultation exercise – summary  
Appendix M    Council Tax Motion

## 11. Service Director Responsible

Kevin Mulvaney    Service Director – Finance



**PROPOSED BUDGET 2025/26**

**APPENDIX A**

	2024-25 NET BUDGET	ADD BACK SAVINGS FALL OUT	DEMAND PRESSURE	INFLATION/ PAY PRESSURE	OTHER PRESSURE - EXPENDITURE	OTHER PRESSURE - INCOME	FUNDING FALL-OUT	FUNDING INCREASE	SAVINGS	2025-26 BUDGET PROPOSAL
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
<b>DIRECTORATE BUDGETS:</b>										
Children	82,292	-	8,269	1,253	1,300	-	-	(2,321)	(3,860)	86,933
Adults	114,824	344	8,991	11,890	109	-	-	(7,066)	(14,746)	114,346
Place	56,835	298	250	3,271	3,913	1,125	178	(6,728)	(4,343)	54,799
Corporate	53,439	314	3,600	1,807	-	350	-	-	(1,885)	57,625
Central	56,059	-	-	7,732	10,792	-	1,500	(870)	(2,000)	73,213
<b>TOTAL NET BUDGET</b>	<b>363,449</b>	<b>956</b>	<b>21,110</b>	<b>25,953</b>	<b>16,114</b>	<b>1,475</b>	<b>1,678</b>	<b>(16,985)</b>	<b>(26,834)</b>	<b>386,916</b>
<b>FUNDED BY:</b>										
Council Tax	(234,051)									(250,849)
Retained Business Rates	(62,509)									(62,378)
Government Funding:										
- Business Rates Top Up	(31,687)									(31,986)
- Business Rates Grants	(19,309)									(20,256)
- Revenue Support Grant	(16,517)									(17,073)
- Other Un-ringfenced Grants	(3,171)									(13,132)
<b>TOTAL FUNDING</b>	<b>(367,244)</b>									<b>(395,674)</b>
<b>TRANSFERS TO/(FROM) RESERVES:</b>										
VRP* Contribution	15,195									10,804
VRP* Drawdown	-									(5,546)
WYCA* Levy Rebate Drawdown	(9,400)									-
Collection Fund Smoothing Drawdown	(2,000)									-
Transformation Reserve Contribution	-									2,500
General Reserves Contribution	-									1,000
<b>TOTAL RESERVES TRANSFERS</b>	<b>3,795</b>									<b>8,758</b>
<b>BALANCED BUDGET</b>	<b>0</b>									<b>0</b>

\*VRP = Voluntary Revenue Provision, WYCA = West Yorkshire Combined Authority

**PROPOSED BUDGET 2026/27**

**APPENDIX A**

	2025-26 NET BUDGET	ADD BACK SAVINGS FALL OUT	DEMAND PRESSURE	INFLATION/ PAY PRESSURE	OTHER PRESSURE - EXPENDITURE	OTHER PRESSURE - INCOME	FUNDING FALL-OUT	FUNDING INCREASE	SAVINGS	2026-27 BUDGET PROPOSAL
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
<b>DIRECTORATE BUDGETS:</b>										
Children	86,933	329	(6)	1,200	-	-	-	500	(199)	88,757
Adults	114,346	400	7,300	6,500	-	-	125	(1,700)	(2,428)	124,543
Place	54,799	-	250	100	(300)	58	100	-	(680)	54,327
Corporate	57,625	500	200	200	200	750	767	-	(385)	59,857
Central	73,213	-	-	8,490	16,795	-	-	-	-	98,498
<b>TOTAL NET BUDGET</b>	<b>386,916</b>	<b>1,229</b>	<b>7,744</b>	<b>16,490</b>	<b>16,695</b>	<b>808</b>	<b>992</b>	<b>(1,200)</b>	<b>(3,692)</b>	<b>425,982</b>
<b>FUNDED BY:</b>										
Council Tax	(250,849)									(266,894)
Retained Business Rates	(62,140)									(64,078)
Government Funding:										
- Business Rates Top Up	(31,986)									(32,345)
- Business Rates Grants	(20,494)									(21,772)
- Revenue Support Grant	(17,073)									(17,265)
- Other Un-ringfenced Grants	(13,132)									(13,060)
<b>TOTAL FUNDING</b>	<b>(395,674)</b>									<b>(415,414)</b>
<b>TRANSFERS TO/(FROM) RESERVES:</b>										
VRP* Contribution	10,804									-
VRP* Drawdown	(5,546)									(4,750)
Collection Fund Smoothing Drawdown	-									1,000
Transformation Reserve Contribution	2,500									1,500
General Reserves Contribution	1,000									1,500
<b>TOTAL RESERVES TRANSFERS</b>	<b>8,758</b>									<b>(750)</b>
<b>BALANCED BUDGET</b>	<b>0</b>									<b>9,818</b>

\*VRP = Voluntary Revenue Provision, WYCA = West Yorkshire Combined Authority

**MOVEMENT IN BUDGETS BY DIRECTORATE**
**APPENDIX B**

CHILDREN & FAMILIES	REF	2025-26 £000	2026-27 £000
<b>NET CONTROLLABLE BUDGET STARTING POSITION</b>		<b>82,292</b>	<b>86,933</b>
<b>DEMAND PRESSURE</b>			
Children Looked After – Demand Led Pressures		4,844	169
Children with Disabilities – Home Care / Direct Payments		1,100	
Safety Valve Contribution (DSG)		2,150	
Educational Psychology - Locum costs due to demand on the service		175	(175)
		8,269	(6)
<b>INFLATION/PAY PRESSURE</b>			
Children Looked After		251	1,200
Additional NI Costs		1,002	
		1,253	1,200
<b>OTHER PRESSURE - EXPENDITURE</b>			
Section 17 Payments - Wrap around support to prevent family breakdown		100	
Support to those with No Recourse to Public Funds		250	
Financial Support for Care Leavers		300	
Kirklees Communities Equipment Store (Contribution to pooled budget)		150	
Adoption Fees		150	
Special Guardianship Orders (SGOs)		150	
SENDACT		200	
		1,300	0
<b>FUNDING INCREASE</b>			
Drawdown from Stronger Families Reserve – one off		(500)	500
Children’s social Care Prevention Grant		(1,821)	
		(2,321)	500
<b>SAVINGS</b>			
<b>Add Back Savings Fall-Out</b>			<b>329</b>
<b>Existing Savings</b>		<b>(486)</b>	
Mainstream MST approaches in Family Help	CF2501	(589)	
Review Family Help Resources	CF2502	(199)	(199)
Rationalisation capacity in the LADO service	CF2504	(60)	
C&K Careers & children’s commissioning contracts	CF2505	(300)	
Rationalise Early Years functions	CF2506	(200)	
Rationalisation of Community Hub Coordinators	CF2507	(465)	
Mainstream the compliments and complaints function	CF2508	(161)	
Reduction in residential out of area placements	CF2509	(900)	
Review the way Children with Disabilities are supported in the community	CF2510	(500)	
<b>New Savings</b>		<b>(3,374)</b>	<b>(199)</b>
<b>TOTAL CHANGES</b>		<b>4,641</b>	<b>1,824</b>
<b>NET CONTROLLABLE BUDGET UPDATED POSITION</b>		<b>86,9233</b>	<b>88,757</b>

**MOVEMENT IN BUDGETS BY DIRECTORATE**
**APPENDIX B**

ADULTS & HEALTH	REF	2025-26 £000	2026-27 £000
<b>NET CONTROLLABLE BUDGET STARTING POSITION</b>		<b>114,824</b>	<b>114,346</b>
<b>DEMAND PRESSURE</b>			
Adults Demand Pressures		8,991	7,300
		<u>8,991</u>	<u>7,300</u>
<b>INFLATION/PAY PRESSURE</b>			
Adults Demand Pressures - CPI element		900	800
Adults Demand Pressures - NLW element		6,900	5,700
Adults Demand Pressures - NI element		2,600	
Additional NI costs		1,490	
		<u>11,890</u>	<u>6,500</u>
<b>OTHER PRESSURE - EXPENDITURE</b>			
'Community Based Integrated Library and customer service functions & assets' – reduced saving in 2024/25		109	
		<u>109</u>	<u>0</u>
<b>FUNDING FALL-OUT</b>			
Use of Communities Refugee & Asylum Grants Reserves Fall-Out			125
		<u>0</u>	<u>125</u>
<b>FUNDING INCREASE</b>			
Increase in Social Care Funding		(6,941)	(1,700)
Use of Communities Refugee & Asylum Grants Reserves		(125)	
		<u>(7,066)</u>	<u>(1,700)</u>
<b>SAVINGS</b>			
<b>Add Back Savings Fall-Out</b>		<b>344</b>	<b>400</b>
<b>Existing Savings</b>		<b>(13,046)</b>	<b>(2,428)</b>
Transfer the dementia long stay residential homes owned by the Council to a private sector operator*	<b>AH2501</b>	(645)	
Other minor savings variations of <£50k	<b>AH2502</b>	(20)	
Kirklees Better Outcomes Partnership reductions in contract value	<b>AH2504</b>	(500)	
Staffing – Review of turnover/vacancy factor allowances	<b>AH2505</b>	(535)	
<b>New Savings</b>		<b>(1,700)</b>	<b>0</b>
<b>TOTAL CHANGES</b>		<b>(478)</b>	<b>10,197</b>
<b>NET CONTROLLABLE BUDGET UPDATED POSITION</b>		<b>114,346</b>	<b>124,543</b>

\*£220k of saving AH2501 included within Place

**MOVEMENT IN BUDGETS BY DIRECTORATE**
**APPENDIX B**

PLACE	REF	2025-26 £000	2026-27 £000
<b>NET CONTROLLABLE BUDGET STARTING POSITION</b>		<b>56,835</b>	<b>54,799</b>
<b>DEMAND PRESSURE</b>			
Home to School Transport		250	250
		250	250
<b>INFLATION/PAY PRESSURE</b>			
Waste - Disposal Contract - Chemical Treatment Consumables		300	
Waste - Disposal Contract - DoV2 Extension		1,231	
Waste – Disposal Contract – NI Pressure		145	
Home to School transport - New Contract wef Sept 25		100	100
Additional NI costs		1,495	
		3,271	100
<b>OTHER PRESSURE - EXPENDITURE</b>			
Corporate Landlord – Management and Maintenance of Core Estate		1,395	(400)
Waste - Hire Vehicles		750	(250)
Waste - Disposal Contract - Legislation - Persistent Organic Pollutants		700	
Transport - Fleet Maintenance		340	
Homelessness Prevention Grant Estimated Additional Spend		173	
Rough Sleeping Grant Estimated Additional Spend		55	
Seasonal Weather		500	250
OSAMS Revenue Costs			100
		3,913	(300)
<b>OTHER PRESSURE – INCOME</b>			
Corporate Landlord - Reduction in income (Assets no longer held)		375	58
Parking – reassessment of income (reduced full year effect) – residential permits		200	
Parking - reassessment of income (reduced full year effect) - districts		400	
Parking – reassessment of income (reduced full year effect) – PCNs		150	
		1,125	58
<b>FUNDING FALL-OUT</b>			
Extended Rights to Free Travel Grant – Rolled into RSG		178	
Use of Employment & Skills Reserves Fall-Out			100
		178	100
<b>FUNDING INCREASE</b>			
Extended Producer Responsibility (EPR) Estimated Funding Allocation		(6,000)	
Use of Employment & Skills Reserves		(100)	
Homelessness Prevention Grant Estimated Funding Increase		(573)	
Rough Sleeping Grant Estimated Funding Increase		(55)	
		(6,728)	0

**MOVEMENT IN BUDGETS BY DIRECTORATE**

**APPENDIX B**

PLACE	REF	2025-26 £000	2026-27 £000
<b>SAVINGS</b>			
<b>Add Back Savings Fall-Out</b>		<b>298</b>	
<b>Existing Savings</b>		<b>(1,344)</b>	
Corporate Landlord savings re Adults Dementia proposal*	AH2501	(220)	
Reduction in cleaning to service delivery buildings excluding care homes.	PL2502	(587)	
Reduction in grounds maintenance	PL2503	(125)	
Asset transfer of the Hudawi Centre	PL2504	(75)	
Housing Growth – Maximising of existing funding	PL2505	(180)	
Housing – Delete vacant posts	PL2506	(80)	
TransPennine Rail Upgrade Income	PL2508	(150)	
Asset Strategy – Delete Vacant posts	PL2509	(100)	
Major Projects Team - Charging to Capital	PL2510	(50)	
Knowl House – Mothball	PL2511	(72)	
School Transport – Additional Transformation savings beyond existing	PL2512	(156)	(280)
Changes to night-time noise service	PL2514	(70)	
Electric Vehicle Salary Sacrifice Scheme - NI savings	PL2515	(89)	
Review of council wide support services	PL2516	(400)	
Highway Network Management Income & Efficiencies	PL2519		(400)
Trade Waste Charge Review	PL2524	(95)	
Highways and Streetscene - Charges to Capital	PL2525	(155)	
Efficiencies related to Council Service Cars and Bookable Pool Cars	PL2528	(100)	
Review of management across the service	PL2529	(155)	
Reduction in Support to Business – match funding reduction	PL2531	(50)	
Major Projects income	PL2532	(50)	
Utilisation of Neighbourhood capital grant funding	PL2533	(40)	
<b>New Savings</b>		<b>(2,999)</b>	<b>(680)</b>
<b>TOTAL CHANGES</b>		<b>(2,036)</b>	<b>(472)</b>
<b>NET CONTROLLABLE BUDGET UPDATED POSITION</b>		<b>54,799</b>	<b>54,327</b>

**MOVEMENT IN BUDGETS BY DIRECTORATE**

**APPENDIX B**

<b>PUBLIC HEALTH &amp; CORPORATE RESOURCES</b>		<b>REF</b>	<b>2025-26 £000</b>	<b>2026-27 £000</b>
<b>NET CONTROLLABLE BUDGET STARTING POSITION</b>			<b>53,439</b>	<b>57,625</b>
<b>DEMAND PRESSURE</b>				
Housing Benefit Subsidy - Shortall due to increasing use of B&B / Temp Accom			3,600	200
			<u>3,600</u>	<u>200</u>
<b>INFLATION/PAY PRESSURE</b>				
Additional NI costs			1,807	
KAL Funding Contribution				200
			<u>1,807</u>	<u>200</u>
<b>OTHER PRESSURE - EXPENDITURE</b>				
Cultural Heart - Museum/Gallery pre opening				200
			<u>0</u>	<u>200</u>
<b>OTHER PRESSURE - INCOME</b>				
Court Fee Income			350	150
Housing Benefit Overpayment Income – Reduction from UC roll out				600
			<u>350</u>	<u>750</u>
<b>FUNDING FALL-OUT</b>				
Household Support Fund Fall-Out				767
			<u>0</u>	<u>767</u>
<b>SAVINGS</b>				
<b>Add Back Savings Fall-Out</b>			<b>314</b>	<b>500</b>
<b>Existing Savings</b>			<b>(946)</b>	<b>(290)</b>
Review of Fees and Charges across C&VE & restructuring of the Town Halls workforce		CR2501	(220)	(20)
Annual increase in Bereavement Services Fees and Charges		CR2503	(60)	
Reductions in spend on IT contracts		CR2504	(100)	
Vacancy Management – Strategy and Innovation		CR2505	(234)	
Vacancy Management – Financial Management		CR2506	(50)	
Review of Governance Service and Structure		CR2507	(75)	(75)
Review of People Service		CR2508	(200)	
<b>New Savings</b>			<b>(939)</b>	<b>(95)</b>
			<u>(939)</u>	<u>(95)</u>
<b>TOTAL CHANGES</b>			<b>4,186</b>	<b>2,232</b>
			<u>4,186</u>	<u>2,232</u>
<b>NET CONTROLLABLE BUDGET UPDATED POSITION</b>			<b>57,625</b>	<b>59,857</b>
			<u>57,625</u>	<u>59,857</u>

**MOVEMENT IN BUDGETS BY DIRECTORATE**

**APPENDIX B**

CENTRAL BUDGETS	REF	2025-26 £000	2026-27 £000
<b>NET CONTROLLABLE BUDGET STARTING POSITION</b>		<b>56,059</b>	<b>73,213</b>
<b>INFLATION/PAY PRESSURE</b>			
Additional Inflation requirement		7,932	8,490
Reduction in Superannuation Rate (0.1%)		(200)	
		7,732	8,490
<b>OTHER PRESSURE - EXPENDITURE</b>			
Treasury Management Budget requirement - capital financing		21,746	5,418
WYPF – Reduction in historical pension costs		(150)	
MRP review 23/24 Savings (to Voluntary Revenue Provision reserve)		(10,804)	10,804
Joint Committees Levy Uplifts			573
		10,792	16,795
<b>FUNDING FALL-OUT</b>			
Use of Insurance reserve - fall out		1,500	
		1,500	0
<b>FUNDING INCREASE</b>			
WYMCA Gainshare Funding Increase		(870)	
		(870)	0
<b>SAVINGS</b>			
Treasury Management Savings – from review of Capital Plan	<b>CB2501</b>	(2,000)	
		(2,000)	0
<b>TOTAL CHANGES</b>		<b>17,154</b>	<b>25,285</b>
<b>NET CONTROLLABLE BUDGET UPDATED POSITION</b>		<b>73,213</b>	<b>98,498</b>



## RESERVES

## APPENDIX C

	Reserves position as at 31st March 2024	Budget report Approved Movements	Revised reserves position at 1st April 2024	Estimated Movements In-Year	Reserves position as at 31st March 2025	Estimated Reserves position as at 31st March 2026	Estimated Reserves position as at 31st March 2027
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>Statutory</b>							
Schools Balances	(11,597)	-	(11,597)	369	(11,228)	(11,228)	(11,228)
Public Health	(1,119)	-	(1,119)	560	(559)	-	-
<b>Total Statutory</b>	<b>(12,716)</b>	<b>-</b>	<b>(12,716)</b>	<b>929</b>	<b>(11,787)</b>	<b>(11,228)</b>	<b>(11,228)</b>
<b>Earmarked</b>							
Ward Based Activity	(693)	-	(693)	347	(346)	-	-
Place Standard	(556)	-	(556)	278	(278)	-	-
<b>Sub Total (member led)</b>	<b>(1,249)</b>	<b>-</b>	<b>(1,249)</b>	<b>625</b>	<b>(624)</b>	<b>-</b>	<b>-</b>
Apprenticeship Levy	(3,574)	-	(3,574)	500	(3,074)	(2,574)	(2,074)
Transformation	(3,067)	-	(3,067)	1,534	(1,533)	-	-
Demand Reserve	(3,000)	-	(3,000)	3,000	-	-	-
Development Funding	(621)	-	(621)	621	-	-	-
Revenue Grants	(9,020)	-	(9,020)	4,510	(4,510)	-	-
Stronger Families Grant	(784)	-	(784)	284	(500)	-	-
Other	(1,953)	-	(1,953)	977	(976)	-	-
Specific Risk Reserves	(3,500)	3,500	-	-	-	-	-
WYCA Returned Levy	(9,424)	9,400	(24)	-	(24)	(24)	(24)
Voluntary Revenue Provision	-	(15,195)	(15,195)	-	(15,195)	(20,453)	(20,453)
<b>Earmarked reserves sub-total</b>	<b>(36,192)</b>	<b>(2,295)</b>	<b>(38,487)</b>	<b>12,051</b>	<b>(26,436)</b>	<b>(23,051)</b>	<b>(22,551)</b>
<b>General Balances</b>	<b>(25,045)</b>	<b>-</b>	<b>(25,045)</b>	<b>3,043</b>	<b>(22,002)</b>	<b>(23,002)</b>	<b>(24,502)</b>
<b>Total usable reserves</b>	<b>(61,237)</b>	<b>(2,295)</b>	<b>(63,532)</b>	<b>15,094</b>	<b>(48,438)</b>	<b>(46,053)</b>	<b>(47,053)</b>
<b>Grand Total All Reserves</b>	<b>(73,953)</b>	<b>(2,295)</b>	<b>(76,248)</b>	<b>16,023</b>	<b>(60,225)</b>	<b>(57,281)</b>	<b>(58,281)</b>

## Glossary of Reserves

RESERVE	DESCRIPTION
<b>School Balances</b>	Statutory reserves relating to both individual schools' balances/deficits carried forwards.
<b>Public Health</b>	Timing issues on Public Health grant spend commitments (Public health grant is statutorily ring-fenced)
<b>Ward Based Activity</b>	Set aside reflecting timing issues on ward-based activity spend commitments
<b>Place Standard</b>	Set aside to support the resourcing of emerging Place Standard action plans.
<b>Apprenticeship Levy</b>	Set aside to fund future payments into the Apprenticeship levy
<b>Transformation</b>	Set aside for strategic transformation developments over the next 12 to 24 months.
<b>Demand Reserve</b>	Set aside to mitigate the impact/volatility of a range of potential demand risks on statutorily provided service activity
<b>Development Funding</b>	To address the scale of development costs required to support targeted development and the upscaling of capital investment activity and major project activity over the MTFP.
<b>Revenue Grants</b>	Represents grants and contributions recognised in the Comprehensive Income and Expenditure Statement before expenditure has been incurred.
<b>Stronger Families</b>	Set aside reflecting timing issues on expenditure commitments supporting a range of Stronger Families activity, funded from external grant.
<b>Other</b>	A range of smaller reserves earmarked for specific purposes.
<b>Specific Risk Reserves</b>	Set aside to manage specific risks, including the potential risk of future loan defaults and managing the volatility surrounding treasury management budgets with respect to both potential changes in interest rates and the level of delivery of the capital plan.
<b>WYCA Returned Levy</b>	Returned levy income from WYCA that will be drawn down in 2024/25 (as per the approved 2024/25 Annual Budget Report).
<b>Voluntary Revenue Provision</b>	To fund voluntary overpayments of Minimum Revenue Provision (MRP).
<b>Unallocated Reserves</b>	General reserve to support Council working capital and cashflow requirements, and unbudgeted/financial resilience risks highlighted in the Council's corporate risk register.

**New Savings Proposals**

**Totals**

	2025/26 £000	2026/27 £000	2027/28 £000
Children and Families	(3,374)	(199)	0
Adults and Health	(1,920)	0	0
Place	(2,779)	(680)	41
Public Health and Corporate Resources	(939)	(75)	0
Central Budgets	(2,000)	0	0
All Directorates	(11,021)	(954)	41
Housing revenue account	(3,785)	(907)	(395)

**Impacted FTE**

The new budget saving proposals outlined within the 2025/26 budget (and within this appendix) have a total potential impact on FTE (Full time equivalent posts) in the region of 150-200. However, we can mitigate some of this impact by deleting vacant posts that are currently being held in service structures, equating to approximately 70-100 FTE.

This means that the number of staff potentially at risk, because of the 2025/26 budget saving proposals, is currently **80-100 FTE in total**. As such, we will be making an HR1 declaration of 80-100 FTE posts that are potentially at risk of redundancy.

We will continue to try and reduce the number of staff potentially at risk of redundancy through vacancy management and deployment. We may also need to offer voluntary redundancy in certain situations. This will be agreed only on a case-by-case basis and we will not be offering this council wide.

**Children and Families Directorate**

Reference Number	Service Area	Proposal Title	Proposal Description	2025/26 £000	2026/27 £000	2027/28 £000	Staffing implication? Y/N
CF2501	Family Support and Child Protection	Mainstream MST approaches in Family Help	Mainstream Multi-Systemic Therapy (MST) and Formulation approaches through embedding practice in our new family help model.	(589)	0	0	Yes
CF2502	Family Support and Child Protection	Review Family Help Resources	The new Family Help model will be implemented in January through service integration between early help and family support and child protection. We will review	(199)	(199)	0	Yes

Reference Number	Service Area	Proposal Title	Proposal Description	2025/26 £000	2026/27 £000	2027/28 £000	Staffing implication? Y/N
			the required resources to deliver the model post implementation and look for further efficiencies.				
CF2504	Family Support and Child Protection	Rationalise Capacity in the LADO Service	Review and rationalise the resources deployed in the Local Authority Designated Officer (LADO) Service.	(60)	0	0	Yes
CF2505	Learning and Early Support	C&K Careers & children's commissioning contracts	Reduce the Calderdale and Kirklees Careers contract by a further 150k to focus resources on children and young people who are the most vulnerable. We will also look at further efficiencies in children services commissioned contracts to reduce expenditure by 150k.	(300)	0	0	No
CF2506	Learning and Early Support	Rationalise Early Years functions	Rationalise central support functions for early years special educational needs provision, outcomes and sufficiency to provide further integration of the support provided. We will also utilise the additional Dedicated Schools Grant to fund wider aspects of the work undertaken.	(200)	0	0	No
CF2507	Learning and Early Support	Rationalisation of Community Hub Coordinators	Redesign our approach to Community Hub Coordination and develop better integrated models of community and school support in line the Community Connector functions and roles.	(465)	0	0	Yes
CF2508	Children and Families Directorate	Mainstream the compliments and complaints function.	Redesign our service specific compliments and complaints function to be fully integrated into the wider corporate complaints function.	(161)	0	0	Yes
CF2509	Children and Families Directorate	Reduction in residential out of area placements	Continue to ensure that where appropriate our looked after children and young people are living in local family-based settings and homes. This will reduce the number of children and young people living in private homes away from Kirklees.	(900)	0	0	No
CF2510	Family support and child protection	Review the way Children with Disabilities are supported in the community	Redesign our procurement model for packages of home care support and direct payment provision. We will further explore how our redesign of short breaks provision can offer a more flexible community-based offer including outdoor learning opportunities.	(500)	0	0	No

## Adults and Health Directorate

Reference Number	Service Area	Proposal Title	Proposal Description	2025/26 £000	2026/27 £000	2027/28 £000	Staffing implication? Y/N
AH2501	Mental Health, Learning Disabilities and Commissioning – Provider Services	Transfer the dementia long stay residential homes owned by the Council to a private sector operator	Transfer the dementia long stay residential homes owned by the Council to a private sector operator and exit from the provision of mainstream long stay residential beds.	(865)	0	0	Yes
AH2502	Adults and Health	Other minor savings variations of <£50k	Other minor savings variations of <£50k	(20)	0	0	Yes
AH2504	Mental Health, Learning Disabilities and Commissioning	Kirklees Better Outcomes Partnership reductions in contract value	Following a substantial loss of income in 24/25, the service has been reduced to fit within the ongoing budget of £1.6m. In 24/25 £0.5m was required to support the managed reductions in service delivery but these savings have now been realised effective from April 25/26.	(500)	0	0	No
AH2505	Directorate Wide	Staffing – Review of turnover/vacancy factor allowances	Realignment of staffing budgets across Adults Social Care assessment and provider services to reflect true position of staff turnover, recruitment and staff progression. No impact on current staffing levels.	(535)	0	0	No

## Place Directorate

Reference Number	Service Area	Proposal Title	Proposal Description	2025/26 £000	2026/27 £000	2027/28 £000	Staffing implication? Y/N
PL2502	Development	Reduction in cleaning to service delivery buildings excluding care homes.	To reduce the frequency of cleaning in all office accommodation, service building and depots by 50% - excluding any care homes.	(587)	0	0	Yes

Reference Number	Service Area	Proposal Title	Proposal Description	2025/26 £000	2026/27 £000	2027/28 £000	Staffing implication? Y/N
PL2503	Development	Reduction in grounds maintenance	Reductions in grounds maintenance associated with council buildings and facilities.	(125)	0	0	No
PL2504	Development	Asset transfer of the Hudawi Centre	Community asset transfer of the Hudawi Centre.	(75)	0	0	No
PL2505	Development	Housing Growth	Maximise funding allocation for housing growth from WYCA.	(180)	0	0	No
PL2506	Development	Housing	Delete post(s) in Housing solutions that have been vacant for some time.	(80)	0	0	Yes
PL2508	Development	TransPennine Rail Upgrade Income	Income from the TransPennine Rail Upgrade for further leased site.	(150)	0	0	No
PL2509	Development	Asset Strategy	Delete post(s) in Asset strategy that have been vacant for some time.	(100)	0	0	Yes
PL2510	Development	Charging to Capital	Capitalisation of building enhancement costs.	(50)	0	0	No
PL2511	Development	Knowl House – Mothball	Children’s service who currently use Knowl House as a contact centre, wish to move to an alternative delivery model by the new financial year. It is proposed to take advantage of the move out and mothball pending a decision on its future the building.	(72)	0	0	No
PL2512	Environmental Strategy and Climate Change	School Transport Transformation	Implementing the planned next stages of the School Transport Transformation Programme.	(156)	(280)	41	No
PL2514	Environmental Strategy and Climate Change	Changes to night-time noise service	There will be no night-time staffed noise service for the public, which currently operates during the summer months. A new digital app-based service will be available and emergency cases will still be covered by staffed officers on standby.	(70)	0	0	Yes
PL2515	Environmental Strategy and Climate Change	Savings from Electric Vehicle Salary Sacrifice Scheme	Introducing a salary sacrifice scheme for electric vehicles, savings generated by reduction in National Insurance contributions.	(89)	0	0	No
PL2516	Environmental Strategy and Climate Change	Review of council wide support services	Review of a range of departmental support services – Council wide.	(400)	0	0	Yes

Reference Number	Service Area	Proposal Title	Proposal Description	2025/26 £000	2026/27 £000	2027/28 £000	Staffing implication? Y/N
PL2519	Highways	Highway Network Management Income & Efficiencies	Reducing the general fund subsidy of network management costs where possible, using other income streams to cover costs as appropriate.	0	(400)	0	No
PL2524	Streetscene	Trade Waste Charge Review	Review charges and increase in line with market to attain an additional £95k of income.	(95)	0	0	Yes
PL2525	Streetscene	Review of the staffing capital recharge rates to reflect the annual pay award and overhead costs	To review the recharge rates of staff employed on externally funded capital projects/programmes inclusive of agency/temporary staff who record time using Profess.	(155)	0	0	No
PL2528	Streetscene	Efficiencies related to Council Service Cars and Bookable Pool Cars.	Considering a range of options for making efficiencies to council service cars and pool cars, whilst still maintaining provision of pool cars.	(100)	0	0	No
PL2529	Skills and Regeneration	Review of management across the service	Reduction in management capacity and deletion of vacant posts across the Skills and Regeneration teams	(155)	0	0	Yes
PL2531	Skills and Regeneration	Reduction in Business and Economy activity	Reduction in support we provide to business, through reduction of match funding for external programmes (start up and growth support).	(50)	0	0	No
PL2532	Skills and Regeneration	Major Projects income	Increase in re-charges to externally funded (WYCA) capital transport projects and income generated from Major Projects activity.	(50)	0	0	No
PL2533	Housing Growth	Utilisation of Neighbourhood capital grant funding	Utilisation of Neighbourhood Capital Grant Funding to cover officer project management fees.	(40)	0	0	No

## Public Health and Corporate Resources

Reference Number	Service Area	Proposal Title	Proposal Description	2025/26 £000	2026/27 £000	2027/28 £000	Staffing implication?
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							Y/N
CR2501	Culture and Visitor Economy	Review of Fees and Charges across the C&VE directorate and the restructuring of the Town Halls workforce	Increased charges which aim to cover the additional operating costs which commercial services (e.g. Catering & Hospitality) in C&VE are facing such as food costs plus the restructuring of the Town Halls team as part of a wider transformation project which includes increased digital efficiencies and commercial activity in the halls.	(220)	0	0	Yes
CR2503	Culture and Visitor Economy	Annual increase in Bereavement Services Fees and Charges	Increased charges across the service to cover additional operating costs.	(60)	0	0	No
CR2504	IT	Reductions in spend on IT contracts	Achieve a reduction in the costs of IT contracts that are up for renewal with suppliers – negotiating terms and reducing volumes.	(100)	0	0	No
CR2505	Strategy and Innovation	Vacancy Management – Strategy and Innovation	Savings achieved by releasing several posts that are vacant in a number of the council's corporate 'back office' services. Specifically, this involves roles in administration, project management, and communications support.	(234)	0	0	Yes
CR2506	Financial Management	Vacancy Management – Financial Management	Management of staffing levels within the Financial Management service with a 6% Vacancy Factor.	(50)	0	0	No
CR2507	Governance	Review of Governance Service and Structure	To review governance service structure and ensure efficiency and flexibility of roles to provide a more streamlined and efficient governance service.	(75)	(75)	0	Yes
CR2508	People Service	Review of People Service	Reviewing the activities undertaken by People Services and exploring opportunities for more efficient ways of delivering the services that we provide, reviewing what can be stopped or delivered in a more efficient way and what can be done differently through further embracing of systems and technology and things like AI.	(200)	0	0	Yes

## Central Budgets

Reference Number	Service Area	Proposal Title	Proposal Description	2025/26 £000	2026/27 £000	2027/28 £000	Staffing implication?
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							<b>Y/N</b>
CB2501	Treasury Management	Treasury Management Savings	Reprofiling and prioritisation of the Capital Plan financing savings.	(2000)	0	0	No

## **Housing Revenue Account**

<b>Reference Number</b>	<b>Service Area</b>	<b>Proposal Title</b>	<b>Proposal Description</b>	<b>2025/26 £000</b>	<b>2026/27 £000</b>	<b>2027/28 £000</b>	<b>Staffing implication? Y/N</b>
HNHMP1a	Housing Management and Partnerships	Service Charge Review – Communal Grounds Maintenance	Review of all service charges.	(725)	(386)	(155)	No
HNHMP1b	Housing Management and Partnerships	Service Charge Review – Communal Cleaning	Review approach to service charging.	(20)	(14)	(14)	No
HNHMP2a	Housing Management and Partnerships	Personal Heat and Water Charges	Raising charges in line with inflation.	(573)	(17)	(18)	No
HNHMP2b	Housing Management and Partnerships	Service Charge Review	Communal & Personal Heating in Retirement Living Schemes.	(267)	(8)	(8)	No
HNHMP3	Housing Management and Partnerships	Housing Management Savings – Staffing	Reduction in staffing levels.	(80)	(228)	(200)	Yes
HNHMP4	Housing Management and Partnerships	Council Tax Charges on Empty Properties	Reducing Council Tax Charges on Empty Properties by improving void turnaround times.	(50)	0	0	No
HNHMP5	Housing Management and Partnerships	Move to decorating vouchers for works to void properties	Move from decorating two rooms prior to the tenant moving in to issuing decorating vouchers scheme.	(500)	0	0	No
HNHMP8	Housing Management and Partnerships	Review of concierge service	Review of concierge service currently operated from Holme Park Court at Berry Brow.	(250)	0	0	No

Reference Number	Service Area	Proposal Title	Proposal Description	2025/26 £000	2026/27 £000	2027/28 £000	Staffing implication? Y/N
HNASS01	Asset Management and Development	Reduction of void rent loss with improved relet days	Savings to be achieved by implementation of the improved, consistent and streamlined void process.	(255)	(255)	0	No
HNASS02	Asset Management and Development	Review of staffing structure	Staff related savings to be achieved by reducing the number of interims in the service and conducting a review of the establishment structure.	(100)	0	0	Yes
HNASS05	H&N Assets and Building Safety	Reduction in interest costs	Review of the Capital Plan for Homes and Neighbourhoods.	(775)	0	0	No
HNPTY01	Property Services	Overhead Efficiency	Overhead cost savings in Property Services (PS), Homes and Neighbourhoods (HN) on the back of efficiencies achieved following a review.	(190)	0	0	Yes

**DIRECTORATE FUNDING ASSUMPTIONS****SPECIFIC GRANTS WITHIN SERVICES**

1. The Council receives a number of specific grants from Government which are non-ring fenced and can be redirected to other areas of service provision as required. It also receives some specific grants that are ring-fenced and can only be used for the specific purpose set out in the grant conditions. Further details of the main specific grants are shown in the following table:

<b>Grant</b>	<b>Budget 25/26 £m</b>	<b>Budget 26/27 £m</b>
Dedicated Schools Grant	289	289
Social Care Support Grant	46	46
DWP-Rent Allowance	29	29
DWP - Rent Rebate	28	28
Department of Health (Public Health)	28	28
Improved Better Care Fund (IBCF)	18	18
PFI Grant (ring fenced to HRA)	16	16
Pupil Premium Grant	11	11
Schools Grants - Other	9	9
ASC Market Sustainability	8	8
Extended Producer Responsibility	6	6
ASC Discharge Fund	4	4
Homeless prevention grant	2	2
Children's Social Care Prevention Grant	2	2
Stronger Families	2	1
Other Government Grants (less than £2m)	9	10
<b>Total</b>	<b>507</b>	<b>507</b>

**OTHER INCOME – BETTER CARE FUND**

2. The Council has a Section 75 agreement for the Better Care Fund (BCF). Introduced with effect from the 2015/16 financial year, the Better Care Fund was established by the Government to drive closer integration with health services and improve outcomes for patients and service users. The Council in association with Kirklees Integrated Care Board (ICB) have a pooled budget to deliver the aims of the Better Care Fund in Kirklees. The pooled budget is hosted by the Council on behalf of the partners to the arrangement. Note that also feeding into this is a smaller pooled budget (also with the ICB) in relation to the Kirklees Integrated Community Equipment Service (KICES). This forms part of the 'Aids to daily living' programme.
3. The current year programme and plan are shown below. Discussions around the 25/26 plan are ongoing with partners, subject to agreement around key outcomes, activities and available funding.

<b>Better Care Fund</b>	<b>Total Pooled Budget (Local Authority &amp; ICB) £m</b>
<b>2024-25 Programme Areas:</b>	
Aids to Daily Living	9.2
Intermediate Care & Reablement	22.4
Carers	2.5
Protecting Social Care	30.6
Supporting the Voluntary Sector	0.3
Investment in Care Home Support	0.4
Discharge to Assess	7.8
<b>Total</b>	<b>73.2</b>

## Capital Plan Expenditure Summary

Capital Plan Expenditure Summary	2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000	2028/29 £'000	2029/30- 2031/32 £'000	Total £'000
<b>General Fund:</b>							
Children & Families	18,976	34,997	21,176	4,684	3,000	2,750	<b>85,583</b>
Adults & Health	5,534	3,913	8,197	1,605	0	0	<b>19,249</b>
Place	128,330	258,678	171,395	84,656	86,781	132,296	<b>862,136</b>
Public Health & Corporate Resources	6,486	16,504	11,906	11,636	11,516	11,100	<b>69,148</b>
<b>General Fund Capital Plan</b>	<b>159,326</b>	<b>314,092</b>	<b>212,674</b>	<b>102,581</b>	<b>101,297</b>	<b>146,146</b>	<b>1,036,116</b>
<b>Housing Revenue Account Capital Plan</b>	<b>43,166</b>	<b>47,648</b>	<b>71,072</b>	<b>62,957</b>	<b>50,853</b>	<b>106,314</b>	<b>382,010</b>
<b>TOTAL EXPENDITURE</b>	<b>202,492</b>	<b>361,740</b>	<b>283,746</b>	<b>165,538</b>	<b>152,150</b>	<b>252,460</b>	<b>1,418,126</b>

## Capital Plan Funding Summary

## Appendix F

General Fund Funding Summary	2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000	2028/29 £'000	2029/30- 2031/32 £'000	Total £'000
<i>Direct / Earmarked Contributions to Schemes</i>							
Capital Grants/Contributions	104,444	165,986	53,569	48,589	47,566	28,715	<b>448,869</b>
Earmarked Capital Receipts	5,998	6,990	8,612	390	3,390	3,390	<b>28,770</b>
Service Funded Prudential Borrowing	1,545	34,685	17,626	10,140	10,000	12,050	<b>86,046</b>
Revenue Contributions	36	40	0	0	0	0	<b>76</b>
Non-Earmarked Capital Receipts	4,000	4,000	4,000	4,000	4,000	4,000	<b>24,000</b>
Corporate Prudential Borrowing	43,303	102,391	128,867	39,462	36,341	97,991	<b>448,355</b>
<b>GENERAL FUND FUNDING</b>	<b>159,326</b>	<b>314,092</b>	<b>212,674</b>	<b>102,581</b>	<b>101,297</b>	<b>146,146</b>	<b>1,036,116</b>

Housing Revenue Account Funding Summary	2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000	2028/29 £'000	2029/30- 2031/32 £'000	Total £'000
Capital Grants/Contributions	1,534	1,307	9,929	7,584	929	741	<b>22,024</b>
Earmarked Capital Receipts	5,396	3,227	366	1,599	6,456	4,611	<b>21,655</b>
Reserves / Revenue Contributions	12,247	8,913	2,403	6,421	473	0	<b>30,457</b>
Reserves - MRR	23,989	23,989	24,239	24,489	24,739	75,717	<b>197,162</b>
Corporate Prudential Borrowing	0	10,212	34,135	22,864	18,256	25,245	<b>110,712</b>
<b>HRA FUNDING</b>	<b>43,166</b>	<b>47,648</b>	<b>71,072</b>	<b>62,957</b>	<b>50,853</b>	<b>106,314</b>	<b>382,010</b>

GENERAL FUND CAPITAL PLAN		Funding	2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000	2028/29 £'000	2029/30- 2031/32 £'000	Total £'000
<b>CHILDREN &amp; FAMILIES</b>									
	<b>LEARNING &amp; EARLY SUPPORT</b>								
	<b>Strategic Priorities</b>								
	New Special School for Woodley @ Almondbury	B/G	4,823	15,920	4,569	1,078	0	0	26,390
	New Special School for Joseph Norton @ Deighton	B/G	3,000	10,846	6,000	356	0	0	20,202
		T	7,823	26,766	10,569	1,434	0	0	46,592
	High Needs	B/G	500	500	6,057	0	0	0	7,057
	Additionally Resourced Provisions / Satellite Provisions	G	885	800	0	0	0	0	1,685
	District Sufficiency	T	9,208	28,066	16,626	1,434	0	0	55,334
	Brambles Primary Academy	G	15	0	0	0	0	0	15
	King James High School	G	216	0	0	0	0	0	216
	Scissett Middle School	S106	10	0	0	0	0	0	10
	Birkby Junior Expansion	G	5	0	0	0	0	0	5
	North Huddersfield Trust School	G/B	1,800	987	0	0	0	0	2,787
	Manor Croft Academy	G	105	0	0	0	0	0	105F
	Thornhill Community Academy	G	512	50	0	0	0	0	562
	Secondary Places Basic Need	G	48	0	0	0	0	0	48
	New Pupil Places in Primary/Secondary Schools	T	2,711	1,037	0	0	0	0	3,748
	Childcare Expansion	G	50	849	0	0	0	0	899
	<b>Strategic Priorities Total</b>		<b>11,969</b>	<b>29,952</b>	<b>16,626</b>	<b>1,434</b>	<b>0</b>	<b>0</b>	<b>59,981</b>

GENERAL FUND CAPITAL PLAN		Funding	2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000	2028/29 £'000	2029/30- 2031/32 £'000	Total £'000
<b>CHILDREN &amp; FAMILIES</b>									
<b>LEARNING &amp; EARLY SUPPORT</b>									
<b>Baseline</b>									
	Basic Need	G	34	0	0	0	0	0	34
	Capital Maintenance	G	4,951	3,400	2,900	2,700	2,500	2,300	18,751
	Devolved Formula Capital	G	1,524	1,200	600	550	500	450	4,824
	<b>Baseline Total</b>		<b>6,509</b>	<b>4,600</b>	<b>3,500</b>	<b>3,250</b>	<b>3,000</b>	<b>2,750</b>	<b>23,609</b>
	<b>LEARNING &amp; EARLY SUPPORT TOTAL</b>		<b>18,478</b>	<b>34,552</b>	<b>20,126</b>	<b>4,684</b>	<b>3,000</b>	<b>2,750</b>	<b>83,590</b>
<b>RESOURCES, IMPROVEMENT AND PARTNERSHIPS</b>									
<b>Strategic Priorities</b>									
Homes for Children:									
	Magdale House	B	12	0	0	0	0	0	12
	Healds Road	B	3	0	0	0	0	0	3
	Satellite Provision	B	452	345	0	0	0	0	797
	Children with Disabilities	B	31	100	1,050	0	0	0	1,181
	<b>RESOURCES, IMPROVEMENT AND PARTNERSHIPS TOTAL</b>		<b>498</b>	<b>445</b>	<b>1,050</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,993</b>
	<b>CHILDREN &amp; FAMILIES TOTAL</b>		<b>18,976</b>	<b>34,997</b>	<b>21,176</b>	<b>4,684</b>	<b>3,000</b>	<b>2,750</b>	<b>85,583</b>



GENERAL FUND CAPITAL PLAN		Funding	2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000	2028/29 £'000	2029/30- 2031/32 £'000	Total £'000
<b>ADULTS &amp; HEALTH</b>									
<b>COMMUNITIES AND ACCESS SERVICES</b>									
	Libraries	B	99	232	3,033	283	0	0	3,647
	Library Open Access	G	69	55	14	0	0	0	138
	UKSPF - Grant for Safety of Women & Girls	G	74	0	0	0	0	0	74
	<b>COMMUNITIES AND ACCESS SERVICES TOTAL</b>		<b>242</b>	<b>287</b>	<b>3,047</b>	<b>283</b>	<b>0</b>	<b>0</b>	<b>3,859</b>
<b>LEARNING DISABILITIES &amp; MENTAL HEALTH</b>									
	Commissioning Option Appraisals to facilitate outcomes of Specialist Accommodation Strategy	B	31	0	0	0	0	0	31
	Day Services Support for Vulnerable Adults	B	423	1,000	4,500	1,322	0	0	7,245
	Milldale and Crescentdale	B	730	2,576	500	0	0	0	3,806
	Knowl Park House	B	2,827	0	0	0	0	0	2,827
	Red Laithes Court	B	74	0	0	0	0	0	74
	<b>LEARNING DISABILITIES &amp; MENTAL HEALTH TOTAL</b>		<b>4,085</b>	<b>3,576</b>	<b>5,000</b>	<b>1,322</b>	<b>0</b>	<b>0</b>	<b>13,983</b>
<b>ADULT SOCIAL CARE OPERATION</b>									
	Adults Social Care Operation - AT IT	G/B	268	50	150	0	0	0	468
	Carephones - Digital Switchover	B	555	0	0	0	0	0	555
	Carefirst System Replacement	B	384	0	0	0	0	0	384
	<b>ADULT SOCIAL CARE OPERATION TOTAL</b>		<b>1,207</b>	<b>50</b>	<b>150</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,407</b>
	<b>ADULTS &amp; HEALTH TOTAL</b>		<b>5,534</b>	<b>3,913</b>	<b>8,197</b>	<b>1,605</b>	<b>0</b>	<b>0</b>	<b>19,249</b>

GENERAL FUND CAPITAL PLAN		Funding	2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000	2028/29 £'000	2029/30- 2031/32 £'000	Total £'000
<b>PLACE</b>									
<b>SKILLS &amp; REGENERATION</b>									
<b>Business Economy</b>									
	Start Up & Retention Policy Grants	B	50	150	398	0	0	0	598
	UKSPF E19 HWI (Health & Wellbeing Incubator) Thrive	G	20	0	0	0	0	0	20
	Leeds City Region Revolving Fund	B	0	0	0	526	0	0	526
	<b>Business Economy Total</b>		<b>70</b>	<b>150</b>	<b>398</b>	<b>526</b>	<b>0</b>	<b>0</b>	<b>1,144</b>
<b>Major Projects</b>									
West Yorkshire plus Transport Schemes:									
	A62 to Cooper Bridge Corridor Improvements	G	851	3,199	6,095	16,899	10,801	605	38,450
	A653 Leeds to Dewsbury Corridor (M2D2L)	G	17	5	0	0	0	0	22
	A641 Bradford Rd - Brad/Brig/Hudds	G	11	147	0	0	0	0	158
	A629 Halifax Road Phase 5	G	589	5,870	755	199	64	2,748	10,225
	UTMC Urban Traffic Management	G	76	0	0	0	0	0	76
	Huddersfield Southern Corridors	G	1,544	3,070	2,096	128	662	88	7,588
	North Kirklees Orbital Route (NKOR)	G	42	0	0	0	0	0	42
Corridor Improvement Programme:									
	Holmfirth Town Centre Access Plan	G	2,107	5,841	184	21	0	123	8,276
	A62 Smart Corridor	G	747	1,272	0	100	0	0	2,119
	Fenay Lane	G	3	0	0	0	0	0	3
CityConnect:									
	CityConnect Cooper Bridge	G	2	0	0	0	0	0	2
	CityConnect Huddersfield Town Centre	G	4	0	0	0	0	0	4
	West Yorkshire plus Transport Schemes	T	<b>5,993</b>	<b>19,404</b>	<b>9,130</b>	<b>17,347</b>	<b>11,527</b>	<b>3,564</b>	<b>66,965</b>

GENERAL FUND CAPITAL PLAN		Funding	2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000	2028/29 £'000	2029/30- 2031/32 £'000	Total £'000
<b>PLACE</b>									
<b>Major Projects</b>									
Transforming Cities Fund:									
<i>TCF Main scheme:</i>									
	Heckmondwike Bus Station	G	4,400	4,031	0	20	0	0	<b>8,451</b>
	Dewsbury/Cleckheaton Sust Travel Corridor	G	9,000	4,350	39	0	0	0	<b>13,389</b>
	Dews TC Walking & Cycling Imps	G/B	700	10,128	491	0	0	0	<b>11,319</b>
	Huddersfield Rail Station Connections	G/B	1,200	12,900	3,131	0	0	0	<b>17,231</b>
	A629 Wakefield Rd Sust Travel Corridor	G	22	0	0	0	0	0	<b>22</b>
	Huddersfield Bus Station	G/B	1,600	5,582	0	0	0	0	<b>7,182</b>
	Dewsbury/Batley/Tingley Sus Travel Corridor	G	2,000	6,442	0	48	0	0	<b>8,490</b>
	Transforming Cities Fund	T	<b>18,922</b>	<b>43,433</b>	<b>3,661</b>	<b>68</b>	<b>0</b>	<b>0</b>	<b>66,084</b>
	Emergency Active Travel	G	1,210	1,588	375	6	0	0	<b>3,179</b>
	Integrated Transport & Active Travel	G/B	487	0	0	0	0	0	<b>487</b>
	Flood Management and Land Drainage	B/G /S278	346	340	200	200	200	0	<b>1,286</b>
	Transpennine Route Upgrade (Network Rail)	G	618	0	0	0	0	0	<b>618</b>
	Penistone Line Rail Upgrade	G	0	10,500	10,000	10,000	9,500	7,917	<b>47,917</b>
	Dalton/Deighton Cycle Track (CRSTS)	G	0	1,600	1,174	0	0	0	<b>2,774</b>
	A62 - A644 Bus Priority Scheme (CRSTS)	G	0	1,215	3,641	0	0	0	<b>4,856</b>

GENERAL FUND CAPITAL PLAN		Funding	2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000	2028/29 £'000	2029/30- 2031/32 £'000	Total £'000
<b>PLACE</b>									
	Trees for Climate:								
	White Rose Forest Tree Planting	G	18	0	0	0	0	0	18
	Trees for Climate	G	15,750	2,112	1,644	3,000	9,055	0	31,561
	Urban Tree Challenge Fund	G	184	60	8	0	0	0	252
	Northern Forest GA2	G	900	866	609	0	0	0	2,375
	Trees for Climate	T	16,852	3,038	2,261	3,000	9,055	0	34,206
	<b>Major Projects Total</b>		<b>44,428</b>	<b>81,118</b>	<b>30,442</b>	<b>30,621</b>	<b>30,282</b>	<b>11,481</b>	<b>228,372</b>
	<b>EMPLOYMENT &amp; SKILLS</b>								
	UKSPF Digital Hub / New to English	G	52	0	0	0	0	0	52
	<b>Employment &amp; Skills Total</b>		<b>52</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>52</b>
	<b>SKILLS &amp; REGENERATION TOTAL</b>		<b>44,550</b>	<b>81,268</b>	<b>30,840</b>	<b>31,147</b>	<b>30,282</b>	<b>11,481</b>	<b>229,568</b>
	<b>DEVELOPMENT</b>								
	<b>HOUSING GROWTH</b>								
	Dewsbury Riverside	B	115	885	1,000	2,000	500	1,500	6,000
	Site Development:								
	Homes England - Soothill Development	G/Cont	120	27	23	0	0	0	170
	Bradley Park	R	598	200	0	0	0	0	798
	Highmoor Lane, Heartshead	G	210	0	0	0	0	0	210
	Site Development	T	928	227	23	0	0	0	1,178

