

Name of meeting: Cabinet

Date: 1st September 2020

Title of report: Devolution Deal for West Yorkshire – Consultation Outcomes

Purpose of report:

To seek Member agreement to submit the Summary of Consultation Responses to the Secretary of State by 11th September, and to jointly delegate authority to the Managing Director of the Combined Authority, in consultation with the Leader and Chief Executive of each Constituent Council and the Chair of the Combined Authority, to finalise and submit the relevant documentation subject to any technical issues which may arise.

Key Decision - Is it likely to result in spending or saving £250k or more, or to have a significant effect on two or more electoral wards?	Yes Likely to result in expenditure and savings of greater than £250,000 and affects more than 1 ward
Key Decision - Is it in the <u>Council's Forward Plan (key decisions and private reports)</u> ?	Key Decision – Yes Private Report/Private Appendix – No
The Decision - Is it eligible for call in by Scrutiny?	No The Chair of Overview & Scrutiny Management Committee has agreed that this be exempt from call-in on the grounds of urgency, for the reasons set out in paragraph 3.6 of this report.
Date signed off by <u>Strategic Director</u> & name	Jacqui Gedman 19/08/20
Is it also signed off by the Service Director for Finance IT and Transactional Services?	James Anderson 19/08/20
Is it also signed off by the Service Director for Legal Governance and Commissioning Support?	Julie Muscroft 19/08/20
Cabinet member portfolio	Cllr Pandor, Leader of the Council

Electoral wards affected: ALL

Ward councillors consulted: YES

Public or private: Public

Has GDPR been considered: YES

1. Summary

- 1.1. The West Yorkshire “minded-to” Devolution Deal was announced as part of the Budget on 11 March 2020. Subject to statutory processes, this will lead ultimately to the adoption of a mayoral combined authority model with additional functions, and will require an Order of the Secretary of State.
- 1.2. At their meetings in May, the Combined Authority and each Constituent Council:
 - Endorsed the conclusions of the Governance Review.
 - Considered and endorsed the Scheme for the establishment of the Mayoral Combined Authority.
 - Agreed that a public consultation exercise should be undertaken on the proposals contained in the Scheme.
- 1.3. Following these approvals this report seeks to:
 - Consider the outcome of the public consultation on the Scheme, which has been undertaken jointly by the Combined Authority with the Constituent Councils.
 - Resolve to submit the summary of responses to the Secretary of State.
- 1.4. Subject to authorisation of Combined Authority and each Constituent Council, it is proposed that the report detailing the summary of the consultation responses attached as Appendix 1 is submitted to the Secretary of State.

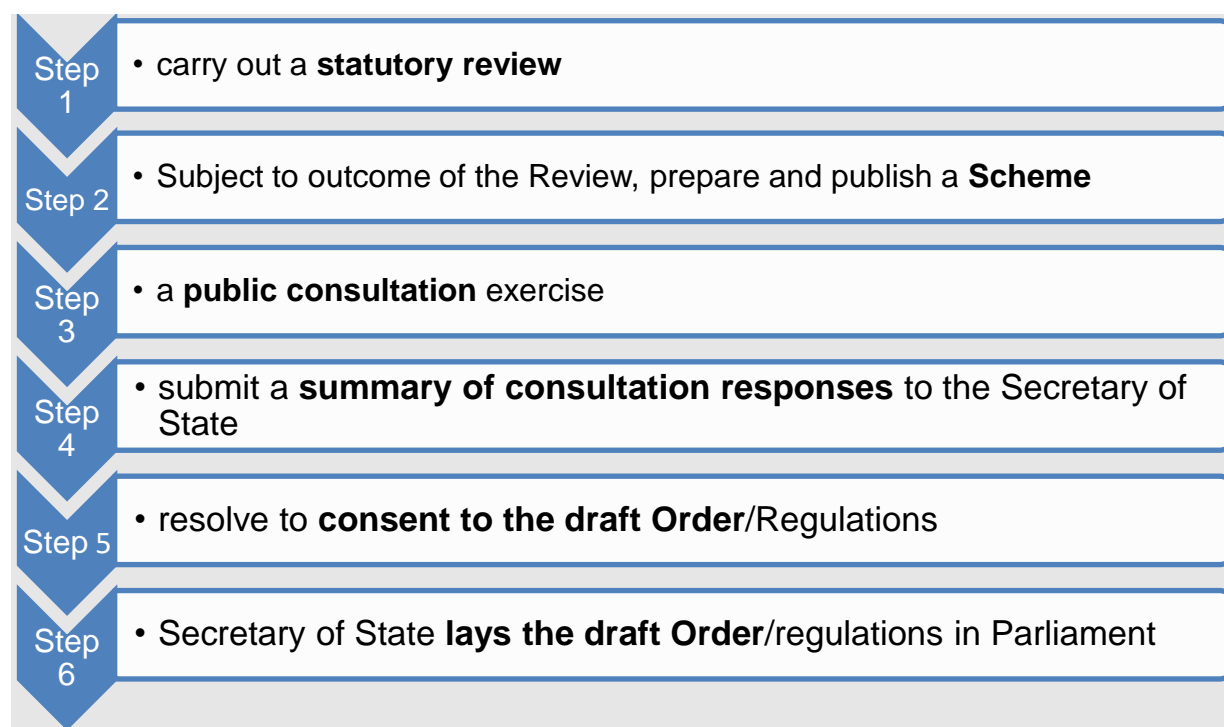
2. Information required to take a decision

