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KIRKLEES COUNCIL

OVERVIEW AND SCRUTINY MANAGEMENT COMMITTEE

Friday 17th January 2025

Present: Councillor Cahal Burke (Chair)
Councillor Itrat Ali
Councillor Zarina Amin
Councillor Andrew Cooper
Councillor Jo Lawson

39 Membership of Committee

All members of the Committee were in attendance.

40 Minutes of Previous Meeting

RESOLVED –

That the minutes of the meeting of the Committee held on 13th December 2024 be approved as a correct record.

41 Declaration of Interests

No interests were declared.

42 Admission of the Public

All items were considered in public session.

43 Deputations/Petitions

No deputations or petitions were received.

44 Public Question Time

No questions were received.

45 Budget 2025/26 - Pre-Decision Scrutiny

The Leader of the Council and the Chief Executive presented an introduction to the 2025/26 Council Plan and Annual Budget, setting out:

- The approach to the development of the Council Plan alongside, and to align with, the Council's Budget for 2025/26.
- The consultation had been more extensive this year, with the aim of increasing engagement and transparency.
- The six budget principles:
 1. Set a balanced budget and maintain a prudent level of reserves.
 2. Maintain a focus on prevention and intervention to prevent longer term pressures.
 3. Safeguard regeneration to support longer term economic growth.
 4. Maximise income and seek new funding opportunities.
 5. Prioritise transformation to increase efficiency and effectiveness of service.

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- 6. Maintain appropriate risk and governance practices.
- An initial early analysis of the key themes arising from the public consultation on the budget proposals across three areas:
 - The services where most respondents thought spend should be prioritised.
 - The proposals having the most impact on people (identified by the numbers of people raising them).
 - Ideas for saving money.
- The four Council Plan 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.
- This session was in addition to the discussions that would take place with each of the political groups and was intended to take a strategic approach focussing on the extent to which the budget proposals fit with the Council's desired outcomes, the national picture, had taken account of engagement and evidence, and addressed the challenges of delivery.
- The challenges associated with developing a modern Council and ensuring that the approach was a good fit for Kirklees. Work was ongoing in respect of customer expectations and ensuring that the Authority was responsive in supporting communities with elements that they were able to deliver and minimised bureaucracy where possible.

This was followed by a presentation by the Portfolio Holder for Finance and Regeneration and the Service Director – Finance which highlighted:

- This was a provisional budget further to the provisional Local Government Financial Settlement received in mid-December; the final figures were anticipated to be received in early February. The indication of a move towards a fairer funding scheme and a multi-year settlement in the future was welcomed and would assist with longer term planning.
- The elements of the budget; Revenue Budget, Capital Programme and Housing Revenue Account, and the impact of rising demand and demographic/inflationary pressures, particularly in Adults and Children's Services.
- Headlines relating to the development of the budget for 2025/26, including the national context. The final proposals would be considered by Cabinet on 11 February 2025 and would take account of the feedback received and the final Local Government Financial Settlement.
- The overall updated budget position for 2025/26 to achieve a balanced budget including additional savings proposals of £11.4 million.
- The Net Revenue Budget Funding Assumptions including a 4.99% increase in Council Tax and additional Government funding.
- Proposed Directorate Budgets, which had been designed to reflect the pressures and to be as robust as possible. It was noted that there may be an impact from the increase in National Insurance.
- Draft Budget savings for each directorate.
- The position in respect of general reserves, from 2024 to 2027.
- A summary of the updated Medium-Term Capital Plan 2024-2032.

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- The updated Treasury Management Strategy was to be considered by the Corporate Governance and Audit Committee by the end of the month.

The Portfolio Holders and Executive Directors for:

- Adults and Health
- Children and Families
- Place, including the Housing Revenue Account
- Public Health and Corporate Resources

detailed the key issues and key pressures affecting their work for 2025/26, the draft savings proposals for the year and the key borrowing for capital schemes.