GENERAL FUND CAPITAL PLAN		Funding	2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000	2028/29 £'000	2029/30- 2031/32 £'000	Total £'000
<b>PLACE</b>									
	Property Investment Fund:								
	103 New Street	B**	26	0	0	0	0	0	26
	Kingsgate Phase 2	B**	2,008	0	0	0	0	0	2,008
	Property Investment Fund	T	2,034	0	0	0	0	0	2,034
	<b>Housing Growth Total</b>		<b>3,077</b>	<b>1,112</b>	<b>1,023</b>	<b>2,000</b>	<b>500</b>	<b>1,500</b>	<b>9,212</b>
	<b>HOUSING SERVICES</b>								
	<b>PRIVATE SECTOR HOUSING</b>								
	Disabled Facilities Grant over £1k	G	3,953	3,760	3,760	3,760	3,760	3,760	22,753
	Discretionary Assistance	R	187	60	202	60	60	60	629
	Minor Adaptations	R	315	330	330	330	330	330	1,965
	<b>Housing Services Total</b>		<b>4,455</b>	<b>4,150</b>	<b>4,292</b>	<b>4,150</b>	<b>4,150</b>	<b>4,150</b>	<b>25,347</b>
	<b>PROPERTY</b>								
	Corporate Landlord Asset Investment	B	6,031	7,085	8,000	4,900	3,900	4,300	34,216
	Corporate Landlord Compliance	B	743	1,648	1,500	1,000	1,000	1,000	6,891
	Corporate Landlord Welfare Programme	B	569	1,049	1,500	1,000	1,000	1,000	6,118
	Asset Management Property Database	B	15	195	50	49	0	0	309
	Changing Places	G	202	0	0	0	0	0	202
	<b>Property Total</b>		<b>7,560</b>	<b>9,977</b>	<b>11,050</b>	<b>6,949</b>	<b>5,900</b>	<b>6,300</b>	<b>47,736</b>

GENERAL FUND CAPITAL PLAN		Funding	2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000	2028/29 £'000	2029/30- 2031/32 £'000	Total £'000
<b>PLACE</b>									
<b>TOWN CENTRES</b>									
	Aspirational Regeneration of Major Town Centres - Feasibility	B	5	0	0	0		0	5
	<i>Regeneration of Strategic Town Centres - Huddersfield :</i>								
	Holding pot	B	81	0	0	0	0	0	81
	<u>Huddersfield Town Centre Schemes</u>								
	Huddersfield TC - Shop Front Grants	B	630	84	0	0	0	0	714
	The Northumberland Street Regeneration Project	B	88	470	0	0	0	0	558
	Huddersfield Open Market Regeneration Market	G	950	12,593	3,107	0	0	0	16,650
	Huddersfield TC Design Framework	B	26	0	0	0	0	0	26
	Cultural Interventions - Growing Seeds	B	9	0	0	0	0	0	9
	Huddersfield Town Centre Schemes	T	1,703	13,147	3,107	0	0	0	17,957
	<u>Heritage Action Zone</u>								
	The George Hotel HAZ Scheme	G	131	0	0	0	0	0	131
	The George Hotel	B*/B	900	19,305	9,800	0	0	0	30,005
	Estate Buildings HAZ Scheme	G	115	0	0	0	0	0	115
	Heritage Action Zone	T	1,146	19,305	9,800	0	0	0	30,251
	<u>Huddersfield Public Realm Works</u>								
	New Street Public Realm Development	B	503	0	0	0	0	0	503
	Huddersfield Town Centre Cameras	B	38	30	0	0	0	0	68
	Refurb of 2 New Street, Huddersfield	B	16	0	0	0	0	0	16
	Huddersfield Public Realm Works	T	557	30	0	0		0	587

GENERAL FUND CAPITAL PLAN		Funding	2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000	2028/29 £'000	2029/30- 2031/32 £'000	Total £'000
<b>PLACE</b>									
	Public Realm - Golden Route								
	St Peters Gardens	B/G	334	0	0	0	0	0	334
	Church St Design Development	B	2	5	0	0	0	0	7
	Church Street Main Scheme	B	21	9	0	0	0	0	30
	Market Place Investigative Works	B	32	10	0	0	0	0	42
	Cross Church Street	B	34	0	0	0	0	0	34
	St Georges Hotel Improvements	B	12	73	0	0	0	0	85
	Public Realm - Golden Route	T	435	97	0	0	0	0	532
	Huddersfield Town Centre Action Plan	T	3,922	32,579	12,907	0	0	0	49,408
	<i>Regeneration of Strategic Town Centres – Dewsbury:</i>								
	<i>Better Spaces Strategy</i>								
	BS Phase 2 - Town Park	B/R/G	28	3,098	3,119	0	0	0	6,245
	Spring Upgrade	G	92	0	0	0	0	0	92
	Better Spaces Strategy	T	120	3,098	3,119	0	0	0	6,337
	Heritage Action Zone	B/G	3,063	0	0	0	0	0	3,063
	Daisy Hill Neighbourhood	B/R/G	981	200	1,480	700	0	0	3,361
	Dewsbury Market Upgrade	B/R/G	1,149	10,690	7,543	0	0	0	19,382
	The Arcade	B/G	4,244	2,201	0	0	0	0	6,445
	Fibre Capability	R	148	0	0	0	0	0	148
	Construction Skills Village	G/R	2,224	0	0	0	0	0	2,224
	Creative Culture	G	470	1,090	0	0	0	0	1,560

GENERAL FUND CAPITAL PLAN		Funding	2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000	2028/29 £'000	2029/30- 2031/32 £'000	Total £'000
<b>PLACE</b>									
	Sustainable Transport	G	1,215	0	0	0	0	0	1,215
	Building Revival	G/B	500	1,928	708	0	0	0	3,136
	Dewsbury Town Centre Action Plan	T	14,114	19,207	12,850	700	0	0	46,871
	<i>Town Centre Action Plans</i>	T	<b>18,041</b>	<b>51,786</b>	<b>25,757</b>	<b>700</b>	<b>0</b>	<b>0</b>	<b>96,284</b>
	Regeneration and Greening of Smaller Towns and Villages:								
	Smaller Towns & Villages	B	150	215	1,000	1,000	1,481	0	3,846
	Batley Smaller Towns & Villages	B/G	2,448	10,861	648	0	0	0	13,957
	Cleckheaton Smaller Towns & Villages	B	250	1,184	0	0	0	0	1,434
	Holmfirth Smaller Towns & Villages	B	243	169	1,054	0	0	0	1,466
	Heckmondwike Smaller Towns & Villages	B	240	194	0	0	0	0	434
	Marsden New Mills Redevelopment Scheme	G	347	5,157	0	0	0	0	5,504
	Other - Our Local Centres	B	100	0	0	0	0	0	100
	Regeneration and Greening of Smaller Towns and Villages	T	3,778	17,780	2,702	1,000	1,481	0	26,741
	Cultural Heart	B	12,959	51,639	50,309	20,031	28,981	75,892	239,811
	Strategic Acquisition Fund	B	798	800	0	0	0	0	1,598
	<b>Town Centres Total</b>	T	<b>35,576</b>	<b>122,005</b>	<b>78,768</b>	<b>21,731</b>	<b>30,462</b>	<b>75,892</b>	<b>364,434</b>
	<b>DEVELOPMENT TOTAL</b>	T	<b>50,668</b>	<b>137,244</b>	<b>95,133</b>	<b>34,830</b>	<b>41,012</b>	<b>87,842</b>	<b>446,729</b>



GENERAL FUND CAPITAL PLAN		Funding	2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000	2028/29 £'000	2029/30- 2031/32 £'000	Total £'000
<b>PLACE</b>									
	<b>HIGHWAYS &amp; STREETSCENE</b>								
	Highways								
	Maintenance:								
	Principal Roads	B/G	3,562	5,339	6,678	3,678	3,678	3,678	<b>26,613</b>
	Roads Connecting Communities	G	2,204	1,640	1,096	1,096	1,096	1,096	<b>8,228</b>
	Local Community Roads	B/G	7,115	7,805	5,953	4,453	5,185	4,753	<b>35,264</b>
	Structures	G	1,200	1,200	1,200	1,200	1,200	1,200	<b>7,200</b>
	Active Travel / PROW	B/G	241	106	155	156	156	156	<b>970</b>
	Streetlighting	G	1,000	1,000	1,000	0	0	0	<b>3,000</b>
	Locality Based U Roads Improvements	B	3,316	0	0	0	0	0	<b>3,316</b>
	Highways Maintenance	T	<b>18,638</b>	<b>17,090</b>	<b>16,082</b>	<b>10,583</b>	<b>11,315</b>	<b>10,883</b>	<b>84,591</b>
	Integrated Transport:								
	Network Management	G/s278	1,296	949	715	715	715	715	<b>5,105</b>
	Safer Roads	B/G	1,757	821	1,397	1,176	1,175	1,175	<b>7,501</b>
	Flood Management and Drainage Improvements	B	250	250	250	250	250	250	<b>1,500</b>
	Developer Funded Schemes	s278	2,383	0	0	0	0	0	<b>2,383</b>
	Highways Integrated Transport	T	<b>5,686</b>	<b>2,020</b>	<b>2,362</b>	<b>2,141</b>	<b>2,140</b>	<b>2,140</b>	<b>16,489</b>
	Highways Total	T	<b>24,324</b>	<b>19,110</b>	<b>18,444</b>	<b>12,724</b>	<b>13,455</b>	<b>13,023</b>	<b>101,080</b>
	UKSPF CCTV (Highways)	G	519	0	0	0	0	0	<b>519</b>
	Car Park Meters	B	323	181	241	0	0	0	<b>745</b>
	Public Realm Improvements	B	19	0	0	0	0	0	<b>19</b>
	OSAMS	B	207	626	876	0	0	0	<b>1,709</b>

GENERAL FUND CAPITAL PLAN		Funding	2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000	2028/29 £'000	2029/30- 2031/32 £'000	Total £'000
<b>PLACE</b>									
	WASTE								
	Waste Strategy	B	496	20	626	0	0	0	1,142
	Waste Management Plant/ Infrastructure	B	1,794	2,383	2,390	2,018	0	0	8,585
	Waste Procurement & Depot Strategy:								
	Contract Extension	B	0	2,396	75	75	0	0	2,546
	Legislation requirements	B	100	470	0	0	0	0	570
	Proposed Depot (feasibility)	B	93	128	3,000	0	0	0	3,221
	Waste Procurement & Depot Strategy	T	193	2,994	3,075	75	0	0	6,337
	Environment & Strategic Waste	B	103	100	100	100	100	100	603
	Waste Total	T	2,586	5,497	6,191	2,193	100	100	16,667
	Vehicle Replacement Programme	B	859	2,587	6,679	1,801	1,932	17,800	31,658
	Recycling Fleet	B*	0	3,264	0	0	0	0	3,264
	Bulk Gritters	B*	0	1,800	0	0	0	0	1,800
	Project Fleet	B	0	750	0	0	0	0	750
	Play Strategy:								
	Playable Spaces	B/ S106/ RCCO	1,673	1,411	1,434	1,732	0	0	6,250
	Parks & Greenspaces	G	2	0	0	0	0	0	2
	Section 106 Funded Schemes	B/ cont/ S106	1,508	990	62	0	0	0	2,560
	Play Strategy	T	3,183	2,401	1,496	1,732	0	0	8,812
	<b>HIGHWAYS &amp; STREETSCENE TOTAL</b>		<b>32,020</b>	<b>36,216</b>	<b>33,927</b>	<b>18,450</b>	<b>15,487</b>	<b>30,923</b>	<b>167,023</b>

GENERAL FUND CAPITAL PLAN		Funding	2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000	2028/29 £'000	2029/30- 2031/32 £'000	Total £'000
PLACE									
	<b>ENVIRONMENT STRATEGY &amp; CLIMATE CHANGE</b>								
	Climate Emergency - Green Travel	B/G	211	250	250	229	0	0	940
	Air Quality	B/G	205	100	119	0	0	0	424
	Huddersfield Heat Network	G/B*	400	3,600	11,126	0	0	2,050	17,176
	Electric Vehicle Rapid Charge Points	G	276	0	0	0	0	0	276
	<b>ENVIRONMENT STRATEGY &amp; CLIMATE CHANGE TOTAL</b>		<b>1,092</b>	<b>3,950</b>	<b>11,495</b>	<b>229</b>	<b>0</b>	<b>2,050</b>	<b>18,816</b>
	<b>PLACE TOTAL</b>		<b>128,330</b>	<b>258,678</b>	<b>171,395</b>	<b>84,656</b>	<b>86,781</b>	<b>132,296</b>	<b>862,136</b>

GENERAL FUND CAPITAL PLAN		Funding	2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000	2028/29 £'000	2029/30- 2031/32 £'000	Total £'000
<b>PUBLIC HEALTH &amp; CORPORATE RESOURCES</b>									
	<b>STRATEGY &amp; INNOVATION</b>								
	Information Technology	B	1,496	1,598	1,406	1,246	1,116	900	7,762
	Transformation Capitalisation	R	4,000	4,000	0	0	0	0	8,000
*	Investment and Modernisation Fund	B*	0	10,000	10,000	10,000	10,000	10,000	50,000
	<b>STRATEGY &amp; INNOVATION TOTAL</b>		<b>5,496</b>	<b>15,598</b>	<b>11,406</b>	<b>11,246</b>	<b>11,116</b>	<b>10,900</b>	<b>65,762</b>
	<b>SERVICE DIRECT REPORTS – PUBLIC HEALTH</b>								
	Kirklees Active Leisure	B*	445	0	0	0	0	0	445
	<b>SERVICE DIRECT REPORTS – PUBLIC HEALTH TOTAL</b>		<b>445</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>445</b>
	<b>CULTURE &amp; VISITOR ECONOMY</b>								
	Sustainability of Major Town Halls - Service Development	B*	100	111	0	0	0	0	211
	School Catering	B/B*	250	595	300	340	400	200	2,085
	Bereavement	B	195	200	200	50	0	0	645
	<b>CULTURE &amp; VISITOR ECONOMY TOTAL</b>		<b>545</b>	<b>906</b>	<b>500</b>	<b>390</b>	<b>400</b>	<b>200</b>	<b>2,941</b>
	<b>PUBLIC HEALTH &amp; CORPORATE RESOURCES TOTAL</b>		<b>6,486</b>	<b>16,504</b>	<b>11,906</b>	<b>11,636</b>	<b>11,516</b>	<b>11,100</b>	<b>69,148</b>
<b>GENERAL FUND CAPITAL PLAN TOTAL</b>			<b>159,326</b>	<b>314,092</b>	<b>212,674</b>	<b>102,581</b>	<b>101,297</b>	<b>146,146</b>	<b>1,036,116</b>

HOUSING REVENUE ACCOUNT CAPITAL PLAN	Funding	2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000	2028/29 £'000	2029/30- 2031/32 £'000	Total £'000
<b>Strategic Priorities</b>								
Housing Growth	H / R	867	2,516	732	11	0	0	4,126
LAHF - Refugee Housing	H / G	492	358	1,142	0	0	0	1,992
LAHF 3 - Refugee Housing	H / G	1,090	1,560	521	0	0	0	3,171
New Build Phase 1 - Ashbrow Extra Care	R/Cont	3,700	146	0	0	0	0	3,846
Berry Brow Remodelling	H/G	1,267	947	19,005	13,150	792	0	35,161
Harold Wilson Court	H	2,367	0	0	0	0	0	2,367
Buxton House	H/B	1,357	4,148	6,145	3,267	79	0	14,996
IT System (Universal Housing Replacement)	H	530	809	0	0	0	0	1,339
IT System Property/Assets	H	0	1,000	500	0	0	0	1,500
Council House Building	B/R/G/H	1,396	565	4,557	8,434	13,872	9,380	38,204
<b>Strategic Priorities Total</b>		<b>13,066</b>	<b>12,049</b>	<b>32,602</b>	<b>24,862</b>	<b>14,743</b>	<b>9,380</b>	<b>106,702</b>
<b>Baseline</b>								
Housing Capital Plan	H/B	17,850	19,150	19,285	19,785	19,785	63,500	159,355
Estate Improvements (Neighbourhood Investment)	H/B	1,233	990	1,100	1,100	1,100	3,329	8,852
Building Safety	H/B	1,506	1,274	1,324	1,530	1,430	4,118	11,182
Six Storey Blocks	H/B	915	3,675	6,000	5,420	6,295	15,211	37,516
Low Rise Blocks	H/B	1,750	1,500	1,500	1,500	1,500	0	7,750
Retirement Living Schemes	H/B	1,500	3,750	4,500	4,500	4,500	6,250	25,000
Fuel poverty	H/G/B	1,632	1,500	1,500	1,500	1,500	4,526	12,158
Adaptations	H	3,714	3,760	3,261	2,760	0	0	13,495
<b>Baseline Total</b>		<b>30,100</b>	<b>35,599</b>	<b>38,470</b>	<b>38,095</b>	<b>36,110</b>	<b>96,934</b>	<b>275,308</b>
<b>HRA CAPITAL PLAN TOTAL</b>		<b>43,166</b>	<b>47,648</b>	<b>71,072</b>	<b>62,957</b>	<b>50,853</b>	<b>106,314</b>	<b>382,010</b>

**FUNDING KEY:**

- B = Borrowing
- B\* = Service funded Borrowing
- B\*\* = Borrowing for provision of loans for development projects, covered by repayments
- G = Grant
- Cont = External contributions
- R = Capital receipts
- S106 = Section 106 developer contributions
- S278 = Section 278 developer contributions
- H = HRA revenue contribution/major repairs reserve
- \* = Addition

## Capital Plan - Major Schemes

Despite constrained budgets, continuing to invest in our area remains vital to grow our economy. We are investing for the long-term and want to ensure people, businesses, and other partners have confidence that we will deliver. We remain focussed on realising our long-standing priorities. Regenerated towns and villages, better transport connections, and stronger skills can all support a more productive, sustainable, and inclusive economy, leading to a better quality of life for our citizens.

Some of the major capital projects / programmes of work that are incorporated into the Authority's capital programme are identified below, with budget allocations for these schemes included in the tables above:

### **Schools Sufficiency / SEND**

- On SEND, we will continue to focus on working with schools to expand capacity. Work has been ongoing with schools to inform how we re-build two of our special schools (Joseph Norton Academy and Woodley School and College), and construction is due to commence on both schools in 2025. These two schemes are integral to the Council's DSG Safety Valve agreement.

### **West Yorkshire plus Transport Fund (WY+TF) programme**

- Improvements to junctions, roads, bus infrastructure, active travel, and trees and planting along our road network, including the A62 to Cooper Bridge Corridor Improvements, A629 between Huddersfield and Ainley Top, and Holmfirth Town Centre Access Plan.

### **Transforming Cities Fund plan**

- Works worth more than £8m on Heckmondwike Bus Station will continue in 2025. The West Yorkshire Combined Authority is also continuing with their transformation of Dewsbury Bus Station.

### **Housing Growth Plan**

- We will continue work on the housing growth programme, aiming to deliver 2,124 units to be delivered by 2030.

## **George Hotel**

- Following Cabinet approval in late 2024, it is expected that work on the iconic George Hotel, bringing the building back into use as a hotel will commence.

## **Huddersfield and Dewsbury Town centre Action Plans and Regeneration and Greening of Smaller Towns and Villages**

- Moving quickly to transform Huddersfield Market, supported by £16.6m secured from government's Levelling Up Fund.
- Continue to work with the Dewsbury Town Deal Board and others to confirm plans for £20m of new government investment in Dewsbury allocated from the Town Centres Fund.
- Develop options and engage the community on schemes as part of the £12m levelling up funding secured from government for regeneration in Batley
- In Cleckheaton, we will develop designs for Savoy Square and an Improved Greenway Link.
- Working in partnership with landowners, architects, and the community to explore options to bring Marsden's New Mills back in to use as part of the levelling up funding secured and to develop a longer-term plan for Marsden.

## **Cultural Heart**

- Construction on the first phase of the Cultural Heart began in summer 2024, which when complete will provide a new food hall and modern library along with a brand-new outdoor public square. Cabinet approval has recently been given to award a Pre Contract Services Agreement for Phase 2 (Museums and Galleries) and this work has commenced.

## **Huddersfield Decentralised Energy Network (HDEN)**

- Continued to progress with the commercialisation stage for the Huddersfield District Energy Network (HDEN), due for completion in 2026, supported by £8.2 million awarded in November 2022.

## **Vehicle Replacement**



- Cabinet approval of £21.7m for new vehicles was agreed in the Autumn. Additionally, Invest to Save schemes approved by Cabinet have been added into the Capital Plan, to replace Waste and Recycling hired fleet with capital purchase, and to replace the current fleet of hired bulk gritting vehicles.

### **Technology Strategy**

- The Technology Strategy has delivered on several fronts, much of which is funded with the technology refresh capital plan which has been reprofiled for the medium term to include the refresh and redesign of the data network, the reprofile of laptop replacements and the refresh of technology in our data centre.
- A technology board has been established in each of the four Council directorates to provide cross organisation peer challenge on all strategic investments, including technology fit, strategic fit, corporate priority, investment profile, benefits and return on investment. The formation of these boards gives the council the opportunity to allocate capital resource at a corporate level and hold a tight grip on the governance of capital investments and managing cost to change, particularly around changes to major systems such as ERP and Social Care over the longer term.
- The Strategy provides a long term capital allocation to fund a seven year rolling plan, with all technology investments funded from a single source that is backed by a single view of priorities and resources to deliver those changes.

### **Investment and Modernisation Fund**

- As part of a new approach to the application of capital funding, a new 'Investment and Modernisation Fund' has been added into the Capital Plan for 5 years at £10m per annum, to enable the Council to achieve key strategic objectives and priorities and to help deliver transformation at a pace. This fund will be entirely self-financing and meets the criteria around using capital to help transform services to deliver ongoing revenue savings.

### FLEXIBLE USE OF CAPITAL RECEIPTS STRATEGY

1. Government guidance allows the capitalisation of certain types of qualifying revenue expenditure in-year, funded from the flexible use of 'in-year' generated capital receipts. The original DCLG guidance covered the 2016-19 period, but this was subsequently extended by a further 3 years, to 2021/22, following the Autumn Statement announcement on November 17th, 2017. The Local Government Finance Settlement for 2021/22 extended these capital receipts flexibilities for a further three years, which covers the period up to and including 2024/25. Further to this, there was a 'Call for Views' from the then Department for Levelling Up, Housing and Communities (DLUHC) consultation, designed to identify and develop options for the use of capital resources and borrowing to support and encourage invest-to-save activity and to manage budget pressures without seeking exceptional financial support. Whilst we await an official announcement from government, the expectation is that the current capital receipt flexibilities are extended up to 2030.
2. Local authorities are given the power to use capital receipts from the sale of general fund land and buildings received in the years in which this flexibility is offered, to spend up to 100% of their fixed asset receipts (excluding Right to Buy receipts) on the revenue costs of qualifying projects.
3. Government has provided a definition of expenditure which qualifies to be funded from capital receipts. This is: "Qualifying expenditure is expenditure on any project that is designed to generate ongoing revenue savings in the delivery of public services and/or transform service delivery to reduce costs and/or transform service delivery in a way that reduces costs or demand for services in future years for any of the public sector delivery partners. Within this definition, it is for individual local authorities to decide whether or not a project qualifies for the flexibility."
4. The extent to which capital receipts will actually be applied in-year will take into account the following factors: i) the amount of capital receipts actually generated in-year; ii) the amount of qualifying capitalisable revenue expenditure in-year; iii) the affordability of borrowing to fund the capital plan in-year, where current funding assumptions include use of in-year capital receipts to part fund the Councils annual general fund capital plan.
5. The Council will use the powers under the DCLG guidance on the flexible use of capital receipts to fund up to £4m qualifying transformation expenditure in 2024/25 and £4m in 2025/26 on the projects summarised in the table below. The proposals set out are 'in principle' and allow officers the flexibility to consider a range of funding options in-year that meet the intended objectives set out in the Council's budget strategy.
6. It is intended that officers will update members as part of the annual budget report to full Council each March, and finalised proposals for the flexible use of capital receipts to be incorporated into an annual early closedown review report for Cabinet consideration in June.

### **Table - Flexible Use of Capital Receipts Strategy**

Note - The following projects are indicative of current service areas and costs against which flexible capital receipts funding could be applied under the government guidance for qualifying expenditure for flexible capital receipts. Finalised proposals for the flexible use of capital receipts will be incorporated into an annual closedown review report for Cabinet consideration in June 2026.

<b>Project</b>	<b>Project Description</b>	<b>Service Transformation / Savings</b>	<b>Directorate</b>	<b>Estimated Use of Receipts 2025/26 (£k)</b>
Transformation Project Team	Delivery of Transformation Programme for Adult Social Care to achieve the medium term financial plan savings and bring about sustainable change in the way adult social care is delivered by the council.	Service transformation and efficiency savings	Adults	400
Demand & Capacity	Restructuring and reconfiguring of Adult Social Care services to meet current and forecast levels of demand.	Service transformation and cost reduction	Adults	150
Occupational therapy & Moving and Handling staff team	Funding for additional staff to reduce demand for more costly social care support over long term	Cost reduction	Adults	250
SEND Transformation - salary and consultancy costs	Implementation of SEND Transformation Plan. A comprehensive SEND Transformation Plan has been established and implementation of the multi-year programme is well underway. Work is founded on outcome / financial trajectories and the plans will continue to evolve over the lifetime of the 5 year programme.	Service transformation and cost reduction	Childrens	700
Fostering Recruitment	Improvements to foster care recruitment process to increase internal placements.	Cost reduction	Childrens	100

<b>Project</b>	<b>Project Description</b>	<b>Service Transformation / Savings</b>	<b>Directorate</b>	<b>Estimated Use of Receipts 2025/26 (£k)</b>
Resources and Waste Strategy - staff costs	Development of the council's Waste Strategy transformation agenda over the medium term.	Environmental improvements	Place	200
Assets / Corporate Landlord	Planning Service support in delivery of major capital projects	Transformational activity	Place	115
School Transport Transformation	Delivery of Transformation programme to achieve cost savings in delivery of School Transport	Efficiency savings	Corporate	150
Transformation Team Costs	Funding for Transformation and Culture Change team, providing council wide support in the delivery of service transformation and financial savings aligned to existing improvement programmes and the delivery of service reviews.	Transformational activity and efficiency savings	Corporate	1,500
Service Director costs	Cost of senior management support to cross-cutting programme delivery projects aligned to reshaping the Council, e.g. People Panel, major transformational capital scheme boards etc.	Transformational activity and efficiency savings	All	200
NDC Capitalisation - pension costs	Charging the statutory element of redundancy costs and the cost of pension strain where staff have left the Council under a service redesign / transformation programme.	Cost reduction	Central	235
				<b>4,000</b>

### Assessment of the level of the Council's General Fund Working Balance

1. Reserves are sums set aside to meet possible future costs where there is no certainty about whether or not the costs will actually be incurred. The requirement for financial reserves is acknowledged in statute. Sections 32 and 43 of the Local Government Finance Act 1992 require billing and precepting authorities in England and Wales to have regard to the level of reserves needed for meeting estimated future expenditure when calculating the budget requirement.
2. When reviewing their medium term financial plans and preparing their annual budgets local authorities should consider the establishment and maintenance of reserves. These can be held for three main purposes:
  - a working balance to help cushion the impact of uneven cash flows and avoid unnecessary temporary borrowing – this forms part of general reserves;
  - a contingency to cushion the impact of unexpected events or emergencies – this also forms part of general reserves;
  - a means of building up funds, often referred to as earmarked reserves, to meet known or predicted requirements; earmarked reserves are accounted for separately but legally remain part of the General Fund.
3. Local authorities also hold other reserves that arise out of the interaction of legislation and proper accounting practice. These are reserves, which are not resource-backed and cannot be used for any other purpose. An example is the Revaluation Reserve which is a reserve that records unrealised gains in the value of fixed assets. The reserve increases when assets are revalued upwards, and decreases as assets are depreciated or when assets are revalued downwards or disposed of. Reserves of this type do not form part of the annual review of the adequacy of reserves.
4. Section 25(1)(b) of the Local Government Act 2003 requires the Director of Finance to report to the Council on the adequacy of the proposed financial reserves. Guidance is published by the Chartered Institute of Public Finance and Accountancy (CIPFA) on the establishment and maintenance of local authority reserves and balances. The level and utilisation of reserves will be determined formally by the Council, informed by the advice and judgement of the Director of Finance.
5. In support of this requirement, and as part of the development of the budget for 2025/26, a risk assessment has been carried out to establish the minimum level of the General Fund Working Balance for Kirklees. Details of this assessment are provided below in **Table 1** which indicates that the minimum working balance should be **c£16.0m**.

## Appendix H

**Table 1: Risk Assessment for General Fund Working Balance – 2025/26**

Minimum £000	Desirable £000	Area of expenditure / Explanation of risk / Justification for Reserves
1,200	2,500	<p><b>Pay</b> – the opening MTFP includes annual provision for a 3% pay award for 25/26 and 2% thereafter. As future pay awards within the MTFP period are not yet agreed, there is a risk of the current assumptions on pay being at variance to the budget as the pay claim received by the employees' side is often in excess of the budgeted provision. An increase of 1% in the annual pay award would result in an increased cost of £2.5m.</p> <p style="text-align: center;"><b>Assessment: Degree of risk / reserve needed:</b> <b>Low £0-2.5m Medium £2.5m High £5m</b></p> <p style="text-align: center;"><b>Likelihood of risk occurring: Medium</b> <b>Minimum reserve needed: £1.2m</b></p>
1,000	1,500	<p><b>Prices</b> – the budget assumes that, in the main, price inflation can be managed by Departments within a zero cash-limited increase or specific inflation allowances for designated expenditure (e.g. National Living Wage, IT software, Utilities). Inflation is now broadly in-line with the Bank of England target level of 2% which should reduce the impact of the inflation within the sector. Inflation contingency in central budgets only covers the waste contract and energy inflation.</p> <p style="text-align: center;"><b>Assessment: Degree of risk / reserve needed:</b> <b>Low £0.5m Medium £1.0m High £1.5m</b></p> <p style="text-align: center;"><b>Likelihood of risk occurring: Medium</b> <b>Minimum reserve needed: £1.0m</b></p>
500	500	<p><b>Litigation Claims</b> – as the Council faces reductions in resources for future provision of services, there is an increased risk of litigation beyond that which would otherwise be covered by insurance arrangements.</p> <p style="text-align: center;"><b>Assessment: Degree of risk / reserve needed:</b> <b>Low £0.5m Medium £1.0m High £2.0m</b></p> <p style="text-align: center;"><b>Likelihood of risk occurring: Low</b> <b>Minimum reserve needed: £0.5m</b></p>
2,000	3,000	<p><b>Income from Fees and Charges</b> – With continuing impact of the cost of living crisis combined with a relatively benign outlook for economic growth, the Council's income streams may continue to be impacted. Whilst some budgets have been reduced to reflect more realistic income levels, it is the case that a number of services are also price sensitive and delivered in competition with other providers (e.g. trade waste / building control).</p> <p style="text-align: center;"><b>Assessment: Degree of risk / reserve needed:</b> <b>Low £1m Medium £2.0m High £3.0m</b></p> <p style="text-align: center;"><b>Likelihood of risk occurring: Medium</b> <b>Minimum reserve needed: £2.0m</b></p>

## Appendix H

Minimum £000	Desirable £000	Area of expenditure / Explanation of risk / Justification for Reserves
3,000	5,000	<p><b>Demand Led Pressures on Services</b> – the most significant is likely to be the ongoing impact of the cost of living and how this could potentially create additional demand for Council services and/or place pressure on the Council's income.</p> <p>Both Adult and Children's Social Care can be subject to significant demand-led pressures. This can vary from one year to the next and both have been significantly impacted by the continuing backlog of pressures in the Health Service.</p> <p>Both Housing and Council Tax Support may also come under pressure given the prevailing economy. The Council spends c£60m on Housing Benefits whereas the cost of Council Tax Support (applied as a discount on council tax bills) is estimated at c£36m.</p> <p>Qualifying expenditure on Housing Benefit is <i>generally</i> matched by Government subsidy in full, however, an increase in, say, supported services (referred to below) at a lower rate of recovery, can increase the overall net cost to the Council.</p> <p>In recent years, the Council has experienced an increase in Supported Accommodation enquiries and applications. The rate of subsidy for this category of accommodation is 60% and not 100% if the landlord is not a Registered Social Provider. There has also been a large increase over recent years in both the volume and cost for Temporary Accommodation. Notwithstanding, an estimate is provided in the budget, if this trend continues this additional provision will not be sufficient to cover the Council's financial risk exposure.</p> <p style="text-align: center;"><b>Assessment: Degree of risk / reserve needed:</b> Low £1.0m Medium £3.0m High £5.0m</p> <p style="text-align: center;"><b>Likelihood of risk occurring: Medium</b> <b>Minimum reserve needed: £3.0m</b></p>
500	500	<p><b>Grant income</b> – there is a risk that the MTFs is built on optimistic assumptions of income that may prove unsustainable over the life of the plan; especially assumptions on growth in Adults grant income.</p> <p style="text-align: center;"><b>Assessment: Degree of risk / reserve needed:</b> Low £0.5m Medium £1.0m High £2.0m</p> <p style="text-align: center;"><b>Likelihood of risk occurring: Low</b> <b>Minimum reserve needed: £0.5m</b></p>

## Appendix H

Minimum £000	Desirable £000	Area of expenditure / Explanation of risk / Justification for Reserves
3,000	4,000	<p><b>Non-achievement of Savings</b> – the scale of savings required by the Council to achieve a balanced budget in 2025/26 (and across the rest of the MTFS period) is such that it will require a fundamental shift in how the Council operates which may not be possible in the time available. Whilst arrangements are in place to manage the implementation of the savings it is recommended that additional cover be provided to mitigate the risk of some not being realised or implementation lead in times being longer. This recognises the amount of savings achieved since 2010 and the fact that decisions on budget savings may become increasingly difficult. It should be noted that this MTFP does not contain any future years where the core funding level of the Council is known, so increasing the degree of uncertainty within the budget assumptions made on high value budgets.</p> <p style="text-align: center;"><b>Assessment: Degree of risk / reserve needed:</b>  <b>Low £2.0m    Medium £3.0m    High £4.0m</b></p> <p style="text-align: center;"><b>Likelihood of risk occurring: Medium</b>  <b>Minimum reserve needed: £3.0m</b></p>
500	500	<p><b>Unforeseen / emergency expenditure</b> – there is a risk that unexpected events may occur which require expenditure to be incurred or income to be foregone that has not been budgeted. Examples might include, adverse weather, flooding, business continuity linked to loss of key service/building (to the extent not covered by insurance)</p> <p style="text-align: center;"><b>Assessment: Degree of risk / reserve needed:</b>  <b>Low £0.5m    Medium £1.0m    High £2m</b></p> <p style="text-align: center;"><b>Likelihood of risk occurring: Low (assuming Bellwin scheme would apply in certain cases)</b>  <b>Minimum reserve needed: £0.5m</b></p>
500	1,000	<p><b>Unbudgeted borrowing costs</b> – there is a risk that unbudgeted in-year financial losses are funded by a reduction in reserves. This may necessitate the Council having to undertake external borrowing at a time when interest rates are rising (as the Council cannot borrow internally). The interest cost of a £20m loan at 5% would be £1m per annum.</p> <p style="text-align: center;"><b>Assessment: Degree of risk / reserve needed:</b>  <b>Low £500k    Medium £1m    High £2m</b></p> <p style="text-align: center;"><b>Likelihood of risk occurring: Low</b>  <b>Minimum reserve needed: £0.5m</b></p>



## Appendix H

Minimum £000	Desirable £000	Area of expenditure / Explanation of risk / Justification for Reserves
1,000	1,000	<p><b>Delay in repayment or default on loans made by the Council or having to set aside additional sums for the provision for bad debts</b> – there is a risk on loans made by the Council to third party organisations potentially resulting in the need to write off the loans, or to agree to extend loan repayment periods, with a resulting cashflow cost of the need to reassess bad debt provisions for services provided.</p> <p style="text-align: center;"><b>Assessment: Degree of risk / reserve needed:</b> Low £500k    Medium £1m    High £2m</p> <p style="text-align: center;"><b>Likelihood of risk occurring: Medium</b> <b>Minimum reserve needed: £1m</b></p>
1,500	1,500	<p><b>Changes in fair value of Council long-term investments</b> – there is a risk that the deterioration in the capital value of the Council's investments (in the CCLA) that, without the statutory override, would otherwise have to be charged to the Council's revenue account. The cost on the initial investment was £10m. The draft financial settlement for 25/26 suggested that the statutory override would be removed.</p> <p style="text-align: center;"><b>Assessment: Degree of risk / reserve needed:</b> Low £0    Medium £1.0m    High £1.5m</p> <p style="text-align: center;"><b>Likelihood of risk occurring: High</b> <b>Minimum reserve needed: £1.5m</b></p>
0	5,000	<p><b>Safety Valve Programme</b> – there is a risk that if the savings on the High Needs Budget are not achieved in line with the requirements of the Safety Valve Agreement, it may be withdrawn and once the statutory override allowing Councils to carry the High Needs Budget deficit on the Balance Sheet (rather than charge it to revenue) expires, the Council will have to fund it. Depending on the scale of the deficit at the time, it would likely result in a s114 notice.</p> <p style="text-align: center;"><b>Assessment: Degree of risk / reserve needed:</b> Low £0m    Medium £5m    High £10m</p> <p style="text-align: center;"><b>Likelihood of risk occurring: Low</b> <b>Minimum reserve needed: £0m</b></p>
0	0	<p><b>Receipt of Capital Resources/ Capital Plan Funding</b> – the overall capital programme assumes a level of income from asset disposals / grants – as the timing of these can sometimes be uncertain it is sometimes considered prudent to set provision aside for additional revenue to help offset any shortfall if expenditure cannot be delayed.</p> <p>The current Capital Strategy reflects substantial levels of capital receipts each year to fund the capital programme (2024/25: £10.0m, 2025/26: £11.0m, 2026/27: £12.6m; 2027/28: £4.3m; 2028/29: £7.3m). Further borrowing or revenue contributions could be required in lieu of capital receipts being realised (unless other funding sources can be found or expenditure delayed), with the risk that further borrowing is not prudent, sustainable or affordable as required by the Prudential Code.</p> <p style="text-align: center;"><b>Assessment: Degree of risk / reserve needed:</b> Low £0k    Medium £1.0m    High £2.0m</p> <p style="text-align: center;"><b>Likelihood of risk occurring: Low</b> <b>Minimum reserve needed: £0k</b></p>

## Appendix H

Minimum £000	Desirable £000	Area of expenditure / Explanation of risk / Justification for Reserves
0	0	<p><b>VAT- Partial Exemption</b> – If the PE limits are breached there is a risk that c£3m could be potentially lost (based on £60m input tax in 2023/24 &amp; a 5% PE limit). Anything above that would depend on the VAT incurred on the project(s) that was the cause of the partial exemption breach. There is the possibility a breach could be managed through HMRC’s averaging rules which looks at partial exemption over 7 years (which can be a combination of actual and forecast) – if the average over 7 years is less than 5%, repayment to HMRC is not required.</p> <p style="text-align: center;"><b>Assessment: Degree of risk / reserve needed:</b>  <b>Low £0m    Medium £0m    High £3m</b></p> <p style="text-align: center;"><b>Likelihood of risk occurring: Low</b>  <b>Minimum reserve needed: £0m</b></p>
1,300	2,500	<p><b>Collection Fund –</b>            Business Rates: Given the volatility inherent in the current rates retention system and the regime’s imminent overhaul, it is considered prudent to set aside a level of funding within the working balance to help manage the associated risks.            Taking into account Collection Fund monitoring to date, the provisions made to cover the risk of appeals and bad debts and an amount held for the volatility in Business Rates, it is proposed to set aside a minimum amount for 2025/26. A 1% reduction in collection equates to c £0.5m for Business Rates.</p> <p>Council Tax: alongside potential shortfalls in new build projections in the Council Tax base there is an increased risk of bad debts as a consequence of the ongoing cost of living crisis. A 1% reduction in collection equates to c £2.1m.</p> <p style="text-align: center;"><b>Assessment: Degree of risk / reserve needed:</b>  <b>Low £1.3m    Medium £2.5m    High £3.9m</b></p> <p style="text-align: center;"><b>Likelihood of risk occurring: Low</b>  <b>Minimum reserve needed: £1.3m</b></p>
16,000	29,000	<b>Total</b>

**Introduction**

This capital strategy report gives a high-level overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of local public services along with an overview of how associated risk is managed and the implications for future financial sustainability.

Decisions made on capital and treasury management can have financial consequences many years into the future. They are therefore subject to both a national regulatory framework and to local policy framework, summarised in this report.

**Capital Expenditure and Financing**

Capital expenditure is money spent on assets, such as property or vehicles that will be used for more than one year. In local government this can include spending on assets owned by other bodies, and loans and grants to other bodies enabling them to buy assets.

Over the period 2024/25 to 2031/32, the Council is planning capital expenditure of £1,418.1 million as summarised below:

**Prudential Indicator: Estimates of Capital Expenditure across years**

	2023/24 actual £m	2024/25 forecast £m	2025/26 budget £m	2026/27 budget £m	2027/28 budget £m	2028/29 budget £m	2029/30- 2031/32 budget £m	2024/25- 2031/32 Total £m
General Fund services	111.1	157.3	314.2	212.6	102.5	101.3	146.2	1034.1
Capital Investments	5.6	2.0	0.0	0.0	0.0	0.0	0.0	2.0
<b>Total General Fund</b>	<b>116.7</b>	<b>159.3</b>	<b>314.2</b>	<b>212.6</b>	<b>102.5</b>	<b>101.3</b>	<b>146.2</b>	<b>1036.1</b>
Council Housing (HRA)	31.6	43.2	47.6	71.1	63.0	50.8	106.3	382.0
<b>TOTAL</b>	<b>148.3</b>	<b>202.5</b>	<b>361.8</b>	<b>283.7</b>	<b>165.5</b>	<b>152.1</b>	<b>252.5</b>	<b>1418.1</b>

The Housing Revenue Account (HRA) is a ring-fenced account which ensures that Council housing does not subsidise, or is itself subsidised, by other local services paid for from the general fund. HRA capital expenditure is therefore recorded and funded separately.

Capital investments include loans and shares made for service purposes in line with the definition in the CIPFA Treasury Management Code.

**Governance:** The Council's annual planning cycle fully integrates the timetabling and consideration of revenue and capital resource requirements over the Council's medium term financial plan. This includes provision for Strategic Directors to reassess capital priorities in line with the new Council Plan. Any bids for the addition of projects to the Capital Plan will be collated by corporate finance, who will advise Strategic Directors on both the financing costs (which can be nil if the project is fully externally financed) and service revenue implications, which if approved are required to be reflected in the Council's MTFP.

The Capital Assurance Board is the Officer oversight on the Capital Plan. The Board is chaired by the S151 Officer and is supported by service directors across the four directorates. Capital Assurance Board meets on a regular basis throughout the year to provide a check and challenge on progress on all approved schemes. Reprofiling occurs on

an ongoing basis to ensure the latest cost of capital financing is included in the Council's revenue monitoring report.

The Board also appraises new business cases based on a number of criteria including how cases contribute to the achievement of priority outcomes, deliver ongoing revenue savings, meet health and safety obligations and the overall availability of funding. The Board makes recommendations to Executive Team.

There are a number of sub-officer groups with relevant specialist expertise that are also involved in shaping capital proposals for submission to the Capital Assurance Board. These include the children's capital board, the adult's capital delivery and oversight board, the major projects board and the town centre programme board.

The final multi-year capital plan is then considered as part of the budget proposals published at Cabinet in December. Full details of the Council's multi-year capital plan is set out in the Council's Annual budget report.

Council Financial Procedure Rules also set out the specific financial governance requirements relating to Capital expenditure. This includes the requirement for any schemes approved by Council at Programme level, to be considered subsequently for Cabinet approval through submission of a more detailed report or business case as required.

All capital expenditure must be financed, either from external sources (government grants and other contributions), the Council's own resources (revenue contributions, reserves and capital receipts) or debt (borrowing, leasing and Private Finance Initiative). The planned financing of the above expenditure is as follows:

Capital financing

	2023/24 actual £m	2024/25 forecast £m	2025/26 budget £m	2026/27 budget £m	2027/28 budget £m	2028/29 budget £m	2029/30- 2031/32 budget £m	2024/25- 2031/32 Total £m
<b>General Fund</b>								
Grants & Contributions	60.1	104.5	166.1	53.5	48.5	47.6	28.8	449.0
Capital receipts	8.4	10.0	11.0	12.6	4.4	7.4	7.4	52.8
Revenue resources	0.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Borrowing	47.9	44.8	137.1	146.5	49.6	46.3	110.0	534.3
<b>Total General Fund</b>	<b>116.7</b>	<b>159.3</b>	<b>314.2</b>	<b>212.6</b>	<b>102.5</b>	<b>101.3</b>	<b>146.2</b>	<b>1036.1</b>
<b>Council Housing (HRA)</b>								
Grants & Contributions	3.9	1.6	1.3	9.9	7.6	0.9	0.7	22.0
Capital receipts	3.2	5.4	3.2	0.4	1.6	6.5	4.6	21.7
Revenue resources	24.5	36.2	32.9	26.7	30.9	25.1	75.8	227.6
Borrowing	0.0	0.0	10.2	34.1	22.9	18.3	25.2	110.7
<b>Total Council Housing (HRA)</b>	<b>31.6</b>	<b>43.2</b>	<b>47.6</b>	<b>71.1</b>	<b>63.0</b>	<b>50.8</b>	<b>106.3</b>	<b>382.0</b>
<b>TOTAL</b>	<b>148.3</b>	<b>202.5</b>	<b>361.8</b>	<b>283.7</b>	<b>165.5</b>	<b>152.1</b>	<b>252.5</b>	<b>1418.1</b>

Borrowing is only a temporary source of finance, since loans and leases must be repaid, and this is therefore replaced over time by other financing, usually from revenue which is known as minimum revenue provision (MRP). The Council's minimum revenue provision (MRP) policy is set out in the Council's Treasury Management Strategy which is appended at Appendix J to the Council's Annual budget report.

Alternatively, proceeds from selling capital assets (known as capital receipts) or loan fund repayments may be used to replace debt finance. Planned MRP and use of capital receipts are as follows:

Replacement of prior years' debt finance

	<b>2023/24 actual £m</b>	<b>2024/25 forecast £m</b>	<b>2025/26 budget £m</b>	<b>2026/27 budget £m</b>	<b>2027/28 budget £m</b>
Minimum Revenue Provision (MRP) (underlying cost)	9.0	10.7	11.9	14.3	17.8
Minimum Revenue Provision (MRP) (unwind of over-provision)	(9.0)	(4.0)	0.0	0.0	0.0
Capital receipts - loan repayments	0.9	1.2	1.4	1.4	1.5
<b>TOTAL</b>	<b>0.9</b>	<b>7.9</b>	<b>13.3</b>	<b>15.7</b>	<b>19.3</b>

The Council's cumulative outstanding amount of debt finance is measured by the capital financing requirement (CFR). This increases with new debt-financed capital expenditure and reduces with MRP, loan repayments and capital receipts used to replace debt. Based on the above figures for expenditure and financing, the Council's estimated CFR is as follows:

Prudential Indicator: Estimates of Capital Financing Requirement

	<b>2023/24 actual £m</b>	<b>2024/25 forecast £m</b>	<b>2025/26 budget £m</b>	<b>2026/27 budget £m</b>	<b>2027/28 budget £m</b>
General Fund CFR- Non PFI	663.2	716.8	848.0	1015.6	1072.6
General Fund CFR- PFI	33.6	36.9	33.9	31.0	27.2
HRA CFR- Non PFI	163.7	159.1	160.1	161.1	162.1
HRA CFR- PFI	40.6	53.1	49.3	45.4	41.2
<b>TOTAL CFR</b>	<b>901.1</b>	<b>956.9</b>	<b>1091.3</b>	<b>1253.1</b>	<b>1303.1</b>
Less: PFI debt liabilities	(74.2)	(89.9)	(83.2)	(76.3)	(68.4)
Less: IFRS 16 debt liabilities	-	(2.8)	(2.8)	(2.8)	(2.8)
Less: Other deferred liabilities	(3.4)	(3.4)	(3.4)	(3.4)	(3.4)
<b>TOTAL Loans CFR</b>	<b>823.5</b>	<b>869.8</b>	<b>1001.9</b>	<b>1170.6</b>	<b>1228.5</b>

**Asset management:** To ensure that capital assets continue to be of long-term use, the Council utilises an electronic database, the 'Council Corporate Asset Management Plan (K2)' which contains detailed information about all of its assets. The Council also has in place a Disposals and Acquisition Policy, which sets out the principals, internal procedures and legal framework for asset disposals, please see the link below:

## Disposals & Acquisitions Policy

Assets which are surplus to requirements are highlighted for potential disposal. These are reviewed at the Asset Governance Board to consider potential alternative corporate use prior to disposal.

**Asset disposals:** When a capital asset is no longer needed, it may be sold so that the proceeds, known as capital receipts, can be spent on new assets or to repay debt. Repayments of capital grants, loans and investments also generate capital receipts for the Council. The Council plans to receive up to £15.4 million each year over the period of the Capital Plan (2025-32) from the sale of assets, this includes both General Fund and HRA assets, including Right To Buy sales. Updates on progress against asset disposal targets will be brought to Cabinet on a regular basis over the period of the Capital Plan. The Council is currently also permitted to spend capital receipts 'flexibly' on service transformation projects. Government guidance covering the use of this power covers the period up to and including 2024/25, and whilst an official announcement is awaited, it is expected that the current capital receipt flexibilities will be extended up to 2030.

## Treasury Management

Treasury management is concerned with keeping sufficient but not excessive cash available to meet the Council's spending needs, while managing the risks involved. Surplus cash is invested until required, while a shortage of cash will be met by borrowing, to avoid excessive credit balances or overdrafts in the bank current account. The Council is typically cash rich in the short-term as revenue income is received before it is spent, but cash poor in the long-term as capital expenditure is incurred before being financed. The revenue cash surpluses are offset against capital cash shortfalls to reduce overall borrowing.

**Borrowing strategy:** The Council's main objectives when borrowing are to achieve a low but certain cost of finance while retaining flexibility should plans change in future. The Council's strategic approach over the last few years has been to take a combination of long, medium and short-term borrowing at the best opportunity, to ensure a balanced risk approach. The Council does not borrow to invest for the primary purpose of financial return and therefore retains full access to the Public Works Loan Board.

Projected levels of the Council's total outstanding debt (which comprises borrowing, PFI liabilities, leases and transferred debt) are shown below, compared with the capital financing requirement (see above).

### Prudential Indicator: Gross Debt and the Capital Financing Requirement

	2023/24 actual £m	2024/25 forecast £m	2025/26 budget £m	2026/27 budget £m	2027/28 budget £m
Debt (incl. PFI & leases)	784.9	887.0	1015.2	1176.1	1226.1
Capital Financing Requirement	901.1	965.9	1091.3	1253.1	1303.1

Statutory guidance is that debt should remain below the capital financing requirement, except in the short-term. As can be seen from the table above, the Council expects to comply with this in the medium term.

**Liability benchmark:** To compare the Council's actual borrowing against an alternative strategy, a liability benchmark has been calculated showing the lowest risk level of borrowing. This assumes that cash and investment balances are kept to a minimum level of £30 million at each year-end. This benchmark is currently forecast at £793.7 million and is projected to rise to £1,154.3 million over the next three years.