- 2.1 As previously reported, the “minded-to” Deal will devolve a range of powers and responsibilities to West Yorkshire Combined Authority (WYCA), supporting the region to drive economic growth and prosperity within its communities and across the north. In addition, it will unlock significant long-term funding and give the region greater freedom to decide how best to meet local needs and create new opportunity for the people who live and work here.
- 2.2 The initial gainshare funding for the financial year 2020/2021 will be available prior to the first Mayoral election, but subject to: the establishing legislation being in place; and a revised WYCA Assurance Framework (used to appraise projects and schemes) being approved.

Process for enacting the deal

- 2.3 The Local Democracy, Economic Development and Construction Act 2009 sets out statutory processes to be followed before any Order is made. Each aspect has a specific statutory procedure to be followed. In addition, the consent of each Constituent Council and the Combined Authority is required to any Regulations giving the Combined Authority powers to borrow for non-transport functions, however these are to be progressed separately and at a later date to the making of the Order as they will encompass a number of other combined authorities
- 2.4 It was previously agreed that the process set out in the flow chart below be followed. This process addresses all statutory procedural requirements, facilitates an understanding of the overall impact of the changes, and maximises engagement with stakeholders including the public.

2.5 Flow chart of proposed process:



2.6 Stages 1-3 are now complete. The following sections of the report provides a summary of the consultation process and responses. Full documents are available in the appendices to this paper.

Consultation

2.7 Following the approval of the draft Scheme by Constituent Councils and the Combined Authority, the Scheme was finalised and published. A public consultation open to members of the public, businesses and other stakeholders was then undertaken. The consultation exercise was co-ordinated by the Combined Authority.

2.8 The Combined Authority hosted a web page of the proposed devolution deal on its Your Voice consultation and engagement website. It included:

- The devolution Scheme.
- A summary of the proposed deal.
- A West Yorkshire Authorities 'Governance Review' document, which was undertaken in accordance with Section 111 of the Local Democracy Economic Development and Construction Act 2009; and
- An initial [Equality Impact Assessment](#), which covered the implementation of the mayoral order overall and the functions that will be conferred to the Mayoral Combined Authority as a result.

The website included a number of other pages, including associated background information and a detailed FAQ section. Questions asked by members of the public during the consultation were also published along with responses.

2.9 The consultation opened on Monday 25 May 2020 and closed at 00.01 on Monday 20 July 2020. There were a number of formal channels through which individuals and stakeholder organisations could give their views on the proposals:

- Online through the Your Voice platform, which could be accessed through the Combined Authority's devolution web pages.
- Hard copy response form, which was available to print out from the website and on request. Materials were also available in another format, such as large print, braille, or another language on request.
- A written letter, sent via the Freepost address listed on the paper response form.
- By email, via a dedicated consultation email address; or
- Via informal channels such as Freephone number.

2.10 Due to the social distancing guidelines that were in place when the consultation commenced face-to-face consultation channels were not available. In order to enhance the accessibility of the consultation for groups and individuals who may not be able to access digital channels, a specialist consultant – Ipsos Mori were procured. They have undertaken a direct postal mailshot to 2,000 households across West Yorkshire that have been identified as “digitally disadvantaged”. They have also prepared the analysis of the response to the consultation which forms Appendix 1 of this report.

2.11 A comprehensive communications plan was implemented by the Combined Authority, working in partnership with each council, to promote the consultation exercise. This has included:

- Clear simple messages about the benefits of devolution that flow through all communications, focusing on “More decisions made locally; more investment for the things that matter to you; more opportunities for our region”
- Development of a toolkit containing communications messages, content, graphics and other material that partner councils and other stakeholders can use to promote the consultation to their members
- Print and digital media advertising in all local newspapers across West Yorkshire and on business websites targeting a SME audience. This has created an estimated 1.79 million opportunities for people to see information about the consultation and consider participating.
- Direct email communications with a wide range of stakeholders – including businesses representative organisations, education institutions, third sector groups, and all councillors and MPs across West Yorkshire – encouraging them to respond to the consultation and share information with their networks.
- Media activity including a joint article in the Yorkshire Post by the five West Yorkshire Leaders, an appearance on Look North by the Chair of the Combined Authority, and media interviews generated by local authority communications teams.
- Social media – both paid and organic – driven by the Combined Authority and local authority communications teams.

2.12 In addition, local authority communications teams have promoted the consultation via their local community networks and partnerships. In Kirklees we issued a press release to launch the consultation, posted articles on Kirklees Together and the Council's website, created a web page linked to the consultation, sent messages within briefings to councillors and MPs to encourage them to tell communities about the consultation and used social media extensively to target specific groups and inform people that the consultation was taking place.

2.13 The initial strategy was to encourage as many people as possible across West Yorkshire to take part in the consultation. A target of 1,000 responses to the open consultation was set, on the basis of responses to other English regional devolution consultations elsewhere (the Sheffield City Region consultation received 664 responses and the West Midlands around 1,300 responses).

Consultation Results

2.14 In total 4413 people responded to the consultation, 4317 through the channels detailed above at 2.9 and 96 responded to the mailout to a representative sample of digitally disconnected communities.

2.15 Across all questions asked and all key themes within the consultation, there is overall support for the proposals set out in the Scheme, with the positive responses outweighing the negative.

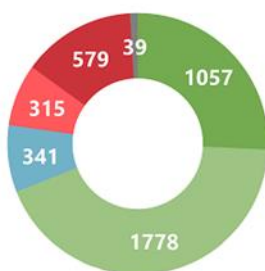
2.16 An overview of the consultation results is set out below, with the full detail contained in the report at [Appendix 1](#). Please note the diagrams below do not include the responses from the digitally disconnected communities. Due to the different methodologies used these results have been reported separately. However, the results of the representative sample of digitally disconnected communities survey broadly follow those of the main survey.

2.17 The majority of responses are positive for each of the six questions in the survey, as set out in the diagrams below:

Revised arrangements for Combined Authority

Q1. Do you agree or disagree with our proposals for the revised arrangements for the Combined Authority, as set out above and in the Scheme, in particular the proposed arrangements for a Mayor, mayoral combined authority, and the councils, working together?