Prudential Indicator: Borrowing and the Liability Benchmark

	2023/24 actual	2024/25 forecast £m	2025/26 budget £m	2026/27 budget £m	2027/28 budget £m
Existing borrowing	707.3	726.4	657.6	611.0	567.0
Forecast borrowing	-	763.7	898.6	1066.4	1124.3
Liability benchmark	707.3	793.7	928.6	1096.4	1154.3

The table shows that the Council's current borrowing remains below its liability benchmark. The liability benchmark takes into account any reduction in reserves which is not offset with borrowing.

**Affordable borrowing limit:** The Council is legally obliged to set an affordable borrowing limit (also termed the authorised limit for external debt) each year. In line with statutory guidance, a lower "operational boundary" is also set as a warning level should debt approach the limit

The Operational Boundary is based on the probable external debt during the course of the year. It is not a limit and actual borrowing could vary around this boundary for short times during this year.

Prudential Indicators: Authorised limit and operational boundary for external debt

	2024/25 limit	2025/26 limit	2026/27 limit	2027/28 limit
Authorised limit – borrowing	892.6	1024.7	1193.4	1251.3
Authorised limit – PFI and leases	98.3	91.6	84.7	76.8
<b>Authorised limit – total external debt</b>	<b>990.9</b>	<b>1116.3</b>	<b>1278.1</b>	<b>1328.1</b>
Operational boundary – borrowing	872.6	1004.7	1173.4	1231.3
Operational boundary – PFI and leases	93.3	86.6	79.7	71.8
<b>Operational boundary – Total</b>	<b>965.9</b>	<b>1091.3</b>	<b>1253.1</b>	<b>1303.1</b>

Further details on borrowing are highlighted in the Treasury Management Strategy appended at Appendix J to the Council's annual 2025-27 budget report.

**Treasury investment strategy:** Treasury investments arise from receiving cash before it is paid out again. Investments made for service reasons or for pure financial gain are not generally considered to be part of treasury management.

The Council's policy on treasury investments is to prioritise security and liquidity over yield that is to focus on minimising risk rather than maximising returns. Cash that is likely to be spent in the near term is invested securely, for example with the government, other local authorities or selected high-quality banks, to minimise the risk of loss. Money that will be held for longer terms is invested more widely, including in bonds, shares and property, to balance the risk of loss against the risk of receiving returns below inflation. Both near-term and longer-term investments may be held in pooled funds, where an external fund manager makes decisions on which particular investments to buy and the Council may request its money back at short notice.

### Treasury management investments

	2023/24 actual £m	2024/25 forecast £m	2025/26 budget £m	2026/27 budget £m	2027/28 budget £m
Near-term investments	28.9	20.0	20.0	20.0	20.0
Longer-term investments	10.0	10.0	10.0	10.0	10.0
<b>TOTAL</b>	<b>38.9</b>	<b>30.0</b>	<b>30.0</b>	<b>30.0</b>	<b>30.0</b>

Further details on treasury investments are highlighted in the Treasury Management Strategy appended at Appendix J to the Council's annual budget report.

**Risk management:** The effective management and control of risk are prime objectives of the Council's treasury management activities. The treasury management strategy therefore sets out various indicators and limits to constrain the risk of unexpected losses and details to which financial derivatives may be used to manage treasury risks.

**Governance:** Decisions on treasury management investment and borrowing are made daily and are therefore delegated to the Service Director Finance and staff, who must act in line with the treasury management strategy approved by Council/Corporate Governance and Audit Committee. Reports on treasury management activity are presented every 6 months to Council/ Corporate Governance and Audit Committee. The Corporate Governance and Audit Committee is responsible for scrutinising treasury management decisions.

### Investments for Service Purposes

The Council makes investments to assist local public services, including making loans to a variety of organisations, mainly local businesses, the local education college and local residents to support local public services and stimulate local economic growth.

**Risk management:** In light of the public service objective, the Council is willing to take more risk than with treasury investments, however it still plans for such investments to break even after all costs. The risk of incurring unexpected losses is managed by continued oversight and involvement in the strategic and operational aspects of the business and participation in decision making.

**Governance:** Decisions on service investments are made by the Strategic Director - Growth and Regeneration, in consultation with the Service Director Finance, and must meet the criteria and limits laid down in the Investment Strategy. Most loans and shares are capital expenditure and purchases will therefore also be approved as part of the capital programme. The Service Director – Growth and Regeneration is responsible for ensuring that adequate due diligence is carried out before investment is made.

Further details on service investments are shown in the Investment Strategy appended to the Treasury Management Strategy (Appendix J in the Council's annual budget report).



## **Commercial Activities**

The Council invests in local commercial property such as retail town centre shops and buildings with the intention of making a profit that will be spent on local public services. Total commercial property investments are valued at £20.3 million. The Council's current commercial asset portfolio held for investment purposes is largely a historical portfolio, and it is not the Council's intention to invest in any new commercial portfolio investments at this time. If any new investments are identified a risk assessment would be performed.

**Risk management:** With financial return being the main objective, the Council accepts higher risk on commercial investments than with treasury investments. The principal risk exposures include a fall in capital value and reduction in rentals. These risks are managed by monitoring and annual reviews as part of the Council's wider asset strategy including potential future appreciation and potential receipt value.

**Governance:** Decisions on commercial investments are made by The Service Director – Growth and Regeneration in line with the criteria and limits approved by Council in the Investment Strategy. Property and most other commercial investments are also capital expenditure and purchases will therefore be approved as part of the capital programme. It is not the Council's intention to invest in any new commercial portfolio investments at this time. If any new investments are identified a risk assessment would be performed. The Strategic Director – Place is responsible for ensuring that adequate due diligence is carried out before the investment is made.

Further details on commercial investments are shown in the Investment Strategy appended to the Treasury Management Strategy (Appendix J in the Council's annual budget report).

**Prudential Indicator: Net income from commercial and service investments to net revenue stream**

	<b>2023/24 actual</b>	<b>2024/25 forecast</b>	<b>2025/26 budget</b>	<b>2026/27 budget</b>	<b>2027/28 budget</b>
Total net income from service and commercial investments (£m)	(1.4)	(1.6)	(2.0)	(2.0)	(2.0)
Proportion of net revenue stream	(0.4%)	(0.4%)	(0.5%)	(0.5%)	(0.5%)

## **Revenue Budget Implications**

Although capital expenditure is not charged directly to the revenue budget, interest payable on loans and MRP repayments are charged to revenue. The net annual charge is known as financing costs; this is compared to the net revenue stream i.e. the amount funded from Council Tax, business rates and general government grants.

*Prudential Indicator: Proportion of financing costs to net revenue stream*

	2023/24 actual	2024/25 forecast	2025/26 budget	2026/27 budget	2027/28 budget	2028/29 budget	2029/30 budget
Financing costs (£m)	21.4	33.9	44.3	52.9	60.2	63.4	67.4
Financing costs without reduced MRP (£m)	36.9	37.9	44.3	52.9	60.2	63.4	67.4
Proportion of net revenue stream	11.6%	10.1%	11.1%	12.7%	13.8%	13.9%	14.2%
General Fund (excl PFI)	10.7%	9.0%	10.2%	11.8%	12.9%	13.0%	13.0%
HRA	35.9%	31.6%	31.2%	31.5%	31.6%	31.8%	32.4%
HRA (excl PFI)	35.5%	31.1%	30.9%	31.4%	31.8%	32.1%	32.7%

Further details on the revenue implications of capital expenditure are detailed in the Council's annual budget report.

**Sustainability:** Due to the very long-term nature of capital expenditure and financing, the revenue budget implications of expenditure incurred in the next few years will extend for up to 50 years into the future. The Service Director Finance and Council s151 Officer has to be satisfied that the proposed multi-year capital plan and borrowing affordability remains prudent, affordable and sustainable. The Council capital plan continues to reflect the Administration's continuing key priorities to protect our most vulnerable, including sufficiency growth within District, and longer term economic growth & regeneration ambition across the Districts places and major town centres. The borrowing proposals are significant over the longer term, and at the same time the financial challenges facing the Council are also significant over the short to medium term, and also in a current wider economic environment where Bank of England base rates, which impact on new borrowing costs, are 4.75% (as at January 2025) and expected to gradually fall to 3.75% by March 2026 based on advice from the Council's Treasury advisors. In this context, 'affordability' has become an increasingly significant risk as well from just 12 months ago. The overall capital plan has been reviewed and re-phased with enhanced future flexibility, and the expectation is that in order for the overall capital plan to remain affordable, the Council will deliver, year on year, on its approved medium term financial strategies and plans including sustainable revenue savings requirements, within available means. The context for this current judgement is also reflected in the s151 Officer's statutory Positive Assurance statement as part of the annual budget report.

### **Liabilities**

In addition to debt detailed above the Council is committed to making future payments to cover its PFI finance lease obligation (total liability of all schemes £74.2 million, offset by a net book value of assets of £80.4 million). It has also set aside provisions of £12.5 million to cover risks associated with Business Rates Appeals and the Council's Insurance Fund. The Council is also at risk of having to pay for a number of contingent liabilities (which are separately disclosed each year in the Statement of Accounts) and is satisfied that any potential future liabilities are covered as part of its overall financial resilience reserves.

**Governance:** Decisions on incurring new discretionary liabilities are taken by Strategic Directors in consultation with the Service Director Finance and in conjunction with the Council's Financial Procedure Rules. The risk of liabilities crystallising and requiring payment is monitored by central finance and any new liabilities would be reported appropriately.

### **Knowledge and Skills**

The Council employs professionally qualified and experienced staff in senior positions with responsibility for making capital expenditure, borrowing and investment decisions. For example, the Service Director – Finance is a qualified accountant with extensive local government experience, the Strategic Director – Place has experience of major Council regeneration schemes and partnerships with major business and third party partners, as do key Service Directors. The Council pays for junior staff to study towards relevant professional qualifications including CIPFA, ACA and AAT.

Where Council staff do not have the knowledge and skills required, use is made of external advisers and consultants that are specialists in their field. The Council currently employs Arlingclose Limited as treasury management advisers. This approach is more cost effective than employing such staff directly and ensures that the Council has access to knowledge and skills commensurate with its risk appetite.


**Report title:** Treasury Management Strategy and Investment Strategy 2025/26

<b>Meeting:</b>	<b>Corporate Governance and Audit Committee</b>
<b>Date:</b>	<b>31 January 2025</b>
<b>Cabinet Member (if applicable)</b>	<b>Councillor Graham Turner</b>
<b>Key Decision Eligible for Call In</b>	<b>Yes No</b>
<p><b>Purpose of Report</b> Under the CIPFA Code of Practice on Treasury Management (2021) and accompanying Prudential Code 2021 the Council must present a Treasury Management Strategy at the start of each financial year. Alongside the Treasury Management Strategy, the Annual Investment Strategy must also be approved by Council.</p>	
<p><b>Recommendations</b></p> <p>That Corporate Governance &amp; Audit Committee recommend the following for consideration by Cabinet and then approval by full Council:</p> <ul style="list-style-type: none"> <li>• the treasury management strategy incorporating: the borrowing strategy outlined in paragraphs 2.16 to 2.29;</li> <li>• the investment strategy (treasury management investments) outlined in paragraphs 2.30 to 2.38 and Appendices A and B;</li> <li>• to note the policy for provision of repayment of debt (Minimum Revenue Provision) outlined in paragraphs 2.39 to 2.40 and at Appendix C;</li> <li>• the treasury management prudential indicators in Appendix D; and</li> <li>• the investment strategy (non-treasury investments) at Appendix F.</li> </ul> <p><b>Reasons for Recommendations</b></p> <ul style="list-style-type: none"> <li>• Section 151 of the Local Government Act 1972 requires the Council to make arrangements for the proper administration of its financial affairs.</li> <li>• The Council must have regard to the CIPFA Treasury Management Code of Practice on Treasury Management and the Prudential Code for Capital Finance in Local Authorities (the Prudential Code) 2021 and the Statutory guidance on Local government Investments (2018) when performing its duties under Part 1 of the Local Government Act 2003 and the Local Authorities (Capital Finance and Accounting) (England) Regulations 2003 (as amended).</li> </ul>	

<b>Resource Implications:</b> The revenue implications of the strategies outlined have been reflected in the Council's annual budget report to be presented to Council in March 2025.	
<b>Date signed off by <u>Strategic Director</u> &amp; name</b>	<b>N/A</b>
<b>Is it also signed off by the Service Director for Finance?</b>	<b>Kevin Mulvaney – 20/01/2025</b>
<b>Is it also signed off by the Service Director for Legal Governance and Commissioning?</b>	<b>Sam Lawton –20/01/2025</b>

**Electoral wards affected:** All

**Ward Councillors consulted:** N/A

**Public or private:** Public

**Have you considered GDPR:** Yes – there is no personal data within the budget details and calculations set out in this report and accompanying Appendices

## **1 Executive Summary**

- 1.1 Treasury risk management at the Council is conducted within the framework of the Chartered Institute of Public Finance and Accountancy's Treasury Management in the Public Services: Code of Practice 2021 Edition (the CIPFA Code) which requires the Council to approve a treasury management strategy before the start of each financial year. This report fulfils the Council's legal obligation under the Local Government Act 2003 to have regard to the CIPFA Code. Investments held for service purposes or for commercial profit are considered in a different report, the Investment Strategy. This is attached at Appendix F.
- 1.2 Cabinet is responsible for the implementation and monitoring of the treasury management policies. The Corporate Governance and Audit Committee undertake a scrutiny role with regard to treasury management. The last training for members of this Committee was provided in January 2024 by the Council's treasury management advisors/consultants, Arlingclose. Further training is confirmed for January 2025.
- 1.3 This report will:
  - (i) outline the outlook for interest rates and credit risk, and in light of this, recommend an investment strategy (Treasury Management Investments) for the Council to follow in 2025/26;

- (ii) outline the current and estimated future levels of Council borrowing and recommend a borrowing strategy for 2025/26;
- (iii) review the methodologies adopted for providing for the repayment of debt and recommend a policy for calculating the Minimum Revenue Provision (MRP);
- (iv) review other treasury management matters including the policy on the use of financial derivatives, prudential indicators, the use of consultants, and the policy on charging interest to the Housing Revenue Account;
- (v) recommend an annual Investment Strategy (Non-Treasury Investments) for the Council in 2025/26.

## 2 Information required to take a decision

The following paragraphs 2.1 to 2.7 have been provided by our Treasury Management external advisors, Arlingclose:

### Economic Background

- 2.1 The impact on the UK from the government's Autumn Budget, slower interest rate cuts, modestly weaker economic growth over the medium term, together with the impact from President-elect Trump's second term in office and uncertainties around US domestic and foreign policy, will be major influences on the Authority's treasury management strategy for 2025/26.
- 2.2 The Bank of England's (BoE) Monetary Policy Committee (MPC) held Bank Rate at its December 2024 meeting, six Committee members voted to maintain Bank Rate at 4.75%, while three members preferred to reduce it to 4.5%. Members will recall that interest rates peaked at 5.25% during 2024/25.
- 2.3 The November quarterly Monetary Policy Report (MPR) expected Gross Domestic Product (GDP) growth to pick up to around 1.75% (four-quarter GDP) in the early period of the BoE's forecast horizon before falling back. The impact from the Budget pushes GDP higher in 2025 than was expected in the previous MPR, before becoming weaker. Current GDP growth was shown to be zero (0.0%) between July and September 2024 and 0.4% between April and June 2024, a further downward revision from the 0.5% rate previously reported by the Office for National Statistics (ONS).
- 2.4 ONS figures reported the annual Consumer Price Index (CPI) inflation rate at 2.6% in November 2024, up from 2.3% in the previous month. Core CPI also rose, but by more than expected, to 3.6% against a forecast of 3.5% and 3.3% in the previous month. The outlook for CPI inflation in the November MPR showed it rising above the MPC's 2% target from 2024 into 2025 and reaching around 2.75% by the middle of calendar year 2025. This represents a modest near-term increase due to the ongoing impacts from higher interest rates, the Autumn Budget, and a projected margin of economic slack. Over the medium-term, once these pressures ease, inflation is expected to stabilise around the 2% target.

- 2.5 The labour market appears to be easing slowly however, but the data still requires treating with some caution. The latest figures reported the unemployment rate rose to 4.3% in the three months to October 2024 and economic inactivity declined. Pay growth for the same period was reported at 5.2% for both regular earnings (excluding bonuses) and total earnings. Looking ahead, the BoE MPR showed the unemployment rate is expected to increase modestly, rising to around 4.5%, the assumed medium-term equilibrium unemployment rate, by the end of the forecast horizon.

### **Interest Rate Forecast**

- 2.6 The Authority's treasury management adviser Arlingclose expects the Bank of England's Monetary Policy Committee will continue reducing Bank Rate throughout 2025, taking it to around 3.75% by the end of the 2025/26 financial year. The effect from the Autumn Budget on economic growth and inflation has reduced previous expectations in terms of the pace of rate cuts as well as pushing up the rate at the end of the loosening cycle.
- 2.7 Arlingclose expects long-term gilt yields to remain broadly at current levels on average (amid continued volatility), but to end the forecast period modestly lower compared to now. Yields will continue to remain relatively higher than in the past, due to quantitative tightening and significant bond supply. As ever, there will be short-term volatility due to economic and (geo)political uncertainty and events.

### **Borrowing and Investments – Local context**

- 2.8 On 31st December 2024 the Council held £746.8 million of borrowing and £36.5 million of treasury investments.
- 2.9 The underlying need to borrow for capital purposes is measured by the Capital Financing Requirement (CFR), while balance sheet resources are the underlying sums available for investments. The Council's current strategy is to maintain borrowing and investments below their underlying levels, known as internal borrowing.
- 2.10 Table 1 below sets out the forecast CFR position for the Council as at 31 March 2025 and estimated CFR and borrowing requirements over the next 3 years. CIPFA's Prudential Code recommends that the Council's total debt should be lower than its highest forecast CFR. Table 1 shows that the Council expects to comply with this recommendation.

Table 1: Balance Sheet Summary and Forecast

	31.03.24 Actual £m	31.03.25 Forecast £m	31.03.26 Estimate £m	31.03.27 Estimate £m	31.03.28 Estimate £m
<b>Capital Financing Requirement</b>	<b>901.1</b>	<b>965.9</b>	<b>1,091.3</b>	<b>1,253.1</b>	<b>1,303.1</b>
Less: PFI liabilities*	74.2	92.7	86.0	79.1	71.2
Less: Other deferred liabilities*	3.4	3.4	3.4	3.4	3.4
<b>Loans CFR</b>	<b>823.5</b>	<b>869.8</b>	<b>1001.9</b>	<b>1170.6</b>	<b>1228.5</b>
Less: External borrowing**	707.3	726.4	657.6	611.0	567.0
<b>Internal (over) borrowing</b>	<b>116.2</b>	<b>143.4</b>	<b>344.3</b>	<b>559.6</b>	<b>661.5</b>
Less: Balance sheet resources	155.1	106.1	103.2	104.2	104.2
<b>New borrowing (Treasury investments)</b>	<b>-38.9</b>	<b>37.3</b>	<b>241.1</b>	<b>455.4</b>	<b>557.4</b>

\* Leases and PFI debt liabilities that form part of the Council's total debt. These figures now include additional debt due to the introduction of IFRS16 leasing standard from 01.04.24.

\*\* Shows only loans to which the Council is committed and excludes optional refinancing.

2.11 There is a marked increase in the CFR due to increases in the capital programme, in particular the Cultural Heart and town centre regeneration programme as part of the Huddersfield Blueprint. The Council will be required to borrow up to £358.7 million to fund the increase in the Loans CFR over the 3 year period from 31 March 2025 to 31 March 2028.

2.12 As Council balance sheet resources are forecast to reduce in line with planned commitments, the use of funding the CFR with internal borrowing will decrease resulting in further external borrowing. The Council is estimated to borrow a total of £557.4 million to fund the CFR along with reduction in reserves, as shown in the table above.

### Liability Benchmark

2.13 To compare the Council's actual borrowing against an alternative strategy, a liability benchmark has been calculated showing the lowest risk level of borrowing. This assumes the same forecasts as Table 1 above, but that cash and investment balances are kept to a minimum level of £30.0 million at each year-end to maintain sufficient liquidity but minimise credit risk.

2.14 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. The liability benchmark itself represents



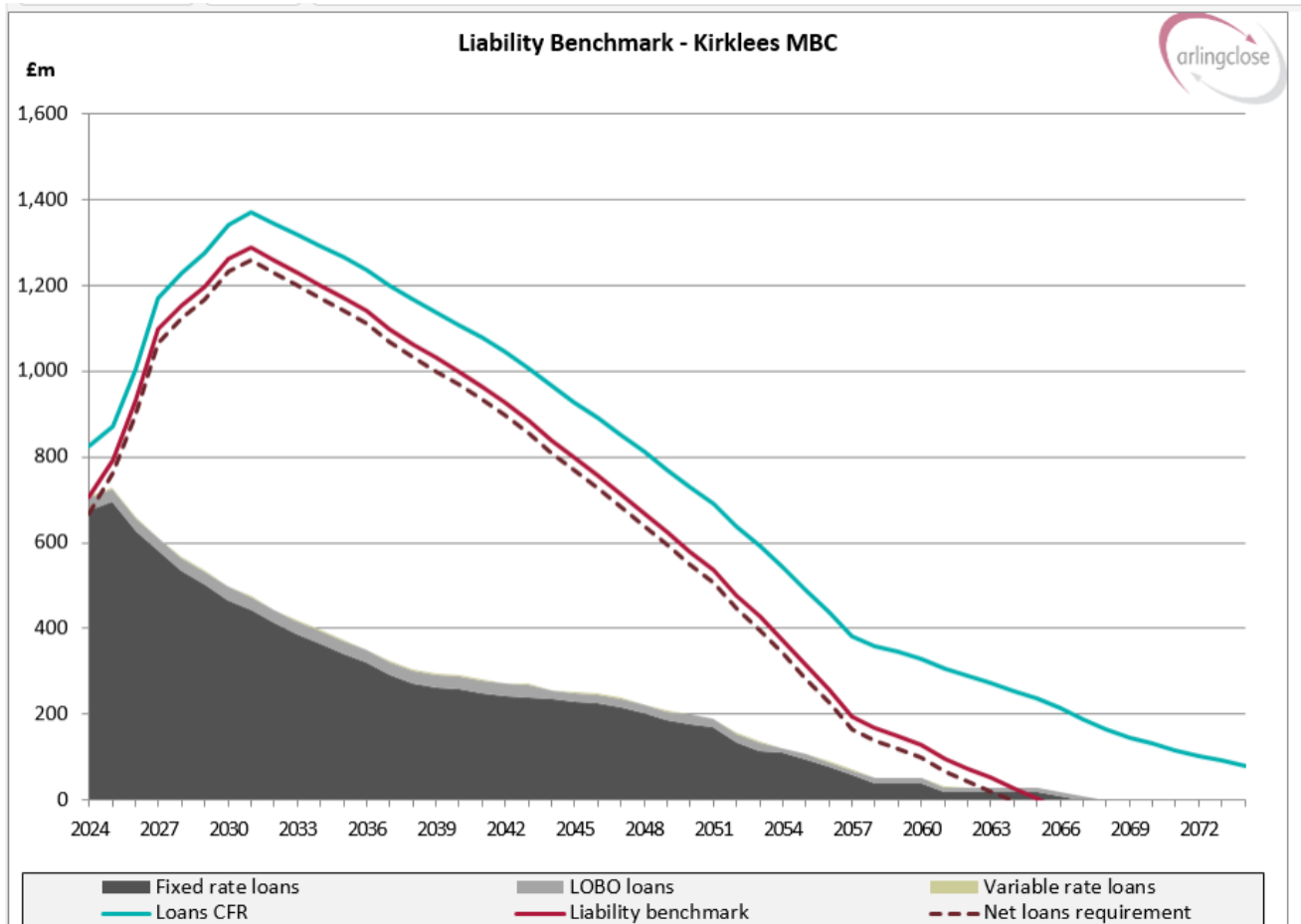
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an estimate of the cumulative amount of external borrowing the Council must hold to fund its current capital and revenue plans while keeping treasury investments at the minimum level required to manage day-to-day cash flow. The liability benchmark estimates the Council will hold £1,154.4 million of borrowing at 31 March 2028.

Table 2: Prudential Indicator: Liability Benchmark

	<b>31.03.24 Actual £m</b>	<b>31.03.25 Estimate £m</b>	<b>31.03.26 Forecast £m</b>	<b>31.03.27 Forecast £m</b>	<b>31.03.28 Forecast £m</b>
Loans CFR	<b>823.5</b>	<b>869.8</b>	<b>1001.9</b>	<b>1170.6</b>	<b>1228.5</b>
Less: Balance sheet resources	155.1	106.1	103.2	104.2	104.2
<b>Net loans requirement</b>	<b>668.4</b>	<b>763.7</b>	<b>898.7</b>	<b>1066.4</b>	<b>1124.4</b>
Plus: Liquidity allowance	38.9	30.0	30.0	30.0	30.0
<b>Liability benchmark</b>	<b>707.3</b>	<b>793.7</b>	<b>928.7</b>	<b>1096.4</b>	<b>1154.4</b>

2.15 The total liability benchmark is shown in the chart below together with the maturity profile of the Council's existing borrowing. The red line is the liability benchmark which reaches a peak in 2031 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.



### Borrowing Strategy

- 2.16 The Council is forecast to hold around £793.7 million of external borrowing at 31 March 2025, an increase of £86.4 million on the previous year, as part of its strategy for funding the capital programmes. Other long-term liabilities forecast of £96.1 million is an increase of £18.5 million on the previous year due to the addition of £23.4 million for the introduction of IFRS16 Leasing standard from 01 April 2024. The balance sheet forecast in table 1 shows the Council expects to borrow up to a further £241.1 million by 2025/26. The Council may also borrow additional sums to pre-fund future years' requirements, providing this does not exceed the authorised limit for borrowing of £1024.7 million for 2025/26.
- 2.17 The Council's chief objective when borrowing money is to strike an appropriately low risk balance between securing low interest costs and achieving certainty of those costs over the period when funds are required. The flexibility to renegotiate loans should the Council's long-term plans change is a secondary objective. The Council is in regular contact with its Treasury advisors who provide appropriate support and advice in delivering this objective.
- 2.18 The Council's borrowing strategy continues to address the key issue of affordability without compromising the longer-term stability of the debt portfolio.

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- 2.19 The Council's strategic approach over the last few years has been to take a combination of long, medium and short-term borrowing to ensure a more balanced risk approach. During the first three quarters of the 24/25 financial year, the Council took £50.0 million of medium-term EIP Borrowing from the PWLB, and £30m of short to medium-term borrowing from other Authorities.
- 2.20 Short-term interest rates are currently higher than in the recent past but are expected to fall slowly in the coming year, and it is therefore likely to be more cost effective over the medium-term to either use internal resources, or to borrow short-term loans instead, which can then be re-financed when rates are lower. The risks of this approach will be managed by keeping the Council's interest rate exposure within the limit set in the treasury management prudential indicators.
- 2.21 However, the Council has a large long-term borrowing requirement which will ultimately require longer term borrowing and therefore the Council will continue to take a combination of short, medium and long-term loans during 2025/26, diversifying the borrowing and maturity structure of the loans.
- 2.22 In addition the Council may borrow short-term loans to cover unplanned cash flow shortages.
- 2.23 The Council currently holds 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 or to repay the loan at no additional cost. With interest rates remaining high, there is a good chance that lenders will exercise their options. If they do, the Council will take the option to repay loans to reduce refinancing risk in later years. Total borrowing via LOBO loans is currently £30.0 million which is 4.0% of debt.
- 2.24 The Council has previously raised most of its long-term borrowing from the PWLB but will consider long-term loans from other sources including banks, pension funds and local authorities, in order to lower interest costs and reduce over-reliance on one source of funding in line with the CIPFA Code. PWLB loans are no longer available to local authorities planning to buy investment assets primarily for yield. The Council intends to avoid this activity in order to retain its access to PWLB loans. The Code allows the Council to borrow for purposes essential to its core aims, such as for housing and regeneration projects, or for treasury management purposes.
- 2.25 The approved sources of borrowing are:
- HM Treasury's PWLB lending facility
  - Any bank or building society authorised to operate in the UK
  - Any other UK public sector body
  - Capital market bond investors
  - UK Municipal Bonds Agency plc and other special purpose companies created to enable local authority bond issues
  - UK public and private sector pension funds
  - National Wealth Fund Ltd (formerly UK Infrastructure Bank Ltd)

- 2.26 The Municipal Bonds Agency established in 2014 by the Local Government Association is an alternative source of borrowing. It issues bonds on the capital markets and lends the proceeds to local authorities. This will be a more complicated source of finance than the PWLB for two reasons: borrowing authorities may be required to provide bond investors with a guarantee to refund their investment in the event that the agency is unable to for any reason; and there will be a lead time of several months between committing to borrow and knowing the interest rate payable. Any decision to borrow from the Agency will therefore be subject of a separate report to full Council.
- 2.27 The Council may arrange forward starting loans, with alternative lenders as these are not available through the PWLB, where the interest rate is fixed in advance, but the cash is received in later years. This would enable certainty of cost to be achieved without suffering a cost of carry in the intervening period.
- 2.28 The PWLB allows authorities to repay loans before maturity and either pay a premium or receive a discount according to a set formula based on current interest rates. The Council may take advantage of this and replace some loans with new loans, or repay loans without replacement, where this is expected to lead to an overall cost saving or a reduction in risk. The rise in interest rates means that more favourable debt rescheduling opportunities should arise.
- 2.29 Borrowing policy and performance are monitored throughout the year and are reported to Members via a Half Yearly Report and also an Outturn Report in line with approved guidance.

### **Treasury Investment Strategy**

- 2.30 The Council holds around £30.0 million of invested funds (including the CCLA property fund), an amount considered to meet the day-to-day cashflow requirements of the Council, and representing income received in advance of expenditure plus balances and reserves held. The Council may hold more than this amount as borrowing is taken at various points throughout the year in order to spread risk resulting in potential higher investment balances. In the past 12 months, the Council's treasury investment balance has ranged between £27.9 million and £107.7 million, and similar levels are expected to be maintained in the forthcoming year.
- 2.31 The CIPFA Code requires the Council to invest its treasury funds prudently, and to have regard to the security and liquidity of its investments before seeking a higher rate of return or yield, minimising the risk of incurring losses from defaults and the risk of receiving unsuitably low investment income. The Council's objective when investing money is to strike an appropriate balance between risk and return. The Council aims to be a responsible investor and will consider environmental, social and governance (ESG) issues when investing.
- 2.32 As demonstrated by the liability benchmark in table 2 above, the Council expects to be a long-term borrower and new treasury investments will therefore be made primarily to manage day-to-day cashflows using short-term low risk instruments.

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The existing portfolio of £10.0 million in the strategic pooled funds will be maintained to diversify risk into different sectors and boost investment income.

- 2.33 Environmental, social and governance (ESG) considerations are increasingly a factor in global investors' decision making, but the framework for evaluating investment opportunities is still developing and therefore the Council's ESG policy does not currently include ESG scoring or other real-time ESG criteria at an individual investment level. When investing in banks and funds, the Council will prioritise banks that are signatories to the UN Principles for Responsible Banking and funds operated by managers that are signatories to the UN Principles for Responsible Investment, the Net Zero Asset Managers Alliance and/or the UK Stewardship Code.
- 2.34 The Council's investment criteria are detailed in Appendix A, maintaining a low risk strategy giving priority to security and liquidity, and as such invest an average of around £20.0 million externally in short-term liquid investments through the money markets. Cash balances may be higher dependent upon at what stage in the year borrowing is taken.
- 2.35 Credit ratings are obtained and monitored by the Council's treasury advisers, who will notify changes in ratings as they occur. The Council uses credit ratings from the three main rating agencies - Fitch, Moody's and Standard & Poor's to assess the risk of investment defaults (Appendix B). The lowest credit rating of an organisation will be used to help determine credit quality. Long term ratings are expressed on a scale from AAA (the highest quality) through to D (indicating default). Ratings of BBB- and above are described as investment grade, while ratings of BB+ and below are described as speculative grade.
- 2.36 Where an entity has its credit rating downgraded so that it fails to meet the approved investment criteria then:
- No new investments will be made,
  - Any existing investments that can be recalled or sold at no cost will be, and
  - Full consideration will be given to the recall or sale of all other existing investments with the affected counterparty.

Where a credit rating agency announces that a rating is on review for possible downgrade ("negative watch") so that it is likely to fall below the required criteria, then only investments that can be withdrawn (on the next working day) will be made with that organisation until the outcome of the review is announced. This policy will not apply to negative outlooks, which indicate a long-term direction of travel rather than an imminent change of rating.

- 2.37 Full regard will be given to other available information on the credit quality of banks and building societies, including credit default swap prices, financial statements and rating agency reports. No investments will be made with an organisation if there are substantive doubts about its credit quality, even though it may meet the approved criteria.
- 2.38 Annual cash flow forecasts are prepared which are continuously updated to determine the maximum period for which funds may prudently be committed.

### **Statement of Policy on the Minimum Revenue Provision (MRP)**

- 2.39 MRP is the statutory requirement for local authorities to set aside some of their revenue resources as provision for reducing the underlying need to borrow (Capital Financing Requirement – CFR), the borrowing taken out in order to finance capital expenditure.
- 2.40 Current DHLUC guidance (MHCLG) recommends that Council's prepare a statement of policy on making MRP in respect of the forthcoming year, with approval by full Council before the start of the financial year. If these proposals subsequently need to be varied, a revised statement should be put to full Council. Appendix C details the Council's policy for the provision of MRP.

### **Policy on the Use of Financial Derivatives**

- 2.41 Local authorities have previously made use of financial derivatives embedded into loans and investments both to reduce interest rate risk (e.g. interest rate collars and forward deals) and to reduce costs or increase income at the expense of greater risk (e.g. LOBO loans and callable deposits). The general power of competence in Section 1 of the Localism Act 2011 removes much of the uncertainty over local authorities' use of standalone financial derivatives.
- 2.42 The Council will only use standalone financial derivatives (such as swaps, forwards, futures and options) where they can be clearly demonstrated to reduce the overall level of financial risks that the Council is exposed.
- 2.43 Additional risks presented, such as credit exposure to derivative counterparties, will be taken into account when determining the overall level of risk. Embedded derivatives will not be subject to this policy, although the risks they present will be managed in line with the overall treasury risk management strategy.
- 2.44 In line with the CIPFA Code, the Council will seek external advice and will consider that advice before entering into financial derivatives to ensure that it fully understands the implications.

### **Treasury Management Prudential Indicators**

- 2.45 The Council is asked to approve certain treasury management prudential indicators, the purpose of which is to contain the activity of the treasury function within certain limits, thereby reducing the risk or likelihood of an adverse movement in interest rates or borrowing decision impacting negatively on the Council's overall financial position. However, if these are set to be too restrictive, they will impair the opportunities to reduce costs. The indicators are set out in Appendix D.

### **Other Matters**

- 2.46 The CIPFA Code also requires the Council to note the following matters each year as part of the treasury management strategy:
- (i) Investment Consultants

The Council's adviser is Arlingclose Limited. The services received include:

- Advice and guidance on relevant policies, strategies and reports;
- Advice on investment and debt management;
- Notification of credit ratings and other information on credit quality;
- Reports on treasury performance;
- Forecasts of interest rates and economic activity; and
- Training courses.

The quality of the service is monitored on a continuous basis by the Council's treasury management team.

(ii) Investment Training

As part of the MiFID II requirements, the needs of the Council's treasury management staff for training in investment management are assessed on a continuous basis. Additionally training requirements are assessed when the responsibilities of individual members of staff change. Staff attend training courses and seminars as appropriate.

(iii) Investment of money borrowed in advance of need

The Council may, from time to time, borrow in advance of need, where this is expected to provide the best long-term value for money. However, as this would involve externally investing such sums until required and thus increasing exposures to both interest rate and principal risks, it is not believed appropriate to undertake such a policy at this time. As noted in 2.30, the Council does invest externally short term when cashflows are positive and to manage unexpected payments.

(iv) Policy on charging interest to the Housing Revenue Account (HRA)

Following the reform of housing finance, the Council is free to adopt its own policy on sharing interest costs and income between General Fund and the HRA. The CIPFA code recommends that authorities state their policy each year in the strategy report.

On 1 April 2012, the Council notionally split each of its existing long-term loans into General Fund and HRA pools. New long-term loans borrowed will be assigned in their entirety to one pool or the other. Differences between the value of the HRA loans pool and the HRA's underlying need to borrow (adjusted for HRA balance sheet resources available for investment) will result in a notional cash balance which may be positive or negative. Interest will be applied to this balance using the Council's average investment rate and adjusted for credit risk.

### 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: N/A

3.7 Legal Implications

3.8 Other (e.g Risk, Integrated Impact Assessment or Human Resources)

The revenue implications of the strategies outlined have been reflected in the Council’s annual budget report.

The Council must have regard to the CIPFA Code of Practice on Treasury Management; the Prudential Code for Capital Finance in Local Authorities (the Prudential Code) 2021 the Local Government Act 2003 and the Local Authorities (Capital Finance and Accounting) (England) Regulations 2003 (as amended).

The Council has the power to borrow under section 1 of the Local Government Act 2003 and the Council has powers to invest under section 12 of the Local Government Act 2003.

**4 Consultation**

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

**5 Engagement**

**6 Options**

**6.1 Options considered**

N/A

**6.2 Reasons for recommended option**

N/A

**7 Next steps and timelines**

The report and recommendations be submitted to Cabinet on 11 February 2025 and Council on 05 March 2025.

Treasury management performance will be monitored and reported to members during the year.

**8 Contact officers**

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

**9 Background Papers and History of Decisions**



CIPFA's Code of Practice on Treasury Management in the Public Services  
CIPFA's Prudential Code for Capital Finance in Local Authorities  
CIPFA's Treasury Management in the Public Services – guidance notes  
Guidance on Local Government Investments (MHCLG 2018)  
The Local Authorities (Capital Finance and Accounting) (England) Regulations  
2003 (Amended 2008); Localism Act 2011.

## 10 Appendices

Appendix A: Investment Policy for 2025/26  
Appendix B: Credit ratings  
Appendix C: Minimum Revenue Provision Policy  
Appendix D: Treasury Management Prudential Indicators  
Appendix E: Glossary of Treasury Terms  
Appendix F: Investment Strategy 2025/26

## 11 Service Director responsible

Kevin Mulvaney            01484 221000

## APPENDIX A

### Investment Policy for 2025/26

#### ***Investment Limits:***

- The Council is able to invest an unlimited amount with the UK Government for up to 6 months.
- The Council is able to invest up to £10.0 million and up to three months with UK banks and building societies with a “high to upper medium grade” credit rating.
- The Council is able to invest up to £10.0 million and up to two months with foreign banks with a “high to upper medium grade” credit rating.
- The Council is able to invest up to £10.0 million and up to three months with individual local authorities.
- The Council is able to invest up to £10.0 million in individual MMFs (instant access or up to 2 day notice). There will be an overall limit of £40.0 million for MMFs (non-

## APPENDIX J

government funds), plus up to £10.0 million invested in a fund backed by government securities.

- The Council is able to invest up to £10.0 million in Local Authority Pooled Investment Funds.

The maximum limits apply to any one counter-party and to a banking group rather than each individual bank within a group.

### **Note:**

The limits set out above exclude any amounts held on the Council's behalf by the Yorkshire Purchasing Organisation (YPO). The YPO (a consortium in which the Council has an interest) invest funds as part of their treasury management processes. For the avoidance of doubt, this element does not form part of the limits set above. For context, the Council's proportion of YPO's maximum investment with any given counterparty is approximately £155k.

### **Liquidity management:**

The Council uses purpose-built cash flow forecasting models to determine the maximum period for which funds may prudently be committed. The forecast is compiled on a prudent basis to minimise the risk of the Council being forced to borrow on unfavourable terms to meet its financial commitments. Limits on long-term investments are set by reference to the Council's medium-term financial plan and cash flow forecast.

## APPENDIX J

	Short-term Credit Ratings / Long-term Credit Ratings			Investment Limits per Counterparty		Counterparties falling into category as at 30 Nov 2024	
	Fitch	Moody's	S & P	£m	Period (2)		
UK Banks / Building Societies (Deposit accounts, fixed term deposits and REPOs)	F1	P-1	A-1	10.0	<3mth	HSBC Lloyds Group Santander UK Barclays	Bank of Scotland Handelsbanken Nationwide BS
	AAA,AA+,AA,AA-,A+,A, A-	Aaa,Aa1,Aa2,Aa3,A1,A2,A3	AAA,AA+,AA,AA-,A+,A,A-				
Foreign Banks (Deposit accounts, fixed term deposits and REPOs)	F1	P-1	A-1	10.0	<2mth	Various	
	AAA,AA+,AA,AA-,A+,A,A-	Aaa,Aa1,Aa2,Aa3,A1,A2,A3	AAA,AA+,AA,AA-,A+,A,A-				
MMF (1)	AAAmmf	Aaa-mf	AAAam	10.0	Instant access/ up to 2 day notice	Aberdeen Deutsche Bank	Aviva Goldman Sachs
UK Government (Fixed term deposits)	-	-	-	Unlimited	<6mth		
UK local authorities (Fixed term deposits) (2)	-	-	-	10.0	<3mth		
Local Authority Pooled Investment Funds	-	-	-	10.0	>6mth		

- (1) Overall limit for investments in MMFs of £50.0 million – the assets the funds invest in are securities and structures secured on government securities  
(2) The investment period begins from the commitment to invest, rather than the date on which funds are paid over.

**Credit ratings**

Moody's		S&P		Fitch				
Long-term	Short-term	Long-term	Short-term	Long-term	Short-term			
Aaa	P-1	AAA	A-1+	AAA	F1+	Prime		
Aa1		AA+		AA+		High grade		
Aa2		AA		AA				
Aa3		AA-		AA-				
A1	P-2	A+	A-1	A+	F1	Upper medium grade		
A2		A		A				
A3		A-		A-				
Baa1	P-3	BBB+	A-2	BBB+	F2	Lower medium grade		
Baa2		BBB		BBB				
Baa3	Not prime	BBB-	A-3	BBB-	F3	Non-investment grade speculative		
Ba1		BB+		B			BB+	
Ba2		BB					BB	
Ba3		BB-					BB-	
B1		B+					B+	Highly speculative
B2		B					B	
B3		B-					B-	
Caa1	Not prime	CCC+	C		CCC	C	Substantial risks	
Caa2		CCC		Extremely speculative				
Caa3		CCC-		In default with little prospect for recovery				
Ca		CC						
		C						
C	D	/	DDD	/	In default			
/			DD					
/								

## **CURRENT MINIMUM REVENUE PROVISION POLICY**

### **1. Background**

- 1.1 Where the Authority funds capital expenditure with debt, it must put aside resources to repay that debt in later years. The amount charged to the revenue budget for the repayment of debt is known as Minimum Revenue Provision (MRP), although there has been no statutory minimum since 2008. The Local Government Act 2003 requires the Authority to have regard to the Ministry of Housing, Communities and Local Government's Guidance on Minimum Revenue Provision (the MHCLG Guidance) most recently issued in April 2024
- 1.2 The broad aim of the MHCLG Guidance is to ensure that capital expenditure is financed over a period that is aligned with that over which the capital expenditure provides benefits. The MHCLG Guidance requires the Authority to approve an Annual MRP Statement each year and provides a number of options for calculating a prudent amount of MRP but does not preclude the use of other appropriate methods. The following statement incorporates options recommended in the Guidance.

### **2 MRP Policy**

- 2.1 MRP is calculated by reference to the capital financing requirement (CFR) which is the total amount of past capital expenditure that has yet to be permanently financed, noting that debt must be repaid and therefore can only be a temporary form of funding. The CFR is calculated from the Authority's balance sheet in accordance with the Chartered Institute of Public Finance and Accountancy's Prudential Code for Capital Expenditure in Local Authorities, 2021 edition. Detail of the Council's current capital financing requirement and future projections are provided in the treasury management strategy report 2025/26 to which this Policy is appended.
- 2.2 For capital expenditure incurred as below:
  - General Fund Supported Borrowing – MRP will be determined by charging the expenditure with regard to the 50 year PWLB annuity rate in 2007/08, the year in which the annuity policy has been applied from and use a 34 year period from 1st April 2023, being the remainder of the 50 year life since 1st April 2007.
  - General Fund Unsupported Borrowing (for expenditure up to 31 March 2023) - MRP will be determined by charging the outstanding historic expenditure based on a single annuity calculation, which combines each historic year on a weighted average life basis.
  - General Fund Unsupported Borrowing (for expenditure from 1 April 2023) – MRP will be determined by charging the expenditure based on the expected average useful life of the relevant assets as the principal repayment on an annuity with an annual interest rate equal to the average relevant PWLB rate for the year of expenditure, starting in the year after the asset becomes operational.
  - HRA Borrowing – Provision to be made for debt repayments equal to its share of any scheduled external debt repayments.

- PFI schemes - Provision to equal the part of the unitary payment that writes down the balance sheet liability, together with amounts relating to lifecycle costs incurred in the year.
- Former Operating Leases (brought onto the balance sheet due to IFRS Leases adoption) - MRP charges will be adjusted so that the overall charge for MRP over the life of the lease reflects the value of the right-of-use asset recognised on transition rather than the liability.

### **3 Capital Loans**

#### **3.1 For capital expenditure incurred on capital loans as below:**

- On loans to third parties which were made primarily for financial return rather than direct service purposes, MRP will be charged in accordance with the policy for the assets funded by the loan, including where appropriate, delaying MRP until the year after the assets become operational. This MRP charge will be reduced by the value any repayments of loan principal received during in the year, with the capital receipts so arising applied to finance the expenditure instead.
- On loans to third parties which were made primarily for service purposes, the Authority will make nil MRP except as detailed below for expected credit losses. Instead, the Authority will apply the capital receipts arising from the repayments of the loan principal to finance the expenditure in the year they are received.
- For capital loans made on or after 7th May 2024 where an expected credit loss is recognised during the year, the MRP charge in respect of the loan will be no lower than the loss recognised. Where expected credit losses are reversed, for example on the eventual repayment of the loan, this will be treated as an overpayment.
- For capital loans made before 7th May 2024 and for loans where expected credit losses are not applicable, where a shortfall in capital receipts is anticipated, MRP will be charged to cover that shortfall over the remaining life of the assets funded by the loan.

### **4 Capital Receipts**

#### **4.1 Proceeds from the sale of capital assets are classed as capital receipts and are typically used to finance new capital expenditure. Where the Authority decides instead to use capital receipts to repay debt and hence reduce the CFR, the calculation of MRP will be adjusted as follows:**

- Capital receipts arising on the repayment of principal on capital loans to third parties will be used to lower the MRP charge in respect of the same loans in the year of receipt, if any.
- Capital receipts arising on the repayment of principal on finance lease receivables will be used to lower the MRP charge in respect of the acquisition of the asset subject to the lease in the year of receipt, if any.
- Capital receipts arising from other assets which form an identified part of the Authority's MRP calculations will be used to reduce the MRP charge in respect of the same assets over their remaining useful lives, starting in the year after the receipt is applied.

## TREASURY MANAGEMENT PRUDENTIAL INDICATORS

### Gross Debt and the Capital Financing Requirement (CFR)

The Code requires that where gross debt is greater than the CFR, the reasons for this should be clearly stated in the annual strategy. This does not apply to this Council as its gross debt will not exceed the CFR over the forecast period (see the 'Gross Debt and the Capital Financing Requirement table within the Capital Strategy).

### Liquidity Exposure

The Authority has adopted a voluntary measure of its exposure to liquidity risk by monitoring the amount of cash available to meet unexpected payments within a rolling three-month period, without additional borrowing.

<b>Liquidity risk indicator</b>	<b>Target</b>
	<b>£m</b>
Total cash available within 3 months	20.0

### Interest Rate Exposure

This indicator is set to control the Authority's exposure to interest rate risk. The upper limits on the one-year revenue impact of a 1% rise or fall in interest rates will be:

<b>Interest rate risk indicator</b>	<b>Target</b>
	<b>£m</b>
Upper limit on one-year revenue impact of a 1% rise in interest rates on borrowing costs	4.4

The impact of a change in interest rates is calculated on the assumption that maturing loans and investments will be replaced at new market rates.

### Maturity Structure of Borrowing

This indicator is designed to prevent the Council having large concentrations of fixed rate debt\* needing to be replaced at times of uncertainty over interest rates. It is recommended that the Council sets upper and lower limits for the maturity structure of its borrowings as follows:

<b>Amount of projected borrowing that is fixed rate maturing in each period as percentage of total projected borrowing that is fixed rate</b>		
	<b>Upper Limit (%)</b>	<b>Lower Limit (%)</b>
Under 12 months	25	0
Between 1 and 2 years	25	0
Between 2 and 5 years	60	0
Between 5 and 10 years	80	0
More than 10 years	100	20

### 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 investments will be:

<b>Price risk indicator</b>	<b>2025/26</b>	<b>2026/27</b>	<b>2027/28</b>	<b>No Fixed Date</b>
	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>
Limit on principal invested beyond year end	0	0	0	10.0

Long-term investments with no fixed maturity date is the Local Authority Property Fund.

## Glossary of Treasury Terms

<b>Authorised Limit</b>	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.
<b>Balances and Reserves</b>	Accumulated sums that are maintained either earmarked for specific future costs or commitments or generally held to meet unforeseen or emergency expenditure.
<b>Bank Rate</b>	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'.
<b>Basis Point</b>	1/100th of 1%, i.e. 0.01%
<b>Bill</b>	A certificate of short-term debt issued by a company, government or other institution, tradable on the financial market
<b>Bond</b>	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.
<b>Capital Expenditure</b>	Expenditure on the acquisition, creation or enhancement of capital assets.
<b>Capital Financing Requirement (CFR)</b>	The Council's underlying need to borrow for capital purposes representing the cumulative capital expenditure of the local authority that has not been financed.
<b>Capital gain or loss</b>	An increase or decrease in the capital value of an investment, for example through movements in its market price.
<b>Capital growth</b>	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).
<b>Capital receipts</b>	Money obtained on the sale of a capital asset.
<b>Certainty Rate</b>	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.
<b>CIPFA</b>	Chartered Institute of Public Finance and Accountancy
<b>Collective Investment Schemes</b>	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.
<b>Corporate Bonds</b>	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.
<b>Corporate Bond Funds</b>	Collective Investment Schemes investing predominantly in bonds issued by companies and supranational organisations.
<b>CPI</b> <i>Also see RPI</i>	Consumer Price Index. (This measure is used as the Bank of England's inflation target.)
<b>Cost of carry</b>	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.
<b>Counterparty List</b>	List of approved financial institutions with which the Council can place investments.
<b>Credit Default Swap (CDS)</b>	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.
<b>Credit Rating</b>	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.



<b>Debt Management Office (DMO)</b>	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.
<b>Diversification / diversified exposure</b>	The spreading of investments among different types of assets or between markets in order to reduce risk.
<b>Derivatives</b>	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'.
<b>ECB</b>	European Central Bank
<b>Fair Value</b>	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.
<b>Federal Reserve</b>	The US central bank. (Often referred to as "the Fed")
<b>Floating Rate Notes</b>	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.
<b>GDP</b>	Gross domestic product – also termed as "growth" in the economy. The value of the national aggregate production of goods and services in the economy.
<b>General Fund</b>	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).
<b>Gilts (UK Govt)</b>	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.
<b>Housing Revenue Account (HRA)</b>	A ring-fenced account of all housing income and expenditure, required by statute.
<b>IFRS</b>	International Financial Reporting Standards.
<b>Income Distribution</b>	The payment made to investors from the income generated by a fund; such a payment can also be referred to as a 'dividend'.
<b>Local Authority Property Fund (LAPF)</b>	A pooled property collective investment scheme for Churches, Charities and Local Authorities. (see Collective Investment Scheme).
<b>Liability Benchmark</b>	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).
<b>LOBOs</b>	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.
<b>Maturity</b>	The date when an investment or borrowing is repaid.
<b>Maturity profile</b>	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.
<b>MiFID II</b>	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.
<b>Minimum Revenue Provision (MRP)</b>	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.