■ Strongly agree
 ■ Agree
 ■ Neither/nor
 ■ Disagree
 ■ Strongly disagree
 ■ Don't know



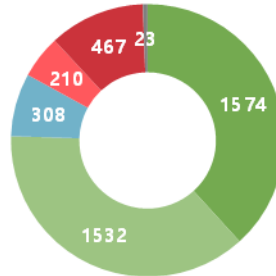
Agree	2835
Disagree	894

Base: All participants (4109) : Fieldwork dates: 25th May-10th July 2020

Confer transport functions to West Yorkshire Mayor and mayoral combined authority

Q2. Do you support or oppose this proposal to confer transport functions and new transport related functions to a West Yorkshire Mayor and mayoral combined authority

■ Strongly support ■ Support ■ Neither/nor ■ Oppose ■ Strongly oppose ■ Don't know



Support	3106
Oppose	677

Base: All participants (4114); Fieldwork dates: 26th May-19th July 2020

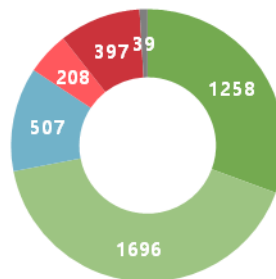
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Ipsos MORI 

Confer skills and employment functions to West Yorkshire mayoral combined authority

Q3. Do you support or oppose this proposal to confer skills and employment functions to a West Yorkshire mayoral combined authority?

■ Strongly support ■ Support ■ Neither/nor ■ Oppose ■ Strongly oppose ■ Don't know



Support	2954
Oppose	605

Base: All participants (4105); Fieldwork dates: 26th May-19th July 2020

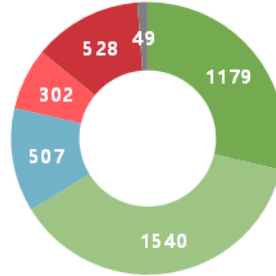
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Ipsos MORI 

Confer housing and planning functions to West Yorkshire Mayor and mayoral combined authority

Q4. Do you support or oppose this proposal to confer housing and planning functions to a West Yorkshire Mayor and mayoral combined authority?

■ Strongly support
■ Support
■ Neither/nor
■ Oppose
■ Strongly oppose
■ Don't know



Support	2719
Oppose	830

Base: All participants (4105); Fieldwork dates: 26th May-19th July 2020

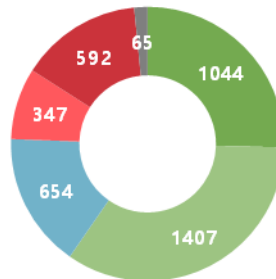
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Ipsos MORI 

Confer Police and Crime Commissioner functions to West Yorkshire Mayor

Q5. Do you support or oppose this proposal to confer Police and Crime Commissioner functions to a West Yorkshire Mayor?

■ Strongly support
■ Support
■ Neither/nor
■ Oppose
■ Strongly oppose
■ Don't know



Support	2451
Oppose	939

Base: All participants (4109); Fieldwork dates: 26th May-19th July 2020

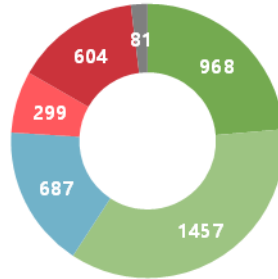
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Ipsos MORI 

Confer additional finance functions on West Yorkshire Mayor and mayoral combined authority

Q6. Do you support or oppose this proposal to confer additional finance functions on a West Yorkshire Mayor and mayoral combined authority?

■ Strongly support ■ Support ■ Neither/nor ■ Oppose ■ Strongly oppose ■ Don't know



Support	2425
Oppose	903

Base: All participants (4096); Fieldwork dates: 25th May-19th July 2020

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Ipsos MORI 

2.18 These positive responses have demonstrated strong support for:

- The opportunities devolution will bring to the region, including a stronger voice for the region.
- The devolution of money and power from central government.
- Greater local autonomy, coordination, decision making and control over finances.
- The proposals regarding employment and skills.
- The cohesion and co-ordination the transfer of the PCC functions offers.
- The housing and planning proposals, and how they will improve the supply and quality of housing.
- The transport proposals and the opportunity to improve public transport and increased connectivity.