<b>Money Market Funds (MMF)</b>	Pooled funds which invest in a range of short term assets providing high credit quality and high liquidity.
<b>Net Asset Value (NAV)</b>	A fund's net asset value is calculated by taking the current value of the fund's assets and subtracting its liabilities.
<b>Operational Boundary</b>	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.
<b>Pooled funds</b>	See Collective Investment Schemes (above).
<b>Premiums and Discounts</b>	<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>
<b>Private Finance Initiative (PFI)</b>	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.
<b>Investment Property</b>	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.
<b>Prudential Code</b>	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.
<b>Prudential Indicators</b>	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.
<b>PWLB</b>	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.
<b>Revenue Expenditure</b>	Expenditure to meet the continuing cost of delivery of services including salaries and wages, the purchase of materials and capital financing charges.
<b>Risk</b>	<p><b>Credit and counterparty risk</b> 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><b>Liquidity risk</b> 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><b>Refinancing risk</b></p>

	<p>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><b>Interest Rate risk</b> 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><b>Legal risk</b> 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><b>Operational risk</b> 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><b>Market Risk</b> 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>
<b>RPI</b>	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 uprated using the CPI index.
<b>SORP</b>	Statement of Recommended Practice for Accounting (Code of Practice on Local Authority Accounting in the United Kingdom).
<b>Specified Investments</b>	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.
<b>Supported Borrowing</b>	Borrowing for which the costs are supported by the government or third party.
<b>Temporary Borrowing</b>	Borrowing to cover peaks and troughs of cash flow, not to fund spending.
<b>Term Deposits</b>	Deposits of cash with terms attached relating to maturity and rate of return (interest).
<b>Treasury (T) -Bills</b>	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.
<b>Treasury Management Code</b>	CIPFA's Code of Practice for Treasury Management in the Public Services. The current Code is the edition released in 2021.
<b>Treasury Management Practices (TMP)</b>	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.
<b>Unsupported Borrowing</b>	Borrowing which is self-financed by the local authority. This is also sometimes referred to as Prudential Borrowing.
<b>Usable Reserves</b>	Resources available to finance future revenue and capital expenditure.
<b>Variable Net Asset Value (VNAV)</b>	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.
<b>Working Capital</b>	Timing differences between income/expenditure and receipts/payments
<b>Yield</b>	The measure of the return on an investment instrument.

## Investment Strategy 2025/26

### Introduction

The Council invests its money for three broad purposes:

- because it has surplus cash resulting from its day-to-day activities, for example when income is received in advance of expenditure (known as **treasury management investments**),
- to support local public services by lending to or buying shares in other organisations (**service investments**), and
- to earn investment income (known as **commercial investments** where this is the main purpose).

This investment strategy meets the requirements of statutory guidance issued by the government in January 2018 and focuses on the second and third of these categories.

The statutory guidance defines investments as “all of the financial assets of a local authority as well as other non-financial assets that the organisation holds primarily or partially to generate a profit; for example, investment property portfolios.” The Council interprets this to exclude (a) trade receivables which meet the accounting definition of financial assets but are not investments in the everyday sense of the word and (b) property held partially to generate a profit but primarily for the provision of local public services. This aligns the Council’s definition of an investment with that in the 2021 edition of the CIPFA Prudential Code, a more recent piece of statutory guidance.

### Treasury Management Investments

The Council typically receives its income in cash (eg. from taxes and grants) before it pays for its expenditure in cash (eg. through payroll and invoices). It also holds reserves for future expenditure. These activities, plus the timing of borrowing decisions, lead to a cash surplus which is invested in accordance with guidance from the Chartered Institute of Public Finance and Accountancy. The balance of treasury management investments is expected to average £30.0 million with fluctuations between £20.0 million and £80.0 million during the 2025/26 financial year. Cash balances may be higher dependent upon at what stage in the year borrowing is taken.

**Contribution:** The contribution that these investments make to the objectives of the Council is to support effective treasury management activities.

**Further details:** Full details of the Council’s policies and its plan for 2025/26 for treasury management investments are covered in the treasury management strategy report 2025/26 to which this Investment Strategy is appended.

### Service Investments: Loans

**Contribution:** The Council lends money to a variety of organisations, including local businesses, the local education college, and local residents to support local public services and stimulate local economic growth.

The Council provided a loan to Kirklees College to help facilitate a new campus in Huddersfield and the delivery of a successful further education provision for post 16 students and adults across the district.

The Council has also issued a loan to HD1 Living to renovate the building at 103 New Street to become modern student accommodation in the town centre as part of the Huddersfield regeneration plan.

Additionally, the Council has provided a loan to WD Kingsgate to remodel the Kingsgate Shopping Centre to provide a cinema, food and leisure facilities in addition to existing retail units as part of delivering the Blueprint vision.

Smaller loans have also been provided to local residents to be able to provide energy efficient heating within their own homes. The Council is part of the Leeds City Region Investment Fund where all local authorities contribute to the fund which provides individual loans to support infrastructure and construction projects which help deliver economic growth and job creation.

The Council will continue to roll forward from last year’s Investment Strategy, the option to provide financial loans to support 3<sup>rd</sup> sector partners and anchor organisations, along with loans and/or match funding in support of community asset transfers. The Council would underwrite this provision from within the existing earmarked reserves.

**Security:** The main risk when making loans is that the borrower will be unable to repay the principal lent and/or the interest due. Investment Strategy guidance states that to limit this risk and ensure that total Council exposure to loans remains proportionate to the size of the Council, upper limits on the outstanding loans to each category of borrower have to be set and approved annually by Council. The proposed upper limits for Council loans are set out at Table 1 below:

**Table 1: Loans for service purposes in £ millions**

Category of borrower	31.03.2024 actual			2025/26
	Balance owing	Loss allowance	Net figure in accounts	Approved Limit
Further education college	13.3	-0.7	12.6	13.3
Leeds City Region revolving investment fund	3.0	0.0	3.0	3.0
Local businesses and charities	22.5*	-8.4	14.1*	24.5
Local residents	2.1	-0.1	2.0	2.1
<b>TOTAL</b>	<b>41.0</b>	<b>-9.1</b>	<b>31.8</b>	<b>42.9</b>

\* This is made up of numerous investments, the largest of which is £12.2 million towards 103 New Street and £5.5 million relates to Kingsgate.

Accounting standards require the Council to set aside a loss allowance for loans, reflecting the likelihood of non-payment. The figures for loans in the Council’s statement of accounts are shown net of this loss allowance. However, the Council makes every reasonable effort to collect the full sum lent and has appropriate credit control arrangements in place to recover overdue repayments.

**Risk assessment:** The Council assesses the risk of loss before entering into and whilst holding loans. This will include the nature of the market/sector to which the loan relates, and loan security against business/sector assets. The single largest current loan relates to Kirklees College which is a public sector entity and considered to be a viable going concern. The strength of the Council’s partnership with key anchor organisations in the district like the College, and ability to influence,

support and monitor the College’s ongoing financial position, are also key factors, including Council senior finance representation on the College’s finance committee.

Development finance loans such as Property Investment Fund (PIF) will allow the Council to offer loans to development projects which offer significant economic benefits to the Council and the wider Kirklees district.

Any funding offers made will be on the basis that the loan repayments made by the recipient will cover the Council’s financing costs and allow for an appropriate margin on cost of funds reflecting the level of risk involved and consistent with State Aid principles. All funding offers made will be subject to appropriate due diligence, including external specialist advice where appropriate, availability of credit ratings in respect of any potential loanee where appropriate, and loan security arrangements. Each individual loan offer will be the subject of a further Cabinet report.

It would not be the intention for the Council to directly compete with existing providers of investment funding. The Council would only look to invest, at its discretion, when there was a clear and demonstrable added value case to be made in terms of local economic benefits for development finance involvement. In many instances the Council investment would be short term to cover the construction phase of development which is the most critical period for schemes to locate finance that is timely and on reasonable terms.

Once out of the development phase there is sufficient liquidity at an appropriate risk margin in the existing investment markets for schemes to be refinanced at which point the Council investment would be repaid. Any investment from the PIF would be on terms that allowed the Council to fully cover its costs, including the costs of borrowing to fund any advance, and creation of an appropriate risk contingency.

**Service Investments: Shares**

**Contribution:** The Council invests in the shares of local businesses to support local public services and stimulate local economic growth. The main share investment (£0.9 million) is a 9.9% holding in Kirklees School Services Ltd which operates 20 schools on our behalf on a 32 year contract under PFI. The Council also has a 40% shareholding in Kirklees Stadium Development Ltd (£0.1 million) and a 14% holding in QED KMC Holdings Ltd (£0.2 million).

**Security:** One of the risks of investing in shares is that they fall in value meaning that the initial outlay may not be recovered. To limit this risk, upper limits on the sum invested in each category of shares have been set as follows:

**Table 2: Shares held for service purposes in £ millions**

Category of company	31.03.2024 actual			2025/26
	Amounts invested	Gains or losses (-)	Value in accounts	Approved Limit
Local businesses	0.2	0.9	1.1	*0.2

\*Approved limit includes amounts already invested.

**Risk assessment:** The Council entered into these shareholdings for the purposes of participating in the governance and control of organisations that it considered to be important for the purposes of securing economic benefits to the borough. The Council is also the sole client in respect of one of these investments. The Council assessed the risk of participation taking account of the financial and public benefits, including the opportunity to make a potential gain in the event of the business being successful, although this was not the core purpose for initial participation. The Council assesses the

risk of loss before entering into and whilst holding shares by continued oversight and involvement in the strategic and operational aspects of the business, and participation in decision making, although the financial risk of the investment is perhaps lower than the operational and or reputational impacts of any failure by the companies in which the Council holds share based investments.

**Liquidity:** The Council has entered into these shareholdings for the purposes of delivery of its public service and community leadership obligations and the investments are considered to be long term. Viability of the investments in the long term is an important part of the strategy, but as the Councils share ownership and participation is strategic rather than financial the daily or periodic value is of less concern than the overall long-term health of the organisation in which the investment is held.

**Non-specified Investments:** Shares are the only investment type that the Council has identified that meets the definition of a non-specified investment in the government guidance. The limits above on share investments are therefore also the Council's upper limits on non-specified investments. The Council has not adopted any procedures for determining further categories of non-specified investment since none are likely to meet the definition.

### **Commercial Investments: Property**

**Contribution:** The Council invests in local commercial property such as retail town centre shops and buildings with the intention of making a profit that will be spent on local public services.

These assets fall under the definition of Investment Properties in the CIPFA Accounting Code and are valued at fair value in the accounts in accordance with IFRS13. Fair value is when an asset is valued at its highest and best use.

**Table 3: Property held for investment purposes in £ millions**

Property type	Actual	31.03.2024 actual		31.03.2025 expected	
	Purchase cost	Gains or losses (-)	Value in accounts	Gains or losses (-)	Value in accounts
Commercial Property	*See below	-6.4	20.3	0.0	20.3

\*The purchase cost cannot be ascertained as the majority of these assets have been owned by Kirklees for many years and purchased by Huddersfield Corporation during the 1920's from Ramsdens Estate. There is a signed legal document and a 'book of acquisition' which is a hard-backed ledger held in legal services.

**Security:** In accordance with government guidance, the Council considers a property investment to be secure if its accounting valuation is at or higher than its purchase cost including taxes and transaction costs.

A fair value assessment of the Council's investment property portfolio has been made within the past twelve months, and the underlying assets provide security for capital investment. Should the 2024/25 year-end accounts preparation and audit process value these properties below their purchase cost, then an updated investment strategy will be presented to full Council detailing the impact of the loss on the security of investments and any revenue consequences arising therefrom.

At this stage, the George Hotel is considered a regeneration project and not counted as an investment, however once redevelopment work has been completed this will be re-assessed.

**Risk assessment:** The Council's current commercial asset portfolio held for investment purposes is largely a historical portfolio. It is monitored and reviewed annually as part of the Council's wider asset strategy including potential future appreciation and potential receipt value.

It is not the Council's intention to invest in any new commercial portfolio investments at this time. If any new investments are identified a risk assessment would be performed.

**Liquidity:** Compared with other investment types, property is relatively difficult to sell and convert to cash at short notice and can take a considerable period to sell in certain market conditions. To ensure that the invested funds can be accessed when they are needed, for example to repay capital borrowed, 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. Cash flow projections are prepared on a regular and timely basis.

### **Loan Commitments and Financial Guarantees**

Although not strictly counted as investments, since no money has exchanged hands yet, loan commitments and financial guarantees carry similar risks to the Council and are included here for completeness. The Council does not have any loan commitments, however there are some guarantees that the Council holds including a guarantee on outstanding contributions to the Pension Fund in the event of a default by certain bodies and a guarantee to the Homes & Communities Agency (HCA) in the event of a default by Kirklees Community Association (KCA) on the redevelopment of the Fieldhead Estate. The Council also acts as a guarantor to a loan of £0.7 million that KSDL hold in the event of default.

### **Capacity, Skills and Culture**

The Council employs professionally qualified and experienced staff in senior positions with responsibility for making capital expenditure, borrowing and investment decisions. For example, the Service Director - Finance is a qualified accountant with extensive local government experience, the Strategic Director - Place has experience of major Council regeneration schemes and partnerships with major business and third-party partners, as do key Service Directors. The Council pays for staff to study towards relevant professional qualifications including CIPFA, ACA and AAT.

Where Council staff do not have the knowledge and skills required, use is made of external advisers and consultants that are specialists in their field. The Council currently employs Arlingclose Limited as treasury management advisers. This approach is more cost effective than employing such staff directly and ensures that the Council has access to knowledge and skills commensurate with its risk appetite.

Cabinet is responsible for the implementation and monitoring of any investment policy. The Corporate Governance and Audit Committee undertake a scrutiny role with regard to investment. Regular training for members of the Committee is provided by our treasury advisors to enable them to make decisions to ensure accountability and responsibility on investment decisions within the context of the Council's corporate values. Any new investment decisions are also approved at full Council.

### **Investment Indicators**

The Council has set the following quantitative indicators to allow elected members and the public to assess the Council's total risk exposure arising from its investment decisions.



**Total risk exposure:** The first indicator shows the Council's total exposure to potential investment losses. This includes amounts the Council is contractually committed to lend but have yet to be drawn down and guarantees the Council has issued over third-party loans.

**Table 4: Total investment exposure in £ millions**

Total investment exposure	31.03.2024 Actual	31.03.2025 Forecast	31.03.2026 Forecast
Treasury management investments	39.0	30.0	30.0
Service investments: Loans	40.9	42.9	42.9
Service investments: Shares	1.1	1.1	1.1
Commercial investments: Property	20.3	20.3	20.3
<b>TOTAL INVESTMENTS</b>	<b>101.3</b>	<b>94.3</b>	<b>94.3</b>
Commitments to lend	0.0	0.0	0.0
Guarantees issued on loans	0.7	0.7	0.7
<b>TOTAL EXPOSURE</b>	<b>102.0</b>	<b>95.0</b>	<b>95.0</b>

**How investments are funded:** Government guidance is that these indicators should include how investments are funded. Since the Council does not normally associate particular assets with particular liabilities, this guidance is difficult to comply with. However, the following investments could be described as being funded by borrowing. The remainder of the Council's investments are funded by usable reserves and income received in advance of expenditure.

**Table 5: Investments funded by borrowing in £ millions**

Investments funded by borrowing	31.03.2024 Actual	31.03.2025 Forecast	31.03.2026 Forecast
Service investments: Loans	40.9	42.9	42.9

**Rate of return received:** This indicator shows the investment income received less the associated costs, including the cost of borrowing where appropriate, as a proportion of the sum initially invested. Note that due to the complex local government accounting framework, not all recorded gains and losses affect the revenue account in the year they are incurred.

**Table 6: Investment rate of return (net of all costs)**

Investments net rate of return	2023/24 Actual	2024/25 Forecast	2025/26 Forecast
Treasury management investments	5.3%	5.1%	4.4%
Service investments: Loans	-1.0%	-0.3%	0.0%
Service investments: Shares	None	None	None
Commercial investments: Property	-25.9%	5.0%	5.0%



**REPORT TITLE:** Housing Revenue Account (HRA) rent and service charge inflationary uplift report and the HRA Budget

<b>Meeting</b>	Cabinet
<b>Date</b>	10 <sup>th</sup> December 2024
<b>Cabinet Member</b>	Cllr Moses Crook Deputy Leader of the Council, Cabinet Member for Transport and Housing
<b>Key Decision Eligible for Call In</b>	Yes Yes
<p><b>Purpose of Report</b> This report provides the financial context and basis for the annual rent and service charges inflationary uplift as well as for the HRA budget, which will be considered by Cabinet on 10<sup>th</sup> December, and by Council on 5<sup>th</sup> March for approval.</p> <p>This report is for a decision for the annual rent and service charge inflationary uplift for 2025-2026, which will form part of the HRA budget proposals.</p>	
<p><b>Recommendations</b></p> <ul style="list-style-type: none"> <li>To uplift the proposed rents by an average of £2.30 per week (2.7%) and service charges payable by between 0.01p and £0.48 per week (2.7%) for social housing from 1<sup>st</sup> April 2025, which are contained within this report.</li> <li>To introduce a service charge for communal grounds maintenance services capped at £1.00 per week each year until full cost recovery is achieved.</li> <li>That Members approve the charges for Extra Care Services – Intensive Housing Management to be uplifted by between £1.92 and £4.90 (6.7%) and Extra Care Services – Night Care Service to be uplifted by £1.48 per week (6.7%).</li> <li>That Members note the national and local financial challenges outlined as part of the HRA budget proposals for 2025-26.</li> <li>To give delegated authority to the Executive Director of Place in consultation with the Deputy Leader of the Council and Cabinet Member for Transport and Housing to approve the rate for personal charges for Sheltered Heating and District Heating.</li> <li>That the updated Capital Plan for 2024-33, be recommended to Council for approval; Appendix 3</li> <li>That the draft HRA Budget for 2025/26 be recommended to Council for approval; Appendix 2</li> </ul>	
<p><b>Reasons for Recommendations</b></p> <ul style="list-style-type: none"> <li>To maximise rent and service charge income which complies with the requirements of the Local Government and Housing Act 1989 to have a balanced HRA and the Welfare Reform and Work Act 2016 and the rent standard.</li> <li>To propose a balanced HRA revenue and capital budget for 2025-26.</li> <li>To hold reserves at a level which is set at £500 per property at c£10m.</li> </ul>	
<b>Resource Implications</b>	

<p>Date signed off by <u>Executive Director</u> &amp; name</p> <p>Is it also signed off by the Service Director for Finance?</p> <p>Is it also signed off by the Service Director for Legal Governance and Commissioning?</p>	<p>David Shepherd – Executive Director of Place</p> <p>Kevin Mulvaney – Service Director of Finance</p> <p>Samantha Lawton - Service Director of Legal, Governance and Commissioning (Monitoring Officer)</p>
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**Electoral wards affected: All**

**Ward councillors consulted: No**

**Public or private: Public**

**Has GDPR been considered? Yes**

## **1. Executive Summary**

- 1.1 The Council is required to maintain a self-financing Housing Revenue Account (HRA), which is a ring-fenced account separate to the General Fund and is a record of all revenue expenditure and income relating to the authority's own housing stock. It is the responsibility of all councils with an HRA to ensure it sets a balanced budget and make provision for adequate resources to invest in council properties. This is to keep tenants safe and ensure that they are living in properties that meet a decent home standard including energy efficiency which will support tenants with the cost of living. This report sets the provisional budget for 2025-26 for the HRA, details of which are included in the following pages and appendices.
- 1.2 The Council regularly reviews and updates the HRA business plan with the aim to produce a self-financed and balanced budget position over the 30-year plan that delivers the key objectives.
- 1.3 The main source of income for the HRA is from rents and service charges, income from leaseholder service charges and charges paid by tenants for specific services. The income is used to support the management and maintenance of the Council's circa 21,700 housing stock and is reviewed annually and is increased as required within the guidelines agreed by government. This report sets out the approach to the annual rent and service charge inflationary uplift for council tenants for the 2025/26 financial year. The annual proposed uplift to social housing rents and service charges is based on the government formula of CPI + 1% (Consumer Price Index) which was agreed for five years from April 2020 to March 2025 and now extended to 2031 where the CPI rate is taken from September each year. This year the rate of inflation at the end of September 2024 was 1.7% which means a proposed uplift of 2.7%. The Council needs to uplift rents and service charges by this amount to continue to invest in tenants' homes. The Council is also proposing a 6.7% uplift for the extra care - Intensive Housing Management service and night-time security service charges because the costs are linked directly to staffing and the increase for the National Living Wage.

- 1.4 A review of service charges has been carried out because the Council needs to ensure that it recovers income to cover the cost of providing services to tenants and leaseholders.
- 1.5 The Regulator of Social Housing benchmarking data for 2023-24 shows an average weekly social rent across the country of £99.45 and for Yorkshire and Humberside of £84.10. This compares to the average weekly social rent for Kirklees in 2023-24 of £79.20, where Kirklees continues to charge one of the lowest average rents. The Yorkshire and Humberside region reports the lowest average social rent across the country. The average weekly social rent for Kirklees being proposed for 2025-26 is £87.54. (*Local authority registered provider (LARP) social housing stock in England - stock and rents profile 2023/24*)
- 1.6 Where new council housing is being developed for rent there will be the consideration, subject to a business case to charge a social rent/target rent or an affordable rent, which is 80% of the market rental charge. The affordable rent would be less than the agreed local housing allowance and supports the published rent standard. When a property is relet, the tenant will automatically be charged the target rent for that property, plus any relevant service charge unless the property is subject to an affordable rent, in which case the agreed affordable rent will be charged.
- 1.7 The Proposed HRA revenue budget is £110m, where 29% is budgeted to be spent on repairs and maintenance, 28% to be spent on management and community facility costs, 11% to be spent on extra care schemes, 22% to contribute to the cost of capital and major works, 7% for financing costs and 3% for other provisions and taxes.

## **2. Information required to take a decision**

- 2.1 The Council needs to deliver a balanced 30-year business plan. The HRA (Housing Revenue Account) business plan has been modelled based on a number of scenarios and an inflationary uplift of 2.7% is required to be able to fund all its commitments in the capital plan and support a minimum reserve balance of £500 per unit, (2024-25 - £10.865m). A minimum reserve of £500 per unit is considered prudent and provides for unexpected costs or economic shocks.
- 2.2 Following the outcome of the capital review carried out by ARK consultancy, a backlog of works has been identified that will be required to make council homes decent and the current capital plan is forecast to invest £382m up to March 2032 (Appendix 3). The proposed budgets for 2025-26 are as follows:
- 2.3 For the baseline capital budget there is £35.6m made up as follows:
- Planned Maintenance of £20.1m which includes Planned components replacements to circa 4800 properties and includes kitchens, bathrooms, roofs, rewires, doors, boilers and four district heating schemes which will service 154 properties.
  - Building Safety of £10.2m, which includes capital works relating to fire, Asbestos, water hygiene and refurbishment of six storey blocks, low rise blocks and retirement living schemes.
  - Decarbonisation of £1.5m, which is the resource to be used to match fund resources to bring council properties up to an efficiency level C or above and for retrofitting properties.

- For adaptations there is a budget of £3.8m, which relates to works needed to adapt circa 500 properties for tenants with additional needs, including handrails, ramps, and other adaptations.
- 2.4 For Strategic Priorities there is a budget of £12m which is made up as follows:
- Council Housing Building and Housing Growth of £5m, which relates to existing committed schemes on site and in development and buybacks, where we are buying back properties previously sold through the right to buy scheme.
  - New build extra care scheme, Ash view of £0.2m, which is the final balance for the development costs of fifty units completed in November 2024.
  - Remodeling high rise project of £5m (total £57m), which includes works and related costs to Buxton House and Berry Brow.
  - IT system replacement of £1.8m
- 2.5 Most planned and responsive repair works are carried out by the council's in-house property team. Where they do not have the skills or capacity to deliver the works this will be procured externally.
- 2.6 A budget for fuel poverty of £1.5m has been provided, which is hoped to be matched by funding resources accessed through West Yorkshire Combined Authority. We plan to complete EPCs for Fuel Poverty with the aim to increase the efficiency rating of properties to C or above.
- 2.7 An inflationary provision of 3% of staffing costs has been provided for, until the pay award for 2025-26 has been finalised.
- 2.8 Homes and Neighborhoods are implementing a new housing management system (CX) which includes an integrated customer contact and relationship module. This will support the ongoing transformation work, which includes end to end process reviews, a focus on compliance, statutory, legislative, regulatory and a culture review. This will be supported by better insight and data provided by more efficient systems and processes.
- 2.9 Homes and Neighbourhoods revenue management cost budgets have reduced by £2.6m, which relate to a proportion of the costs for the Assets and Development team of £1.9m being capitalised and staffing savings of £570k being proposed.
- 2.10 The proposed budget for repairs and maintenance is £32.3m, which is a net increase of £1.4m. Resources will be set aside to carry out 40% stock condition surveys, for water quality testing and for the increased demand for damp and mould works. There are ongoing savings from no longer requiring a waking watch service at Buxton House and Harold Wilson Court and savings will be achieved from the review of the concierge service and the move to decorating vouchers agreed as part of the lettable standard. This means that savings can be redirected to other planned investment and responsive repairs areas. An inflationary increase of 3% will be applied to works related budgets.
- 2.11 Savings and additional income of circa £3.7m have been proposed for 2025-26, (Appendix 5) which includes a reduction of 12 days in the time it takes to repair and relet a property,

which will reduce the rent lost by £255k, recovery of service charge income of £725k for Grounds Maintenance and £20k for cleaning, which will be eligible for housing benefit or universal credit, recovery of personal charges of District Heating costs of circa £573k and Sheltered Heating charges of £267k and there will be £190k savings proposed from better ways of working.

- 2.12 The Grounds Maintenance service is provided to tenants and leaseholders in Kirklees and costs £1.7m. It is proposed to introduce a service charge increase of a maximum of £1 per week, per year. The summary of charges shows that costs have been divided equally between tenants and leaseholders based on each property they live in, on an estate-by-estate basis. This means that 1,486 will pay nothing, 7,680 will pay less than 50p, 4,261 will pay between 50p and less than £1 and the remaining 6,942 will pay £1. Service standards will be issued, and regular monitoring will take place.
- 2.13 For district heating schemes, meters will be adjusted by the appropriate cost per kwh to match current prices. It is requested that the decision to approve those charges is delegated to the Service Director for Homes and Neighbourhoods along with the Deputy Leader of the Council and Cabinet Member for Transport and Housing.
- 2.14 For Sheltered heating schemes, it is requested that the decision to approve charges is delegated to the Service Director for Homes and Neighbourhoods along with the Deputy Leader of the Council and Cabinet Member for Transport and Housing. Increased charges will be effective from April 2025.
- 2.15 Given the need to invest in Tenant Safety, High Rise remediation and regeneration, meeting the Decent Homes Standard, decarbonising the council's housing stock and building new council homes, there is a requirement to propose a rent and service charge uplift of 2.7% for the financial year 2025-26. The report aims to provide context in terms of the key challenges for the Housing Revenue Account even with the proposed 2.7% rent uplift. The appendix to the report sets out the full schedule of proposed weekly dwelling rent, service and other charge inflationary uplifts to Council tenants for 2025/26, noting that these will be calculated on a basis that matches the billing period to the number of weeks in the year (i.e., 52 weeks for 2025/26) Appendix 1.
- 2.16 For 2025-26 budget purposes there is a net reduction of £253k to rental income. This is because there will be a net reduction of 296 properties where rents will no longer be charged. This is made up of properties at Berry Brow and Sycamore Grange which are planned for demolition in 2025-26 and through the reduction of 140 properties sold through the right to buy with the addition of properties developed or purchased.
- 2.17 The proposed inflationary uplift will mean an average uplift across all tenancies of £2.30 per week, which will be an average uplift of £2.03 per week for a one-bedroom property, £2.41 per week for a two-bed property, £2.71 per week for a three-bedroom property and £2.86 per week for a four plus bedroom property.
- 2.18 There are 72% of council tenants that are currently in receipt of some benefit either Universal Credit or Housing Benefit and so the Council needs to ensure that they consider the impact of the proposed uplift for the 28% of tenants who are not in receipt of any benefits. The council have a dedicated Income Management and Money Advice Team who will work with these tenants to support them with completing claims for benefits and signposting them to other agencies. Tenants can also access Kirklees corporate support. [Local Welfare Provision | Kirklees Council](#)

- 2.19 Where new council housing is being developed for rent, there will be the consideration, subject to a business case to charge a social rent/target rent or an affordable rent. An affordable rent may be charged, which is 80% of the market rental charge and is inclusive of service charges. This is supported by the rent standard published by the regulator of social housing.
- 2.20 There are 46% of tenants that are currently reported as having some arrears of which 65% are in receipt of Universal Credit and so it cannot be guaranteed that payments will be made because the benefit goes direct to the tenant, although claims to have the benefits paid direct to Kirklees can be made if the tenant is reported to have more than eight weeks arrears. There are 46% of tenants who pay by direct debit and 54% who pay by alternative methods of payment. Tenants are encouraged to sign up for direct debit arrangements.
- 2.21 All services are looking to achieve efficiencies to address the cost-of-living inflationary increases and in total savings of £3.7m for 2025-26 have been proposed. These savings have been built into the proposed budget to ensure there is budgetary control and accountability.
- 2.22 The Intensive Housing Management service charge provides a manager presence in the extra care schemes and the provision of a housing related support service to tenants to help them maintain their tenancies. Of the total cost of this service tenants pay for 80% and the charge is eligible for housing benefit. An uplift of 6.7% is proposed because the costs are linked directly to staffing and the increase for the National Living Wage.
- 2.23 There are two service charges which are commissioned by the Council's Adult Social Care. The Night-time Security service charge provides a staff presence in the extra care schemes overnight and to respond to emergency calls made by tenants during the night. The charge that tenants pay for this service amounts to 50% of the total cost and the service charge is eligible for housing benefit. The total cost of this service will increase annually due to an uplift to the National Living Wage. An uplift of 6.7% is proposed because the costs are linked directly to staffing and the increase for the National Living Wage.
- 2.24 The Council assumes a number of properties will be sold through the RTB Scheme, which on average is around 200 properties per annum. The number of sales has reduced over the last two years and for 2025-26 there is an assumption that there will be 140 sales. There has been an increased number of applications due to the budget announcement to amend the discount levels with effect from 21<sup>st</sup> November 2024. These will be assessed and managed appropriately.

### **3. Implications for the Council as part of the Council Plan**

#### **3.1 Working with People by providing direct support to tenants.**

- 3.1.1 The rollout of Universal Credit (UC) started in June 2015 and is now accelerating due to DWP Managed Migration with 44% of tenants currently in receipt of UC, 28% partial or full Housing Benefit (HB) and 28% in receipt of no benefits and so there are dedicated staff to support tenants transitioning from Housing Benefit to Universal Credit. As of 14th October 2024, there were 5683 tenants who were not in receipt of any benefits of which 4753 (84%) of those tenants who are already on an arrangement to pay by Direct Debit. The Money Advice team will support these tenants to assess whether they will be eligible for any benefits, will support them to claim any entitlements and to put in place an arrangement to

pay by Direct Debit. Contact details for support and additional information will be sent out to all tenants with the statutory increase notice.

- 3.1.2 Tenants will have access to a discretionary Housing Fund which is still available to fund short term gaps in customer benefit entitlement etc. Unfortunately, the Housing Support Fund where tenants received support with fuel poverty ended in September 2024. All assessments are made on specific need.

### **3.2 Working with Partners**

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

### **3.3 Place Based Working**

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

### **3.4. Climate Change and Air Quality**

- 3.4.1 There is a plan for Sycamore Grange to be redeveloped, this will see the removal of an existing building heated by fossil fuelled gas boilers built to the building standards and requirements of the early 1970s. In removing the existing and outdated building, and combining new heat and power technologies, the future scheme is likely to lead to a net reduction in carbon emissions over its lifetime.

### **3.5 Improving outcomes for children**

- 3.5.1 The current baseline capital plan is forecast to invest £191m over the next five years, which includes resources set aside for component replacements, estate improvements, compliance, fuel poverty and adaptations. Investing in council properties will improve living conditions by providing a warm and safe home for tenants to live in, which will improve outcomes for children.
- 3.5.2 The Money Advice team work closely with tenants to assess whether they are entitled to benefits and then support them to claim entitlements. This relieves poverty in the household and therefore supports children to have a better start in life, which improves outcomes.



### 3.6 Financial Implications

- 3.6.1 The Council will propose a balanced budget for 2025-26 and maintain a balanced 30-year HRA business plan, which will be supported by funding from reserves and additional borrowing.
- 3.6.2 A number of key policy announcements have been made following the enactment of the Welfare Reform and Work Act 2016 and the Housing and Planning Act 2016. The implications of the new legislation have been included within the 30-year financial modelling for the HRA. The budget proposals for 2025/26 result from a review of the HRA with the key objective to deliver a balanced 30-year HRA business plan.
- 3.6.3 People living or working in Kirklees will have access to the Kirklees local welfare provision: [Local Welfare Provision | Kirklees Council](#)

### 3.7 Legal Implications

- 3.7.1 The approval of the above recommendations will ensure that a balanced HRA is achieved, which means the Council is compliant with section 76 of the Local Government and Housing Act 1989. Section 24 of the Housing Act 1985 allows the council as a registered provider the discretion to set its own rents, but the charges must be reasonable and are subject to legislative rent caps imposed by the government. The Local Government and Housing Act 1989 also covers the recovery of service charges, and the rent standard applies to both rents and service charges.
- 3.7.2 The Equality Act 2010 (Section 149) requires the Council to have due regard to the need to:
- a) eliminate discrimination, harassment, victimisation, and any other conduct that is prohibited by or under the Act.
  - b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it.
- 3.7.3 A landlord, including a social landlord has the legal right to impose charges for services they provide which are payable in addition to the charges imposed for rent. The tenancy agreement or lease the landlord has with a tenant sets out the obligations on the tenant to pay these service charges. The service charges each tenant is required to pay should be clearly set out at the commencement of the tenancy. The Council, as a landlord must ensure it meets its statutory obligations when deciding to increase or introduce service charges and ensure the right to impose such charges is clearly set out in the tenancy agreement/lease as this may limit the ability to charge. The amount of service charges each tenant is required to pay should be reasonable. This applies to both secure and leasehold tenants.
- ### 3.8. Other (e.g. Risk, Integrated Impact Assessment or Human Resources)
- 3.8.1 It is believed that the proposals to change rents and other charges set out in this report will not have an unduly adverse impact on any persons in any of the nine protected characteristics namely, age, disability, gender reassignment, pregnancy and maternity, marriage and civil partnership, race, religion, or belief, sex, and sexual orientation. All

tenants affected by any approved changes to rents and other charges will be notified of the specific changes to their charges and be provided with information and guidance on how to access information and guidance on housing and other benefits. Ref: IIA-667140185 Ref: IIA- 656525132.

#### **4. Consultation**

4.1.1 Consultation has been carried out with the Tenant Led Panel in relation to the proposed inflationary uplift and Consultation with TRA's (Tenant and Residents Associations) and tenants' groups as required. The proposal has been reported to Homes and Neighbourhoods Senior Management Team, Place Senior Leadership Team, Homes and Neighbourhoods Improvement Board, Executive Leadership Team and Executive Board before the proposal will be reported to Cabinet on 10<sup>th</sup> December 2024. From a previous recommendation from the Tenant Advisory & Grants Panel, direct contact details to access support and a summary breakdown of budget expenditure will be included with the rent uplift notifications.

4.1.2 Consultation was undertaken with tenants and leaseholders to introduce a service charge for the provision of communal Grounds Maintenance (GM) services capped at £2.00 per week from 2025/26. There were 2369 responses received, equating to approximately 11% of all tenants and leaseholders. The following provides a summary of the key findings from the consultation:

- 1647 of those who responded disagree with the proposal to charge a maximum of £2 per week for providing a communal grounds maintenance service.
- 1470 of those who responded said that introducing the £2 per week service charge would have a high impact on them.
- 749 of those who responded said that the charge would impact on them financially from an affordability perspective and
- 317 of those who responded said that the current service is poor and is not worth paying for

4.1.3 In response to the above feedback and to reflect that the council have listened to and considered the views of tenants, it is proposed that the charge for grounds maintenance will be capped at £1 per week until full cost recovery is achieved. This should generate income of up to £725,000 in 2025/26 and it is assumed that full cost recovery will be achieved by 2028/29.

#### **5. Engagement and communication**

5.1.1 There is a requirement to give tenants 28 days' notice of any uplift in rents or service charges.

5.1.2 Given the proposal contained in this report is to introduce a service charge for the provision of communal grounds maintenance services there will be a requirement to vary the existing tenancy agreement to reflect this. This approval is subject to the period of consultation with tenants and evaluation of the issues raised in that consultation. The Service Director of Homes & Neighbourhoods has delegated authority to consider feedback from tenants and provide final approval for the amendment to the Tenancy Agreements in consultation with the Portfolio Holder. The amendment can be

implemented by serving a Notice of Variation of tenancy that would take effect from 1 April 2025.

## **6. Options**

### **6.1 Options considered**

- 6.1.1 To do nothing would mean that Kirklees would have to either increase its borrowing to cover the cost of services, make additional savings or would have to consider reducing the level of services delivered.
- 6.1.2 To maximise rental income based on the government formula to uplift rents annually by CPI +1% and to move to a full cost recovery for service charges.

### **6.2 Reasons for recommended option**

- 6.2.1 To maximise income so that Kirklees can invest in tenants' safety and decent homes and so it can set a balanced budget.
- 6.2.2 To recover income where Kirklees Homes and Neighbourhoods has incurred costs on behalf of tenants, so that tenants are charged for the service they receive.
- 6.2.3 To recover service charge income to cover the cost of services provided to tenants and leaseholders to achieve a full cost recovery position.

## **7. Next steps and timelines**

- 7.1 In order to comply with the requirements of the Local Government and Housing Act 1989 to have a balanced HRA and the Welfare Reform and Work Act 2016 and the rent standard which requires registered providers to comply with specified rules about their levels of rent set under section 194(2A) of the Housing and Regeneration Act 2008; to implement the uplift of 2.7% subject to Cabinet approval,
- 7.2 Council Officers will prepare for the implementation of rents and service charge changes from 1st April 2025 as set out in Appendix 1 and the issuing of prior notification letters to individual tenants in accordance with the statutory 4 week notice period.

## **8. Contact officer**

Jacqui Fieldhouse, Head of Finance – Homes & Neighbourhoods

Tel: 01484 221000 ext 79267

Mobile: 07795 080373

Email: [jacqui.fieldhouse@kirklees.com](mailto:jacqui.fieldhouse@kirklees.com)

## **9. Background Papers and History of Decisions**

- 9.1 Rent setting report to Cabinet – 12<sup>th</sup> December 2023 and Approved budget for 2024-25

## **10. Appendices**

- 10.1 Appendix 1 – Schedule of weekly rent and service charges for 2025-26
- 10.2 Appendix 2 – Revenue Medium Term Financial Plan - April 2025 to March 2030
- 10.3 Appendix 3 – HRA Capital Plan for the period April 2025 to March 2032

- 10.4 Appendix 4 – HRA Reserves – March 2025
- 10.5 Appendix 5 – Summary of proposed savings for 2025-26

**11. Service Director responsible**

Naz Parkar for Homes & Neighbourhoods

Tel: 01484 221000 ext 75312

Email: [naz.parkar@kirklees.gov.uk](mailto:naz.parkar@kirklees.gov.uk)

Appendix 1

	Schedule as at 1 April 2024 £		Schedule as at 7 April 2025 £		Increase %
<b>RENTS</b>					
Average Dwelling Rent Split:	85.24		87.54		2.7
Average 1 Bedroom Rent	75.21		77.24		2.7
Average 2 Bedroom Rent	89.24		91.65		2.7
Average 3 Bedroom Rent	100.22		102.93		2.7
Average 4 and Over Bedroom Rent	105.80		108.66		2.7
Garage Rents (Excl VAT)	6.40		6.57		2.7
<b>51</b>					
<b>Housing Benefitable Service Charges</b>					
Concierge	2.70 to 17.64		2.77 to 18.12		2.7
Door Entry Systems	0.48		0.49		2.7
Communal Cleaning	1.10 to 8.47		1.13 to 8.70		2.7
Communal Cleaning (contract extension)	2.44		2.51		2.7
Window Cleaning	0.24 to 2.81		0.25 to 2.89		2.7
<u>Sheltered Housing:</u>					
Scheme Management	15.53		15.95		2.7
Independent Living Officer	5.73		5.88		2.7
Furnishings	20.01, 21.32		20.55, 21.90		2.7
<b>PFI Service Charges</b>					
Communal Cleaning	12.00 to 16.33		12.32 to 16.77		2.7
Communal Utilities	2.46 to 13.07		2.53 to 13.42		2.7
External Lighting (General Needs Only)	1.93 to 2.85		1.98 to 2.93		2.7
Grounds Maintenance	3.23 to 8.39		3.32 to 8.62		2.7
Intensive Housing Management (Extra Care Only)	28.65 to 73.07		30.57 to 77.97		6.7
Management and Admin	1.45 to 1.46		1.49 to 1.50		2.7
Night Time Security (Extra Care Only)	22.15		23.63		6.7
Property Management (Extra Care Only)	24.44		25.10		2.7
R&M Com fac&ut cost	5.74 to 13.11		5.89 to 13.46		2.7
<b>Other Charges</b>					
Parking Spaces	5.50		5.65		2.7
Other Utilities charges	16.26, 22.71		16.70, 23.32		2.7
Older People Support	6.95, 23.42		6.95, 24.05		2.7
Council Tax	5.45, 8.55		5.72, 8.98		4.99
Gardening	3.67		3.77		2.7

**APPENDIX K**  
Appendix 2

SERVICE ACTIVITY	24-25 BUDGET	CHANGES	25-26 BUDGET PROPOSAL	CHANGES	26-27 BUDGET PROPOSAL	CHANGES	27-28 BUDGET PROPOSAL	CHANGES	28-29 BUDGET PROPOSAL	CHANGES	29-30 BUDGET PROPOSAL
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
<b>Repairs &amp; Maintenance</b>	<b>30,909</b>	1,400	<b>32,309</b>	350	<b>32,659</b>	- 300	<b>32,359</b>	100	<b>32,459</b>	250	<b>32,709</b>
<b>Housing Management</b>											
Policy & Management	14,297	65	14,362	166	14,528	168	14,696	171	14,867	-	14,867
Council Services bought in	7,751	531	8,282	190	8,472	-	8,472	-	8,472	-	8,472
Homes & Neighbourhoods Man't Costs	19,322	(2,570)	16,752	(281)	16,471	494	16,965	509	17,474	524	17,998
Property Services	-	(190)	(190)	-	(190)	-	(190)	-	(190)	-	(190)
Special Services (Communal facilities)	4,200	(486)	3,714	-	3,714	-	3,714	-	3,714	-	3,714
<b>sub-total</b>	<b>45,570</b>	(2,650)	<b>42,920</b>	75	<b>42,995</b>	662	<b>43,657</b>	680	<b>44,337</b>	524	<b>44,861</b>
<b>Other Expenditure</b>											
Depreciation charge on HRA Assets	20,600	3,389	23,989	250	24,239	250	24,489	250	24,739	500	25,239
Interest payable on capital debt	7,282	224	7,506	1,000	8,506	1,000	9,506	1,000	10,506	1,000	11,506
Bad debt provision	1,000	0	1,000	-	1,000	-	1,000	-	1,000	-	1,000
Rents, Rates, Taxes & other charges	529	100	629	(100)	529	-	529	-	529	-	529
Inflation Provision	2,370	(840)	1,530	840	2,370	500	2,870	500	3,370	500	3,870
<b>Sub total</b>	<b>31,781</b>	2,873	<b>34,654</b>	1,990	<b>36,644</b>	1,750	<b>38,394</b>	1,750	<b>40,144</b>	2,000	<b>42,144</b>
<b>Total Expenditure</b>	<b>108,260</b>	1,623	<b>109,883</b>	2,415	<b>112,298</b>	2,112	<b>114,410</b>	2,530	<b>116,940</b>	2,774	<b>119,714</b>
Dwelling Rent income	(96,084)	253	(95,831)	(2,285)	(98,116)	(2,502)	(100,618)	(2,556)	(103,174)	(2,476)	(105,650)
Non-Dwelling Rent Income	(300)	16	(284)	(8)	(292)	(7)	(299)	(4)	(303)	(3)	(306)
Tenant & Leaseholder charges for services & facilities	(3,664)	(1,892)	(5,556)	(122)	(5,678)	(128)	(5,806)	(131)	(5,937)	(135)	(6,072)
HRA Interest income on cashflow	(300)	-	(300)	-	(300)	-	(300)	-	(300)	-	(300)
Excellent Homes for Life (PFI)											
Government Grant	(7,912)	-	(7,912)	-	(7,912)	-	(7,912)	-	(7,912)	-	(7,912)
<b>Total Income</b>	<b>(108,260)</b>	(1,623)	<b>(109,883)</b>	(2,415)	<b>(112,298)</b>	(2,637)	<b>(114,935)</b>	(2,691)	<b>(117,626)</b>	(2,614)	<b>(120,240)</b>
<b>Net Operating Expenditure</b>	<b>-</b>	-	<b>-</b>	-	<b>-</b>	(525)	<b>(525)</b>	(161)	<b>(686)</b>	160	<b>(526)</b>

**APPENDIX K**  
Appendix 3

HRA Capital Plan	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	Total
	£	£	£	£	£	£	£	£	£
<b>STRATEGIC PRIORITIES</b>									
Housing Growth	867,000	2,516,000	732,460	11,000	0	0	0	0	4,126,460
LAHF - Refugee Housing	492,000	358,000	1,142,087	0					1,992,087
LAHF 3 - Refugee Housing	1,090,000	1,560,000	521,000	0					3,171,000
New Build Phase 1 - Ashbrow Extra Care	3,700,000	146,302	0	0	0	0	0	0	3,846,302
Berry Brow Remodelling	1,267,000	901,000	15,000,000	16,000,000	1,993,269	0	0	0	35,161,269
Harold Wilson Court	2,367,000	0	0	0	0	0	0	0	2,367,000
Buxton House	1,357,000	4,148,000	6,145,000	3,267,000	79,271	0	0	0	14,996,271
IT System (Universal Housing Replacement)	530,000	808,832	0	0	0	0	0	0	1,338,832
IT System Property/Assets	0	1,000,000	500,000	0	0	0	0	0	1,500,000
Council House Building	1,396,000	564,500	4,557,000	8,433,926	13,871,936	7,506,309	277,700	1,595,273	38,202,644
<b>Strategic Priorities Total</b>	<b>13,066,000</b>	<b>12,002,634</b>	<b>28,597,547</b>	<b>27,711,926</b>	<b>15,944,476</b>	<b>7,506,309</b>	<b>277,700</b>	<b>1,595,273</b>	<b>106,701,865</b>
<b>BASELINE</b>									
Housing Capital Plan	17,850,000	19,150,000	19,285,000	19,785,000	19,785,000	20,135,000	21,230,163	22,135,000	159,355,163
Estate Improvement (Neighbourhood Investment)	1,233,000	990,000	1,100,000	1,100,000	1,100,000	1,100,000	1,128,720	1,100,000	8,851,720
Building Safety	1,506,000	1,274,000	1,324,000	1,530,000	1,430,000	1,380,000	1,487,809	1,250,000	11,181,809
Six Storey Blocks - 2 projects	915,000	3,674,713	6,000,000	5,420,000	6,295,000	5,406,000	9,805,287	0	37,516,000
Low Rise Blocks - 700 blocks in batches	1,750,000	1,500,000	1,500,000	1,500,000	1,500,000	0	0	0	7,750,000
Retirement Living Schemes	1,500,000	3,750,000	4,500,000	4,500,000	4,500,000	6,000,000	250,000		25,000,000
Fuel Poverty	1,632,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,526,411	1,500,000	12,158,411
Adaptations	3,714,000	3,760,437	3,260,400	2,760,400					13,495,237
<b>Baseline Total</b>	<b>30,100,000</b>	<b>35,599,150</b>	<b>38,469,400</b>	<b>38,095,400</b>	<b>36,110,000</b>	<b>35,521,000</b>	<b>35,428,390</b>	<b>25,985,000</b>	<b>275,308,340</b>
<b>Overall Total</b>	<b>43,166,000</b>	<b>47,601,784</b>	<b>67,066,947</b>	<b>65,807,326</b>	<b>52,054,476</b>	<b>43,027,309</b>	<b>35,706,090</b>	<b>27,580,273</b>	<b>382,010,205</b>

**Appendix 4**

HRA RESERVES	Balance at 31 March 2024	Approved Movement in Reserves	Balance at 31 March 2025
	£'000	£'000	£'000
Set aside for business risks	(15,000)	4,135	(10,865)
Set aside to meet investment needs (as per HRA Business Plan)	(18,942)	9,792	(9,150)
<b>Total</b>	<b>(33,942)</b>	<b>13,927</b>	<b>(20,015)</b>

<b>HRA Proposed Savings</b>	<b>2025-26</b>	
	<b>£000</b>	
Reduction of void rent loss with improved relet days	255	Reduction of 12 days turnaround
Establishment efficiencies	100	Review of Asset Structure
Additional income from the recovery of service charges	725	Grounds Maintenance
Additional income from the recovery of service charges	20	Communal Cleaning contract
Income from the cost for heating	573	District heating charges
Income from the cost for heating	267	Sheltered heating charges
Staff savings from review of ILO and use of Graduates	80	Total of £470k where £390k provided for
Savings from council tax	50	Better management of policy voids
R&M and move to Decorating vouchers	500	For new void properties
Review of the concierge service	250	Review service delivered from Berry Brow
Property Service savings	190	Efficiencies through service delivery
Interest charges and inflationary pressures	775	Reduction due to profiling the capital plan
<b>Total of all savings proposed</b>	<b>3,785</b>	



# 2025/26 Annual Budget Consultation – Summary of Responses

## January 2025

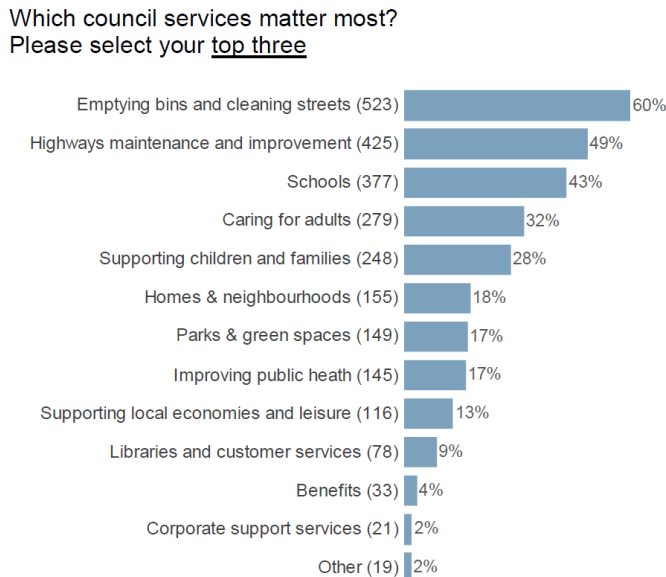
### 1 Overview of the Consultation Process

- 1.1 The purpose of the consultation is to help the council understand what is most important to people and communities in Kirklees, and to inform the development of, and decision making relating to the council’s 2025/26 annual budget. The consultation is part of the Council’s statutory duty to consult the public on its budget.
- 1.2 A draft budget for 2025/26 was made publicly available and was considered by Cabinet on the 10 December 2024. The draft budget was released earlier and in greater detail this year in comparison to previous years, to allow for greater transparency and engagement on the proposals contained within it.
- 1.3 The public budget consultation ran between 11 December 2024 and 15 January 2025. The survey was hosted online, and 881 respondents completed the survey. 94% of respondents had read the consultation information and understood the council’s need to balance the budget and deliver savings, before starting the survey.
- 1.4 This report has been appended to the 2025/26 annual budget report, so that Cabinet and Council are able to consider the views of the public when making decisions relating to the resourcing of the council as well as helping with decisions such as where to reduce spending to ensure a balanced budget.
- 1.5 As a direct result of the substantial level of feedback received through the consultation around the proposal relating to the borough wide replacement of household waste wheeled bins from 240L to 180L (PL2527), the Executive has taken the decision to not proceed with this proposal.

### 2 Summary of Responses

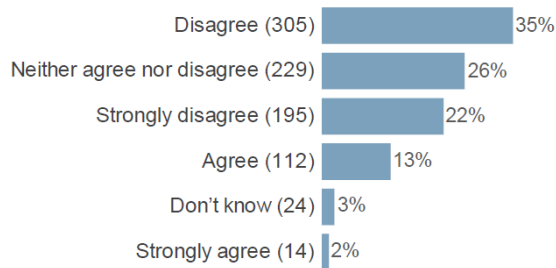
#### PROPOSALS TO SPEND THE BUDGET

- 2.1 The council services that matter most to the respondents are shown below. Emptying bins and cleaning streets, highways maintenance and improvement and schools were the top three most selected services.



2.2 57% either disagree or strongly disagree with how the council proposes to spend money in 2025/26. There are more respondents who neither agree nor disagree with this [26%] compared with those who agree or strongly agree at 15%

To what extent do you agree or disagree with how the council proposes to spend money in 2025/26?



2.3 Those respondents who disagreed or strongly disagreed with how the council proposes to spend money in 2025-2026 were asked where they felt spend should be prioritised in 2025-2026.

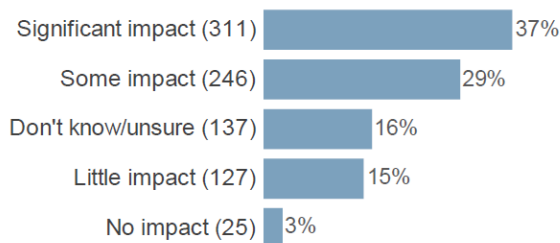
The three most selected services were:

- Emptying bins and cleaning streets
- Highways maintenance and improvement
- Schools

## IMPACT OF PROPOSALS

2.4 66% of respondents felt the proposals will have a significant or some impact. 18% identified that it will have little to no impact.

How much impact do you feel the proposals in the budget will have?



2.5 Respondents were asked to select up to two proposals from each of the budget categories that were the most important to them. It is important to note that respondents are commenting solely on the savings proposals presented in the documentation, which does not take into consideration the significant amount of additional investment going into budgets to help mitigate budget pressures in relation to increasing demand.

## Supporting Children and Families

The budget proposal which was chosen the most as being important to people in this section, was around reviewing the way children with disabilities are supported in the community (CF2510 - £500k saving). This proposal was chosen by 175 people as being important. This proposal was around changing the way in which we buy packages of home care support and direct payment provision. As

part of this proposal, we will explore how changes to our short breaks service can offer a more flexible community-based offer including outdoor learning opportunities.

The proposal chosen as the second most important in this section, was around reviewing family help resources (CF2502 - £199k saving), with 120 people having chosen this proposal. This proposal is around making savings by implementing the new family help model and bringing together services between early help and family support and child protection.

In addition to the responses from the questionnaire, Kirklees Council also received a statement from the Board of C&K Careers, requesting that the proposal to reduce the C&K Careers budget (a commissioned contract with the council – CF2505 £300k saving) be abandoned, due to the impact on the services they provide and the cumulative impact of other reductions to the contract made in previous years. However, due to the significant financial constraints and challenges facing the council, the Council is proposing to proceed with this proposal. The Council is committed to working in partnership with C&K Careers to ensure its sustainability and to explore further sources of income and activity. We will also work in partnership with C&K Careers to ensure resources are targeted towards the most vulnerable children and young people, in line with the strategic priorities set out within the proposed 2025/26 Council Plan.

### **Caring for Adults**

Within Adult Social Care, we've provided circa £20m of additional budget to cover pressures relating to increasing demand, including forthcoming changes announced in the Chancellors budget with regards to changes in national insurance contributions and increases to the National Living Wage.

The proposal related to staffing (AH2505 – with 314 respondents - £535k saving) and the proposal related to the transfer of the dementia long stay residential homes owned by the council to a private sector operator (AH2501 – 276 respondents - £865k saving) were the most important proposals identified within the 'Caring for Adults' section.

The council is committed to ensuring Adult Social Care services are adequately staffed. The proposal around staffing relates to ensuring that staffing budgets reflect the true position of staff turnover, recruitment and staff progression, and will have no impact on current staffing levels.

The Health and Social Care Scrutiny Panel requested a call-in on the decision taken by Cabinet on the 10 December 2024, related to the future of Council operated Dementia Care Home Provision, at Castle Grange and Claremont House. A further report will be considered by Cabinet, at their meeting on the 11 February 2025, providing feedback from the scrutiny call-in discussion (which took place on the 10 January 2025), and further information (as requested by Scrutiny) related to a detailed multi-year financial analysis to help inform Cabinet decisions on next steps for this proposal.

### **Emptying bins and cleaning streets**

Demand pressures continue to increase within waste services, and significant amounts of money has been allocated to waste services budgets to ensure those demand pressures can be addressed, and to continue the current levels of service provision.

A significant number of respondents chose the proposal around the borough wide replacement of household waste wheeled bins from 240L to 180L (PL2527 - £131k saving) as being important to them (having 497 respondents). The proposal was aimed at helping to encourage more recycling in Kirklees, and to contribute to our climate commitments, while also reducing the cost of the service. A significant

number of respondents also provided supplementary information as to why this proposal would impact upon them in the 'other comments' section of the consultation. Further information on some of the key themes from this feedback is provided in section 2.6 of this report. As a direct result of the substantial level of feedback received through the consultation, the Executive has taken the decision to not proceed with this proposal.

The second highest proposal chosen by respondents in this section was around the review of the staffing capital recharge rate to reflect the annual pay award and overhead costs. (PL2525 – with 248 respondents - £155k saving). This proposal was about reviewing the recharge rates of staff employed on externally funded capital projects/programmes, including agency/temporary staff, and will not directly affect staffing levels.

### **Highways – maintain and improve**

There was only one proposal in the section for Highways, a proposal around highway network management income and efficiencies. This proposal is around reducing the general fund subsidy of network management costs where possible, using other income streams to cover costs as appropriate. (PL2519 – with 493 respondents £400k saving in 2026/27). As also indicated by the responses to the first question of the survey (“Which council services matter most?”), it’s clear that the maintenance and improvement of the council’s highway network is of high importance to the public. This proposal focuses on making efficiencies in relation to income to the service and doesn’t reduce the service that is provided to the public.

### **Libraries and Customer Services**

There were two proposals which relate to functions within the libraries and customer services area. The proposal around maximisation of available grant funding to support services in the Communities and Access Service (AH2503 - £125k saving) was chosen by 294 respondents. This proposal is about looking to prioritise grant funding to support the services provide, resulting in better prioritisation of services.

Changes to the night-time noise service (PL2514 - £70k saving) was chosen by 176 respondents in this section. This proposal is about making changes to the service. A new digital app has been developed that will enable emergency cases to be reported at night-time.

### **Supporting Local Economies and Leisure**

In this area, the proposal that was chosen the highest number of times, was the TransPennine Rail upgrade income (PL2508 – with 152 respondents - £150k saving). This proposal is about increasing income from the TransPennine Rail Upgrade from the lease for a council owned site.

The second area with the highest number of respondents in this section (126 respondents) was the Review of fees and charges across Culture and Visitor Economy services, and the re-structuring of the Town Halls workforce (CR2501 - £220k saving). This proposal is about increasing charges which aim to cover the additional operating costs which commercial services (e.g. Catering and Hospitality) are facing, such as food costs. This proposal is also about the restructuring of the Town Halls team as part of a wider transformation project which includes increased digital efficiencies and commercial activity in the Town Halls.

### **Kirklees Council Homes and Neighbourhoods**

Within the section relating to Kirklees Homes and Neighbourhoods, the proposal chosen the greatest number of times is the Council Tax charges on empty properties (HNHMP4 - £50k saving) – with 151 respondents choosing this proposal. This proposal is about reducing Council Tax charges to the Council on empty properties by improving void turnaround times and does not affect the council tax paid by residents.

The proposal chosen by respondents the second highest number of times in this section, is the review of staffing structure (HNASS02 – with 94 respondents - £100k saving). This proposal is about making staff related savings which will be achieved by reducing the number of interims in the service and conducting a review of the establishment structure. Proposals will be supported by an Integrated Impact Assessment, to support the identification of any specific impacts, and to help identify suitable mitigations to reduce any negative impacts there might be related to the proposal.

### **Corporate Support Services**

Within the section relating to Corporate Support Services, the proposal chosen the greatest number of times relates to the review of council wide support services (PL2516 – with 157 respondents - £400k saving). This proposal involves completing a review of a range of departmental support services across the council, including business support functions. The second highest proposal chosen by respondents in this section, relates to reducing service provision for grounds maintenance associated with council buildings and facilities (PL2503 – with 118 respondents - £125k saving). Both proposals will be supported by Integrated Impact Assessments, to support the identification of any specific impacts, and to help identify suitable mitigations to reduce any negative impacts there might be related to these proposals.

### **OTHER COMMENTS**

2.6 Respondents were asked for any other comments related to the budget. An open text box was provided for this question. Key themes from this feedback have been summarised in this section.

#### **2.7 Reduction in the size of household waste wheeled bins**

Comments relating to the proposal [PL2527 – Borough wide replacement of household waste wheeled bins from 240L to 180L] dominated this section, with a significant number of respondents providing further information about potential negative impacts relating to this proposal. As a direct result of the substantial level of feedback received, the Executive has taken the decision to not proceed with this proposal.

Key points of feedback on this proposal included:

- Concerns about increased levels of fly-tipping, with negative environmental impacts (such as increased pest problems) as a result.
- Disproportionate impact on larger families who would not have enough space for the levels of waste they produce.

- Questions around the cost-effectiveness of the proposals – when considering the investment required to replace the bins, alongside the savings achieved by reducing the amount of waste collected.
- People who would not support the move, unless there was an accompanying increase in recycling provision, for example the collection of food waste, glass recycling, and improved education and awareness around recycling.
- Disproportionate impacts on people with disabilities who may generate higher than average levels of waste which is required to go into the black bins.

## 2.8 Ideas for saving money

Respondents provided comments around ways the council should spend money differently to make savings. The most common suggestions included:

- Becoming more efficient by making changes to processes and managing resources better.
- Reducing costs related to staffing and salaries, particularly around middle and senior management. In response to these comments, the 2025/26 annual budget proposes circa £3m in total of savings in staffing across all council directorates, either achieved through vacancy management or service re-design.
- That the council should be managing budgets better.
- Saving money by reducing bureaucracy.
- Reducing spending on projects and capital investments to help fund frontline services. (For example, events, regeneration and place improvement projects).
- Increasing income by charging more for services. In response to these comments, the Council has looked to increase fees and charges for services where possible, rising in line with inflation, and in comparison, to similar services provided in other local authority areas.

## 2.9 Other comments about the budget and services of the Council

Respondents provided general comments around the way in which they believe the council manages its budgets and associated services. Some of these points included:

- Points against the rise in Council Tax. In response to these comments, the rise in Council Tax will generate over £16m of additional income for the Council in the 2025/26 financial year and helps to mitigate against the need for more substantial reductions in service provision.
- The importance of services to support better health and wellbeing, such as services provided by Kirklees Active Leisure.
- More support required for people who are on a low income.
- More funding for frontline services (for example services for adults and children) – and more staff to deliver them.
- More funding for highways and waste services. In response to these comments, the Council has put in over £3m of additional funding to the council's highways and waste services budgets for the 2025/26 financial year. In addition to this, in the Capital Plan, we are also contributing £24.6m of capital investment across highways and waste services in the 2025/26 financial year.
- How the council should retain the management of council services and not move them to private providers.
- Understanding the financial challenges the council is facing and the difficult decisions we are having to make.

## 2.10 Comments around the survey

Respondents also provided some comments on the survey itself. Key points included:

- Not enough supporting information to provide a better understanding of the budget.
- Not enough information around the proposals to decide whether they impact them or not.
- Survey taking too long to complete.
- Difficulty in choosing priority areas of council services as all services are important.
- Low confidence in the council changing anything because of the feedback received.

### **3 About Respondents**

3.1 Just over half (52%) of respondents are female.

3.2 Four-fifths (76%) of respondents identified their ethnic group as White British.

3.3 Just over a third (38%) identified as Christian with a similar level identifying as having no religion (37%)

3.4 Just over a quarter (27%) have a long-term disability and/or health condition.

**Including estimated precepts from the West Yorkshire Fire & Police Authorities  
and Parish Councils**

**KIRKLEES METROPOLITAN COUNCIL**

**COUNCIL MEETING - 5 MARCH 2025**

**COUNCIL TAX**

1. That the Revenue Budget for the year 2025/2026, as submitted, be approved.
2. That it be noted that the Service Director -Finance (acting under delegated powers from Council 22 February 2023 and delegated decision published on 31 January 2025) calculated the following amounts for Kirklees for the year 2025/26 in accordance with Section 31A of the Local Government Finance Act 1992 in accordance with Regulations 3-to 5 of the Local Authorities (Calculation of Council Tax Base (England) Regulations 2012):-
  - (a) 128,741.90 being the amount calculated by the Council, in accordance' with regulation 3 of the Local Authorities (Calculation of Council Tax Base) Regulations 2012, as its council tax base for the year
  - (b) Part of the Council's area

Parish of Denby Dale	6,363.46
Parish of Holme Valley	10,784.69
Parish of Kirkburton	9,537.46
Parish of Meltham	3,075.46
Parish of Mirfield	7,124.98

being the amounts calculated by the Council, in accordance with regulation 6 of the Regulations, as the amounts of its council tax base for the year for dwellings in those parts of its area to which one or more special items relate.
3. Calculate that the Council Tax Requirement for the Council's own purposes for 2025-26 (excluding parish precepts) is £252,901,000
4. That the following amounts be now calculated by the Council for the year 2025-2026 in accordance with Sections 31 to 36 of the Act:-
  - (a) £ 1,060,104,429 being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(2) of the Act taking into account all precepts issued to it by Parish Councils.
  - (b) £ 806,111,158 being the aggregate of the amounts which



**Including estimated precepts from the West Yorkshire Fire & Police Authorities  
and Parish Councils**

the Council estimates for the items set out in Section 31A(3) of the Act

- (c) £ 253,993,271 being the amount by which the aggregate at 4(a) exceeds the aggregate at 4(b) above, calculated by the Council, in accordance with Section 31A(4) of the Act, as its Council Tax requirement for the year. (Item R in the formula in Section 31B of the Act)
- (d) £ 1,972.89 being the amount at 4(c) above (Item R), all divided by Item T (2(a) above), calculated by the Council, in accordance with Section 31B of the Act, as the basic amount of its Council Tax for the year (including Parish precepts).
- (e) £ 1,092,271 being the aggregate amount of all special items (Parish precepts) referred to in Section 34(1) of the Act.
- (f) £ 1,964.40 being the amount at 4(d) above, less the result given by dividing the amount at 4(e) above by Item T (1(a) above), calculated by the Council, in accordance with Section 34(2) of the Act, as the basic amount of its council tax for the year for dwellings in those parts of its area to which no Parish precept relates.

g)

<u>Part of the Council's area</u>	Base Council Tax £	Parish Precept £	Resultant Council Tax £
Parish of Denby Dale	1964.40	44.16	2008.56
Parish of Holme Valley	1964.40	30.41	1994.81
Parish of Kirkburton	1964.40	16.18	1980.58
Parish of Meltham	1964.40	72.19	2036.59
Parish of Mirfield	1964.40	15.02	1979.42
Other Kirklees areas	1964.40	0.00	1964.40

being the amounts to be added to the amount at 4(g) (and the resultant council tax amounts), as the amounts of the special item or items relating to dwellings in those parts of the Council's area mentioned above divided in each case by the amount at 2(b), calculated by the Council, in accordance with Section 34(3) of the Act, as the basic amounts of its council tax for the year for dwellings in those parts of its area to which one or more special items relate.

**Including estimated precepts from the West Yorkshire Fire & Police Authorities  
and Parish Councils**

(h) Kirklees Valuation Bands

Part of the Council's area	A	B	C	D	E	F	G	H
	£	£	£	£	£	£	£	£
Denby Dale	1,339.04	1,562.22	1,785.38	2,008.56	2,454.90	2,901.26	3,347.60	4,017.12
Holme Valley	1,329.87	1,551.52	1,773.16	1,994.81	2,438.10	2,881.40	3,324.68	3,989.62
Kirkburton	1,320.39	1,540.45	1,760.51	1,980.58	2,420.71	2,860.84	3,300.97	3,961.16
Meltham	1,357.73	1,584.02	1,810.30	2,036.59	2,489.16	2,941.74	3,394.32	4,073.18
Mirfield	1,319.61	1,539.55	1,759.48	1,979.42	2,419.29	2,859.17	3,299.03	3,958.84
All other parts	1,309.60	1,527.87	1,746.13	1,964.40	2,400.93	2,837.47	3,274.00	3,928.80

Being the amounts given by multiplying the amounts at 4(g) by the number which, in the proportion set out in Section 5(1) of the Act, is applicable to dwellings listed in a particular valuation band divided by the number which in that proportion is applicable to dwellings listed in valuation Band D, calculated by the Council, in accordance with Section 36(1) of the Act, as the amounts to be taken into account for the year in respect of categories of dwellings listed in different valuation bands.

5. That it be noted that for the year 2025-2026 the major precepting authorities have stated the following amounts in precepts issued to the Council, in accordance with Section 40 of the Local Government Finance Act 1992, for each of the categories of dwellings in the Council's area as shown below:-

Precepting Authority	A	B	C	D	E	F	G	H
	£	£	£	£	£	£	£	£
West Yorkshire Fire & Civil Defence Authority	56.33	65.70	75.10	84.49	103.27	122.04	140.82	168.98
West Yorkshire Police Authority	175.52	204.77	234.02	263.28	321.78	380.29	438.80	526.56

**Including estimated precepts from the West Yorkshire Fire & Police Authorities  
and Parish Councils**

6. That, having calculated the aggregate in each case of the amounts at 4(g) and 5, the Council, in accordance with Sections 30(2) of the Local Government Finance Act 1992, hereby sets the following amounts as the amounts of council tax for the year 2025-2026 for each of the categories of dwelling shown below:-

Valuation Bands

Part of the Council's area	<b>A</b>	<b>B</b>	<b>C</b>	<b>D</b>	<b>E</b>	<b>F</b>	<b>G</b>	<b>H</b>
	£	£	£	£	£	£	£	£
Denby Dale	1,570.89	1,832.69	2,094.50	2,356.33	2,879.95	3,403.59	3,927.22	4,712.66
Holme Valley	1,561.72	1,821.99	2,082.28	2,342.58	2,863.15	3,383.73	3,904.30	4,685.16
Kirkburton	1,552.24	1,810.92	2,069.63	2,328.35	2,845.76	3,363.17	3,880.59	4,656.70
Meltham	1,589.58	1,854.49	2,119.42	2,384.36	2,914.21	3,444.07	3,973.94	4,768.72
Mirfield	1,551.46	1,810.02	2,068.60	2,327.19	2,844.34	3,361.50	3,878.65	4,654.38
All other parts	1,541.45	1,798.34	2,055.25	2,312.17	2,825.98	3,339.80	3,853.62	4,624.34

7. The Council has determined that its relevant basic amount of Council Tax for 2025-2026 is **not** excessive in accordance with principles approved under section 52ZB Local Government Finance Act 1992.

As the billing authority, the Council has **not** been notified by a major precepting authority that its relevant basic amount of Council Tax for 2025-2026 is excessive and that the billing authority is not required to hold a referendum in accordance with Section 52ZK Local Government Finance Act 1992.

8. That notice of the amounts set by the Council in accordance with Section 30 of the Local Government Finance Act 1992 be published in at least one newspaper circulating in the Council's area, in accordance with Section 38(2) of the Act.

**Motion to be presented by Cllr Carole Pattison (Leader) and Cllr Moses Crook (Deputy Leader)**

**Cllr Carole Pattison**

**Cllr Moses Crook**

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## Leasehold Acquisition of housing properties in order to provide Temporary Accommodation for Homeless Households

<b>Meeting:</b>	Cabinet
<b>Date:</b>	11 <sup>th</sup> February 2025
<b>Cabinet Member</b>	Cllr Moses Crook Deputy Leader of the Council and Portfolio Holder for Transport and Housing
<b>Key Decision Eligible for Call In</b>	<b>Yes</b> <b>Yes</b>
<p><b>Purpose of Report</b> The paper seeks Cabinet approval to enter into longer term lease agreements with private landlords to increase the level of the Councils temporary accommodation stock for homeless households and reduce the reliance on hotel and B&amp;B accommodation whilst maximising the level of subsidy that can be recovered.</p>	
<p><b>Recommendations</b></p> <p>It is recommended that Cabinet:</p> <ul style="list-style-type: none"> <li>a) Considers the content of the public and private reports</li> <li>b) Approves the strategic leasehold acquisition of temporary accommodation as detailed in the Private Appendix and on the terms contained in the Private Appendix</li> <li>c) Delegates authority to the Executive Director for Place in consultation with the Service Director – Legal, Governance and Commissioning, the Section 151 Officer and the Portfolio Holder, the power to negotiate future leasehold property arrangements in order to increase the Councils stock of temporary accommodation that can be used for homeless households and reduce the Councils net spend on temporary accommodation.</li> <li>d) Delegates authority to the Service Director – Legal, Governance and Commissioning to enter into all agreements necessary to effect those arrangements referred to in b) and c) above.</li> </ul>	
<p><b>Reasons for Recommendations</b></p> <p>To increase the Councils stock of temporary accommodation for homeless households in order to reduce the reliance on hotel and B&amp;B accommodation whilst maximising the level of subsidy that can be recovered.</p> <p>To have the necessary approvals in place to be able to act at pace and secure additional temporary accommodation when it becomes available in a timeline that aligns with private stakeholders.</p>	

The aim of the above (in conjunction with the Kirklees Preventing Homelessness and Rough Sleeping Strategy and the Temporary Accommodation Placement Policy) is to provide better quality accommodation and reduce the Councils net spend in regard to the provision of temporary accommodation for homeless households.

**Resource Implications:**

The Council has statutory duties to prevent and relieve homelessness, which give rise to direct resource implications. Over recent years, difficulties in sourcing sufficient housing options for homeless households against a backdrop of rising demand has resulted in a significant increase in costs to the Council particularly relating to much greater use of temporary accommodation.

Indicative net costs (after subsidy) for temporary accommodation in 2023/24 were up to £6.9 million, with hotel spend alone (gross) rising from £3.1 million in 2022 to £7.2 million in 2024 – although not all this spend relates to homelessness temporary accommodation placements.

The costs relating to delivering homelessness services and temporary accommodation are met through a variety of sources. Government grant(s) and partnership funding is utilised, but the majority of costs fall on the General Fund.

The aim of this decision is to contribute to a reduction in these costs by securing alternative properties for use as temporary accommodation therefore reducing the reliance on hotel and B&B accommodation.

A site of existing properties which can provide up to 38 family units has already been identified and terms have been agreed to take a lease of these properties (further information on this lease together with the anticipated impact on the Councils budget is contained within the Private Appendix).

Specific tasks required in order to enter into this lease and any future leases in respect of identified properties will need to be managed amongst wider competing demands given the continued pressure on capacity across professional teams. Robust plans and lead-in times for required instructions will be required.

**Signed off by:**

- **Executive Director**
- **Service Director for Finance**
- **Service Director for Legal Governance and Commissioning**

David Shepherd – 30/01/25

Kevin Mulvaney – 03/02/25

Samantha Lawton – 30/01/25

**Electoral wards affected:** All

**Ward councillors consulted:** No

**Public or private:** Public with Private Appendix

Exempt information under Part 1 of Schedule 12A of the Local Government Act 1972, as amended by the Local Government (Access to Information) (Variation) Order 2006 as the report contains information relating to the financial or business affairs of any particular person (including the authority holding that information). It was considered that the disclosure of the information would be contrary to confidential terms and that the public interest in maintaining the exemption outweighed the public interest in disclosing the information and providing greater openness and transparency in relation to public expenditure in the Council's decision making.

#### **Has GDPR been considered? Yes**

No personal or sensitive data or other information covered by GDPR is included in this report.

### **1. Executive Summary**

- 1.1 The Council has a statutory duty to prevent and relieve homelessness through the provision of temporary accommodation. Demand significantly outweighs the current stock of Council owned premises available for this purpose which results in the Council having to use Hotel and Bed & Breakfast accommodation. Hotel and Bed & Breakfast accommodation is expensive and only a small proportion of the cost can be claimed from Housing Benefit leaving the Council to subsidise the balance.
- 1.2 A pilot of using former student accommodation to provide temporary accommodation for 14 homeless households has proved successful and terms have been agreed with the landlord to expand the offer to 38 properties and commit to a longer term lease.
- 1.3 The proposed lease alone is not sufficient to remove the Councils reliance on Hotel and Bed & Breakfast to support the provision of temporary accommodation so authority is requested to enter into future lease agreements on similar properties.
- 1.4 The proposed lease and future lease arrangements will increase the Councils stock of temporary accommodation and allow the Council to provide more appropriate and cost effective accommodation for homeless households. The structure of the proposed lease agreements will also allow the Council to claim a higher proportion of Housing Benefit and therefore reduce the Councils net spend in this area.

## **2. Information required to take a decision**

- 2.1 Local authorities need access to temporary accommodation to deal effectively with households who are experiencing homelessness. Homeless households who are assessed as priority need and have nowhere suitable to stay will be offered temporary accommodation. Temporary accommodation is emergency accommodation until the household can secure more appropriate and sustainable accommodation.
- 2.2 One of the priorities within the Kirklees Preventing Homelessness and Rough Sleeping Strategy, which was approved by Cabinet on 10 September 2024, is access to long term homes and temporary accommodation which is safe, decent, accessible and affordable. Increasing the supply and suitability of temporary accommodation options, and endeavouring to use less bed and breakfast, hotels and nightly paid self-contained accommodation is a key objective of the Strategy to ensure that homeless households access more suitable temporary accommodation, and to reduce the cost to the Council.
- 2.3 Housing Solutions Service manage a portfolio of approximately 180 council properties however the number of cases that qualify for temporary accommodation far exceed this amount. This means that the Council are forced to place individuals and families in less appropriate Hotel and Bed & Breakfast accommodation.
- 2.4 A successful pilot has been in place over the past 24 months where the Council has leased a block of privately owned former student accommodation which has been repurposed to house up to 14 homeless households.
- 2.5 Following the success of the pilot, a longer-term lease has been negotiated with the Landlord who has also offered to carry out work to the additional properties within the same development in order to increase the number of homes available from 14 to 38 (terms of the lease are contained in the Private Appendix).
- 2.6 From a financial perspective the Council are currently able to claim 90% of the published LHA rate (as at January 2011) towards rent and housing management fee in respect of this temporary accommodation (funded through Housing Benefit). The Council will be able to continue to claim this subsidy throughout the term of the new lease which is significantly higher than the subsidy recovery for Hotel/B&B.
- 2.7 At present only a very small proportion of the cost of providing temporary accommodation in Hotels and Bed & Breakfasts can be recovered. This means that the Council has to subsidize these arrangements which places a mounting pressure on the Council's budget. For the financial year 2024/25 the temporary accommodation (inclusive of benefit overpayment) is forecast to be circa £7.84 million against a budget of £3.42 million. Financial comparisons between proposed long lease arrangements and Hotel and Bed & Breakfast accommodation can be seen in the Private Appendix.
- 2.8 This proposed lease only adds a relatively small number of properties to the Councils temporary accommodation portfolio and there is a need for more arrangements on a similar basis in the future to support the Councils Housing Solutions Service.
- 2.9 The Councils Finance Procedure Rules together with the Scheme of Delegation for Corporate Landlord and Capital currently grants authority for the Chief Finance Officer and other appropriate Officers to negotiate and approve terms for & instruct the Service Director – Legal, Governance & Commissioning concerning the acquisition of all land, property and rights by agreement or compulsory purchase on behalf of the Council up to the value of £1,000,000.



- 2.10 The cumulative cost of lease agreements for multiple homes that extend to approximately 10 years are likely to exceed this amount and therefore a further delegation is requested to enter into lease agreements similar to the specific example referred to in the Private Appendix.
- 2.11 This further delegation will allow the Council to act quickly when additional properties are identified which will align with the aspirations of private stakeholders and provide the Council with the best chance of securing additional properties and reducing its reliance on subsidised Hotel and Bed and Breakfast Accommodation.
- 2.12 Any further delegated decisions will be made by the Executive Director for Place in consultation with the Service Director – Legal, Governance and Commissioning, Section 151 Officer and the Portfolio Holder. Cabinet will be updated of any further decisions made on an annual basis.

### **3. Implications for the Council**

#### **3.1 Council Plan**

##### **Working with people, partners and place**

Key partners and stakeholders have and will be identified, engaged, and consulted where appropriate.

##### **Improving outcomes for children**

The provision of more appropriate temporary accommodation for families support the improvement of these outcomes.

#### **3.2 Financial Implications**

The cost of housing benefits that the Council pay for the accommodation of homeless individuals and families has increased considerably in recent years.

In 2023/24 the Council had a budget of £1.05 million however the total spend was £4.36 million. This equated to a shortfall of £3.31 million. In 2024/25 the Council had a budget of £3.42 million and the total spend is currently forecast to be £7.84 million. This equates to a forecasted shortfall of £4.42 million.

For 2025/26 the Council has increased its budget by £3.60 million to £7.02 million. The approvals sought in this Cabinet report will help the Council to work within this new budgeted amount.

#### **3.3 Legal Implications**

Section 120 of the Local Government Act 1972 provides the legal framework for Councils to acquire land and property for the purposes of any of their functions or the benefit, improvement or development of their area. The proposed and future leasehold acquisitions will add stock to the Councils temporary accommodation portfolio and reduce the reliance on hotel and bed & breakfast accommodation.

The Council's Disposals and Acquisitions Policy sets out the general principles that govern strategic acquisitions, including having regard to prudent normal and prudent commercial practises.

#### **4. Consultation**

- 4.1 This report has been subject to consultation with the Council's Executive Leadership Team, Executive Board and the Portfolio Holder for Transport and Housing. Comments received have informed the contents of this report.
- 4.2 In addition a number of internal Council services (such as Housing Solutions, Legal and Finance) have been consulted as they are integral to identifying appropriate property solutions with their advice supporting the negotiation, agreement and completion of the proposed and future lease arrangements.

#### **5. Engagement**

- 5.1 The Portfolio Holder for Transport and Housing has confirmed that they support both the leasehold acquisition of the property listed in the Private Appendix and the delegation for future leasehold acquisitions in order to increase the Councils stock of temporary accommodation.
- 5.2 Ward members will be informed of progress on a property-by-property basis prior to completion of the proposed and future lease arrangements.

#### **6. Options Considered**

- 6.1 Option One – Do Nothing – do not approve the Council taking a long term lease on the terms contained in the Private Appendix and do not approve delegating authority to the Executive Director – Place to negotiate and agree terms for future leases.
- 6.2 Option Two – Approve the Council taking a long term lease of the property listed in the Private Appendix on the terms contained in the Private Appendix.
- 6.3 Option Three – Delegate Authority to Executive Director – Place, to negotiate and agree terms for further leases of properties to be used as temporary accommodation in consultation with the Service Director – Legal, Governance and Commissioning, the Section 151 Officer and the Portfolio Holder.

#### **6.4 Reasons for Recommended option**

The Council has a statutory duty to prevent and relieve homelessness and the current demand significantly outweighs the current stock of Council owned property available for this purpose.

The Council is having to rely on Hotel and Bed & Breakfast accommodation to provide temporary accommodation which is expensive and in many cases not appropriate for families.

Limited Housing Benefit subsidy is available on Hotel and Bed & Breakfast accommodation as well as short term lets which leaves the Council with a significant deficit.

The ability to lease in properties such as the one contained in the Private Appendix on longer term lease arrangements for temporary accommodation not only reduces the reliance on Hotel and Bed & Breakfast Accommodation but also maximises the level of subsidy that can be recovered.

The officer recommendation is that Option two and Option three should be approved for the following reasons:

1. To increase the Councils stock of temporary accommodation for homeless households in order to reduce the reliance on hotel and bed & breakfast accommodation whilst maximising the level of subsidy that can be recovered.
2. To provide more appropriate accommodation for homeless households in a more cost effective way than current Hotel and Bed & Breakfast options.
3. To have the necessary approvals in place to be able to act at pace and secure additional temporary accommodation when available in a timeline that aligns with private stakeholders.

Officers recommend that option one should be discounted as the Council has a statutory duty to prevent and relieve homelessness. The current demand significantly outweighs the current stock of Council owned property available for this purpose. The cost of providing temporary accommodation in Hotels and Bed & Breakfasts is significantly more expensive than the Council acquiring long leases of suitable properties.

Should the Council not proceed with the long term lease the families that are in occupation (up to 14) will be required to vacate and the Council will need to find and fund alternative accommodation.

## **7. Next Steps and Timelines**

- 7.1 Following this report, and subject to approval, instruction will be given to complete the leasehold acquisition of 38 family units for temporary accommodation and work to identify, agree terms and complete agreements for other properties that meet the Councils requirements for temporary accommodation.
- 7.2 Cabinet will be updated on an annual basis in respect of any further leasehold acquisitions made under the delegation given in this report to increase the Councils stock of temporary accommodation that can be used for homeless households.

## **8. Contact Officer**

Matthew Garbutt:  
Property Manager – Assets & Estates  
01484 221000  
[matthew.garbutt@kirklees.gov.uk](mailto:matthew.garbutt@kirklees.gov.uk)

Sarah Holmes  
Housing Services Strategic Manager – Housing Solutions  
01484 221000  
[sarah.holmes@kirklees.gov.uk](mailto:sarah.holmes@kirklees.gov.uk)

## **9. Background Papers and History of Decisions**

Kirklees Preventing Homelessness and Rough Sleeping Strategy – Cabinet 10<sup>th</sup> September 2024

[Kirklees Preventing Homelessness And Rough Sleeping Strategy](#)

## **10. Appendices**

Private Appendix A – Private report on the proposed strategic leasehold acquisition

## **11. Service Director Responsible**

Joanne Bartholomew  
Service Director – Development  
01484 210000  
[joanne.bartholomew@kirklees.gov.uk](mailto:joanne.bartholomew@kirklees.gov.uk)



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**Report title: Admission arrangements for community and voluntary controlled schools in 2026/27**

*Keywords: admission arrangements 2026/27 – school admissions – admission policy for community and voluntary controlled schools – co-ordinated schemes*

<b>Meeting</b>	<b>Cabinet</b>
<b>Date</b>	<b>11 February 2025</b>
<b>Cabinet Member</b> (if applicable)	<b>Cllr Viv Kendrick – Children’s Services (Statutory responsibility for Children) Cllr Amanda Pinnock – Education and Communities</b>
<b>Key Decision Eligible for Call In</b>	<b>Yes Yes</b>
<p><b>Purpose of Report</b> Kirklees Council is the admission authority for Kirklees community and voluntary controlled schools and has a statutory responsibility to undertake an annual consultation about admissions arrangements. This report presents the results of this year’s consultation and seeks to determine admission arrangements for all Kirklees community and voluntary controlled schools for 2026/27. Arrangements must be determined by 28 February 2025 to comply with the School Admissions Code.</p>	
<p><b>Recommendations</b> Based upon the outcomes of the consultation and information provided in this report it is recommended that Members approve;</p> <ul style="list-style-type: none"> <li>• Kirklees co-ordinated admission schemes for 2026/27 including in-year admissions, as set out in Appendix 2;</li> <li>• admission arrangements for Kirklees community and voluntary controlled schools as detailed in Appendix 1C;</li> <li>• the Published Admission Numbers (PAN) for each community and voluntary controlled school set out in appendix 1D which include: <ul style="list-style-type: none"> <li>○ Crossley Fields J &amp; I School – PAN decrease from 89 to 60 in 2026/27.</li> <li>○ Hyrstmount Junior School – PAN decrease from 90 to 60 in 2026/27.</li> <li>○ Linthwaite Clough J I &amp; EY School – PAN decrease from 45 to 30 in 2026/27.</li> <li>○ Netherhall Learning Campus Junior School – PAN decrease from 75 to 55 in 2026/27.</li> <li>○ Pentland I &amp; N School – PAN decrease from 49 to 30 in 2026/27.</li> <li>○ Staincliffe CE (VC) Junior School – PAN decrease from 90 to 60 in 2026/27.</li> <li>○ Honley C of E (VC) J I &amp; N School – PAN decrease from 66 to 60 and removal of historic mismatch between KS1 and KS2 places in 2026/27.</li> </ul> </li> </ul>	
<p><b>Reasons for Recommendations</b> This will help ensure we can continue to serve the best interests for children and their families, support our schools and remain compliant with the School Admissions Code.</p>	
<b>Resource Implication:</b> None	
<b>Date signed off by <u>Executive Director</u> &amp; name</b>	<b>Tom Brailsford – Executive Director for Children and Families, 10 January 2025</b>

<p><b>Is it also signed off by the Service Director for Finance?</b></p>	<p><b>Kevin Mulvaney, 21 January 2025</b></p>
<p><b>Is it also signed off by the Service Director for Legal and Commissioning (Monitoring Officer)?</b></p>	<p><b>Samantha Lawton, 16 January 2025</b></p>

**Electoral wards affected:** All wards

**Ward councillors consulted:** Yes (as part of the public consultation)

**Public or private:** public

**Has GDPR been considered?** Yes

## 1. Executive Summary

- Kirklees is required by law to produce admissions schemes to co-ordinate the admission of children to the first year of all schools in Kirklees.
- Kirklees Council, as the admissions authority, is responsible for determining the admission policy and admission numbers for the community and voluntary controlled schools it maintains.
- A small number of proposed changes to the admission arrangements for community and voluntary controlled schools, all associated with a reduction in published admission numbers, have been consulted upon and can be found under section 2.4.

## 2. Information required to take a decision

### 2.1 The co-ordinated admission schemes

Kirklees Council is required by law to produce admission schemes to co-ordinate the admission of children to the first year of all schools in Kirklees. The schemes cover the admission of rising 5 year olds, and admissions to the first year of junior, middle and secondary schools.

The schemes cover the normal round of admissions to schools at the beginning of the 2026/27 school year in September 2026 and in-year admissions during the school year 2026/27.

The schemes comply with the requirements of the School Admissions Code which came into force in September 2021.

The schemes are attached to this report as:-

- Appendix 2A: Kirklees co-ordinated schemes for normal year of entry admissions for rising 5 year olds, junior schools, middle schools and secondary schools.
- Appendix 2B: Kirklees scheme for in-year admissions

### 2.2 Changes to the co-ordinated admission schemes in 2026/27

There are no proposed changes to the schemes for 2026/27.

The list of own admission authority schools has been updated to include the schools that have become own admission authorities due to conversion to academy status or a change of category to a trust or aided school and is correct as at 25 January 2025.

## **2.3 The admission arrangements for all Kirklees community and voluntary controlled schools for 2026/27**

Kirklees Council, as the admissions authority, is responsible for determining the admission policy and admission numbers for the community and voluntary controlled schools it maintains.

As the admissions authority, the Local Authority (LA) has a statutory duty to consult with the governing bodies of those schools, the governing bodies of academy, aided, foundation and trust schools in Kirklees and neighbouring LAs on the admissions policy and proposed admission numbers for schools.

This report confirms the outcomes of this process which took place between 22 October and 2 December 2024.

Appendix 1B to this report explains how the published admission numbers are derived.

Appendix 1C gives the admission arrangements for community and voluntary controlled schools for 2026/27.

Appendix 1D lists the published admission numbers for community and voluntary controlled schools for 2026/27. The admission numbers for own admission authority schools; academies, aided, foundation and trust schools are included for information only and may be subject to change.

Where a change is made to the published admission number (PAN) for a particular year of entry (the relevant year), it applies to that cohort of pupils only, at admission and then will apply as an admission limit in successive years as cohorts of pupils progress through the school, unless a separate admission limit has been determined.

## **2.4 Changes to the admissions arrangements for community and voluntary controlled schools in 2026/27**

Kirklees Council consulted on the following proposed changes:

### **Proposals to reduce PANs in the primary phase**

Kirklees Council publish a School Place Planning Document on a regular basis which provides a transparent evidence base to underpin decision-making about school organisation and planning.

The available evidence shows a period of declining child population year on year entering school at Reception. Future indications are that this decline will continue, and the following priority was declared in the 2023 School Place Planning Document relating to the primary phase:

*Continue to engage with the school system about opportunities to reduce the number of available places where there is evidence of a significant surplus*

This is in line with Department for Education (DfE) guidance which says local authorities should manage the school estate efficiently by reducing or find alternative uses for surplus capacity.

Following last year's consultation and in light of the declining population in the primary phase, a number of decisions to reduce PAN for 2025/26 admissions were made by the LA and Own Admission Authority schools.

The following proposals for community and voluntary controlled schools continue this approach for 2026/27 admissions:

- **Proposals for Crossley Fields J & I School**

To reduce the PAN from 89 to 60 from 2026/27. This proposal is supported by the school's Governing Body. 52 places were allocated in the Reception year group at the school on National Offer Day 2024 and 49 the year before. There were also vacant places in other local schools for the last two National Offer Days. The local child population has been declining since a peak in 2015 and, although it fluctuates a little, it is expected to continue to decline.

- **Proposals for Honley C of E (VC) J I & N School**

To reduce the PAN for the Reception year group from 66 to 60. It is also proposed to remove the historic mismatch between Key Stage 1 and Key Stage 2 places, which is technically the introduction of an admission limit. It is not a requirement of the School Admissions Code to formally consult on the latter proposal but including it within the consultation on admission arrangements provides an open and transparent opportunity for views to be shared and considered.

This proposal is supported by the school's Governing Body. 48 places were allocated in the Reception year group at the school on National Offer Day 2024 and 34 the year before. The year group which will enter Key Stage 2 in 2026/27 is the current Year 1 cohort, which had 38 children on roll at January census 2024. The local child population has been declining since a peak in 2015 and is expected to continue to decline.

- **Proposals for Hyrstmount Junior School**

To reduce the PAN from 90 to 60 from 2026/27. This proposal is supported by the school's Governing Body. 69 places were allocated in Year 3 at the school on National Offer Day 2024 and 61 the year before. However, subsequent cohorts transferring from the linked infant school, Purlwell I & N School, are very unlikely to exceed 60. Purlwell I & N School's PAN will reduce to 60 with effect from 2025/26. There is an established pattern of children attending the linked infant school moving to the junior school and this will bring the junior school's PAN into alignment. The local child population has been declining since a peak in 2015 and, although it fluctuates a little, it is expected to continue to decline.

- **Proposals for Linthwaite Clough J I & EY School**

To reduce the PAN from 45 to 30 from 2026/27. This proposal is supported by the school's Interim Executive Board. 26 places were allocated in the Reception year group at the school on National Offer Day 2024 and 31 the year before. There were also vacant places in other local schools for the last two National Offer Days. The local child population has been declining since a peak in 2015 and is expected to continue to decline.

It should be noted that this school is the subject of an Academy Order, and the conversion date is expected to be imminent. The Multi-Academy Trust which the school is expected to join have also confirmed support for this proposed reduction in PAN.

- **Proposals for Netherhall Learning Campus Junior School**

To reduce the PAN from 75 to 55 from 2026/27. This proposal is supported by the school's Federated Governing Body. 75 places were allocated in Year 3 at the school on National Offer Day 2024 and 52 the year before. The allocation of 75 places in current Year 3 is the result of a small, localised population spike. The local child population has been declining since a peak in 2015 and, although it fluctuates a little, it is expected to continue to decline. There are also vacant places in other local schools across all primary phase age groups.

The reason for proposing a PAN of 55 rather than 60 is to match future demand and help the school maintain its approach of having smaller class sizes than the standard 30 in order to better support the needs of its pupils. The PAN reduced from 90 to 55 at Netherhall St James' I & N School from 2024/25. There is an established pattern of all children attending the linked infant school moving to the junior school and this will bring the junior school's PAN into alignment.

- **Proposals for Pentland I & N School**

To reduce the PAN from 49 to 30 from 2026/27. This proposal is supported by the school's Governing Body. 35 places were allocated in the Reception year group at the school on National Offer Day 2023 and 33 the year before. However, many of these places are allocated to children who live outside Pentland I & N's PAA and a PAN of 30 would better reflect demand for places from within the PAA. There are also vacant places in other local schools across all primary phase age groups.

There is a mismatch between the Key Stage 1 infant school places (259 from 2025/26) and Key Stage 2 junior school places (240) in Dewsbury South primary school planning area. These proposals will eliminate the mismatch and therefore should have no impact on local junior school places.

- **Proposals for Staincliffe CE (VC) Junior School**

To reduce the PAN from 90 to 60 from 2026/27. This proposal is supported by the school's Governing Body. 60 places were allocated in Year 3 at the school on National Offer Day 2024 and 74 the year before. However, subsequent cohorts transferring from the linked infant school, Manorfield I & N School, are very unlikely to exceed 60. Manorfield I & N School's PAN reduced to 60 from 2024/25. There is an established pattern of children attending the linked infant school moving to the junior school and this will bring the junior school's PAN into alignment. The local child population has been declining since a peak in 2015 and, although it fluctuates a little, it is expected to continue to decline.

## 2.5 **School organisation proposals**

There are no outstanding mainstream statutory processes at this time. Any impact of future statutory processes on admission arrangements will be dealt with as part of the process and determined should proposals be approved.

## 3. **Implications for the Council**

It is important that we are evidencing the fact that, as a matter of routine, we are considering the way proposals will contribute to the Council's strategic priorities.

### 3.1 **Council Plan**

#### **Best start, aspire and achieve**

Our aim is that all children in Kirklees have equal access to, and equal opportunities in education, regardless of where they were born or their start in life and start school healthy, happy and ready to learn. We are committed to working with children and families, communities, partners and the school system to improve the quality of education in our schools to give every child the best possible start in life and prepare all children for successful, independent lives where they have the skills they need to achieve their aspirations.

In line with this we are committed to ensuring there are enough high quality school and early learning places in the areas where communities and families need them and that we support

children to secure a school place. Local children for local schools is a key element of place based working in Kirklees where schools play an important role in the community beyond the provision of education. Schools are not just part of the local infrastructure but anchor institutions at the heart of the communities they serve. Part of the vision within Our Kirklees Futures strategy is that attendance across our education system is higher than national average, with all Kirklees learners able to access their local school, setting or college. An intelligence led approach will allow the LA to further explore opportunities to ensure there are sufficient school places in each local area.

Reviewing and then determining admission arrangements supports the council to continue to work together with partners to ensure all children are offered a school place within a reasonable distance from their home.

### **A greener, healthier Kirklees**

Whilst it is recognised that parental preference allows applications to be made for any school, Kirklees Council gives priority to school admission applications for local schools, where they are more likely to be able to walk or cycle to their preferred school. If we are unable to offer a place to the parent's preferred school because the school has reached its published admission number with applicants of a higher priority in the oversubscription criteria for the school, Kirklees Council aims to offer an alternative school place within a reasonable distance.

Choosing a school within walking distance of the family home has great health and wellbeing benefits for children and parents/carers and would contribute to the reduction of pollution and CO2 emissions, a focus of the key long-term priorities for the Council in tackling the Climate Emergency in Kirklees. It improves air quality and works towards achieving the Net Zero and Climate Ready Kirklees vision by 2038.

### **3.2 Financial Implications**

There is no direct financial impact on the council core budget. However, adjusting the number of school places available through PAN changes, which reflect local evidence of a declining child population, contributes to a more financially sustainable local school system.

### **3.3 Legal Implications**

The School Admissions Code is issued under the School Standards and Framework Act 1998. The Code imposes mandatory requirements and includes guidelines setting out aims, objectives and other matters in relation to the discharge of functions relating to admissions for a range of bodies including the Council. This includes a requirement that admission arrangements for 2026/27 are determined by 28<sup>th</sup> February 2025.

### **3.4 Other (e.g. Risk, Integrated Impact Assessment or Human Resources)**

Determining Admission arrangement is a statutory requirement for the council. There are no direct financial or Human Resources implications for the council. An integrated impact assessment was undertaken January 2024 [Case ID IIA: 580803738](#) and reviewed in December 2024. As the LA has consulted on minor changes to published admission numbers only, it is considered that there are no adverse impacts arising from the proposals under this duty.

## **4 Consultation**

The proposed arrangements and schemes were subject to the statutory 6 week consultation between 22 October 2024 and 2 December 2024.

As part of the consultation the proposals were communicated to the following parties:- Governing Bodies and Headteachers of all Kirklees schools including own admission authority schools, Roman Catholic and Church of England Aided schools and Trust schools, Academies and Free schools, the Diocese of Leeds and the Church of England Diocese of Leeds, neighbouring Local Authorities, Councillors, other own admission authorities in the relevant area and comments were invited from parents/carers and other interested parties via social media, Involve and the Kirklees website.

## **5 Engagement**

Kirklees Council received one response to the consultation from a Multi-Academy Trust confirming they had no objections. The full response can be found in Appendix 5.

## **6 Options**

### **6.1 Options Considered**

Reduce the published admission numbers at the seven schools listed in 2.4 of this report.

### **6.2 Reasons for recommended Option**

There were no objections to the proposed admission arrangement presented in the consultation.

## **7 Next steps and timelines**

- To publish the approved arrangements on the Council's website, make copies available on request, to inform the public that the admission arrangements have been determined and inform all consultees of the decisions.
- To prepare the composite Guide for Parents to support their applications for 2026/27.

## **8 Contact officer**

Sharon Oldfield - Pupil Admissions Manager

Tel: 01484 225007 email: [sharon.oldfield@kirklees.gov.uk](mailto:sharon.oldfield@kirklees.gov.uk)

Martin Wilby- Head of Education Places and Access

Tel: 01484 221000 email: [martin.wilby@kirklees.gov.uk](mailto:martin.wilby@kirklees.gov.uk)

## **9 Background Papers and History of Decisions**

n/a.

## **10 Appendices**

### **Appendix 1- Kirklees admission arrangements**

- A. Introduction
- B. Published Admission Numbers (PANs) and Priority Admission Areas (PAAs)
- C. Admission arrangements for Kirklees community and voluntary controlled schools for 2026/27.
- D. Published admission numbers for community and voluntary controlled schools

### **Appendix 2 - Kirklees admission schemes**

- A. Kirklees co-ordinated schemes for normal year of entry admissions for rising 5 year olds, junior schools, middle schools and secondary schools.
- B. Kirklees scheme for in-year admissions

### **Appendix 3 - Timetable for Kirklees co-ordinated normal round admissions**

### **Appendix 4 - The meaning of words and expressions used in this scheme.**

## Appendix 5 – Consultation response in full

### 11 **Service Director responsible**

Jo-Anne Sanders

Service Director for Learning and Early Support

Directorate for Children and Families

Tel: 01484 221000 email: [jo-anne.sanders@kirklees.gov.uk](mailto:jo-anne.sanders@kirklees.gov.uk)



**A. Introduction**

- These schemes are intended to comply with The School Admissions (Admission Arrangements and Co-ordination of Admission Arrangements) (England) Regulations 2012 and the School Admissions Code 2021. The School Admissions Code ('the Code') has been issued under Section 84 of the School Standards and Framework Act 1998 ('SSFA 1998'). The Code has been made following a consultation under Section 85(2) of the SSFA 1998.
- Some community or voluntary controlled schools in Kirklees may become an own admission authority by converting to academy status or changing category to trust or voluntary aided status during the life of these arrangements. Any school that becomes an own admission authority during the period of these schemes assumes the responsibilities of an admission authority from the date of change of status / category.
- Please consult the websites of Kirklees and other admission authorities to obtain the most up to date information.