2.19 There were some areas of disagreement raised by the minority of respondents, who did not support the proposals. These are set out below along with a clear response to each of them. None of the areas raised represent any fundamental issue of concern in terms of moving forward to the next stage of the process. The areas raised are:

- a perception by some that the governance proposals would lead to greater bureaucracy and cost. It is believed that to some extent, this may be based on the view that there will be another layer of local government, which is not the case.
- the role of the elected Mayor, with some adding that they did not want a Mayor. This was considered in the Governance Review, which concluded that the benefits of the “minded to” deal are dependent on moving to a Mayoral Combined Authority. The governance proposals contained within the Scheme have been designed to ensure that there are appropriate checks and balances on the powers of the elected Mayor. It will be important to clearly communicate these proposals to the public and other stakeholders.
- objection to the proposal relating to the mayoral precept with some not wishing to see any tax rises as a result of the proposals. No decisions have been taken yet regarding

whether or not the precept function will be used. Again, it will be important to clearly communicate any proposals relating to a precept to the public.

- a concern by some that policing needs political independence and as such the PCC functions should not transfer to the Mayor. Maintaining the current PCC model was also considered as part of the Governance Review. Which concluded that the transfer of the PCC functions offered improved functional effectiveness by strengthening links.
- Some suggested that devolution should be Yorkshire wide, rather than just West Yorkshire. Options relating to geography were fully considered in the Governance Review, which concluded that in order to achieve the policy aims and objectives and the benefits of the “minded to” devolution deal it was appropriate to create a Mayoral Combined Authority for West Yorkshire. This will enable West Yorkshire to pursue its economic policy agenda at greater pace, while continuing to collaborate with the wider Leeds City Region, Yorkshire and the North in pursuit of shared economic objectives.

2.20 Further detail of the comments and suggestions provided by individuals and stakeholders are detailed in the report at [Appendix 1](#). Consideration has been given to the comments and suggestions made. Although many will be helpful to the implementation and delivery of the ‘minded to’ devolution deal, at this time it is not proposed that anything raised requires representations to be made for significant changes to the proposals. The Combined Authority will reflect on all views expressed in this consultation and will continue to communicate with residents and partners on the development and implementation of devolution. As an early action, it plans to respond to these comments through ‘you said, we did’ communications.

2.21 Ipsos Mori have provided independent analysis of the consultation responses. The full report they produced is included as [Appendix 1](#) to this report.

2.22 To ensure independence of process, The Consultation Institute were also procured to provide independent quality assurance and recommendations on the process adopted. The outcome of their final report was that the consultation is deemed as good practice.

2.23 The following stakeholder responses were received:

- City of York Council
- Environment Agency and Natural England (joint response)
- First
- Leeds City Council (scrutiny board)
- Northern (OLR)
- North Yorkshire County Council
- The Office of the Police and Crime Commissioner
- Transdev
- TUC Yorkshire and the Humber
- TUC Yorkshire and the Humber Creative and Leisure Industries Committee
- University of Bradford
- University of Leeds
- West and North Yorkshire Chamber, Mid Yorks Chamber, CBI and FSB (joint response)
- West Yorkshire Police – Chief Constable
- Yorkshire Universities

2.24 The Police and Crime Commissioner and West Yorkshire Police Chief Constable, although overall supportive of a Mayoral Model, raised queries about the proposed PCC

governance model. Home Office officials have since confirmed that the only viable governance model for a 2021 transfer is the Mayoral Combined Authority model. A letter jointly signed by the PCC and the five West Yorkshire Leaders has been sent to the Policing Minister setting out that there are no insurmountable barriers to a 2021 transition based on the Mayoral Combined Authority Model. Transition planning for the transfer of the PCC functions to the Mayor in 2021 therefore continues on this basis.