**B. Published Admissions Numbers (PANs) and Priority Admissions Areas (PAAs)**

- **Published admission numbers (PANs)** for community and voluntary controlled schools in Kirklees
  - The attached table on page 16 indicates the proposed PAN for each school. This is the maximum number of places that the school can offer. The PAN relates to the normal year of entry, that is the age group at which pupils are or will normally be admitted to the school.
  - Where a change is made to the PAN for a particular year of entry (the relevant year), it applies to that cohort of pupils only, at admission and then will apply as an admission limit in successive years as cohorts of pupils progress through the school, unless a separate admission limit has been determined through a consultation process.

In order to be consistent when proposing PANs for each community and voluntary controlled school the Kirklees LA considers the following:

- **The Net Capacity Calculation**

The internal measurement of a school produces a maximum number of workplaces and a minimum number which is normally 90% of the maximum. We call this 10% spread between the maximum and minimum workplaces the 'range'.

The net capacity of a school is subsequently determined as the agreed PAN multiplied by the number of age groups at the school provided that this figure falls within the 'range' of workplaces. If a PAN is chosen which (when multiplied by the number of year groups) does not fall within that range, the Net Capacity is set as the nearer of either the maximum or the minimum number of workplaces.

**Nursery space is excluded** from the net capacity measurement, therefore, this age group is also excluded from the calculation.

The net capacity calculation estimates the impact of a sixth form group on the entire school and provides a proportion of a year group. For example, an 11-18 secondary school with a sixth form may have 5.42 year groups (five statutory age groups plus 0.42 equivalent full-size age groups of sixth form students).

- **Flexibility in setting PANs**

The range of workplaces calculated for each school allows Kirklees some discretion in setting the PAN to take account of a school's particular circumstances and governors'

views. The Authority's expectation is that, in most cases, PANs will be set within the range with appropriate and realistic regard to the likely demand for places.

- **PANs outside the range**

Kirklees may set a PAN above the range for the following reasons:

- to accommodate all in-area children who apply on time for the first year in school
- where it has been agreed that the school should expand
- where the school accepts that they can accommodate children above the range without the need for extra accommodation.

### **Priority Admission Areas (PAAs)**

In Kirklees each community and voluntary controlled school has an area identified as its Priority Admission Area (other LAs refer to catchment areas). A small number of schools share priority areas; these are known as shared priority admission areas. Full details of priority admission areas are available on the Kirklees Council website.

## **C. Admission arrangements for Kirklees community and voluntary controlled schools for 2026/27**

### **Admission Criteria**

If there are fewer applicants than there are places available, everyone who applies will be offered a place. When there are more applicants than there are places available there has to be a way of deciding which children are offered places. This is done by having admission criteria, also known as oversubscription criteria, which are considered in order. The Kirklees admission criteria for community and voluntary controlled schools are:

1. children in public care (looked after children) and all previously looked after children, including those children who appear (to the admission authority) to have been in state care outside of England and ceased to be as a result of being adopted;
2. children who live in the school's Priority Admission Area (PAA) who have a brother or sister attending from the same address at the date of admission (the sibling rule);
3. children who live in the school's PAA;
4. children who live outside the school's PAA who have a brother or sister attending from the same address at the date of admission (the sibling rule);
5. children who live outside the school's PAA.

Community and voluntary controlled schools will admit a child with Special Educational Needs where the school is named on the Education Health and Care Plan.

### **Linked infant and junior schools**

There are several combinations of infant and junior schools in Kirklees. These are shown in the list below. The majority of children transfer from the infant school to the linked junior school. It is included to strengthen the admissions criteria for linked infant and junior schools to increase the continuity for children to a level comparable to that in an all-through primary school

- Berry Brow I & N Academy and Newsome Junior Academy
- Birkby I & N School and Birkby Junior School
- Diamond Wood Community Academy and Ravensthorpe CE (VC) Junior School
- Earlsheaton Infant School and Bywell CE (VC) Junior School
- New Mill Infant School and New Mill Junior School
- Lindley CE Infant School and Lindley Junior School
- Manorfield I & N School and Staincliffe CE (VC) Junior School
- Netherhall Learning Campus – Netherhall St James (VC) C of E Infant and Nursery School and Netherhall Learning Campus Junior School

- Netherton I & N School\* and South Crosland CE (VA) Junior School
- Pentland I & N School and Headfield CE (VC) Junior School
- Purlwell I & N School and Hyrstmount Junior School
- Reinwood I & N School and Reinwood Community Junior School
- Savile Town CE (VC) I & N School and Headfield CE (VC) Junior School
- Shaw Cross I & N School and Bywell CE (VC) Junior School
- Thornhill Lees CE (VC) I & N School and Headfield CE (VC) Junior School

\*admissions to Netherton I & N School only.

### **Admission criteria for linked infant and junior schools.**

If there are fewer applicants than there are places available, everyone who applies will be offered a place. When there are more applicants than there are places available there has to be a way of deciding which children are offered places. This is done by having admission criteria, also known as oversubscription criteria, which are considered in order. The Kirklees admission criteria for linked infant and junior, community and voluntary controlled schools are:

1. children in public care (looked after children) and all previously looked after children, including those children who appear (to the admission authority) to have been in state care outside of England and ceased to be as a result of being adopted;
2. children who live in the school's Priority Admission Area (PAA) who have a brother or sister attending either school from the same address at the date of admission (the sibling rule);
3. children who attend a listed infant school (with priority for the linked junior school)
4. children who live in the school's PAA;
5. children who live outside the school's PAA who have a brother or sister attending either school from the same address at the date of admission (the sibling rule);
6. children who live outside the school's PAA.

Community and voluntary controlled schools will admit a child with Special Educational Needs where the school is named on the Education Health and Care Plan.

### **Notes**

- The definition of a 'looked after child' in England is a person under the age of 18 who is provided with accommodation by a local authority, acting in its social services capacity, for a continuous period of more than 24 hours, by agreement with the parents or in accordance with section 22 of the Children Act 1989. Previously Looked After refers to those children who immediately after being looked after became subject to an adoption order, (under section 46 of the Adoption and Children Act 2002), Child Care Arrangement Order (under Section 8 of the Children Act 1989), or specialist guardianship order (under Section 14A of the Children Act 1989). Children looked after under an agreed series of short term placements (respite care) are excluded.
- A child is regarded as having been in state care outside of England if they were in the care of or were accommodated by a public authority, a religious organisation, or any other provider of care whose sole or main purpose is to benefit society. Evidence must be provided by parents of the child's adoption from public care outside England.
- If a request for admission to school is made under the previously looked after (PLAC) criteria, an online supplementary information form (SIF) will need to be completed on the Kirklees Pupil Admissions website [www.kirklees.gov.uk/admissions](http://www.kirklees.gov.uk/admissions)
- Children in priority 1 above may be admitted above the PAN.
- If we cannot agree to requests for admission in priorities 2 to 5 above without exceeding the PAN, we will give priority up to the PAN to children living nearest the school.

- Distance is measured in a straight line from a child's home address to the school. Measurements are calculated using six-figure National Grid Co-ordinates from the National Land and Property Gazetteer. This grid reference relates to a point that falls within the permanent building structure corresponding to the address. The boundary of the building structure for the address is from Ordnance Survey's MasterMap. For smaller, residential properties the grid reference marks a point near the centre of the building. For larger properties like schools with, for example, multiple buildings and large grounds, the grid reference relates to a point inside the main addressable building structure. The distance calculated is accurate to within 1 metre.
- For all-through schools located on two different sites, Kirklees LA will calculate the distance in a straight line from the applicant's home address to both sites and the shortest distance will be used for admission purposes for applications for all year groups. The year group the application is for and where that year group is taught is not part of the consideration, as this is an operational decision down to Headteacher / Governing Body discretion and could change outside of the admission arrangements consultation and determination process.
- 'Live' means the child's permanent home at the date when applications close or, if a significant house move is involved, the latest reasonable date before the final allocation of places (see page 13).
- Where a child's parents live at different addresses and the child spends time at each address we will consider a number of factors when deciding on the address that will be used for admissions purposes, including:
  - the amount of time spent at each address
  - which parent has parental responsibility for the child
  - who receives child benefit for the child
  - where the child is registered for medical and dental care
  - any residency or custody orders made by the courts.

We will ask for documentary evidence to support information given about the above points.

- For children transferring from first or middle schools, we will give preference in priorities 2-5 above (up to the PAN) to children attending a first or middle school in the middle or secondary school PAA.
- A PAA means a geographical area determined by Kirklees in consultation with the governing body of the school. It is called this because children living there normally have priority for admission over children who live elsewhere. It is also referred to as the catchment area.
- Children with Education Health and Care Plans are admitted to mainstream schools, special units and special schools separately from the general admission policies, but we do ask families to complete the online application if they would like to name a mainstream school as one of their preferences.
- **It is important to note that attending a school nursery or pre-school setting on a school site does not give any priority for a place in that primary/infant school and there is no automatic transfer.**

## Application procedures

### Transfer to secondary school

- Kirklees residents will apply for a secondary school place by using the online Parent Portal on the Kirklees website. The application period will run from the week beginning **1 September 2025. The closing date for applications will be 31 October 2025.**

### Transfer to junior or middle school

- Kirklees residents will apply for a junior or middle school place by using the online Parent Portal on the Kirklees website. The application period will run from the week beginning **1 September 2025. The closing date for applications will be 15 January 2026.**

### **Admission to full-time school for rising five year old children**

- Kirklees residents will apply for admission to full-time school (rising five year old children) by using the online Parent Portal on the Kirklees website. The application period will run from the week beginning **1 September 2025. The closing date for applications will be 15 January 2026.**

### **Late applications**

- Applications received after the appropriate closing date will be regarded as late unless, in Kirklees' judgment, there are significant and exceptional reasons for the lateness. Proof of special circumstances will be required.
- Late applications are not considered until all on-time applicants have been allocated places.
- Forms submitted after the closing date due to a significant house move will be regarded as on-time provided that documentary evidence to confirm the move is provided by the following deadlines in time for the allocation process.
- For year 7 and year 9 applications - It is expected the allocation process will take place on 19 January 2026. The latest reasonable date for evidence of a significant house move will be 30 November 2025.
- For Reception, year 3 and year 6 - It is expected that the allocation process will take place on 10 March 2026. The latest reasonable date for evidence of a significant house move will be 15 February 2026.

### **Waiting lists**

- A child's name will automatically be placed on the waiting list for any Kirklees community or voluntary controlled school where they have been refused a place in the school's normal year of entry, eg, Year 7 at secondary school.
- The waiting lists will be held in admission criteria order and will close on 31 December 2026.
- For in-year admissions, the waiting list will be held for the remainder of the term for which they have applied for a place.

### **In-year admissions**

- Kirklees residents who wish to apply for a place in the first year at a school after the first school day in September 2026, or to any other age group at any time, will apply on the In-year Common Application Form (ICAF).

### **Twins / multiple births**

- A twin or sibling from a multiple birth can be admitted as an excepted pupil into an infant class, where admission of more than one of the siblings would exceed the infant class size limit of 30 pupils, such cases would be examined on an individual basis.

### **Flats**

- In the event of two or more children living equidistant from the school, eg, blocks of flats, the place will be decided by drawing lots, the first name drawn out of the bag will be offered the place.

### **Rising five year old children**

- All children are entitled to a full time place in the September following their fourth birthday. However, the legal starting age for full time education is the start of the term following the child's fifth birthday and parents may request their child's entry is deferred until later in the same school year or until the term after which the child reaches compulsory school age. The allocated place will be held for the child until the beginning of the term following the child's fifth birthday, but not beyond the beginning of the summer term. Summer born children who do not take up their allocated place in Reception by the beginning of the

summer term will have their place withdrawn and will need to reapply for a place in year 1 for September.

- Parents can request that their child takes up the place part-time until the child reaches compulsory school age.

### **Children of Service Personnel and Crown Servants**

- Kirklees Council is signed up to the armed forces Community Covenant, which is a pledge made by the government to ensure that the armed forces and their families are not disadvantaged as a result of their service. As part of the co-ordinated process applications from armed forces families are reviewed on an individual basis to ensure they are not disadvantaged, and, Kirklees LA may ask schools to consider admission over PAN if this is felt to be necessary.
- Children of service personnel and crown servants returning from overseas to live within Kirklees, will be allocated a school place (as long as one is available) in advance of their arrival. The application must be accompanied by an official letter declaring the relocation date and postal address. The allocation will be based upon the address at which the child will live when applying oversubscription criteria, as long as parents provide some evidence of their intended address.

### **Summer born children (children born between 1 April and 31 August)**

- The majority of parents apply and take up a reception place in the school year in which their child will reach the age of five (rising fives). All children are entitled to a full time place in the September following their fourth birthday. However, the legal starting age for full time education is the start of the term following the child's fifth birthday and parents may request that their child's entry is deferred until later in the same school year or until the term in which the child reaches compulsory school age.
- Kirklees Council receives a small number of enquiries from parents (whose children are 'summer born') to delay their entry to school until the September following their fifth birthday.
- In many of these cases where a request is made for a delayed entry of a 'summer born' child, a place would be offered in Year 1 as this enables the child to remain within their chronological age group, however, non-statutory Department for Education (DfE) Guidance states;
- \*\*If you decide your summer born child will start school aged 5, and you want your child to start school in reception (not year 1), you need to make a request to the school's admission authority.
- \*\* The admission authority decides whether children who start school at compulsory school age should be admitted to reception or year 1. They must make this decision in the child's best interests.
- All requests for such transfers will be explored with the parent/carer on an individual basis. ['Advice on the Admission of Summer Born Children' \(DfE, April 2023\)](#)

Parents should still apply online in the normal admission round for 2026, and also email Pupil Admissions to make their request. The request will be considered by a panel of education experts after the relevant closing date for applications and the individual case will be considered. The panel will make a decision on the basis of the circumstances of the case and in the best interests of the child concerned, taking into account the views of the headteacher and any supporting evidence provided by the parent.

\*\* Kirklees Council is the admission authority for community and voluntary controlled schools. The governing body is the admission authority for foundation and voluntary aided schools and the academy trust is the admission authority for academies and free schools.

### **Admission of children outside normal age group**

- It is the general view of Kirklees Council that all children and young people will complete their primary and secondary education in school year groups according to their normal age group. It is also the general view of the Local Authority that moving pupils into older or younger year groups is usually not in their best educational, social or emotional interests. This includes either early or late admission to primary school or early or late transfer to secondary school.
- The National Curriculum sets out a clear, full and statutory entitlement to learning for all pupils. In addition, schools in Kirklees deliver an offer which supports access to high quality differentiated education. This should ensure that a pupil's curricular needs are met without either early or delayed transfer to the next phase of schooling being necessary other than in exceptional circumstances. A request may be made for a child to be admitted outside of their normal age group, for example if the child is gifted and talented, has experienced problems such as ill health or has already been taught out of chronological age.
- Parents should still apply online in the normal admission round for 2026, and also write to or email Pupil Admissions to make their request. The request will be considered by a panel of education experts after the relevant closing date for applications and the individual case will be considered. The panel will make a decision on the basis of the circumstances of the case and in the best interests of the child concerned, taking into account the views of the headteacher and any supporting evidence provided by the parent.
- There is no statutory barrier to children being educated out of their chronological year group however, there is no duty either for an admission authority to agree such a request and a parent/carer cannot insist their child is educated out of their normal year group. The admission authority for the school\*\* ultimately has responsibility for making the decision. All requests for such transfers will be explored with the parent/carer on an individual basis.

\*\*Kirklees Council is the admission authority for community and voluntary controlled schools. The governing body is the admission authority for foundation and voluntary aided schools and the academy trust is the admission authority for academies and free school.

## D. Table of Proposed published admission numbers (PANs)

### Secondary and middle provision

Secondary School	Category	PUBLISHED ADMISSION NUMBER 2025-2026	PROPOSED PUBLISHED ADMISSION NUMBER 2026-2027	Notes	Year 8 (yr 7 in 25/26)	Year 9 (yr 7 in 24/25)	Year 10 (yr 7 in 23/24)	Year 11 (yr 7 in 22/23)	Net cap range
All Saints Catholic College	VA	180	180	Own AA school.	180	180	180	180	814-905
Batley Girls High School	Academy	233	233	Information only. Own AA school.	233	233	243	243	-
Batley Grammar School	Free School (Academy)	130	130	Information only. Own AA school. Assuming all 30 pupils in the primary phase year 6 transfer to the secondary phase, there will be 130 places available. If less should transfer then further places will be offered accordingly.	130	130	130	130	-
BBG Academy	Academy	210	210	Information only. Own AA school.	210	210	210	210	-
Castle Hall Academy	Academy	180	180	Information only. Own AA school.	180	180	180	180 *(195)	-
Colne Valley High School	Academy	287	287	Information only. Own AA school. *Admitted over PAN	287	287 *(293)	287	287	-
Heckmondwike Grammar School	Academy	210	210	Information only. Own AA school. No proposed change to PAN *Admission over PAN	210	180 *(210)	180 *(210)	180 *(210)	-
Holmfirth High School	Community	264	264		264	264	264	264	1320-1467
Honley High School	Academy	255	255	Information only. Own AA school.	255	255	255	255	-
King James's School	Academy	210	210	Information only. Own AA school. *Admitted over PAN.	210	210 *(217)	210	186 *(210)	-
Manor Croft Academy	Academy	210	210	Information only. Own AA school. *Admitted over PAN	210	180 *(213)	180 *(210)	180 *(210)	-
Moor End Academy	Academy	210	210	Information only. Own AA school. *Admitted over PAN	210	210 *(215)	210	210	-
Netherhall Learning Campus - High School	Community	145	145	*Admitted over-PAN. Determined increase in PAN from 131 to 145	145	145 *(159)	145	145	626-709



Secondary School	Category	PUBLISHED ADMISSION NUMBER 2025-2026	PROPOSED PUBLISHED ADMISSION NUMBER 2026-2027	Notes	Year 8 (yr 7 in 25/26)	Year 9 (yr 7 in 24/25)	Year 10 (yr 7 in 23/24)	Year 11 (yr 7 in 22/23)	Net cap range
Newsome Academy	Academy	180	180	Information only. Own AA school.	180	180	183	183	
North Huddersfield Trust School	Trust	180	180	Information only. Own AA school. * Admitted over-PAN	180	180 *(210)	180 *(210)	180 *(210)	918-1020
Royds Hall, A SHARE Academy	Academy	172	172	Information only. Own AA school. * Admitted over-PAN	172	172 *(180)	172	172	-
Salendine Nook High School Academy	Academy	275	275	Information only. Own AA school. * Admitted over-PAN	275	275 *(285)	275	275	-
Shelley College, A SHARE Academy	Academy	360	360	Information only. Own AA school.			360	360	-
Spenn Valley High School	Trust	190	190	Information only. Own AA school.	190	190	190	190 *(200)	966-1074
St John Fisher Catholic Voluntary Academy	Academy	198	198	Information only. Own AA school.	198	198	198	198	-
Thornhill Community Academy, A SHARE Academy	Academy	180	180	Information only. Own AA school. *Admitted over PAN	180	180 *(195)	180	180 *(210)	-
The Mirfield Free Grammar	Academy	221	221	Information only. Own AA school. *Admitted over PAN	221	221	221	221 *(250)	-
Upper Batley High School	Academy	150	150	Information only. Own AA school.	150	150 *(160)	150	150 *(160)	-
Westborough High School	Trust	180	180	Information only. Own AA school. *Admitted over PAN	180	180 *(200)	180	180 *(200)	991-1102
Whitcliffe Mount, A SHARE Academy	Academy	250	250	Information only. Own AA school.	250	250	250	250	-
Middle School	Category	PUBLISHED ADMISSION NUMBER 2024/2025	PROPOSED ADMISSION NUMBER 2025/2026	Notes	Year 7	Year 8			
Kirkburton Middle School	Academy	167	167	Information only. Own AA school.	173	167	-	-	
Scissett Middle School	Academy	200	200	Information only. Own AA school.	200	200	-	-	

## Primary provision

Primary School	Category	PUBLISHED ADMISSION NUMBER 2024-2025	PROPOSED PUBLISHED ADMISSION NUMBER 2025-2026	Notes	Year 1 (Rec in 24/25)	Year 2 (Rec in 23/24)	Year 3 (Rec in 22/23)	Year 4 (Rec in 21/22)	Year 5 (Rec in 20/21)	Year 6 (Rec in 19/20)	Net cap range	PAN range
All Hallows' Primary CE (VA) School	VA	30	30	Information only. Own AA school.	30	30	30	30	30	30	157-207	22-29
Ashbrow School	Community	60	60		60	60	60	60	60	60		
Batley Grammar School	Free School (Academy)	27	27	Information only. Own AA school.	27	27	27	27	27	26	-	-
Batley Parish C of E Primary Academy	Academy	30	30	Information only. Own AA school.	30	30	30	30	30	30	210-240	30-34
Battleyford CE (VC) Primary School	VC	KS1 60 KS2 62	KS1 60 KS2 62		60	60	62	62	62	62	400-445	57-63
Beaumont Primary Academy	Academy	90	90	Information only. Own AA school.	90	90	90	90	90	90	-	-
Berry Brow I & N School	Community	60	60		60	60					180-201	60-67
Birdsedge First School	Academy	15	15	Information only. Own AA school.	15	15	15	15	15		-	-
Birkby I & N School	Community	120	120		120	150					423-471	141-157
Birkby Junior School	Community	150	150					150	150	150		
Birkenshaw CE (VC) Primary School	VC	60	60		60	60	60	60	60	60	378-420	54-60
Birstall Primary Academy	Academy	30	30	Information only. Own AA school.	30	30	30	30	30	30	-	-
Boothroyd Primary Academy	Academy	90	90	Information only. Own AA school.	90	90	90	90	90	90	-	-
Brambles Primary Academy	Academy	60	60	Information only. Own AA school.	60	60	60	60	60	60	-	-
Brockholes CE (VC) J & I School	VC	30	30		30	30	30	30	30	30	189-210	27-30
Bywell CE (VC) Junior School	VC	97	97					97	97	97	351-390	87-97
Carlinghow Academy	Academy	50	50	Information only. Own AA school.	50	50	50	50	50	50	-	-
Carlton J & I School	Community	KS1 30 KS2 33	KS1 30 KS2 33		30	30	33	33	33	33	214-238	30-34
Christ Church CE Academy	Academy	30	30	Information only. Own AA school.	30	30	30	30	30	30	-	-
Cough Head J & I School	Community	12	12		12	12	12	12	12	12	52-90	7-12

Primary School	Category	PUBLISHED ADMISSION NUMBER 2024-2025	PROPOSED PUBLISHED ADMISSION NUMBER 2025-2026	Notes	Year 1 (Rec in 24/25)	Year 2 (Rec in 23/24)	Year 3 (Rec in 22/23)	Year 4 (Rec in 21/22)	Year 5 (Rec in 20/21)	Year 6 (Rec in 19/20)	Net cap range	PAN range
Co-op Academy Smithies Moor	Academy	30	30	Information only. Own AA school.	30	30	60	60	60	60	-	-
Crossley Fields J & I School	Community	89	60	Consulted on proposed reduction in PAN from 89 to 60.	89	89	89	89	89	89	565-628	80-89
Crow Lane J I & N School	Trust	30	30	Information only. Own AA school.	30	30	30	30	30	30	210-236	30-33
Crowlees CE (VC) J & I School	VC	60	60		60	60	60	60	60	60	367-418	52-59
Cumberworth CE (A) First School	VA	20	20	Information only. Own AA school.	20	20	20	20	20		90-120	15-20
Dalton (J I & N) School	Community	70	70		70	70	70	70	70	70	420-470	60-67
Denby CE (A) First School	VA	10	10	Information only. Own AA school.	10	10	10	10	10		45-60	7-10
Denby Dale F & N School	Community	KS1 30 KS2 33	KS1 30 KS2 33		30	30	33	33	33		141-180	23-30
Diamond Wood Community Academy	Academy	120	90	Information only. Own AA school. Consulted on reduction in PAN from 120 to 90	120	120					-	-
Earlsheaton Infant School	Academy	40	40	Information only. Own AA school	40	40					108-120	36-40
East Bierley CE(VC) Primary School	VC	30	30		30	30	30	30	30	30	210	30
Eastborough J I & N School	Community	30	30		30	30	30	30	30	30	189-210	27-30
Emley First School	Community	25	25		25	25	25	25	25		135-150	22-25
Farnley Tyas CE (VC) First School	VC	10	10		10	10	10	10	10		45-63	7-10
Field Lane J I & N School	Academy	30	30	Information only. Own AA school.	30	30	30	30	30	30	-	-
Fieldhead Primary Academy	Academy	30	30	Information only. Own AA school.	30	30	30	30	30	30	-	-
Fixby J & I School	Community	45	45		45	45	45	45	45	45	290-323	41-46
Flockton CE (VC) First School	VC	15	15		15	15	15	15	15		90-117	15-19
Golcar J I & N School	Trust	60	60	Information only. Own AA school.	60	60	60	60	60	60	375-420	53-60
Gomersal Primary School	Community	60	60		60	60	60	60	60	60	378-420	54-60

Primary School	Category	PUBLISHED ADMISSION NUMBER 2024-2025	PROPOSED PUBLISHED ADMISSION NUMBER 2025-2026	Notes	Year 1 (Rec in 24/25)	Year 2 (Rec in 23/24)	Year 3 (Rec in 22/23)	Year 4 (Rec in 21/22)	Year 5 (Rec in 20/21)	Year 6 (Rec in 19/20)	Net cap range	PAN range
Gomersal St Mary's CE (VC) Primary School	VC	30	30		30	30	30	30	30	30	157-206	22-29
Grange Moor Primary School	Community	15	15		15	15	15	15	15	15	105-120	15-17
Hade Edge J & I School	Community	14	14		14	14	14	14	12	12	52-90	7-12
Hanging Heaton CE (VC) J & I School	VC	20	20		20	20	20	20	20	20	105-141	15-20
Hartshead J & I School	Community	12	12		12	12	12	12	12	12	52-90	7-12
Headfield CE (VC) Junior School	VC	150	150					150	150	150	567-630	141-157
Headlands CE (VC) J I & N School	VC	60	60		60	60	60	60	60	60	367-414	52-59
Healey J I & N School	Academy	55	55	Information only. Own AA school.	55	55	55	55	55	55	-	-
Heaton Avenue, A SHARE Primary Academy	Academy	60	45	Information only. Own AA school. Consulted on decrease in PAN from 60 to 45.	60	60	60	60	60	60	-	-
Heckmondwike Primary School	Trust	60	60	Information only. Own AA school.	60	60	60	60	60	60	378-420	54-60
Helme CE (VA) J & I School	Academy	20	20	Information only. Own AA school.	20	20	20	20	20	20	-	-
Hepworth J & I School	Community	16	16		16	16	16	16	16	16	105-117	15-16
High Bank J I & N School	Community	20	20		20	20	20	20	20	20	105-143	15-20
Highburton CE (VC) First School	Academy	30	30	Information only. Own AA school.	30	30	30	30	30			
Hightown J I & N School	Community	30	30		30	30	30	30	30	30	210	30
Hillside Primary School	Academy	45	45	Information only. Own AA school.	45	45	45	45	45	45	-	-
Hill View Academy	Academy	30	30	Information only. Own AA school.	30	30	30	30	30	30	-	-
Hinchliffe Mill J & I School	Community	16	16		16	16	16	16	16	16	103-115	15-16
Holme J & I School	Community	6	6		6	6	6	6	6	5	0-42	0-6
Holmfirth J I & N School	Community	KS1 30 KS2 34	KS1 30 KS2 34		30	30	34	34	34	34	206-229	29-32
Holy Spirit Catholic Primary Academy	Academy	30	30	Information only. Own AA school.	30	30	30	30	30	30	-	-
Honley CE (VC) J I & N School	VC	66	KS1 60	Consulted on proposed reduction in PAN from 66 to 60 and removal of additional 2 places at KS2	66	66	68	68	68	68	470	66/68

Primary School	Category	PUBLISHED ADMISSION NUMBER 2024-2025	PROPOSED PUBLISHED ADMISSION NUMBER 2025-2026	Notes	Year 1 (Rec in 24/25)	Year 2 (Rec in 23/24)	Year 3 (Rec in 22/23)	Year 4 (Rec in 21/22)	Year 5 (Rec in 20/21)	Year 6 (Rec in 19/20)	Net cap range	PAN range
Hopton Primary School	Community	45	45		45	45	45	45	45	45	346-385	49-55
Howard Park Community School	Community	30	30		30	30	30	30	30	30	210-240	30-34
Hyrstmount Junior School	Community	90	60	Consulted on proposed reduction in PAN from 90 to 60				90	90	90	329-366	82-91
Kaye's Academy	Academy	KS1 30 KS2 32	KS1 30 KS2 32	Information only. Own AA school.	30	30	32	32	32	32		
Kirkburton CE (A) First School	VA	24	24	Information only. Own AA school.	24	24	24	24	24		135-168	22-28
Kirkheaton Primary School	Academy	60	60		60	60	60	60	60	60	-	-
Lepton CofE Primary Academy	Academy	KS1 30 KS2 33	KS1 30 KS2 33	Information only. Own AA school.	30	30	33	33	33	33	-	-
Lindley CE Infant School	Academy	120	120	Information only. Own AA school.	120	120					-	-
Lindley Junior School	Academy	120 *(124)	120	Information only. Own AA school. *Admission over PAN				120 *(124)	120 *(124)	120 *(124)	-	-
Linthwaite Ardron CE (A) J & I School	VA	30	30	Information only. Own AA school.	30	30	30	30	30	30	157-203	22-29
Linthwaite Clough J I & E Y School	Community	45	30	Consulted upon a reduction in PAN from 45 to 30	45	45	45	45	45	45	262-297	37-42
Littleton J I & N School	Trust	25	25	This school is consulting during the same window as the LA – see school website for further details. Own AA school.	25	25	25	25	25	25	157-177	22-25
Lowerhouses C of E Primary School	Academy	30	30		30	30	30	30	29	29	207-231	29-33
Lydgate J & I School	Community	45	45		45	45	45	45	45	45	295-328	42-46
Manorfield I & N School	Academy	60	60	Information only. Own AA school	60	90						
Marsden I & N School	Community	60	60		60	60					162-180	54-60
Marsden Junior School	Academy	60	60	Information only. Own AA school				60	60	60	-	-
Meltham CE (VC) Primary School	VC	60	60		60	60	60	60	60	60	398-443	56-63
Meltham Moor Primary School	Academy	30	30	Information only. Own AA school.	30	30	30	30	30	30	-	-
Mill Lane J I & E Y School	Community	25	25		25	25	25	25	25	25	157-194	22-27

Primary School	Category	PUBLISHED ADMISSION NUMBER 2024-2025	PROPOSED PUBLISHED ADMISSION NUMBER 2025-2026	Notes	Year 1 (Rec in 24/25)	Year 2 (Rec in 23/24)	Year 3 (Rec in 22/23)	Year 4 (Rec in 21/22)	Year 5 (Rec in 20/21)	Year 6 (Rec in 19/20)	Net cap range	PAN range
Millbridge, A SHARE Primary Academy	Academy	45	45	Information only. Own AA school.	45	47	47	47	47	47	-	-
Moldgreen Community Primary School	Community	60	60	**Determined increase in PAN from 50 to 60	60	60	50	50	50	50	378-420	54-60
Moorlands Primary School	Community	90	90		90	90	90	90	90	90	567-630	81-90
Mount Pleasant Primary School	Community	90	90		90	90	90	90	90	90	596-663	85-94
Netherhall Learning Campus Junior School	Community	75	55	Consulted on proposed reduction in PAN from 75 to 55				75	90	90	315-350	78-87
Netherhall St James CofE (VC) I&N School	VC	55	55		55	90					221-246	73-82
Netherthong Primary School	Community	KS1 30 KS2 32	KS1 30 KS2 32		30	30	32	32	32	32	199-222	28-32
Netherton I & N School	Academy	60	60	Information only. Own AA school.	60	60					-	-
Newsome Junior School	Community	60	60					60	60	60	216-240	54-60
New Mill Infant School	Academy	60	60	Information only. Own AA school.	60	60					-	-
New Mill Junior School	Academy	60	60	Information only. Own AA school.				60	60	60	-	-
Nields J I & N School	Community	30	30		30	30	30	30	30	30	157-196	22-28
Norristorpe J & I School	Community	60	60		60	60	60	60	60	60	367-419	52-59
Oak CE(VC) Primary School	VC	60	60		60	60	60	60	60	60		
Old Bank Academy	Academy	25	15	Information only. Own AA school. Consulted on a reduction in PAN to 15	25	25	25	25	25	25	-	-
Orchard Primary Academy School	Academy	50	50	Information only. Own AA school	50	50	50	52	52	52	-	-
Our Lady Of Lourdes Catholic Primary Academy	Academy	30	30	Information only. Own AA school.	30	30	30	30	30	30	-	-
Overthorpe C of E Academy	Academy	30	30	Information only. Own AA school.	30	42	42	42	42	42	-	-
Paddock J I & N School	Trust	50	50	Information only. Own AA school.	50	50	50	50	50	50	298-332	42-47
Park Road J I & N School	Community	30	30		30	30	30	30	30	30	198-220	28-31
Pentland I & N School	Community	49	30	Consulted on proposed reduction in PAN from 49 to 30	49	49					146-163	49-54

Primary School	Category	PUBLISHED ADMISSION NUMBER 2024-2025	PROPOSED PUBLISHED ADMISSION NUMBER 2025-2026	Notes	Year 1 (Rec in 24/25)	Year 2 (Rec in 23/24)	Year 3 (Rec in 22/23)	Year 4 (Rec in 21/22)	Year 5 (Rec in 20/21)	Year 6 (Rec in 19/20)	Net cap range	PAN range
Purlwell I & N School	Community	90	60	Consulted on reducing PAN from 90 to 60 – 1 supportive response received	90	90					243-270	81-90
Ravensthorpe CE(VC) Junior School	VC	108	108					108	108	108	392-436	98-109
Reinwood Community Junior School	Community	90	90					90	90	90	324-360	81-90
Reinwood I & N School	Community	90	90		90	90					297-330	99-110
Roberttown CE (VC) J & I School	VC	34	34		34	34	34	34	34	34	210-240	30-34
Rowley Lane J I & N School	Community	KS1 60 KS2 66	KS1 60 KS2 66		60	60	66	66	66	66	420-470	60-67
Royds Hall, A SHARE Academy – Luck Lane, A SHARE Primary Academy	Academy	60	45	Information only. Own AA school. De-almalgamation of Royds Hall and Luck Lane Primary has been approved by the DfE. Information presented here represents the position prior to implementation of this de-almalgamation. Consulted on decrease in PAN from 60 to 45.	60	60	60	60	60	60	-	-
Savile Town CE (C) I & N School	VC	60	30	Consulted on reducing PAN from 60 to 30 – no comments received	60	60					169-188	56-63
Scapegoat Hill J & I School	Community	12	12		12	12	12	12	12	12	52-90	7-12
Scholes J & I School	Academy	KS1 30 KS2 33	KS1 30 KS2 33		30	30	33	33	33	33	201-224	28-32
Scholes Village Primary School	Community	30	30		30	30	30	30	30	30	189-210	27-30
Scissett CE Academy	Academy	30	30 (KS1) 32 (KS2)	Information only. Own AA school.	30	30	32	32	32		-	-
Shaw Cross I & N School	Community	60	60		60	60					162-180	54-60
Shelley First School	Academy	30	30	Information only. Own AA school.	30	34	34	34	34		-	-
Shepley First School	Community	30	30		30	30	30	30	30		170-189	28-31
Skelmanthorpe Academy	Academy	30	30	Information only. Own AA school.	30	30	30	30	30		-	-
St Faithwaite CE (VC) J & I School	VC	23	23		23	23	23	23	23	23	154-172	22-24

Primary School	Category	PUBLISHED ADMISSION NUMBER 2024-2025	PROPOSED PUBLISHED ADMISSION NUMBER 2025-2026	Notes	Year 1 (Rec in 24/25)	Year 2 (Rec in 23/24)	Year 3 (Rec in 22/23)	Year 4 (Rec in 21/22)	Year 5 (Rec in 20/21)	Year 6 (Rec in 19/20)	Net cap range	PAN range
South Crosland CE (A) Junior School	VA	60	60	Information only. Own AA school.				60	60	60	210-234	52-58
Spring Grove J I & N School	Community	30	30		30	30	30	30	30	30	209-233	29-33
St Aidan's CE Academy	Academy	30	30	Information only. Own AA school.	30	30	30	30	30		-	-
St John's CE (A) J & I School	VA	30	30	Information only. Own AA school.	30	30	30	30	30	30	199-222	28-31
St John's CE (C) Primary School	VC	30	30		30	30	30	30	30	30	162-180	54-60
St Joseph's Catholic Academy (Dewsbury)	Academy	KS1 30 KS2 32	KS1 30 KS2 32	Information only. Own AA school.	30	30	32	32	32	32	-	-
St Joseph's Catholic Academy (Huddersfield)	Academy	50	50	Information only. Own AA school. Consulting on increase to PAN from 45 to 50	50	50	50	45	45	45	-	-
St Mary's Catholic Primary Academy	Academy	45	45	Information only. Own AA school.	45	45	45	45	45	45	-	-
St Patrick's Catholic Primary Academy (Batley)	Academy	35	35	Information only. Own AA school.	35	35	35	35	35	35	-	-
St Patrick's Catholic Primary Academy (Huddersfield)	Academy	60	60	Information only. Own AA school.	60	60	60	60	60	60	-	-
St Paulinus Catholic Primary Academy	Academy	60	60	Information only. Own AA school.	60	60	60	60	60	60	-	-
St Peter's CE (A) J I & N School	VA	30	30	Information only. Own AA school.	30	30	30	30	30	30	189-210	27-30
St Thomas CE(VC) Primary School	VC	60	60		60	60	60	60	60	60	378-420	54-60
Staincliffe CE (VC) Junior School	VC	90	60	Consulted on proposed reduction in PAN from 90 to 60				90	90	90	322-358	80-89
Thornhill J & I School	Academy	60	60	Information only. Own AA school.	60	60	60	60	60	60	-	-
Thornhill Lees CE(VC) I & N School	VC	90	90		90	90					243-270	81-90
Thurstonland Endowed (VC) First School	VC	12	12		12	12	12	12	12		45-77	7-12
Upperthong J & I School	Community	KS1 30 KS2 32	KS1 30 KS2 32		30	30	32	32	32	32	189-210	27-30
Warwick Road J I & N School	Community	48	48		48	48	48	48	48	48	312-347	44-49
Wellhouse J & I School	Community	12	12		12	12	12	12	12	12	52-90	7-12



Primary School	Category	PUBLISHED ADMISSION NUMBER 2024-2025	PROPOSED PUBLISHED ADMISSION NUMBER 2025-2026	Notes	Year 1 (Rec in 24/25)	Year 2 (Rec in 23/24)	Year 3 (Rec in 22/23)	Year 4 (Rec in 21/22)	Year 5 (Rec in 20/21)	Year 6 (Rec in 19/20)	Net cap range	PAN range
Westmoor Primary School	Community	60	60		60	60	60	60	60	60	450-500	
Whitechapel Church of England Primary School	VC	60	60		60	60	60	60	60	60	420	60
Wilberlee J & I School	Community	12	12		12	12	12	12	12	12	52-84	7-12
Windmill CE (VC) Primary school	VC	60	60		60	60	60	60	60	60	378-420	54-60
Woodside Green, A SHARE Academy	Academy	50	50	Information only. Own AA school.	50	50	50	50	50	50	-	-

## Kirklees schemes for school admissions in 2026/27

### Introduction and purpose

- These schemes are intended to comply with The School Admissions (Admission Arrangements and Co-ordination of Admission Arrangements) (England) Regulations 2012 and the School Admissions Code 2021.
- Kirklees LA will co-ordinate normal round admission arrangements with all of the admission authorities responsible for school admissions within Kirklees and with other neighbouring local authorities.
- Some community or voluntary controlled schools in Kirklees may become an own admission authority by converting to academy status or changing category to trust or voluntary aided status during the life of these arrangements. Any school that becomes an own admission authority during the period of these schemes assumes the responsibilities of an admission authority from the date of change of status / category.
- Please consult the websites of Kirklees and other admission authorities to obtain the most up to date information.

### Schemes

- A. Kirklees co-ordinated schemes for normal (relevant) year of entry admissions for 2026/27 for rising 5 year olds, junior schools, middle schools and secondary schools: page 30 - 36.
- B. Kirklees scheme for in-year admissions 2026/27 page 37 – 39.

Appendix 3 on page 40 and 41 show the timetables for implementing these schemes.

Appendix 4 on page 42 explains the meanings of expressions (marked \*) used in these schemes.

### Kirklees admission authorities

In Kirklees the admission authorities\* for schools at the time of publication on the website are listed below.

Some Kirklees community or voluntary controlled schools may have changed category to academy or trust status before the 2026 admissions round. The relevant schemes in this document will apply to any school that becomes an own admission authority from the date of the change to own admission authority. Details will be updated on the Kirklees and school websites.

### **(a)Kirklees LA is the admission authority for all Kirklees community and voluntary controlled schools**

#### Community schools

##### Primary

- Ashbrow School
- Birkby I & N School
- Birkby Junior School
- Carlton J & I School
- Clough Head J & I School
- Crossley Fields J & I School
- Dalton School

- Denby Dale F & N School
- Emley First School
- Fixby J & I School
- Gomersal Primary School
- Grange Moor Primary School
- Hade Edge J & I School
- Hartshead J & I School
- Hepworth J & I School
- High Bank J I & N School
- Hightown J I & N School
- Hinchliffe Mill J & I School
- Holme J & I School
- Holmfirth J I & N School
- Hopton Primary School
- Howard Park Community School
- Hyrstmount Junior School
- Kaye's F & N School
- Linthwaite Clough J I & EY School
- Lydgate J & I School
- Marsden I & N School
- Mill Lane Primary School
- Moldgreen Community Primary School
- Moorlands Primary School
- Mount Pleasant Primary School
- Netherhall Learning Campus Junior School
- Netherthong Primary School
- Norristhorpe J & I School
- Park Road J I & N School
- Pentland I & N School
- Purlwell I & N School
- Reinwood Community Junior School
- Reinwood I & N School
- Rowley Lane J I & N School
- Scapegoat Hill J & I School
- Scholes Village Primary School
- Shaw Cross I & N School
- Shepley First School
- Spring Grove J I & N School
- Upperthong J & I School
- Warwick Road J I & N School
- Wellhouse J & I School
- Westmoor Primary School
- Wilberlee J & I School

## **Secondary**

- Holmfirth High School
- Netherhall Learning Campus High School

## **Voluntary controlled schools**

### **Primary**

- Battyeford CE (VC) Primary School
- Birkenshaw CE (C) Primary School
- Brockholes CE (VC) J & I School
- Bywell CE (VC) Junior School
- Crowlees CE (VC) J & I School
- East Bierley CE (VC) Primary School
- Farnley Tyas CE (VC) First School
- Flockton CE (VC) First School
- Gomersal St Mary's CE (VC) Primary School
- Hanging Heaton CE (VC) J & I School
- Headfield CE (C) Junior School
- Headlands CE(VC) J I & N School
- Honley CE (VC) Junior, Infant & Nursery School
- Meltham CE (VC) Primary School
- Netherhall St James CE (VC) I & N School
- Oak CE (VC) Primary School
- Ravensthorpe CE (VC) Junior School
- Roberttown CE (VC) J & I School
- Savile Town CE (VC) I & N School
- Slaithwaite CE (VC) J & I School
- St John's CE (C) Primary School
- St Thomas CE (VC) Primary School
- Staincliffe CE (VC) Junior School
- Thornhill Lees CE (VC) I & N School
- Thurstonland Endowed (VC) First School
- Whitechapel C of E Primary School
- Windmill CE (VC) Primary School

**(b)Academies and free schools – state schools that are independent of the local authority. The governing body or academy trust is responsible for deciding who is given a place**

### **Primary**

- Batley Grammar School
- Batley Parish C of E Primary Academy
- Beaumont Primary Academy
- Berry Brow I & N Academy
- Birdsedge First School
- Birstall Primary Academy
- Boothroyd Primary Academy
- Brambles Primary Academy
- Carlinghow Academy
- Christ Church CE Academy
- Co-op Academy Smithies Moor
- Diamond Wood Community Academy
- Earlsheaton Infant School
- Eastborough Academy
- Fieldhead Primary Academy

- Field Lane J I & N School
- Healey J I & N School
- Heaton Avenue, A SHARE Primary Academy
- Heckmondwike Primary Academy
- Helme Church of England Academy
- Highburton CE(VC) First Academy
- Hillside Primary School
- Hill View Academy
- Holy Spirit Catholic Primary Academy
- Kirkheaton Primary School
- Lepton CE Primary Academy
- Lindley Church of England Infant School
- Lindley Junior School
- Lowerhouses C of E Primary School
- Luck Lane Primary, a SHARE Primary Academy
- Manorfield I & N School
- Marsden Junior School
- Meltham Moor Primary School
- Millbridge Junior Infant & Nursery School, A SHARE Primary Academy
- Netherton I & N School
- New Mill Infant School
- New Mill Junior School
- Newsome Junior Academy
- Nields Academy
- Old Bank Academy
- Orchard Primary Academy
- Our Lady of Lourdes Catholic Primary Academy
- Overthorpe CofE Academy
- Scholes (Holmfirth) Junior & Infant School
- Scissett CE Academy
- Shelley First School
- Skelmanthorpe Academy
- St Aidan's CE Academy
- St Joseph's Catholic Academy, Dalton
- St Joseph's Catholic Primary Academy, Dewsbury
- St Mary's Catholic Primary Academy
- St Patrick's Catholic Primary Academy, Huddersfield
- St Patrick's Catholic Primary Academy, Birstall
- St Paulinus Catholic Primary Academy
- Thornhill J & I School
- Woodside Green, A SHARE Primary Academy

### **Middle**

- Kirkburton Middle School
- Scissett Middle School

### **Secondary**

- Batley Girls' High School
- Batley Grammar School
- BBG Academy
- Castle Hall Academy

- Colne Valley High School
- Heckmondwike Grammar School
- Honley High School
- King James's School
- Manor Croft Academy
- Moor End Academy
- Newsome Academy
- Royds Hall, A SHARE Academy
- Salendine Nook High School Academy
- Shelley College, A SHARE Academy
- St John Fisher Catholic Voluntary Academy
- The Mirfield Free Grammar School
- Thornhill Community Academy, A SHARE Academy
- Upper Batley High School
- Whitcliffe Mount – A SHARE Academy

**(c)The governing bodies are the admission authorities for the foundation (F) and trust (T) schools**

**Primary**

- Crow Lane Primary & Foundation Stage School
- Golcar J I & N School
- Littletown Junior Infant and Nursery School
- Paddock J I & N School

**Secondary**

- North Huddersfield Trust School
- Spen Valley High School
- Westborough High School

**(d) The governing body are the admission authorities for the Roman Catholic voluntary aided (VA) school**

**Secondary**

- All Saints Catholic College, Specialist in Humanities

**2A.Kirklees co-ordinated schemes for relevant year of entry admissions for 2026/27 for rising fives, junior schools, middle schools and secondary schools**

**The relevant year is the normal year of admission**

**Rising five year old admissions**

Children should normally enter full-time education in the school year in which their fifth birthday occurs.

- Reception class is the relevant year.

**Junior and middle school admissions**

- Year 3 is the relevant year for transfer from infant to junior school
- Year 6 is the relevant year for transfer from first to middle school in Shelley area.

## Secondary school admissions

Transfers from junior, primary or middle school to secondary school.

- Year 7 is the relevant year except for;
  - Shelley College – year 9

## Deferred entry in Reception

Children do not have to be in full-time education until the start of the term following their fifth birthday and may defer their entry to school as follows:-

Date of birth between 1.9.21 and 31.12.21 – may defer entry until start of the Spring term i.e. January 2027.

Date of birth between 1.1.22 and 31.8.22 – may defer entry until start of the Summer term i.e. April 2027.

If a child has a date of birth between **1.4.22 and 31.8.22** and the parent does not wish them to begin school until **September 2027** (their latest legal starting date) **they will have to give up the allocated Reception place** and re-apply for a place in Year 1. Details about summer born children admissions can be found on page 14).

## The application

- Parents apply online for their child's school place via the Kirklees Parent Portal. This can be accessed via the Kirklees website.
- The Kirklees Parent Portal should only be used by Kirklees residents.
- Parent/carers can express up to three preferences, ranked in priority order, for the school at which it is preferred that the child should be educated.
- Kirklees LA will not disclose a parent/carer's order of preference during the allocation process, prior to offer day.
- The parent/carer may name state-funded schools in Kirklees or any other LA.

## Supplementary information form (SIF)\*

- Own admission authority schools (see page 28 - 30) may require parent/carers to complete a Supplementary Information Form (SIF).
- SIFs are only used to provide the extra information required by the school's admission criteria which is not available on the Kirklees online application.
- A SIF must be returned to the school.
- A SIF is required as well as the Kirklees online application.
- If the Kirklees online application has been completed, but not a SIF, the preference is still valid and must be considered. If it is not possible to consider the preference fully without the supplementary information, the applicant should be ranked lower than those applicants who met the criteria fully.
- Where a SIF is required, the school should follow up any that have not been received.
- If a request for admission to school is made under the previously looked after (PLAC) criteria, an online supplementary information form (SIF) will need to be completed on the Kirklees Pupil Admissions website [www.kirklees.gov.uk/admissions](http://www.kirklees.gov.uk/admissions)

## The application process

### Rising five year old admissions

- Parents/carers of children who attend a Kirklees early years setting will receive notification of when it is time to apply for their child's school place. Kirklees will also widely publicise this information.

- Parents/carers in Kirklees must complete an online application via the Kirklees Parent Portal to apply for their child's school place. The Kirklees Parent Portal and website also informs parents when a SIF needs to be completed so the relevant school can assess the child's eligibility for a school place.
- Parents/carers will receive an email when their online application has been submitted and then when it has been downloaded.

Schools are asked to:-

- let parents/carers know about the online application process.
- support parent/carers to apply online and on time for their child's school place. Schools will be asked to help Kirklees LA chase up any parents who have not applied before the deadline.
- advise parents of children living in other LA's to apply to their home LA for their school place.
- advise parents that no priority is given to children attending the school's nursery, where applicable, when allocating school places.

### **Junior and middle school admissions**

- At the start of **year 2** in an infant school or **year 5** in a Shelley pyramid first school Kirklees parents/carers need to apply for their child's school place via the Kirklees Parent Portal.
- Parents/carers will be sent details via their child's current school of when to complete the online application. The Kirklees Parent Portal and website also informs parents when a SIF needs to be completed so the relevant school can assess the child's eligibility for a school place.
- Parents/carers will receive an email when their online application has been submitted and then when it has been downloaded.

To support on time applications, the child's present school is asked to :-

- let parents/carers know about the online application process and distribute correspondence from Admissions about the application process to pupils.
- support parent/carers to apply online and on time for their child's school place. Schools will be asked to help Kirklees LA chase up any parents who have not applied before the deadline.
- advise parents of children living in other LA's to apply to their home LA for their school place.

### **Secondary school admissions**

- At the start of a **year 6** in a primary / junior school or **year 8** in a Shelley pyramid middle school parents/carers need to apply for their child's school place via the Kirklees Parent Portal.
- Parents/carers will be sent details via their child's current school of when to complete the online application. The Kirklees Parent Portal and website also informs parents when a SIF needs to be completed so the relevant school can assess the child's eligibility for a school place.
- Parents/carers will receive an email when their online application has been submitted and then when it has been downloaded.