Next Steps

- 2.25 With regard to next steps, it is proposed that the summary of the consultation responses, attached at Appendix 1, be submitted to the Secretary of State. It is not proposed that any representations are to be made for significant changes to the proposals. However, to ensure that the submission incorporates any issues which may be raised by any Constituent Council or the Combined Authority further to their consideration of this report, it is proposed that each Constituent Council and the Combined Authority jointly delegate authority to the Managing Director of the Combined Authority in consultation with Leaders, Chief Executives and the Chair of the Combined Authority to finalise the documents prior to submission by 11 September 2020.
- 2.26 Following this, the Secretary of State will need to decide whether to make the Order and as part of this process must consider whether the Order is likely to improve the exercise of the statutory functions in West Yorkshire. The Secretary of State must also have regard to the need to reflect the identities and interests of local communities, and secure effective and convenient local government. Subject to the Secretary of State being so satisfied, details of the Scheme will then be embodied in a draft statutory Order to establish a mayoral combined authority. At this point the formal consent to the making of the Order will be required from each of the Constituent Councils and the Combined Authority. It is intended that these consents will be sought in November to enable sufficient parliamentary time for the Order to be made in January/February 2021. This is essential to enable a mayoral election to take place in May 2021 and further to enable the first gainshare payment to be received during this financial year.
- 2.27 As part of the parliamentary process and potentially in parallel with the 'consent stage' set out in paragraph 2.26 above, the draft Order will also be considered by Parliament's Joint Committee on Statutory Instruments (JCSI). Their role is to focus on the technical quality of the draft Order as opposed to the policy content and amendments at this point would be those required to ensure that the Order is well drafted. In order to recognise that there may be further technical amendments to the draft Order following the consent of each Constituent Council and the Combined Authority, it is proposed that at that point, Members will be asked to give delegated authority to the Managing Director of the Combined Authority, in consultation with the Chief Executive and Leader of each Constituent Council and the Chair of the Combined Authority to consent to the 'final form' of the Order. Councils will also need to authorise their Chief Executives and Leaders for this purpose.
- 2.28 Appendix 2 to this report sets out a revised timeline for implementing the deal. It should be noted that the timetable has been revised slightly since it was last considered by Constituent Councils and the Combined Authority at their respective meetings during May.
- 2.29 In response to points raised about how we work with the mayoral authority and future reporting procedures, Cabinet is asked to invite Corporate Governance and Audit Committee to consider the governance arrangements in place, including those which enable the council to hold the mayoral authority to account. In particular:

- To consider whether agreement should be sought from the Combined Authority and Mayor, when they enter office, for an annual report to be provided to Full Council for debate.
- To consider whether arrangements should be made to invite the Mayor to Full Council to answer elected members' questions at least once a year.

2.30 It is noted that it may be necessary to amend the council procedure rules, as set out in the constitution, to give effect to the recommendations of Corporate Governance and Audit Committee in this regard. Therefore, any recommendations would be considered by Corporate Governance & Audit Committee prior to seeking Council's approval to the amendment.

Wider Devolution Considerations

Police and Crime Commissioner Functions

2.31 The original "Minded to" agree deal in March 2020 contemplated a transfer of PCC functions to a Mayoral Combined Authority in 2024. Following Covid 19 and the postponement of the PCC election in 2020 it was proposed that the transfer take place sooner if possible to allow one election in May 2021. To support understanding of the degree of work required to meet a potential transfer date of May 2021, an external due diligence exercise has been commissioned by the Combined Authority through a competitive tender process. The scope of this critical exercise includes an understanding of the scale of the transfer, the mechanisms necessary to transfer PCC functions, as well as the instruments and resourcing required to enable this. The final report will comprise a comprehensive risk assessment of the transfer and a critical path if a May 2021 transfer is to be achieved. Consultants have been appointed to carry out this work, and a final report is anticipated in early September 2020. If any issues arise from this due diligence work that require further action, this will be progressed with a view to resolution prior to the 'consent stage' for Constituent Councils and the Combined Authority which is due to take place in November.

3. Implications for the Council

3.1 Working with People

The premise of the "minded-to" Deal is on bringing funding and functions to a more local level. In due course, it is anticipated that the establishment of the Mayoral Combined Authority will have staffing implications in terms of additional resources to deliver the ambition of the Deal and these will be considered at the appropriate point to ensure operational effectiveness and efficiency of the Combined Authority.

3.2 Working with Partners

The "minded-to" Deal will encourage collaboration on systems, structures and procedures to support the area to make decisions, set strategy and manage delivery across a range of partners in West Yorkshire. Inclusive Growth is a key priority for West Yorkshire Combined Authority and the LEP. Although there are no immediate implications on Inclusive Growth arising as a direct result of the report.