To support on time applications, the child's present school is asked to:-

- let parents/carers know about the online application process and distribute correspondence from Admissions about the application process to pupils.
- support parent/carers to apply online and on time for their child's school place. Schools will be asked to help Kirklees LA chase up any parents who have not applied before the deadline.
- advise parents of children living in other LA's to apply to their home LA for their school place.

### **Procedure for preferences expressed for Kirklees schools**

- The procedure applies equally to preferences for Kirklees schools received from Kirklees



residents and from residents of other LAs.

- For a **Kirklees community or voluntary controlled school** Kirklees LA will determine each application by reference to Kirklees published admissions criteria, the order of priority in which that application for the school is ranked.
- For an **own admission authority school** (see pages 28 - 30) Kirklees LA will send details of applications to the governing body/academy trust of the school. The governing body / academy trust will determine the order of priority in which that application is ranked and provide the Kirklees LA with a list which ranks all the applications for that school.

### **Provision of information to other local authorities**

- Kirklees LA will supply another LA with details about a child in a Kirklees school, who is resident in the other LA, to provide the child with the appropriate common application form.
- Parents/carers resident in Kirklees who wish to express a preference for a school in another LA must name the school as one of the preferences on a Kirklees online application.
- Kirklees LA will supply another LA with details of any application made by a Kirklees parent/carer for a school maintained by that other LA.
- Kirklees LA will advise another LA of the eligibility of any child resident in that other LA for a place in a Kirklees school.

### **Procedures for a Kirklees academy, foundation, trust or VA school**

This scheme requires the governing body/academy trust of a school in Kirklees which is an admissions authority to:

- Follow the Kirklees application procedure.
- Ensure that all applications are made via the Kirklees Parent Portal.
- Be responsible for the provision, completion by applicants and retention of any SIF which the governing body/academy trust finds necessary to apply its own admission criteria. (Kirklees LA will ensure that SIFs are available on its website or paper copies can be obtained from Kirklees Pupil Admissions. A prompt will also appear on the Kirklees Parent Portal when a parent names a school that requires a SIF as one of their preferences).
- Determine by reference to the school's admission criteria the order of priority in which each and every application is ranked, after they have received information from Kirklees about all the applications for the year for their school.
- Notify the Kirklees LA of their decision according to the timetable on page 40 and 41.
- Ensure that a decision to grant or refuse a place at that school is only communicated to the parent/carer by the Kirklees LA, on behalf of the governing body/academy trust.

### **Procedure for offers of places to parents/carers**

- Where a Kirklees child qualifies for a place at one or more schools, and following any necessary liaison with other LAs, Kirklees LA will determine and offer the one school which is ranked as the parent/carer's highest preference where the child qualifies.
- Where a Kirklees child does not qualify for a place at any of the parent/carer's preferences a place will be offered at the school designated by Kirklees to serve the parent/carer's address or, if no such place is available, the nearest appropriate Kirklees school where a place is available. Nearest means the shortest distance from the child's home to the school measured in a straight line.
- Kirklees LA will notify the governing body/academy trust of any school on page 26 – 30 (or other LA) of a Kirklees decision to offer or refuse a place at such a school.

### **Offers of places to Kirklees parents/carers and appeals**

- National offer day for rising five year old admissions is **16 April 2026**
- National offer day for junior and middle school admissions is **16 April 2026**
- National offer day for secondary school admissions is **2 March 2026**

- On the national offer day Kirklees LA will send notification to Kirklees parent/carers of any Kirklees decision to offer or refuse a place at any school in Kirklees or other authority for which the parent/carer has applied.
- Offers or refusals of places will only be made by the Kirklees LA, albeit on behalf of the governing body/academy trust of an academy, foundation, trust or voluntary aided school or other authority, as appropriate.
- If the child does not qualify for any of the parent/carer's preferred schools and provided the child is resident in Kirklees, a place will be offered at the school designated by Kirklees to serve the parent/carer's address or, if no such place is available, the nearest appropriate Kirklees school where a place is available. Nearest means the shortest distance from the child's home to the school measured in a straight line.
- The notification will also give reasons why the child is not being offered a place at a parent/carer's higher preference school (where appropriate) and include information about the statutory right of appeal and how to accept or refuse an offer.

### **Processing online applications for the normal entry admissions round**

- The normal entry admission round for Kirklees children is defined as any determination of online applications for the relevant year made under this coordinated scheme before the national offer date (see above).
- The processing of online applications for the normal entry admissions round will be as follows:-
  - **The initial allocation** : To assess and allocate a place for all online applications which were received on time or deemed to be on time from parents/carers resident in Kirklees and other LAs.
  - **The second allocation** : To assess and allocate a place (as soon as possible after the first allocation) for all online applications which were received late from parents/carers resident in Kirklees and other LAs.
  - **Waiting lists** : After the offer day, unsatisfied higher preferences for a school are placed on that school's waiting list which is held by the admission authority for the school as listed on page 26 – 30. Preferences which cannot be satisfied which are received after the offer day are similarly placed on a school's waiting list.

### **Late and revised applications**

#### **Rising five year old admissions**

- Closing date for applications **15 January 2026**
- Planned allocation date **10 March 2026**

#### **Junior/middle admissions**

- Closing date for applications **15 January 2026**
- Planned allocation date **10 March 2025**

#### **Secondary school admissions**

- Closing date for applications **31 October 2025**
- Planned allocation date **19 January 2026**
- Applications received after the closing date without significant and exceptional reasons will be treated as late.
- Late applications will not be included in the initial process which will be confined to on-time applications. Late applications will be included in the second allocation process.
- Where applications are received after the closing date, in Kirklees' judgement for significant and exceptional reasons, for example a move into Kirklees, the LA will endeavour to include the application in the initial allocation process. Proof of such special circumstances will be required. Proof of change of address will be accepted up to the latest reasonable date

before the allocation date for school places (see page 13 for the deadlines). This exception to the closing date only applies to Kirklees schools, other Local Authorities may have their own conditions for accepting late applications.

- After the closing date parents/carers will not be able to change their preferences (including a change to the order) unless there is a genuine reason for doing so, for example, a significant house move. Following the offer of places a parent/carer may request a place at a school which has not previously been considered. However, a parent/carer may not have more than three “live” preferences at any time.

### **Waiting lists**

- Waiting lists for community and voluntary controlled schools are held by Kirklees LA from the offer day and close at the end of one term which is determined to be on the last day in December.
- Waiting lists for own admission authority schools (see pages 28 - 30) are held by the governing body/academy trust for a period of time determined by the admissions authority.
- The names on the waiting lists for a school will be children:
  - (a) whose parent/carer has expressed a preference for that school but who were offered a lower preference school or an alternative school.
  - (b) (only at the parent/carer's written request) whose parent/carer has expressed a preference for that school but who were offered a higher preference school.
- As vacancies occur, the allocation of places to children on a waiting list will be determined by the same admission authority as the initial allocation and according to that admission authority's published admission criteria (treating on-time and late applications equally).
- The offer of places from the waiting lists will only be made by the Kirklees LA. Where the offer is for a place at an academy, foundation, trust or voluntary aided school, it will be made on behalf of the governing body/academy trust of the academy, foundation, trust or voluntary aided school and following consultation with the school.

### **Admissions outside normal admissions round**

- Admissions outside the normal admissions round means any admissions other than those determined under this scheme.
- Applications received for any other age group, or the relevant age group made after the first school day, will be processed under the Kirklees scheme for in-year admissions.
- Please see details on pages 37- 39.

### **Appeals**

A parent/carer who has been unsuccessful in obtaining a place at a school for which they have expressed a preference can appeal to an Independent Appeal Panel (except for a child who has been permanently excluded from two schools).

- For community and voluntary controlled schools parents/carers should contact Kirklees admissions team or look at the website for full information.
- For voluntary aided schools, free schools, trust schools and academies parents/carers should contact the school to enquire about the appeal process
- For schools outside Kirklees parents/carers should contact the other local authority to enquire about the appeal process.

### **Changes to the PAN by admission authorities**

Governing bodies / academy trusts of Kirklees own admission authority schools **must**

- Notify the LA in writing of any intention to increase the school's PAN and publish the change on the school's website.
- Following determination of the PAN, notify the LA if they intend to admit above PAN, in good time to allow the LA to deliver its coordination responsibilities effectively according to the timetable on page 40 and 41.

### **Schools with assessment\* or testing as part of the admission process**

#### **(a)Batley Grammar School – fair banding assessment for entry into Year 7**

- All children applying to Year 7 at Batley Grammar School will take a fair banding assessment to ensure a comprehensive intake. This is **not** a selective entrance test.
- Applicants will be placed into one of four ability bands based on the score achieved in the Granada Learning (Learning) Assessment Non Verbal Reasoning test, which will be taken by all applicants to Year 7 at Batley Grammar School.
- Applicants will be placed in bands, such that, wherever possible, there are an equal number in each band.
- Places will be allocated, as far as possible, such that, an equal number are given in each band and represent the proportion indicated in each of the identified postal code areas below.
- Banding will enable Batley Grammar School to achieve an intake representative of the ability range of applicants to the school.
- Children who have not taken the banding test (apart from children in care, or adopted children who have been in care, who must always be given priority) will be considered after children who sat the banding test. They will be prioritised on the basis of the oversubscription criteria. All applicants will be offered fair access to the test and will be reminded of the date, times and location available to sit the test.
- To ensure that we are meeting the needs of parents in the Batley and Birstall area children will be accepted from an area which will be split into a defined inner catchment area (WF17) and an outer catchment area (all other postal codes). 45% of places will be allocated to pupils in WF17 0--, WF17 8-- and WF17 9--; a further 45% of places will be allocated to WF17 5--, WF17 6--, and WF17 7--, whilst the remaining 10% of places will be allocated to pupils from the other postal code areas with preference given to those living in WF12 7; WF13 4; WF16 9; LS27 0, BD11 1 and BD19 4. Oversubscription criteria will be applied to the bands in each of these groups.
- In order to be eligible for a place parents must make the school one of their three preferences on their local authority application. In addition to the application to their home local authority, parents are required to complete the school supplementary information form and return this to Batley Grammar School. There is a strict deadline of 3.00pm on Friday 31 October 2025 for return of the School Registration/Supplementary Information Form to be returned to Batley Grammar School. A copy of the school registration form is available on the school and the local authority's websites or can be obtained from the school office.
- Forms received by the deadline will be considered first.

#### **(b)Heckmondwike Grammar School – ability testing**

- Heckmondwike Grammar School is a selective school and admission is based on the results of an entrance test. Eleven year olds take the entrance test in the Autumn term preceding the September of entry. Papers test a range of reasoning skills in a variety of contexts and they are designed to be predictors of likely future performance. A selection of familiarisation questions will be placed on the school website late in the summer term preceding each test.
- The outcome of the test is communicated to parents by mid October 2025, prior to the deadline for submission of the application for a high school place to the local authority.

- Parent/carers should note that passing the test does not constitute the offer of a place and that the parent/carer must wait until the offer day on 2 March 2026 to be notified by their home LA at which school they are to be offered a place.
- Parents are required to register online for their child's entrance test. Please see the school's website for more information.

## **2B.Kirklees scheme for in-year admissions 2026/27**

This scheme is written to reflect that Kirklees LA intends to move towards a digital by design process which means a move away from paper applications. Once implemented this will be a change in the administrative process and means all applications are expected to be online. This will support Kirklees being able to adapt to the potential for in-year co-ordination.

### **In-year admissions**

In-year applications are those made during the school year for the normal year of admission and those made for admission to age groups other than the normal year of admission.

### **The Kirklees in-year common application form (ICAF)**

All applications for an in-year admission to a Kirklees school **can** be made on the Kirklees **In-year Common Application Form (ICAF)**. This includes applications from parents/carers resident outside Kirklees.

### **Supplementary Information Form (SIF)**

- Own admission authority schools (see pages 28 - 30) may require parent/carers to complete a Supplementary Information Form (SIF).
- SIFs are only used to provide the extra information required by the school's admission criteria which is not available on the ICAF.
- A SIF must be returned to the school.
- A SIF is required **as well** as an ICAF.
- If an ICAF has been completed, but not a SIF, the preference is still valid and must be considered. If it is not possible to consider the preference fully without the supplementary information, the applicant should be ranked lower than those applicants who meet the criteria fully.
- Where a SIF is required, the school should follow up any that have not been received.
- If a request for admission to school is made under the previously looked after (PLAC) criteria, an online supplementary information form (SIF) will need to be completed on the Kirklees Pupil Admissions website [www.kirklees.gov.uk/admissions](http://www.kirklees.gov.uk/admissions)

### **Assessment of a parent/carer's preference for Kirklees community and voluntary controlled schools**

The following applies equally to preferences for Kirklees schools made on the Kirklees ICAF received from Kirklees residents and residents from other LAs.

This scheme requires the Kirklees community or voluntary controlled school to:

- Contact Kirklees pupil admissions regularly to confirm the availability of places at the school.
- Kirklees admissions will
  - confirm whether the school has vacancies in the year group required
  - confirm by reference to the Kirklees oversubscription criteria the order of priority in which a parent/carer's preference is ranked in relation to other applications for that school.
  - where there are more applications than places available, determine by reference to the Kirklees LA published admission criteria the order of priority in which all applications are ranked.

The offer or refusal of a place is only communicated to the parent/carer by Kirklees LA as the Admission Authority.

### **Kirklees schools where the governing body/academy trust is the admission authority**

This scheme requires the admission authority to forward a copy of the ICAF to the LA within 2 school days of the parent submitting the application.

This scheme requires the governing body/academy trust to:

- Check the School Access Module daily for new applications.
- Be responsible for the provision, completion by applicants and retention of any SIF which the governing body/academy trust finds necessary to apply its own admission criteria. The Kirklees pupil admissions team will ensure that SIFs are available on its website or paper copies can be obtained from Kirklees Pupil Admissions.
- Communicate the availability of places within 2 school days to the Kirklees pupil admissions team when requested.
- Where there are more applications than places available, determine by reference to the school's published admission criteria the order of priority in which all applications are ranked.
- Inform the Local Authority by 1 August whether they intend to be part of the local authority's in-year co-ordination scheme (where this is offered)
- To set out on the school's website by 31 August 2026 how in-year applications will be dealt with
- Communicate the offer or refusal of a place to the parent/carer (or the parent/carer's home LA) and notify the Kirklees pupil admissions team of the application and its outcome as soon as reasonably practicable but should aim to do so within 2 school days.

### **Offers of places to Kirklees parents/carers and appeals**

The relevant admissions authority (as noted on pages 26 - 30) will send out to a parent/carer in writing a decision to offer or refuse a place at the school. They should aim to do this within 10 school days but they must do this within **15 school days** of the application being received at the school. A copy of the decision should be sent to the Kirklees Pupil admissions team.

The offer will specify a start date as agreed with the school. This should normally be the first day of the next school term where no significant house move has taken place. Where a child has moved into Kirklees and is without a school place, or has moved a significant distance within Kirklees, the offer should specify a start date as soon as possible.

The refusal must give reasons why the child is not being offered a place at a parent/carer's preferred school (where appropriate) and include information about :-

- the statutory right of appeal,
- how to accept or refuse an offer
- the availability of assistance with school transport.

### **Waiting lists at academy, foundation, trust and voluntary aided schools**

Where a parent/carer has been refused a place for their child at a preferred academy, foundation, trust or voluntary aided school, the child's name will be placed on a waiting list for that school according to the admissions policy of that school and the family will be given the right of appeal.

### **Waiting lists for Kirklees community and voluntary controlled schools**

Kirklees LA will keep a waiting list for each Kirklees community and voluntary controlled school as follows:

- Where a parent/carer has been refused a place for their child at a preferred community or voluntary controlled school, the child's name will be placed on a waiting list for that school.

- The waiting list will be kept for the remainder of the term for which they have applied for a place.
- The names on the waiting lists for the school will also include children from normal round admissions:
  - whose parent/carer had expressed a preference for that school but who were offered a lower preference school or an alternative school.
  - (only at the parent/carer's written request) whose parent/carer had expressed a preference for that school but who were offered a higher preference school.

The child's name will remain on the waiting list for the remainder of the term for which they have applied for a place. As vacancies occur, the allocation of places to children on a waiting list will be determined by Kirklees LA according to the published admission criteria (taking no account of the length of time children have been on a waiting list).

The offer of places from the waiting lists will only be made by the Kirklees LA and will be for an immediate start.

### **Availability of places**

If a parent/carer is requesting a change of school because of a house move, or if a child has not been offered a place in a timely fashion, Kirklees LA will offer a place at the school designated by Kirklees to serve the parent/carer's new address, or if no such place is available, the nearest appropriate Kirklees school where a place is available. Nearest means the shortest distance from the child's home to the school measured in a straight line (see page 12).

In some circumstances Kirklees LA may decide to allocate a place immediately at the nearest appropriate Kirklees School where a place is available, following an individual assessment of an application.

## Timetables for Kirklees co-ordinated normal round admissions

### Rising 5 year old, junior and middle school admissions

The online application process opens via the Kirklees Parent Portal	Monday 1 September 2025
Batley Grammar School SIF deadline (applicable for rising 5 year old applications)	3pm Thursday 15 January 2026 - to be confirmed
Closing date for online applications and SIF's	Thursday 15 January 2026
Kirklees LA sends information about applications for schools in other LAs to those LAs	Wednesday 4 February 2026
Kirklees LA sends information about applications to Kirklees academy, foundation, trust and VA schools	Friday 20 February 2026
Kirklees academy, foundation, trust and VA schools <ul style="list-style-type: none"> <li>• send lists of pupils qualifying, and not qualifying, for places to Kirklees LA</li> <li>• notify Kirklees LA of any intention to admit above PAN, and specify the PAN</li> </ul>	Friday 27 February 2026
Kirklees decides provisional offers including extra-district children applying for Kirklees schools and notifies other LAs	Tuesday 10 March 2026
Provisional offers reviewed to take account of information from other LAs, results sent to other LAs/admission authorities	Tuesday 17 March 2026
Kirklees and other LAs exchange information on confirmation of offers to be made	Tuesday 24 March 2026
Statutory National Offer Day	Wednesday 15 April 2026
Appeals	June 2026 onwards



## Secondary school admissions

The online application process opens via the Kirklees Parent Portal	Monday 1 September 2025
Batley Grammar School SIF deadline	3pm Friday 31 October 2025 – to be confirmed
Closing date for online applications and SIF's	Friday 31 October 2025
Kirklees LA sends information about applications for schools in other LAs to those LAs	Friday 14 November 2025
House move	Friday 28 November 2025
Kirklees LA sends information about applications to Kirklees academy, foundation, trust and VA schools	Wednesday 10 December 2025
Kirklees academy, foundation, trust and VA schools <ul style="list-style-type: none"> <li>• send lists of pupils qualifying, and not qualifying, for places to Kirklees LA</li> <li>• notify Kirklees LA of any intention to admit above PAN, and specify the PAN</li> </ul>	Friday 19 December 2025
Kirklees decides provisional offers including extra-district children applying for Kirklees schools and notifies other LAs	Monday 12 January 2026
Provisional offers reviewed to take account of information from other LAs, results sent to other LAs/admission authorities	Monday 19 January 2026
Kirklees and other LAs exchange information on confirmation of offers to be made	Friday 6 February 2026
Statutory National Offer Day	Monday 2 March 2026
Appeals	April/May 2026 onwards

## Table of words and expressions used in this scheme

Term	Definition
<b>Admissions authority (AA)</b>	The body which decides admissions to a school and which makes arrangements for its admission appeals.
<b>ICAF</b>	Kirklees common application form for in-year transfer to a school
<b>In-year admission</b>	In-year applications are those made during the school year for the normal year of admission and those made for admission to age groups other than the normal year of admission.
<b>Distance</b>	Distance is measured in a straight line from a child's home address to the school. Measurements are calculated using six-figure National Grid co-ordinates from the National Land and Property Gazetteer. This grid reference relates to a point that falls within the permanent building structure corresponding to the address. The boundary of the building structure for the address is from Ordnance Survey's MasterMap. For smaller, residential properties the grid reference marks a point near the centre of the building. For larger properties like schools with, for example, multiple buildings and large grounds, the grid reference relates to a point inside the main addressable building structure. The distance calculated is accurate to within 1 metre.
<b>Kirklees</b>	Kirklees Council or, as the context requires, its administrative area.
<b>LA</b>	The local authority. In Kirklees, Kirklees Council is the local authority.
<b>Normal (relevant) admissions round</b>	Admissions for the relevant year arising from offers made under these schemes.
<b>Normal (relevant) year</b>	The first age group in a school. <ul style="list-style-type: none"> <li>▪ Reception class at infant, first and primary schools</li> <li>▪ Year 3 at junior schools</li> <li>▪ Year 6 at the two middle schools in the Shelley Pyramid</li> <li>▪ Year 7 at most Kirklees secondary schools</li> <li>▪ Year 9 at Shelley College</li> </ul>
<b>Testing / Assessment</b>	Determination of academic ability by testing is part of the admission procedure for Heckmondwike Grammar School. Batley Grammar School's assessment is used to ensure students from a range of abilities are offered a place through the fair banding system, this is not the same as the assessment procedures for Heckmondwike Grammar School. <ul style="list-style-type: none"> <li>• The deadline for the Registration/Supplementary Information Form for year 7 applications to Batley Grammar School should be returned by 3.00pm on 31 October 2025. The deadline for the Registration/Supplementary Information Form for primary places is 3.00pm on 15 January 2026. Parents are required to register their child for the entrance exam to Heckmondwike Grammar School. The date for the entrance exam and the date you will be notified of the entrance exam result are to be confirmed. Please see the school's website for more information.</li> </ul>
<b>SIF</b>	Supplementary Information form
<b>Trust school</b>	A trust school is a foundation school with a charitable foundation
<b>Pupil Admissions</b>	<b>Tel 01484 225007    E-mail: <a href="mailto:pupiladmissions@kirklees.gov.uk">pupiladmissions@kirklees.gov.uk</a> Website: <a href="http://www.kirklees.gov.uk/admissions">www.kirklees.gov.uk/admissions</a></b>

**Consultation response**

Thank you for sending through the consultation information to the Academy.

The Dixons Academies Trust does not have any objection to the arrangements.

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**Report title: Draft Kirklees Transport Strategy, Policy Themes & Consultation Plan**

<b>Meeting</b>	<b>Cabinet</b>
<b>Date</b>	<b>11 February 2025</b>
<b>Cabinet Member</b> (if applicable)	<b>Cllr Moses Crook</b>
<b>Key Decision Eligible for Call In</b>	<b>Yes</b> <b>No</b>
<p><b>Purpose of Report</b></p> <p>To present the Draft Kirklees Transport Strategy including policy themes contained within the Draft Strategy document. Decisions are needed to commence a district wide public consultation on the Strategy and to endorse the Consultation Plan.</p>	
<p><b>Recommendations</b></p> <ul style="list-style-type: none"> <li>• That Cabinet approve the draft strategy at Appendix 1 to this report.</li> <li>• That Cabinet agree to commence public consultation as detailed in this report.</li> <li>• That Cabinet approve the commission of a report detailing the outcome of the public consultation, to present in 2025 when seeking approval of the final strategy.</li> </ul> <p><b>Reasons for Recommendations</b></p> <ul style="list-style-type: none"> <li>• To have the necessary authority to progress consultation and engagement with the public on the Draft Transport Strategy. Maintain progress towards the formal adoption of the strategy in Summer 2025.</li> </ul>	
<p><b>Resource Implication:</b> The delivery of the strategy is not generating a resource request or aligne with a specific budget. The cost to develop the Transport Strategy, included all consultation and engagement activity, is derived from external WYCA funding. Capacity is being regularly reviewed and assessed throughout the process.</p>	
<p><b>Date signed off by <u>Executive Director</u> &amp; name</b></p> <p><b>Is it also signed off by the Service Director for Finance?</b></p> <p><b>Is it also signed off by the Service Director for Legal and Commissioning (Monitoring Officer)?</b></p>	<p>David Shepherd</p> <p>Kevin Mulvaney</p> <p>Samantha Lawton</p>

**Electoral wards affected:** Kirklees-wide consultation/strategy, all wards affected.

**Ward councillors consulted:** Portfolio holders have been briefed on the draft strategy, with wider member engagement due to take place in February 2025.

**Public or private:** Public

**Has GDPR been considered?** Yes.

## 1. Executive Summary

The Council's Transport Strategy & Policy team have been working with our partners and key stakeholders to develop the Kirklees Draft Transport Strategy. The draft strategy is presented to Cabinet for consideration and endorsement with a request to commence public consultation. A better approach to transport in Kirklees will help to deliver against core Council priorities: good transport is a core factor in the support of investment and regeneration, it helps places to thrive and allows communities to become more connected. A stronger focus on more sustainable forms of transport, which supports mode shift, will help to deliver a greener, healthier Kirklees and work in tandem with our Net Zero ambitions. The adoption of a distinct Transport Strategy will direct this approach and allow the Council to work to better transport for Kirklees and its communities.

The purpose of this report is to present the draft strategy for consultation and to present the plan in consulting and engaging the public and other stakeholders on this. This will include a series of activities which are set out in the communications plan. This has been developed with our internal Comms Team.

Following the feedback and comments received a final Transport Strategy will be presented at a future Cabinet for adoption in Summer 2024.

## 2. Information required to take a decision

The Transport Strategy and Policy Team have been working on the production of a draft strategy since early 2024. Alongside external consultants, a Literature Review, Communications Plan and Draft Strategy document have been developed.

Before this strategy can be finalised, we will be needing to consult and engage with the public and other appropriate stakeholders and partners.

Once adopted, the Strategy will establish the Council's transport ambition, support decision making, direct future funding bids, project activity and spend. The Strategy will remain fully aligned with the key priorities detailed in the Council Plan.

It may be necessary to make minor updates to the strategy annually to ensure references in the documentation remain relevant (e.g. references to an initiative or project). Such updates will also ensure alignment to local, regional and national policy or legislative changes. This will be done in conjunction with our monitoring and evaluation exercises, to determine progress in meeting our overall strategy objectives.

## 3. Implications for the Council

## **Council Plan**

The Transport Strategy is centred around five key strategic objectives:

1. Improving health and wellbeing
2. Protecting our environment
3. Transformational public transport investments
4. Developing inclusive places with better connections
5. Prioritising economic growth

The Transport Strategy will help contribute to the following shared outcomes detailed in the Council Plan: Well, Independent, Sustainable Economy, Safe and Cohesive, Clean and Green. The Transport Strategy is also in alignment with the Key Strategies (Kirklees Health and Wellbeing Strategy, Inclusive Communities Framework, Inclusive Economy Strategy and the Environment Strategy).

Policies within the strategy all contribute to achieving one or more of these objectives, which are aligned with the Council priorities. In particular; achieving a greener, healthier Kirklees and addressing the challenges of Climate Change. And the need to invest and regenerate our towns and villages to support our diverse places and communities to flourish.

### **3.1 Financial Implications**

The development of the Council's Transport Strategy and the activities within the Communications Plan is supported by external WYCA funding. There are no financial implications linked to Council's revenue budgets.

The Transport Strategy, once adopted, will support future strategic decision making around funding bids in delivering the wider ambition.

### **3.2 Legal Implications**

The Council has decided to undertake a non-statutory consultation on its proposals, which is set to commence in March 2025, to improve the quality of the decision making. A fair consultation is one undertaken when proposals are at a formative stage; sufficient reasons are given for proposals to allow intelligent consideration together with criteria that will be applied when considering proposals and which factors will be considered decisive or of substantial importance; adequate time is given for consideration and response; and the product of consultation must be conscientiously taken into account before any final decision is taken. Members should carefully consider the outcomes of the consultation when considering the recommendations put forward by officers in this report including the IIA and all other relevant issues.

The council must comply with its Public Sector Equality Duty in section 149 Equality Act 2010. An Equality Impact Assessment (EIA) of the proposed options is advisable. The Council when exercising its functions must have "due regard to the need to": a) Eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act. b) Advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it. c) Foster good relations between persons who share a relevant protected characteristic and persons who do not share it. Section 149(7) sets out 7

protected characteristics namely: age, disability, gender reassignment; pregnancy and maternity, race, religion or belief, sex or sexual orientation.

### **3.3 Other (e.g. Risk, Integrated Impact Assessment or Human Resources)**

#### **Risk**

The Draft Transport Strategy has been drafted to present a future transport ambition that is fair, balanced and reflects the diverse geographies of Kirklees. There will remain a reputational risk around the extent of representation of certain transport modes.

In managing expectations, it is important we consult and engage with our partners, communities and businesses in ensuring a balanced strategy is developed.

#### **Integrated Impact Assessment (IIA)**

An IIA has been completed to ensure protected characteristic groups (as defined in the Public Sector Equality Duty, under the Equality Act 2010) are not adversely impacted.

[Integrated Impact Assessments - IntegratedImpactAssessment](#)

We will ensure environmental impacts across Kirklees remain in support of Council's Climate Emergency commitments.

## **4 Consultation Plan**

Transport Strategy and Policy Team have been working closely with our Communications Team to develop our communication plan to support the consultation and engagement activity we will be undertaking before the strategy is adopted. The Strategy is a document which will impact the whole of Kirklees, and we aim to encourage a wide a response as possible. Transport is something which affects all of us, no matter how we travel and get around, and we want to encourage engagement with this issue. We are keen to ensure that the messaging around the strategy is of the right balance, to influence a positive narrative with the public and other relevant stakeholders.

There will be some social media activity around the consultation which will commence in early January 2025. A press release on the strategy will be released in January 2025, prior to the publication of the Scrutiny Report, after which the proposed consultation will be in the public domain. The public consultation will be live for 8 weeks, and will commence on the 3<sup>rd</sup> March. There will be external advertisement of the survey, which has been planned by our internal communications team. This will include advertisements in public spaces, on social media, and on forms of public transport. We will also be advertising the strategy in council buildings across the district, and promoting the consultation through council-managed newsletters, forums, meetings and community groups.

There will be a survey questionnaire, which will also be live for a period of 8 weeks. This will primarily be available online, with alternative formats available on request. Throughout the live consultation period, a number of face-to-face engagement events will be held across the district. Rather than holding events where information is presented to residents, these will be 'drop-in'



events, where members of the Transport, Strategy and Policy Team will be available to answer questions on the Kirklees Transport Strategy, and to discuss the questionnaire or help residents fill this in. These events will be located at rail and bus stations, supermarket, markets, Health Centres and Religious Centres. We have consulted with the Communities Team on this approach, and they have recommended that 'drop-in' sessions, at spaces where residents naturally visit, is likely to be the most successfully for survey response rates. The response will be analysed and presented at future Cabinet meeting. Census data is being used to derive benchmark figures for target response rates from the following demographics: Gender, Age, Disability, Employment Status and Usual Mode of Travel.

We are also taking steps to consult directly with local community groups and organisations which work with particular cohorts of residents, including those who have reduced mobility or identify as having a disability, older or elderly residents, and those who may not speak English as their first language. We are aware that these particular cohorts may face barriers to transport which others do not, and we want to understand these barriers as fully as possible.

We are working to correspond directly with schools, colleges and other educational institutions, to gain access to the views of younger people and familial groups. Again, we understand that these particular groups may face specific barriers to transport which we hope to address within the final strategy document.

We are also keen to hear from businesses in Kirklees, and we are working closely with the Council's dedicated business team on how to best approach this.

Several live consultations relating to transport which took place during the 2024 Autumn period by WYCA. To avoid this period of high consultation activity, we plan to commence our live consultation period from the week commencing the 3<sup>rd</sup> March, to help avoid confusion or misunderstanding among survey respondents, and to avoid consultation fatigue.

## **5 Engagement**

We have already undertaken early engagement activity on the draft strategy in late October 2024. These include workshop sessions booked in with relevant internal technical colleagues, WYCA, the other WYCA districts, and cross-border districts outside of West Yorkshire. This engagement activity has helped to inform our draft strategy document.

We are conscious of the need to align with other Council plans and strategies. Throughout the process, we have been meeting regularly with Officers regarding the Local Plan, to ensure full alignment, and we have met with Officers who have developed adopted Council strategies to ensure cohesion here.

The Portfolio Holder has been briefed on and agreed to the strategy and policies. We have also consulted other relevant Portfolio Holders where we have cross-cutting priorities. Member engagement will be undertaken in February 2025, with a planned in-person event, where members will have the opportunity to review the draft strategy in detail, and ask any questions they may have. We will continue liaising closely with members during the live consultation period, and during the formal adoption of the strategy.

## **6 Options**

### **6.1 Options Considered**

There are no other acceptable options as an alternative to the proposed actions detailed in this report.

## 6.2 Reasons for recommended Option

Not Applicable.

## 7 Next steps and timelines

Should Cabinet approve, the public consultation and engagement line with the Communications Plan, officers will consider comments made during the consultation. Officers will then present a final Transport Strategy at Cabinet in Spring 2024 and hope to publish the document by Summer 2024.

## 8 Contact officer

Rory Davis – Transport Strategy & Policy Lead

01484 221000

[Rory.Davis@kirklees.gov.uk](mailto:Rory.Davis@kirklees.gov.uk)

Lucie Wade – Policy Officer, Transport Strategy & Policy

01484 221000

[Lucie.Wade@kirklees.gov.uk](mailto:Lucie.Wade@kirklees.gov.uk)

## 9 Background Papers and History of Decisions

None.

## 10 Appendices

Appendix 1 - Draft Transport Strategy Document

## 11 Service Director responsible

Edward Highfield – Service Director, Skills & Regeneration

# Kirklees Draft Transport Strategy, March 2025

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Welcome to the Kirklees Transport Strategy. The purpose of this document is to deliver a cohesive framework, which will help to realise the ambitions we are working towards as a district and ultimately deliver better, greener and healthier transport for everyone who lives and works in Kirklees.

This is an exciting time for the development of transport in Kirklees. We are at the centre of several transformational schemes like Mass Transit, Bus Reform and the Transpennine Upgrade, which will bring great benefits to all. I want to capitalise on the benefits these will bring and continue to develop how people move around our district for the better.

Historically, transport strategy and policy in Kirklees has been directed by the West Yorkshire Combined Authority, through the West Yorkshire Local Travel Plan. We will always play a key role at the heart of West Yorkshire, but as a district, we want to go further. There are many aspects of Kirklees which are unique, requiring specific strategy and policy, developed for our district. We also understand that Kirklees faces its own challenges, which can be better tackled through the development of our own Transport Strategy. We will continue to adhere to the West Yorkshire Local Transport Plan, and to work closely with WYCA to achieve our joint ambitions, but the development of our own strategy will allow us to address needs that are specific to Kirklees as a district.

As a council, we have many linked ambitions. If we are to tackle the climate emergency and achieve Net Zero by 2038, we need to take action now. Many of the policies set out in this strategy aim to minimise the impact that transport can have on our environment, through the reduction of harmful emissions and the protection and development of our green spaces. We also know that there are strong links between good public transport, economic prosperity, health and wellbeing.

Reliable, affordable and safe public transport leads to greater opportunities for all, it makes jobs, education and training accessible to many. These benefits are also reflected in communities. Access to good public transport keeps our communities connected and allows us to access the things which are important to us.

As part of its development, the Kirklees Transport Strategy has been shaped by the priorities and opinions of the people who live, work and do business here. These priorities and opinions have been incorporated into this document, as we believe this strategy should aim to achieve what you feel is important for your district.

Delivery of this strategy will take time and is not something the Council can achieve alone. The strategy provides a clear ambition for what we want to achieve. We will work in partnership with numerous other organisations to lobby, bid for funding or influence investments in order to deliver the actions necessary to realise that ambition.

I believe that together, we can bring real change to the district. We look forward to working with our wider partners and stakeholders to realise a better future for transport in Kirklees, and the benefits that this will bring.



**Cllr Moses Crook – Kirklees Council  
Portfolio Holder – Transport**

**Our Draft Transport Strategy sets out a shared vision for transport in Kirklees and a policy framework to deliver a more inclusive and sustainable transport network, trans-forming travel options for all.**

The development of our Kirklees Transport Strategy is an important moment for our district. The Strategy builds upon the West Yorkshire Mayoral and Combined Authority (WYCA) ambitions to improve transport in our wider city region. The document follows the commitment in our Climate Change Action Plan to produce a district-wide transport strategy to help meet ambitious Council targets to achieve Net Zero by 2038. The policies within this draft strategy have been derived from consultation and engagement exercises undertaken by the Council, WYCA and specialist organisations on transport and other relevant topics.

The Strategy will be instrumental in realising the Council Vision, enabling the development of sustainable transport schemes and meeting our ambitions for Net Zero to tackle the climate emergency. The Transport Strategy sets out our position on transport policy and supports the development, investment and implementation of transport schemes, rather than define individual scheme details. It adheres to national, regional and local policies, including policy objectives and targets contained within the current West Yorkshire Local Transport Strategy and the upcoming West Yorkshire Local Transport Plan (LTP). The strategy's policies will support Kirklees to deliver these West Yorkshire-wide targets within our district.

**Our vision is for travel in Kirklees to be sustainable, healthy and accessible to all, creating safe, thriving places and connected communities.**

This strategy is a draft document which has been informed by analysis of an evidence base. Your views are vital to shaping the future of transport in Kirklees.

We want to develop a joined-up network that puts active travel and public transport at its heart. We want you to be able to choose what you consider is the most suitable mode of travel for your journey and have multiple transport choices over and above the private car. If you need to go to the local shop, we want you to have the option to be able to walk or cycle in a safe and pleasant environment. If you need to get from your home to work, we want to ensure that you have reliable, affordable and well-integrated public transport which gets you to where you need to go on time and in comfort. **The availability of different travel options is the key to improving connectivity and accessibility across Kirklees.**

Once community engagement feedback is taken on board, Kirklees Council will seek to implement the Transport Strategy's policies. Success of the strategy will be determined by the implementation of these policies in our decision making, investment pipeline planning and scheme delivery.



Healthy, affordable and sustainable travel should be an easy choice, with inclusive transport available to everyone.

We want to ensure that everyone has access to a range of travel options, so they can safely access goods and services, in a way that suits their lifestyle and budget.

The ability for people to access jobs, services, leisure facilities, open spaces, education or visit family or friends should not be determined by their economic status or whether their household owns a car. We want to improve connectivity in Kirklees, so you can get where you need to be easily. Relieving the pressure on our roads can make our streets safer and more oriented to people, whilst improving journeys for those who do need to drive, reducing congestion and improving local air quality.

This includes improving the environment, streets and spaces in our district, improving daily life for Kirklees residents, businesses and communities.

Where we  
are now










Our Transport Strategy sits alongside existing local, regional and national priorities and plans. The Strategy meets the needs of local people whilst reflecting ambitions for the region and country more widely. We have worked with partners to produce objectives and policies with shared ambitions.

Kirklees is one of five local authorities which form the West Yorkshire Combined Authority (WYCA). WYCA has a set of statutory duties for public transport, operates a number of transport facilities and services, and works with the districts on the delivery of capital transport programmes. This includes actively seeking investment from the government and other sources to fund transport projects such as bus, rail, active travel and highways. Our transport strategy must work in tandem with the policy and strategy of WYCA, helping to achieve our shared ambitions.

Our wider Council Vision guides our strategic planning and decision making, and the shared outcomes describe the impact we want our plans and actions to have. They help the council and local partnerships focus on what we want to deliver for people and communities in Kirklees. In supporting our shared outcomes and vision for Kirklees, we have four partnership strategies which complement each other and our Council Plan, covering the environment, economy, health and wellbeing, and inclusive communities. Our Transport Strategy will help us deliver the council plan by giving decision-makers a defined policy position on transport matters, helping influence future investment decisions, and delivering schemes on the ground.

## Council Vision

For Kirklees to be a district which combines a strong, sustainable economy with a great quality of life – leading to thriving communities, growing businesses, high prosperity and low inequality where people enjoy better health throughout their lives.

	Kirklees Council Local Plan (2019) Kirklees Council Priorities (2023) Kirklees Council's four partnership strategies: Kirklees Health and Wellbeing Strategy, Inclusive Communities Framework, Inclusive Economy Strategy and Environment Strategy
	Climate Change Act (2008) The Sixth Carbon Budget (2020) Decarbonising Transport (2021) Kirklees Climate Change Action Plan (2022)
	Connecting People: A Strategic Vision for Rail (2017) Long Term Rail Strategy (2018) The Integrated Rail Plan for the North and Midlands (2021) West Yorkshire Rail Strategy (2024)
	West Yorkshire Transport Strategy (2017) TfN Strategic Transport Plan (2020) West Yorkshire Connectivity Plan (2021) Connecting Communities: The Socially Inclusive Transport Strategy for the North of England (2023)
	Taking Charge: The Electric Vehicle Charging Strategy (2021)
	Bus Back Better: National Bus Strategy for England (2021) West Yorkshire Bus Service Improvement Plan (2024) National Bus Strategy: Bus Service Improvement Plans (2024) The West Yorkshire Franchising Scheme for Buses (2024)
	Kirklees Local Cycling and Walking Infrastructure Plan (2019) Gear Change (2020) The Second Cycling and Walking Investment Strategy (2023)

**Council shared outcomes**

 Well	 Best start	 Independent	 Aspire and achieve
 Sustainable economy	 Shaped by people	 Safe and cohesive	 Clean and green



**Almost a quarter of Kirklees households do not own or have access to a car.** In areas such as central Batley and Dewsbury more than half of households don't own a car<sup>3</sup>



We have an extensive network of greenways that span our district, **1,100 km of Public Rights of Way** and 4 routes on the National Cycle Network

**36%** do not chose to walk for travel at all during a week<sup>1</sup>

In 2024, WYCA announced its plan to franchise the Bus Network across West Yorkshire, with Kirklees set to receive a franchised service from 2027.



Minimum journey time to 8 key services<sup>5</sup>



**10 minutes**



**14 minutes**



**17 minutes**

There are **15 rail stations** across Kirklees, **9 are step free**<sup>2</sup>



**60%** of addresses in Kirklees are within 400 meters of a bus stop which serves high-frequency services<sup>5</sup>

We have **27.5 electric vehicle charging devices** per 100,000 people<sup>6</sup>



On average residents of Kirklees have slightly shorter journeys to work than the England average. **20%** of commuting journeys are under 2km<sup>3</sup>



More people commute out of Kirklees to centres such as Leeds, Bradford, Wakefield and Calderdale than commute into Kirklees<sup>4</sup>



% of car trips to work that are **under 10km**<sup>3</sup>



**Kirklees**

**51%**



**England**

**45%**

**53%**  
Drive to work<sup>3</sup>



Kirklees

**63%** of vehicle distance travelled in Kirklees is not on the motorway<sup>7</sup>



1) Currently Living in Kirklees (CLiK) Survey 2021

2) West Yorkshire Rail Strategy

3) ONS Census 2021 (travel to work information for this period was affected by the COVID-19 pandemic and associated changing travel patterns)

4) bus-service-improvement-plan.pdf (westyorks-ca.gov.uk)

5) 2019 Journey Time Statistics - Department for Transport

6) <https://maps.dft.gov.uk/ev-charging-map/index.html>

7) GOV.UK: Road traffic estimates, Great Britain. TRA8906 and TRA8904: Motor vehicle traffic (vehicle kilometres) by local authority in England, annual (2022).

Kirklees is centrally located between Manchester, Leeds, and Sheffield. All are located within 15 miles of our district boundary.

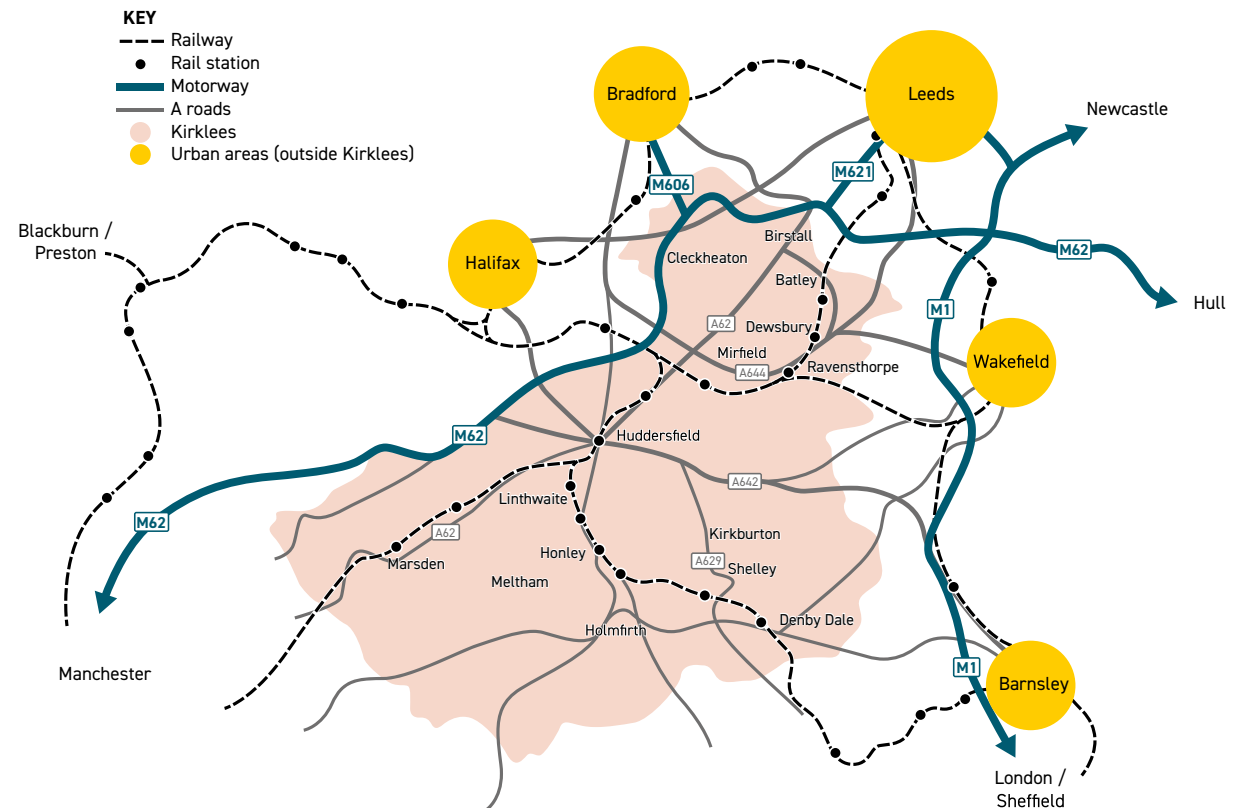
The current connectivity between Kirklees and these nearby towns and cities is shown in the map on the right. The North's main east-west route, the North Transpennine Line, connects Huddersfield and Dewsbury to major cities such as Manchester, Leeds, Liverpool and York. Less frequent services link Mirfield to Bradford and London; and Huddersfield to Bradford, Halifax, Wakefield, Barnsley and Sheffield.

Kirklees is served by several major roads, including the M62 motorway, which runs east-west and connects the area to key destinations like Leeds, Manchester, Hull and Liverpool. The M1/A1(M) motorways, running, provides links towards Sheffield, London and the North East.

Key A-roads such as the A62, A629, and A642 facilitate local and regional travel, ensuring connectivity within Kirklees and to nearby towns.

Kirklees's location at the heart of North's transport network presents opportunities, through proximity to economic hubs, ports, airports and employment markets. This proximity can support businesses in Kirklees to tap into larger markets. Our location should mean that we can support a diverse labour market with commuting to, from and around Kirklees.

It is crucial that district partners and businesses make the most of these existing links, ensuring that people and goods can move between Kirklees and our neighbouring regions.



# Opportunities for change



We have much to be proud about in Kirklees, but we know there are areas where we need to continue to work hard and improve the quality of life for all. Kirklees's location presents massive opportunities. Transport has an important role to play in making Kirklees an even more desirable and attractive place to live, work, do business, study and spend leisure time.

**Develop our transport network to widen access to opportunities, whether that be jobs or education facilities to help people thrive**

Kirklees has the potential to maximise how residents and businesses benefit from Kirklees's accessible road and rail connections and local bus links. Despite this, Transport-Related Social Exclusion (TRSE) means access to jobs and services for some is limited, with 20% of Kirklees residents living in areas where this is a problem. TRSE can disproportionately affect young people and those with long-term health conditions and disabilities. Connecting people to employment and training opportunities inside and outside of the district will be key to improving economic participation.

**Create streets and spaces where people feel safe, happy and healthy travelling around Kirklees**

We know that there is a clear link between a person's health and wellbeing and our levels of physical activity. There are many ways we can increase our physical activity levels, and one is rethinking how we travel in our day-to-day lives. An uptake in active travel contributes to a decrease in emissions linked to car use, which can improve air quality across the district. Poor air quality is directly linked to many diseases and lower life expectancy; working to reduce our emissions means we are working for a healthier environment for all.

Doing things differently can improve our environment, health, economic prospects and the strength of our communities. It is against this background that we need to develop a way forward for transport in Kirklees. Travel behaviours can change. Recent examples include altered rail service patterns, or the impact of COVID-19 on home working or local retail.

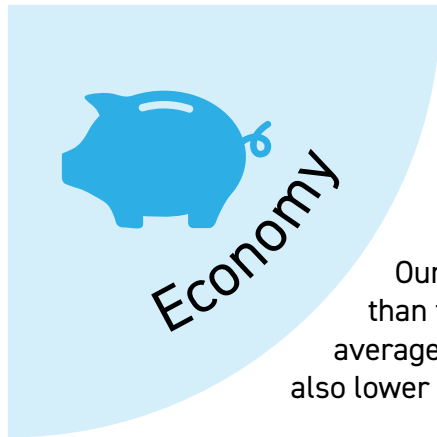
**Support the Net Zero and Climate Ready Kirklees by 2038 target by reducing harmful emissions from transport and planning resilient, decarbonised networks**

If we continue to approach transport as we do now, relying on cars for most journeys regardless of distance, it will not be possible to achieve our net zero target by 2038. Relying on advances in vehicle technology and increased uptake of electric vehicles isn't enough, nor will it help to minimise the forecast future traffic congestion on our roads. We need to make positive and sustainable changes to our travel choices, while understanding that different people and businesses have different needs and requirements. This means taking the bus, train or bike more often, or walking if possible for shorter trips.

**Capitalise on existing local and regional investment to maximise their impact and ensure more people benefit**

The levels of public satisfaction with the transport offer in Kirklees are not as high as they should be; we do better. Better public transport and connectivity across the district can strengthen our communities, improving quality of life, and making Kirklees a better place to be.





Kirklees has much to offer, with excellent educational opportunities, good strategic connections to employment centres, and a strong leisure offer – but its potential is not being reached.

Our unemployment rate is slightly higher than the regional and national averages. The average economic value (GVA) of our jobs is also lower than the national average<sup>1</sup>.

**We want to** bring people closer to opportunities, whether that be jobs or education facilities. By doing this we can help tackle inequalities, creating a fairer more prosperous Kirklees.

**Link to Council Plan Priority:** Continue to invest and regenerate our towns and villages to support our diverse places and communities to flourish.

Employment rate (Dec 2023)<sup>1</sup>



Kirklees

**74%**



England

**76%**

Average weekly earnings (Apr 2021)<sup>2</sup>



Kirklees

**£450**



England

**£493**

Drive to work



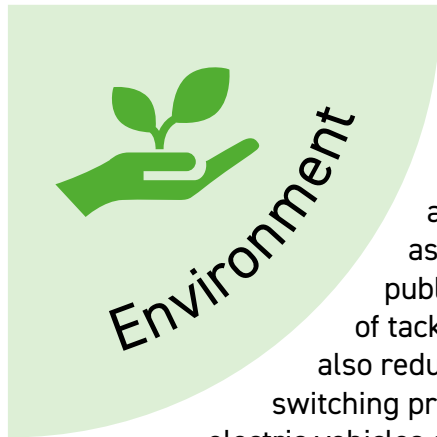
**53%**

Kirklees (2021)<sup>3</sup>

Compared to 45% nationally

Sources:

- 1) <https://www.ons.gov.uk/economy/economicoutputandproductivity/publicservicesproductivity/articles/productivityintownsandtraveltoworkareasuk/2019>
- 2) <https://observatory.kirklees.gov.uk/economy-and-employment/#/view-report/9e93e3faae-4c449084e459fcd86e88d0/iaFirstFeature/G3>
- 3) Kirklees Council: Kirklees Factsheets 2021
- 4) <https://www.ons.gov.uk/census>



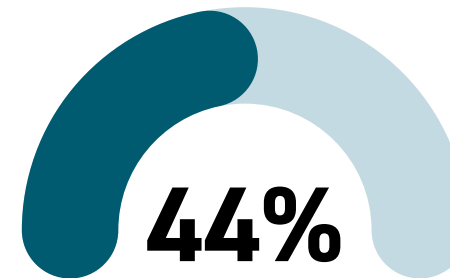
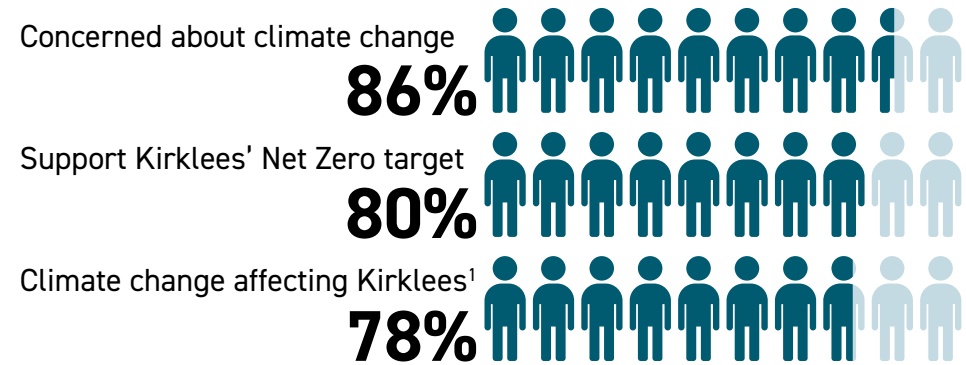
Kirklees Council declared a climate emergency in 2019 and our vision is for a Net Zero and Climate Ready Kirklees by 2038. Residents' surveys have shown high levels of concern about the impacts of climate change as well as support for improvements to public transport and active travel as a way of tackling local air quality issues. We can also reduce our greenhouse gas emissions by switching private vehicles to greener fuels such as electric vehicles and supporting the charging network.

Our challenge is now to start to deliver on this support.

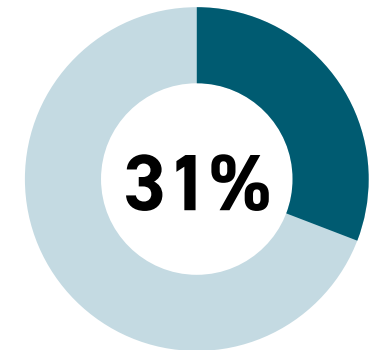
While we have reduced total emissions by 23% since 2013, there is a lot of work still to be done. We need to continue working towards cleaner air, particularly in our nine air quality management areas, and reducing the impacts of pollution on our people's health and wellbeing. We also need to do more to encourage our residents to use our parks and greenspaces, and to extend green infrastructure and biodiversity networks into our streets, spaces and places.

**We want to** deliver the Net Zero and Climate Ready Kirklees by 2038 target, as well as improve our air quality and increase our use of sustainable modes of transport.

**Link to Council Plan Priority:** Continue to deliver a greener, healthier Kirklees and address the challenges of climate change



local residents using local parks or green spaces at least once a week<sup>2</sup>



of our greenhouse gas emissions came from transport (2021)<sup>3</sup>

Data references:

- 1) <https://www.kirklees.gov.uk/beta/climate-emergency/pdf/appendix-d-resident-survey-output.pdf>
- 2) <https://public.tableau.com/app/profile/kirklees.intelligence.service/viz/CLiKSurvey2021/Home>
- 3) Department for Energy Security and Net Zero, UK local authority and regional greenhouse gas emissions national statistics: 2005-2021



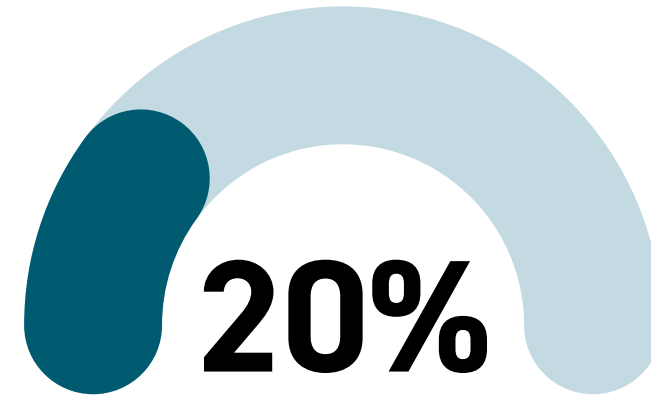
Parts of Kirklees represent some of the most deprived districts in England. The Indices of Multiple Deprivation is a combination of different factors, and our performance is worse in the quality of local environment, housing, air quality, road traffic collisions and crime.

People living in more deprived areas are more likely to experience poor levels of personal safety, rates are also higher amongst women, residents aged 16-34, disabled residents. There are inequalities within Kirklees, with more low-income families (20% of our residents) at high risk of transport related social exclusion, limiting their quality of life and opportunities.

**We want to** overcome transport as a barrier for accessing opportunities. No one should be limited by transport, nor should they have to own a car to be able to access work or education.

Our transport strategy sets out our commitment to help Kirklees to connect our communities, so that people who live in Kirklees have access to local services, social activities and experience spaces and places that improve wellbeing.

**Link to Council Plan Priority:** Continue to invest and regenerate our towns and villages to support our diverse places and communities to flourish.



of Kirklees neighbourhoods have a high risk of Transport Related Social Exclusion<sup>1</sup>

Residents not feeling safe travelling<sup>2</sup>



Data references:

1) <https://transportforthenorth.com/wp-content/uploads/Transport-related-social-exclusion-in-the-North-of-England.pdf>

2) <https://public.tableau.com/app/profile/kirklees.intelligence.service/viz/CLiKSurvey2021/Home>





Health

In Kirklees, our levels of physical activity are lower than the national average. If we can increase our levels of physical activity, there will be substantial health benefits to be gained. There are many ways we can increase our physical activity levels, and one is rethinking how we travel in our day-to-day lives. By travelling actively more we can lead healthier lives and prevent health issues arising.

The quality of public spaces and levels of vehicle traffic can have negative impacts on some of our settlements, with through traffic and major roads impacting mental health through noise and social issues and physical health through air quality or by making it harder to walk and cycle. The impacts of congestion and poor air quality are often felt in areas with the lowest car ownership, by communities that contribute least to the problem.

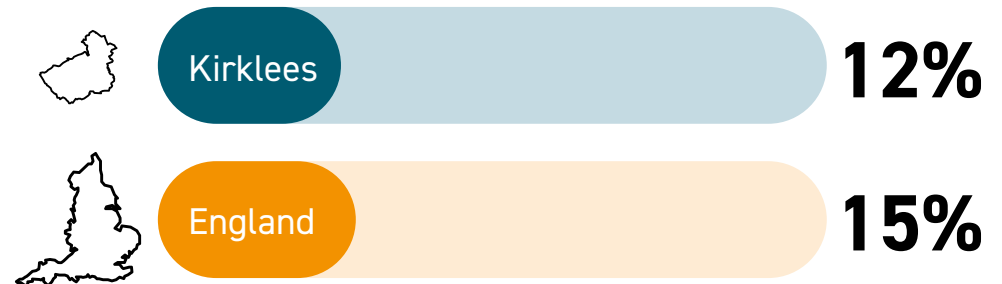
**We want Kirklees to** be more active, by helping everyone access and use our outdoor spaces more actively, by walking, cycling or wheeling. We want to make it easier to travel in ways which have positive benefits to our health and wellbeing.

**Link to Council Plan Priority:** Continue to deliver a greener, healthier Kirklees and address the challenges of climate change.

## Physically active adults<sup>1</sup>



## Adults who walk for travel at least once a week<sup>1</sup>



Sources:

1) Sport England. Percentage of physically active adults for Kirklees (2022/23). The indicator below is based on the number of respondents aged 19 and over, with valid responses to questions on physical activity, doing at least 150 moderate intensity equivalent (MIE) minutes physical activity per week in bouts of 10 minutes or more in the previous 28 days.

# How is transport starting to change in Kirklees?



## Sustainable Transport and Active Travel Schemes

Multi-million pound investment in major transport schemes that will deliver transformational walking, cycling and bus priority improvements to better connect towns and local centres including Dewsbury, Huddersfield, Batley, Holmfirth, Mirfield, Cleckheaton and Heckmondwike. Upgrades to canal towpaths for walking, wheeling and cycling, include planned improvement schemes in Mirfield and between Slaithwaite and Huddersfield. Many of these schemes are due to begin delivery in 2025 and 2026.



## Transpennine Rail Upgrade

Major upgrades to Huddersfield, Deighton, Ravensthorpe, Slaithwaite, Marsden and Mirfield stations. More frequent, faster and more comfortable journeys across the Trans Pennine Route between Liverpool, Manchester, Huddersfield, Dewsbury Leeds, York and the North East.



## Bus Franchising Programme

West Yorkshire Combined Authority recently committed to bus franchising from 2024. Kirklees will be one of the first districts which will see local control over routes, frequencies, fares and bus standards. This will improve service frequency and reliability, create a more integrated bus network, introduce higher vehicle and bus stop standards.



## Bus Stations and Bus Priority

Other committed bus improvements using government funding include:

- Introducing bus priority and reliability on congested corridors in Kirklees to reduce bus journey times
- Introduction of a new bus hub in Heckmondwike. Revitalising Dewsbury and Huddersfield bus stations.



## Town and Local Centre Visions

Our regeneration blueprints are about improving towns and villages across Kirklees - creating more vibrant a varied, safe and sustainable centres that bring communities together. We have published or are developing plans for Huddersfield, Dewsbury, Batley, Cleckheaton, Heckmondwike, Holmfirth and Marsden. Many of these projects are starting to enter a delivery phase.



## Shared Transport Hubs

These aim to make journeys seamless - with improved facilities at key locations, including improved bus stops with real time information, better waiting environment, improved cycle parking, better drop off facilities, parking for electric vehicles, bike and car clubs.



## Developing Mass Transit Proposals

WYCA also has ambitious plans to deliver a Mass Transit system in West Yorkshire, including a line between Leeds and Dewsbury. Mass transit will provide an attractive alternative to car travel by improving connectivity and integration across West Yorkshire.

How we  
achieve our  
vision

Having set our vision for travel in the district we need to define some clear objectives. These objectives set out what the Transport Policy seeks to achieve and will help steer future decision making.

These Objectives will be underpinned by and aligned with specific policies for the Council and our partners to work on in the future. Some of the policies might help contribute to one of the five Strategic Objectives, some might contribute to multiple, but overall, these policies are designed to meet these five objectives.

Policies have been developed with future council decision-making in mind. Policies are worded to be clear and direct, to help inform future decisions on development, investment, transport and regeneration.

The **objectives** are what we need to deliver to make the vision a reality.

- Prioritising **economic growth** - attracting investment while increasing opportunities and life chances for all
- Improving **health and wellbeing**, supporting safe and active lives for our communities
- Protecting our **environment** with a transport network that is carbon net zero
- Transformed **public transport** that strengthens links within the district and beyond
- **Inclusive places** with better connections which are accessible and affordable for all

The **vision** is a big-picture aspiration for what travel and transport look like in the future.

Our vision is for travel in Kirklees to be sustainable, healthy and accessible to all, creating safe, thriving places and connected communities.

**Policy areas** set out the areas where we will take action. They will guide decision-making and ultimately realise the vision.

- Alternative fuel vehicles
- Safe and attractive places
- Active travel
- Freight
- Public transport
- Multi-modal interchange
- Efficient network management
- Travel demand management

Prioritising economic growth - attracting investment while increasing opportunities and life chances for all

- Freight
- Public transport
- Efficient network management
- Active travel

Transport allows us to travel to our jobs, to education, to healthcare, to leisure and retail opportunities and shouldn't be a barrier to opportunity. That's why making transport choices more affordable and available is key to our Transport Strategy. We know that increased access to opportunities is the best and most sustainable way for us to achieve strong regeneration and development, which can lead to a more prosperous Kirklees for all.

Across Kirklees there are significant levels of disparity in connectivity and travel times depending on the mode available where you live. Some parts of Kirklees have many transport options, with others being relatively more disconnected. This means that people in some areas, especially those who don't have access to a car have more limited options for work, training, education or leisure. Access to employment opportunities in Kirklees should be improved to support employment and better prospects for our residents by attracting businesses and providing affordable connections to jobs and training.

By improving the options people can choose from to travel around Kirklees our residents will be better connected to a wider range of employment opportunities and education facilities, with transport no longer being a barrier to students developing the skills they need to succeed in life.

Integral to the regeneration of our towns and centres will be easy access by active travel and better bus, coach and rail services. Delivering improved connectivity will make Kirklees more attractive for businesses and visitors, as well as driving higher pedestrian footfall in our urban centres and on high streets. This will help to prioritise sustainable economic growth across our district.

Investment in all types of transport infrastructure will be vital, including improving highway networks, particularly where this facilitates easier movement of goods and freight across and through Kirklees. We will work with partners to develop more facilities for safe and efficient transport of road freight, particularly on our strategic road network. Increased capacity on the rail network will lead to opportunities for our partners to pursue the increased uptake of rail freight through the district.

Council Shared Outcomes:

- ✓ Shaped by people
- ✓ Best start
- Well
- ✓ Independent
- ✓ Aspire and achieve
- ✓ Sustainable economy
- ✓ Safe and cohesive
- Clean and green

Improving health and wellbeing, supporting safe and active lives for our communities

- Safe and attractive places
- Active travel
- Travel demand management

Being active and more connected to the places around us is good for our health. People who are more physically active are typically healthier and suffer fewer of the chronic diseases that are becoming increasingly prevalent across the UK<sup>1</sup>. We want to create vibrant places and streets where people feel safe to be active, socialise and connect with their communities, opportunities and nature.

Our spaces should connect and cater for all age groups and levels of mobility. They should have cleaner air, be safe (and feel safe) for young people, encouraging active lives, providing attractive routes to school and places to play as well as enabling older people to be independent for longer. They should be inclusive and accessible to all, particularly for groups most likely to suffer exclusion such as women and girls, people with disabilities, people with mobility impairments and people travelling with pushchairs. We will work to improve these networks and maintain and improve their condition.

Our aim for safer streets, called 'vision zero' is to eliminate all traffic fatalities and severe injuries<sup>2</sup>. We will work to provide safer space for active travel on our existing streets and seek this in new developments.

Travel independence and affordability will be increased as people have more opportunities to make more trips by public transport and active travel. Social exclusion and isolation can be reduced as more people feel able to access their local communities and employment opportunities.

Encouraging active lives through more walking, cycling or wheeling journeys, should be a core aim of our networks. In residential and neighbourhood areas streets should prioritise people over vehicles. Creating more active places can benefit other areas too; by being more environmentally friendly, lowering carbon emissions, improving air quality, promoting socially inclusion and are more economically productive<sup>1</sup>.

#### Council Shared Outcomes:

- ✓ Shaped by people
- ✓ Best start
- ✓ Well
- ✓ Independent
- Aspire and achieve
- Sustainable economy
- ✓ Safe and cohesive
- ✓ Clean and green

#### Linked strategies:

Kirklees Health and Wellbeing Strategy  
Local Cycling and Walking Infrastructure Plan

1) Active Design (sportengland-production-files.s3.eu-west-2.amazonaws.com)

2) What is Vision Zero? | Vision Zero Network <https://visionzeronetwork.org/about/what-is-vision-zero/>

Protecting our **environment** with a transport network that is carbon net zero

- Alternative fuel vehicles
- Safe and attractive places
- Active travel
- Public transport
- Efficient network management
- Travel demand management

Transport is one of the biggest contributors to our district's total carbon emissions. To reach Net Zero by 2038 we need to travel more by active and sustainable modes and less by petrol and diesel fueled private vehicles. We will be unable to meet our net zero commitment without big changes to the way we travel.

Council Shared Outcomes:

- ✓ Shaped by people
- Best start
- ✓ Well
- Independent
- Aspire and achieve
- Sustainable economy
- ✓ Safe and cohesive
- ✓ Clean and green

**Linked strategies:**

Kirklees Climate Change Action Plan (2022)  
and the forthcoming Environmental Sustainability Strategy

The biggest changes can be achieved by...

...**reducing** the need to drive as often or as far by improving access to day-to-day local services and improving digital connectivity, enabling people to work from home, to support people making fewer trips by private car.

....**shifting** some trips to more sustainable modes by switching away from the private car to alternatives. The more people we can encourage to walk, cycle, wheel, or use the bus or train, the greater the reduction of harmful emissions, and the less congested our roads will be for those where driving remains the best option.

...**supporting** the ownership of electric and low emission vehicles through the development of affordable charging networks. This will include working with partners to decarbonise our public transport network and freight transport.

...**mitigating** climate change impacts by ensuring new transport infrastructure and public realm improves biodiversity and ensuring are networks are resilient to climate impacts such as extreme heat and flooding.

Transformed public transport that strengthens links within the district and beyond

- Public transport
- Multi-modal interchange
- Efficient network management
- Travel demand management

Kirklees is well-located as a district, sitting between the centres of Leeds, Manchester and Sheffield, with a range of mixed rail and bus connections. However, the benefits of these connections are not being fully realised and access to public transport services is not equal for everyone in Kirklees.

Many people in Kirklees do not have access to a car and rely on alternative methods of travel to get around, and many drivers would also like to use their car less and public transport more. Where areas are lack good public transport access, people can miss out on employment or training opportunities.

Public transport users are less satisfied with the transport offer in Kirklees now than they were five years ago, across various modes of transport. We want more people to be satisfied with public transport services, by encouraging operators to improve reliability, punctuality and network reach and support partners to work towards a transport system that is attractive to people, businesses and organisations in Kirklees. The current public transport offer makes many people feel that the private car is the only viable option. We want people to feel they have access to a wide range of transport options, whatever their journey.

Linked strategies:

West Yorkshire Bus Service Improvement Plan (2022)

More reliable bus and rail services, with improved coverage and affordability will encourage more people to use sustainable modes such as bus and rail for medium and longer distance trips. For rail we will work hard to maximise the benefits of schemes such as the Transpennine Route Upgrade so that our residents and businesses beyond the transport corridors themselves. We will also be working closely with the West Yorkshire Combined Authority on plans for local rail (including the Penistone Line) bus and mass transit.

We will seek to improve coordination and interchange between bus and train services and improve the environment around stations and stops, to make it easier to travel to stations and to switch between modes. Developing integrated ticketing across modes will complement shared transport hubs with a range of mobility options, to make it easier and more affordable to travel without a car, both within the district and locally. We seek more and improved walking, wheeling and cycling routes to stations and stops, providing joined-up trips using bus and rail for part of the journey.

#### Council Shared Outcomes:

- ✓ Shaped by people
- ✓ Best start
- ✓ Well
- ✓ Independent
- ✓ Aspire and achieve
- ✓ Sustainable economy
- ✓ Safe and cohesive
- ✓ Clean and green



**Inclusive places** with better connections which are accessible and affordable for all

- Safe and attractive places
- Active travel
- Public transport
- Multi-modal interchange
- Travel demand management

Security, connection and belonging can help foster a sense of pride in the places we work, study, shop and call home. An inclusive community can reduce loneliness and isolation, improving health and wellbeing for our residents. We want children to feel safe walking, cycling or scooting to school and have safe streets to play in. The quality of our streets can also help develop a sense of connection and belonging between people and places, building on the quality and heritage of our built environment.

Transport's role in the development of inclusive communities is to provide the connectivity that all people need to go about their daily lives. No one should be excluded from travel because they don't have access to a car, a safe active travel route, or due to mobility or affordability. A network of mobility/shared transport hubs could improve integration across modes.

Taxis and private hire vehicles fill a gap between private and public transport modes. We will work with partners to ensure well-designed pick-up and drop-off facilities are integrated at our main transport hubs and other key locations.

Places should be physically inclusive too. We will make our streets safer, reducing road traffic collisions and considering how lighting can improve the perception of safety. We will tackle the severance impacts of major roads and ring roads around our urban centres, physically cutting off communities from key destinations. We will work with partners to remove barriers to transport such as making improvements at our rail stations to provide fully accessible stations with lift access.

We will provide behaviour change initiatives with our partners to support and encourage sustainable ways to travel. This might be through providing information, skills, or advice to help people use buses, trains or cycle routes more confidently and safely.

#### Council Shared Outcomes:

- ✓ Shaped by people
- ✓ Best start
- ✓ Well
- ✓ Independent
- ✓ Aspire and achieve
- ✓ Sustainable economy
- ✓ Safe and cohesive
- Clean and green

# The policies

Having set our vision and objectives for transport in Kirklees, we need to think about what this means for different modes of transport and how we manage our networks. The following pages consider our eight key policy areas and set out specific draft policies.

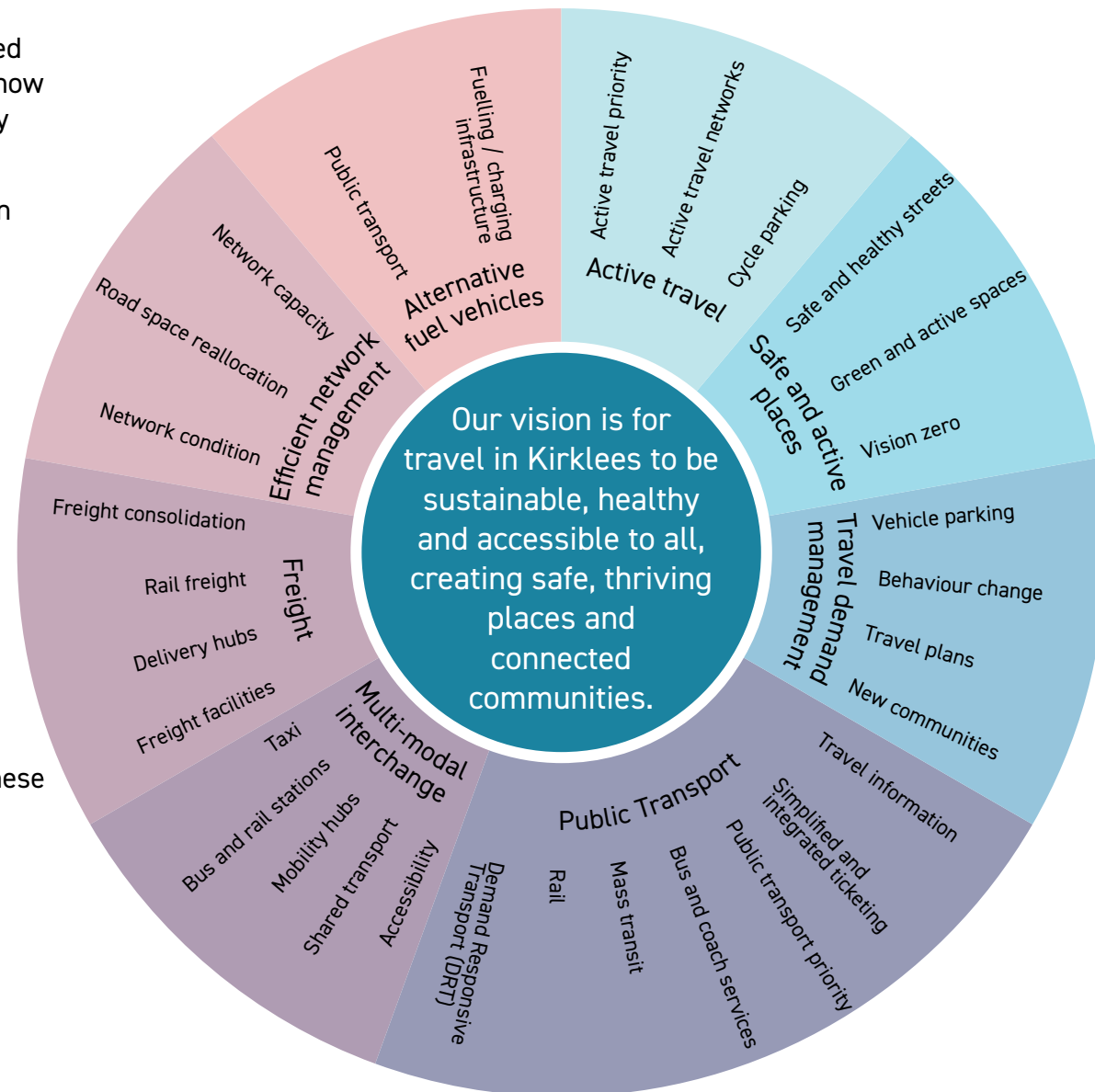
Each individual policy will address the strategy's objectives as shown below.

- Prioritising **economic growth** - attracting investment while increasing opportunities and life chances for all
- Improving **health and wellbeing**, supporting safe and active lives for our communities
- Protecting our **environment** with a transport network that is carbon net zero
- Transformed **public transport** that strengthens links within the district and beyond
- **Inclusive places** with better connections which are accessible and affordable for all

Each Objective is colour coded. Draft policies which aim to achieve these objectives are shown with each objective's colour beside them.

Example Policy 
●
●
●
●
●

Integrate transport improvements with attractive green spaces to provide safe and enjoyable places for all people to be active. Explore opportunities to improve biodiversity through additional green infrastructure.



## WHY ACTIVE TRAVEL?





Active travel (such as walking, cycling and wheeling) is the most healthy, affordable, and environmentally sustainable way to travel.

Many of our local trips are short-distance, meaning there's potential for more of these types of journeys to be made by active modes. Safe, integrated active travel networks make people feel secure and comfortable travelling in this way. This helps to encourage more local trips by foot and bike, such as popping to the shops or doing the school run.

Active Travel infrastructure such as safer crossings or safe routes to school can provide a real choice for how people get around. Improvements in streetscapes and public space design can lead to more vibrant and attractive places - ones which feel safe to walk, wheel and cycle in.

We aim to provide more high-quality cycling routes and address barriers and gaps in our urban and rural networks for walking, wheeling and cycling. Transport projects should consider how people with mobility aids, pushchairs, wheelchairs and other accessibility needs access and use streets and spaces. 48% of residents surveyed said that a lack of infrastructure to assist accessibility needs stopped them using sustainable transport, a further 33% had concerns over road safety.

### KEY

-  Economic growth
-  Health and wellbeing
-  Environment
-  Public transport
-  Inclusive places

### Policy AT-1



Improve walking, wheeling and cycling connections to and from our towns and local centres where there is currently severance across junctions, ring roads and major roads to allow people safe and direct active journeys.

### Policy AT-2



Improve accessibility including the review and removal where possible of physical access barriers that prevent legitimate users such as pushchairs, wheelchairs, and mobility scooters.

### Policy AT-3



Develop a strategic cycling network plan (Local Cycling & Walking Infrastructure Plan) that sets out a prioritised future network for Kirklees.

### Policy AT-4



Create and maintain safe, high quality and integrated active travel networks including traffic-free greenways and protected on-road routes that allow our communities to choose to walk and cycle for local and longer journeys.

Active travel is often part of a longer journey, linking with public transport. We will therefore make improvements to walking and cycling routes to transport hubs like rail stations, and aim to make changing between modes easier (see interchange policies)

Secure bicycle parking at key destinations such as shops, schools, leisure facilities and healthcare play an important role in encouraging cycle use. These cater for more types of cycles, including children's bikes, trailers, cargo bikes and adapted bikes. Opportunities for charging of e-bikes should also be considered.

Parking areas should have adequate security measures such as adequate lighting and good visibility, so that people feel comfortable using them, especially after dark.

## HOW WILL IT BE DELIVERED?

We will develop a prioritised network of active travel routes through our Local Cycling and Walking Infrastructure Plan, which will help us secure funding and target investment in the right places.

This will build on the substantial programme of major transport schemes (funded by the Transforming Cities Fund (TCF), City Region Sustainable Transport Settlement (CRSTS), West Yorkshire plus Transport Fund, Levelling-up Fund (LUF) and Active Travel Fund (ATF)) that are already in development and delivery across Kirklees.

We will strive to implement best practice design, considering protecting cyclists from general traffic, pedestrian safety, accessibility, lighting, wayfinding and secure cycle parking as priorities.

We will develop a joined-up approach with our [Environment Strategy](#) and our town and local centres [regeneration blueprints](#), to maximise

the benefits and target funding appropriately. We will work with local organisations and bodies such as Active Travel England to support us, and will consult with communities on new schemes.

### Policy AT-5



Prioritise active travel through the design of new developments, regeneration masterplans and blueprints to create attractive, healthy and active places.

### Policy AT-6



Provide more short and long stay cycle parking for all cycle types at key destinations.

#### KEY

- Economic growth
- Health and wellbeing
- Environment
- Public transport
- Inclusive places


## WHY SAFE AND ACTIVE PLACES?

We can increase the success and vibrancy of our town and local centres by making them more attractive places to visit and spend time, by making them less dominated by moving traffic and parked cars, leaving narrow pavements and poor air quality.


Like many places, over the last few decades parts of our streetscapes, particularly pavements and verges, have become increasingly dedicated to parked vehicles and traffic. This has considerable impacts on how pleasant our neighbourhoods are to live in – for meeting neighbours, children playing in the street, and for feelings of safety when walking and cycling.

By re-prioritising how our streets are used we can create safer and more pleasant residential streets, allowing our children to travel to school or the park safely and confidently by walking, cycling or scooting. Evidence from across the UK suggests that investing in public realm improvements so that more people walk, cycle and use public transport results in higher levels of footfall, reduced retail vacancy rates and improved road safety<sup>1</sup>. There is also evidence which suggests that those who travel to a local centre sustainably make more trips and spend more than those who travel by car<sup>2</sup>.

Making shifts in how we plan, design and use spaces can improve our air quality and links with the targets in our Air Quality Action Plan. We can also better integrate our green spaces with our safe and active travel network. This will also help deliver aims of the council's Greenspace Strategy.

Policy S-1 

Identify and deliver school road safety and air quality improvements such as School Streets to support safe and healthy routes to school.

Policy S-2 

Implement Vision Zero which seeks to eliminate all traffic fatalities and severe injuries.

Policy S-3 

Integrate transport improvements with attractive green spaces to provide safe and enjoyable places for all people to be active. Explore opportunities to improve biodiversity through additional green infrastructure.

- KEY
-  Economic growth
  -  Health and wellbeing
  -  Environment
  -  Public transport
  -  Inclusive places

<sup>1</sup> Active Design (sportengland-production-files.s3.eu-west-2.amazonaws.com)  
<sup>2</sup> Walking and cycling: the economic benefits (tfl.gov.uk), pedestrian-pound-2018.pdf (livingstreets.org.uk)

Making our streets healthy isn't just about how we travel through them, it's also about how we spend time on them. Considering how we utilise streets can also play a part in how we design and maintain our streets and adapt to climate change.

## HOW WILL IT BE DELIVERED?

We will work towards the West Yorkshire Vision Zero Strategy including creating safer roads, particularly near schools, aiming to eliminate all traffic deaths and serious injuries, while increasing safe, healthy, equitable mobility.

By integrating active and sustainable travel into our exciting town and local centre regeneration schemes, including Dewsbury, Huddersfield, Batley, Holmfirth, Cleckheaton, Heckmondwike and Marsden, we will connect our places better with the communities that want to visit them.

We will ensure enjoyable, safe environments for all that encourage walking, cycling, and public transport by taking a Healthy Streets approach.

### Policy S-4



Integrate and deliver accessible walking, wheeling and cycling provision as part of high quality placemaking and public realm.

### Policy S-5



Work with partners to expand and improve the quality, safety and accessibility of our traffic-free greenways.

### Policy S-6



Work with communities to create safer, active and healthier neighbourhoods, where alternatives to the car are encouraged.

#### KEY

- Economic growth
- Health and wellbeing
- Environment
- Public transport
- Inclusive places


## WHY TRAVEL DEMAND MANAGEMENT?

*“Travel Demand Management ‘TDM’ is an umbrella term for the application of strategies and policies to reduce travel demand, or to redistribute this demand in space, mode or in time”<sup>1</sup>*


By providing high-quality active travel and public transport options, as well as thoughtful management of vehicle access and parking controls we can widen travel choices, which can help alleviate traffic congestion and improve local air quality. Locating new communities developments and jobs in well-connected areas can help support and improve existing transport options, providing benefits to existing residents as well as new ones.

A holistic approach to travel demand management will create safer, pedestrian-friendly streets, supporting sustainable economic growth and mitigating climate change impacts. Through this, Kirklees can help all communities integrate into a robust and resilient network that benefits both people and the environment.

By locating appropriate levels of parking at key transport hubs, such as railway stations, we can make car travel part of a longer journey rather than the whole journey, and alleviate traffic congestion in urban and rural centres by encouraging people to travel by public transport.






Policy TD-1 

Provide parking management measures across Kirklees that promote more sustainable options including Car Club locations, Electric Vehicle charging points and cycle parking.

Policy TD-2 

Support vehicle parking controls with suitable enforcement measures to make our pavements and streets safer for everyone. Review the potential for Controlled Parking Zones and pricing strategies to balance supply and demand, particularly in areas highly connected by sustainable modes.

### KEY

-  Economic growth
-  Health and wellbeing
-  Environment
-  Public transport
-  Inclusive places



## HOW WILL IT BE DELIVERED?


We will aim to provide parking that meets people's travel needs equitably. Sustainable modes should be encouraged while being conscious of accessibility for people with limited mobility. Parking controls can also support our net zero and air quality strategies by supporting charging of electric vehicles, cycle parking and integrating our car club provision.

To maximise the benefit of delivering infrastructure and services our communities need to be supported to use them. Programmes which enable and empower local residents, visitors and employees will allow people to choose to travel actively or by bus or rail more confidently and successfully.


This includes expanding cycle training, journey planning, walking groups, bike maintenance, route advice, and try an e-bike offers, already being delivered by our valuable local providers.

On a wider scale, we can ensure that new development in Kirklees is located, designed and built so that sustainable travel is the natural choice of travel for new residents. We will use the local plan making process to embed our vision early in the planning of new development and support it with targeting developer contributions towards sustainable transport measures.


We will work in alignment with our green and active places, securing contributions which also allow for opportunities for Biodiversity Net Gain.

Policy TD-3 

Continue to work with the Travel Plan Network, working with businesses, residents and organisations to develop effective travel plans and help people travel more sustainably.

Policy TD-4 

Continue to work with partners to deliver behaviour change initiatives that encourage and enable people to walk, wheel, cycle and use public transport safely and confidently.






Policy TD-5 

Use developer contributions to better support active travel networks and public transport.

Policy TD-6 

Develop a Local Plan that prioritises sustainable journeys to new developments. Promote development in areas which are better connected by active travel and public transport links.

### KEY

-  Economic growth
-  Health and wellbeing
-  Environment
-  Public transport
-  Inclusive places

## WHY PUBLIC TRANSPORT?

Reliable, high-quality, and well-connected bus, coach and rail services are crucial in enabling all residents the opportunity to access education, employment and services. There are disparities in the level of public transport provision across Kirklees, which means some people are unable to rely on public transport.

The provision of appealing and reliable bus, coach and rail services in Kirklees is key to increasing public transport patronage. This will help to make services more financially sustainable, tackle air quality and reduce congestion in our urban areas and ensure Kirklees reaches our Net Zero target.

The franchising of bus services across Kirklees and major rail upgrades, such as the multi-billion pound Transpennine Route Upgrade (TRU), will help to make transformational change to our public transport coverage.

Developing better connections within and beyond Kirklees are crucial to ensure we capitalise on investment and improve regeneration opportunities for our area. We will work to support the development of these proposals and ensure benefits can be realised for people across Kirklees.

## HOW WILL IT BE DELIVERED?

Improvements to Kirklees' public transport services will be delivered by working with key partners, including West Yorkshire Combined Authority, bus and rail operators, and neighboring authorities. We will support the refurbishment of our bus and rail stations, recruitment of staff to improve service reliability, and improvements to public transport safety. In March 2024, the decision to franchise the bus network in West Yorkshire was announced, with Kirklees being set to receive

the first lot of franchised services. This presents an opportunity for Kirklees to shape what the future of bus services will look like in our district.

We will work to provide a public transport network that connects more people, is more affordable and provides a safe, convenient and reliable service. We want an inclusive public transport network that extends better to our more rural areas and expands access to work and training opportunities.

### Policy P-1



Continue to work closely with WYCA and operators to deliver a more inclusive network, with better coverage, reliability, operating hours and frequency.

### Policy P-2



Support delivery of West Yorkshire Mass Transit within Kirklees.

### Policy P-3



Continue to work closely with industry partners and rail operators to support rail connectivity, capacity / rolling stock enhancements and frequency, such as on the Penistone Line and Transpennine Route Upgrade (TRU).

#### KEY

- Economic growth
- Health and wellbeing
- Environment
- Public transport
- Inclusive places

Where there are delays to bus services, we will encourage road network improvements on supporting better journey times and reliability by bus.


To improve the public transport offer across Kirklees we will seek opportunities to utilise technology to deliver viable and sustainable services, particularly to our rural communities. Flexible demand responsive services can provide rides where fixed service struggle to maintain a consistent service.

Making public transport journeys, stations and stops more attractive will encourage people to use the train and bus more often.


Having clear and up to date information on your travel gives you confidence and clarity for your journey.

We will work closely with public transport partners to deliver simpler and affordable public transport, including journeys which cross boundaries outside of West Yorkshire.


Simpler ticketing which is easy to understand is crucial for public transport passengers. Integrated tickets enable the use of different modes or operators and make your whole journey easier.

Policy P-4 


Prioritise local bus services over general traffic making journeys quicker, more reliable and punctual.

Policy P-5 

Work with partners to deliver Demand Responsive Transport services to enhance the public transport offer where conventional services are not feasible commercially or economically.

Policy P-6 

Enhance passenger information with integrated 'real time' journey planning and live information at key locations and interchanges to offer a better user experience.

Policy P-7 

Work with the industry to support clear and simple ticketing, with better integration across modes, operators and across boundaries, to promote a competitive public transport offer.

- KEY
-  Economic growth
  -  Health and wellbeing
  -  Environment
  -  Public transport
  -  Inclusive places

## WHY MULTI-MODAL INTERCHANGE?






Connections from our communities to interchange with bus and rail stations will be an important part of people's perceptions around public transport accessibility. At stations, transfer between different services will also be a key consideration. Making changes between modes smoother and more efficient will make our public transport system more attractive to use and reduce the need to for car travel in Kirklees.


We will work to improve the overall passenger experience, including comfort and accessibility of our stations and transport hubs for everyone. We want to improve accessibility at stations so people with limited mobility, as well as those with luggage, pushchairs and bikes can better access our public transport. We also want to expand the local services available at stations, to include facilities such as bike hire and secure parcel collection and drop off points.

Taxis and private hire vehicles (PHVs) play a valuable role in our transport system. They are particularly important for enabling travel for those with limited mobility, those with no access to a car and linking to our transport hubs. They can provide safe transport options at all times of the day, supporting shift workers and the night-time economy when public transport options are more limited.


We want to better integrate these services, providing drop-off / pick-up locations at key locations and will integrate into our town and local centres regeneration plans such as in Huddersfield Town Centre.

### KEY


-  Economic growth
-  Health and wellbeing
-  Environment
-  Public transport
-  Inclusive places

Policy I-1 


Enhance multi-modal interchange at key public transport hubs to make connections more user friendly and highly integrated to other modes and the areas around them.

Policy I-2 


Deliver and maintain high quality and accessible stations and interchanges to ensure that all stations across the district meet accessibility standards by 2030.

Policy I-3 

Review and remove where possible physical barriers that prevent access to users such as pushchairs, wheelchairs, and mobility scooters.

Policy I-4 

Deliver safe and accessible pick-up/drop-off and parking areas for vehicles and taxis at key public transport hubs to enhance access options for public transport.

Policy I-5 

Work with taxi operators, local communities and special interest groups to ensure that taxis are affordable, accessible and well-located for a range of user groups, including vulnerable, disabled or isolated users.


We want to support a range of travel options to and from our transport hubs, including prioritising first and last mile walking, wheeling and cycling trips to rail and bus stations. We will strive to implement best practice guidance from those such as the DfT for taxi and PHVs, and CoMoUK for shared transport.

Including shared transport options at these transport hubs broadens the availability and range of travel options.


## HOW WILL IT BE DELIVERED?

We will improve key transport interchanges like rail stations to ensure easy onward travel by foot, with safe routes and clear wayfinding. Existing and new Shared Transport Hubs will be introduced combining public transport with shared transport options such as car clubs, cycle hire, and taxi services, safe pick-up/drop-off areas, along with facilities like cafés, cycle repair locations, and EV charging points where appropriate.


We will explore and embrace new emerging technologies and develop our transport network with flexibility to accommodate new trends in the future.

Policy I-6 

Deliver quality mobility hubs alongside improved active travel links and community facilities at key locations to enable seamless transition between transport modes.






Policy I-7 

Explore the feasibility of a shared micro-mobility offer with bikes and e-bikes at key locations to make 'first and last mile' travel easier and increase the attractiveness of sustainable travel options.

Policy I-8 

Support expansion of car club schemes that reduce the need to own a car.

### KEY

-  Economic growth
-  Health and wellbeing
-  Environment
-  Public transport
-  Inclusive places

## WHY FREIGHT?

Kirklees is close to several strategically important roads, including the M1 and M62 motoways, making us a hub for freight businesses. The rise in light vans and delivery vehicles during peak hours reflects evolving retail habits and technological advancements. There is a need for innovative solutions to manage commercial vehicle numbers with fewer, yet more efficient vehicles, while continuing to meet business and consumer needs.

By working with businesses, organisations and regional partners to consolidate freight and delivery operations we can adopt a bottom-up approach to reduce the number of vehicles on our roads.

Currently, the rail network is poorly utilised for freight due to network capacity constraints and operational challenges such as bridge height restrictions. We need to further explore the opportunities to shift freight from road to rail, thereby reducing emissions, improving air quality and easing traffic congestion.

We will work with local organisations and regional partners to consider opportunities for increase rail freight in line with the West Yorkshire based [Rail Freight Strategy](#).

**Policy F-1** ● ● ● ● ●

Support opportunities for e-cargo bikes to deliver last mile goods, particularly in urban areas to reduce congestion and emissions in these areas.

**Policy F-2** ● ● ● ● ●

Explore options for freight facilities around strategic road networks, including secure lorry parking and rest facilities.

**Policy F-3** ● ● ● ● ●

Explore options for supporting delivery hubs, particularly in congested centres with poor air quality to minimise and combine the number of trips - reducing impacts of more vehicles on the road network.

**Policy F-4** ● ● ● ● ●

Work with businesses, organisations and regional partners to consolidate freight and delivery operations, particularly in poor air quality and congested areas.


**KEY**

- Economic growth
- Health and wellbeing
- Environment
- Public transport
- Inclusive places


## HOW WILL IT BE DELIVERED?

Maximising load capacity for both outbound and return journeys, shifting deliveries away from peak hours, consolidating freight, uptake of sustainable technologies such as e-bikes for last-mile deliveries, and exploring options for rail freight and delivery hubs in congested areas can further reduce the environmental impact of freight.


Enhancing freight facilities with secure lorry parking and rest areas around the Strategic Road Networks is also key to improving freight conditions in Kirklees.

Policy F-5 

Maintain the Key Route Network to allow for the movement of goods via road.






Policy F-6 

Work with WYCA and other regional partners to identify opportunities for rail freight, including the use of existing passenger services to carry good and parcels.

Policy F-7 

Incorporate loading and delivery spaces into the design of new streetscapes and developments to support freight loading and traffic movement.

### KEY

-  Economic growth
-  Health and wellbeing
-  Environment
-  Public transport
-  Inclusive places

## WHY EFFICIENT NETWORK MANAGEMENT?

Making sure our network operates as efficiently as possible means our residents and businesses get the maximum possible from our highways assets. Traditionally this meant a focus on highway capacity, however, to achieve the aspirations of the Council and Partners we will need to manage our network in a way that supports a range of transport modes. Schemes which relieve traffic issues in one area can bring more traffic to another route, leading to negative 'knock on' impacts in other areas.

Within urban areas that experience congestion, space will be used efficiently, to promote sustainable modes of travel. This means that for those who need to drive, such as those with accessibility needs or journeys to areas unserved by public transport, journeys are made more resilient.

Reduced congestion on our network will lead to better local air quality across our district, improving health and wellbeing.

We will work to maintain our networks and assets effectively. We will look at the available space within our roads and streets, seeking to integrate bus priority, active travel and accessibility enhancements as we roll-out maintenance programmes. By improving the network condition, we can improve its lifespan and minimise costly renewal interventions which have implications for the environment and cause disruption from roadworks. This includes roads, cycling infrastructure and pavements as well as areas of public realm.

We will also seek to design and maintain our streets to improve their resilience. This includes improving resilience to climate change and extreme weather events such as integrating more sustainable urban drainage systems to cope better with heavy volumes of rain. This relates to our Kirklees Climate Change Action Plan (2022) which set out the aims to develop all existing and future transport infrastructure and assets so that they are 'climate ready'.

## HOW WILL IT BE DELIVERED?

We will work with public sector partners, businesses and organisations to identify key locations of opportunity to improve our road network that align with the objectives of this Strategy. We will continue to work with partners to deliver a programme of road network improvements.

### Policy N-1



Target capacity constraints and deliver high quality infrastructure to provide safer, quicker and more reliable journeys which integrates active travel and bus priority where required and improves air quality.

### Policy N-2



Work with partners to target road improvements that help deliver the wider policies in this strategy.

### Policy N-3



Ensure network resilience to climate impacts to mitigate higher maintenance / renewal costs in the longer term.

### Policy N-4



Maintain and improve our roads, cycle routes, pavements and Public Rights of Way, including lobbying for more funding for them.

### Policy N-5



Continue to improve key junctions and corridors in Kirklees that rebalance road space towards pedestrians, cycling and buses.



## WHY ALTERNATIVE FUELS?

While we want to make active travel modes and public transport easier and more convenient choices for our journeys, sometimes the private car is the most appropriate choice for some journeys. To address the impacts of car use on the environment and health, we need to embrace new technologies.

Alternative fuel vehicles offer reduced emissions compared to petrol and diesel counterparts and contribute to improved air quality and reduced greenhouse gas emissions. This is particularly important in our urban areas and where our air quality management areas monitor levels of particulate matter and nitrous oxide. This aligns with both our [Air Quality Action Plan](#) and our [Climate Change Action Plan \(2022\)](#) which sets out the need to urgently reduce carbon emissions from transport which includes the uptake of low/zero-carbon alternatives.

We need to ensure roll out of electric vehicle charging is accelerated across communities. This includes seeking range of opportunities for electric charging to support charging at residential locations, in shared transport hubs, rail and bus stations, in public car parks, businesses, and as part of new developments.

The transition to a sustainable and low-carbon transport system in Kirklees, is essential. The UK government's decision to phase out the sale of new petrol and diesel cars by 2035 underscores the urgency of this transition.

This requires a comprehensive strategy encompassing infrastructure development for electric vehicles and emerging technologies, financial incentives, public awareness campaigns, and supportive policies to encourage the widespread adoption of alternative fuel vehicles.

This also applies to rail operations, freight and logistics vehicles as well

as buses and public sector fleets such as refuse vehicles. In 2021 only 2% of the West Yorkshire bus fleet were zero emission. The ambition set out in the West Yorkshire Bus Service Improvement Plan is to operate a zero-emission fleet by 2036.

## HOW WILL IT BE DELIVERED?

By working with businesses, residents and organisations, we will support in the development of infrastructure. We will foster a culture of preparedness and openness to alternative fuels and continue to work towards achieving a significant reduction in carbon emissions to be climate ready by 2038.

### Policy AF-1



Support the development of comprehensive electric charging networks to encourage a transition to low/zero emission vehicles.

### Policy AF-2



Support the movement to new technologies, including lower emission fuels to complement the electric vehicle network.

### Policy AF-3



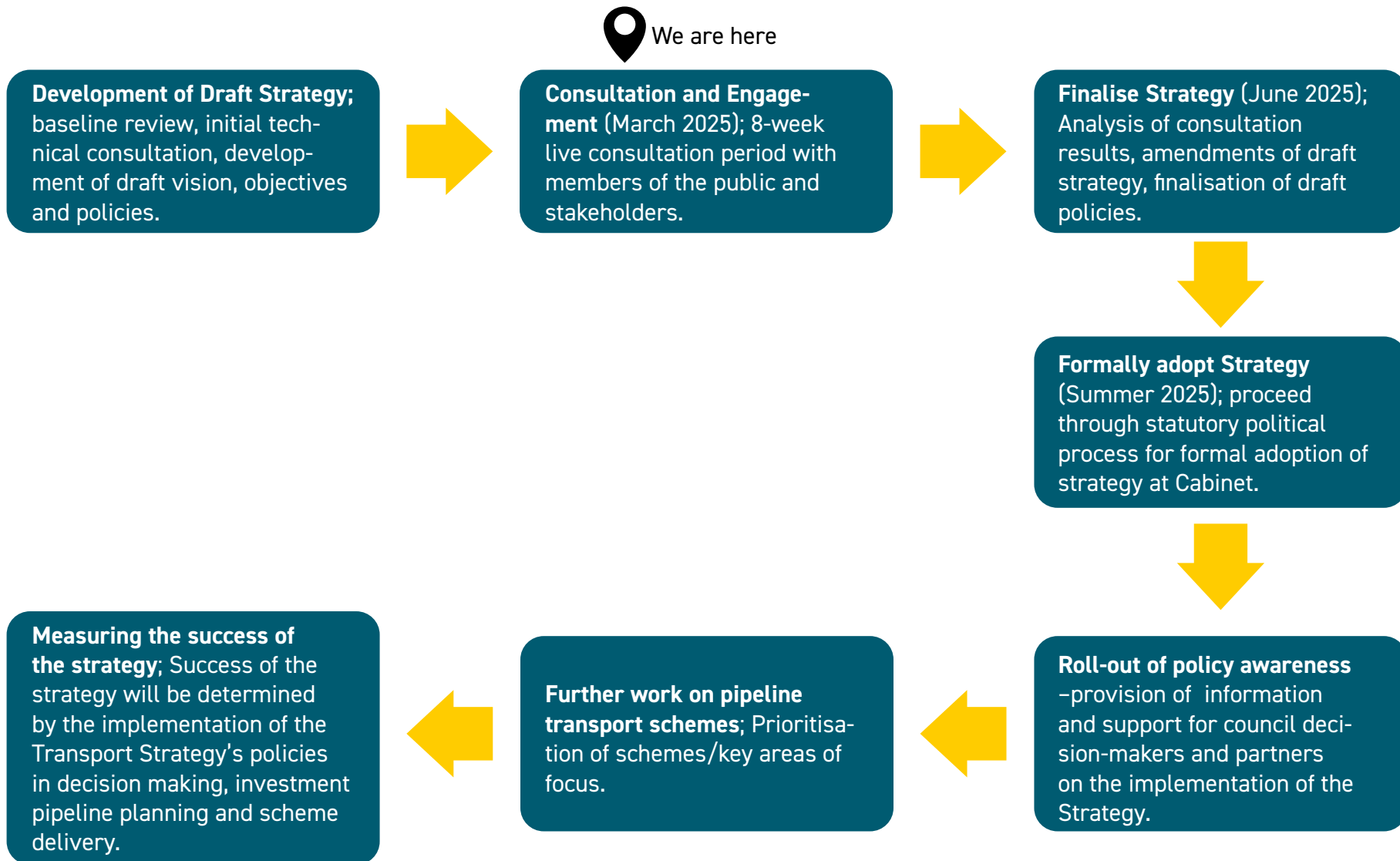
Encourage the take up of low/zero emission public vehicles including buses and taxi services to work towards decarbonisation and local air quality targets.

### Policy AF-4



Support partners to deliver rolling stock and infrastructure upgrades such as electrification to limit harmful emissions from rail passenger and freight transport.

# What next?



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