3.3 Place Based Working

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

3.4 Climate Change

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

3.5 Improving outcomes for children

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

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

- It is proposed that this decision is exempt from call-in on the grounds of urgency as any delay caused by the call-in process would prejudice the Combined Authority’s and Constituent Councils’ interests as delaying the submission to the Secretary of State, which would have a significant detrimental impact on the proposed timeline set out in Appendix 2.
- Statutory processes need to be followed, before any Order or regulations may be made to implement the “minded-to” Deal.
- S101(5) Local Government Act 1972 provides that two or more local authorities (defined to include a Combined Authority) may discharge any of their functions jointly and may arrange for the discharge of those functions by an officer of one of the authorities.
- The ‘minded to’ Devolution Deal includes a number of flagship funding arrangements including £38m for 30 years into the West Yorkshire Investment Fund, £317m from the Transforming Cities Fund and control over the £63m annual Adult Education budget. The implications of these and the other funding provisions contained within the ‘minded to’ Deal will be subject to future reports.
- Equalities Impact Assessments have been undertaken for both the consultation process and the overall implementation of the deal. These assessments have taken account of the obligations under section 149 of the Equality Act 2010 (i.e. the public sector equality duty). It is not expected that the proposals described in this report will have any adverse impacts on people with protected characteristics. The Combined Authority will ensure that the equality impact assessments are reviewed throughout the devolution implementation process.

4. Consultees and their opinions

- 4.1 As part of the statutory process, as set out above, public consultation has been undertaken. The summary of the results must be submitted to the Secretary of State before an Order creating the West Yorkshire Mayoral Combined Authority can be made.
- 4.2 The Leader of the Council supports the recommendations.
- 4.3 The consultation was discussed by Overview & Scrutiny Management Committee formally 9th June and informally 10th July.
- 4.4 This report will be referred to Council 9 September to consider, provide any comments and endorse.

5. Officer recommendations and reasons

- 5.1. To consider and comment on the content of this report, along with the Summary of Consultation Responses attached as Appendix 1 to this report.

- 5.2. To agree to submit the Summary of Consultation Responses set out in Appendix 1 to the Secretary of State by 11 September, and to jointly delegate authority to the Managing Director of the Combined Authority, in consultation with the Leader and Chief Executive of each Constituent Council and the Chair of the Combined Authority, to finalise and submit documents subject to any technical issues which may arise. Accordingly, to authorise Kirklees Council's Chief Executive and Leader to act as the consultees on behalf of the Council for these purposes.
- 5.3. To note the updated timetable set out in Appendix 2 to this report and the next steps which are subject to the consent being given by the Constituent Councils and Combined Authority, to the draft Order in November 2020 so that a mayoral combined authority model and associated changes may be adopted and implemented by May 2021, as set out in the Deal.
- 5.4. To resolve that this decision is exempt from call-in on the grounds of urgency, for the reasons set out in paragraph 3.6 of this report.
- 5.5. To invite Corporate Governance and Audit Committee to consider the proposed governance arrangements, as set out at paragraph 2.29 regarding the council's reporting arrangements on devolution.

6. Cabinet Portfolio Holder's recommendations

- 6.1 The Leader of the Council supports the recommendations at Paragraph 5 above which will support his vision to secure additional investment and opportunities for Kirklees and to take decisions affecting our communities within the region.
- 6.2 The Leader thanks all Kirklees councillors from across different parties in working together with us on this to deliver such a ground-breaking deal for West Yorkshire.

7. Appendices

Appendix 1 – Summary of Consultation Responses

Appendix 2 – Timetable for implementation

8. Contact officer

Julie Muscroft – Service Director, Legal Governance and Commissioning –

julie.muscroft@kirklees.gov.uk– 01484 221000

Nick Howe – Partnerships and Corporate Planning –

nick.howe@kirklees.gov.uk– 01484 221000

Karl Larrad – Legal Governance and Commissioning –

karl.larrad@kirklees.gov.uk - 01484221000

9. Background Papers and History of Decisions

The 'minded to' Devolution Deal is referenced as a background document within this report.

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

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

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

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

- 10. Service Director responsible**
Jacqui Gedman – Chief Executive –
jacqui.gedman@kirklees.gov.uk – 01484 221000