At each stage, questions and comments were invited from Committee Members, with the following issues being covered:

- In respect of the inclusion of resilience within the budget principles; the concept of resilience was very important and, whilst it was believed that this was intrinsic within the stated principles, it was acknowledged that consideration could be given to addressing this more explicitly.
- Scrutiny was needed at an early point, at the stage when proposals/policies/decisions were being formulated, to allow the detail and the options to be explored and to allow for meaningful input. This would also assist in achieving consensus across the Council.
- The improvements made in respect of the involvement of scrutiny and the use of pre-decision scrutiny were acknowledged.
- There was an intention to strengthen joint working.
- The emphasis on the Council avoiding bureaucracy that could impact on the ability of communities to undertake activities was welcomed.
- The view was expressed that the processes in place for monitoring ward budgets, a relatively small sum, may be too complex, and an undertaking was given to take a look at the current arrangements.
- Reference was made to the 'Budget Book' which had been provided in the past and had included detailed information in respect of all the proposals, pressures and savings. It was suggested that the provision of something similar, including information in respect of impacts and how they would be dealt with, would help to improve governance, decision-making and scrutiny. In response it was noted that a far greater level of information had been shared with the groups this year and opinions differed on how helpful the previous approach had been in aiding understanding, however this could be considered for future years.
- In response to a question about the approach, in light of the funding settlement being for one year, with multi-year settlements anticipated from 2025, it was acknowledged that 2025/26 was a transitional year but also that there was volatility in the markets. A prudent approach was being taken to achieve a balanced budget which provided, as far as possible, the necessary services for residents.
- Reform was being considered by Central Government and the authority was lobbying on relevant issues including adult and children's social care, the funding formula and the achievement of 'fair funding' for Kirklees. This, alongside a 3-

year settlement to enable longer term planning, may offer the potential for a less risk-averse approach in 2026/27.

- A refreshed Medium Term Financial Plan would be presented to Cabinet and Council in Autumn 2025. This would include a strategy to build reserves.
- In response to a question about means-tested, chargeable adult social care services and any annual changes, it was explained that an assessment was undertaken on an individual basis for each person receiving such services and the personal expenses allowance had risen in 2024/25 in line with inflation.
- In respect of the impact of the increase in Employer's National Insurance on the private care sector, the issue of resilience in that sector and addressing associated risks, the importance of the authority's relationship with partners such as private sector care providers was stressed. Although it was not possible to say that there would be no issues, work was being undertaken to support care providers to mitigate the impacts as far as possible. Contract negotiations took place with providers, at local level, on an annual basis in respect of fee uplift for the different types of service, with the aim of ensuring the uplift would allow providers to provide the services at a demand and a cost reasonable to all parties. Additional funding had been allocated by Central Government, in respect of social care grant but more information was needed in respect of whether this came with additional responsibilities.
- The view was expressed that the provision of further information on the impact in terms of the transfer of the two dementia homes into the private sector would help to demonstrate the decision was robust.
- In relation to the proposed reduction in the contract with C&K Careers, it was explained that the Council had an excellent relationship with the organisation; the impact it had was valued and there was a commitment to support its sustainability. The Children's and Families Service would work closely with them to try and ensure that they could draw in wider external funding to maintain their offer.
- In respect of the proposed review of the way in which children with additional needs are supported in the community; this was currently done using a fairly traditional model. In order to improve inclusion, the aim was to move towards the provision of support to allow them to take part in activities within their communities, whilst still taking account of the individual needs of each child or young person, and to ensure that, where possible, groups that could provide for these young people were supported and enabled to do so.
- The Local Authority Designated Officer (LADO) service was very small. Additional recruitment had taken place further to an issue being highlighted by an inspection in 2019. The resources were to be reviewed to ensure they were being used efficiently and assurance was given that the statutory role would be maintained.
- The improvements achieved in children's services and the recent 'Good' outcome from Ofsted were acknowledged and thanks were expressed to all those involved for their dedication and efforts to bring this about. The investment into early years and support and the efforts being made to reduce the numbers of out of area placements were welcomed.
- In relation to potential opportunities for funding associated with green energy and the capacity to be able to undertake projects associated with climate change, it was noted that, whilst there were vacancies in the team arising from members of staff who had progressed to new roles, recruitment would be undertaken to

these posts to ensure the core resource was in place so that Kirklees was able to benefit from any such opportunities. The appetite from government and other agencies in this area, and the potential for funding to be forthcoming was recognised.

- A question was asked in relation to the 'Cultural Heart', the new venue planned as part of Phase 5, and the potential for overlap/competition with other venues in Huddersfield such as Lawrence Batley Theatre and the Town Hall. It was explained that there would be a difference in terms of capacity, viability and suitability for certain events and activities where there was a known market. This multi-purpose space could be split into sections and would also be used during the day for events and conferences.
- The strategic outline business case set out in detail how the venue would complement existing activity and would generate further footfall. The Council had started to receive expressions of interest from businesses, in response to the investment being made.
- It was proposed that Phase 5 be reviewed to ensure that the package was the right one and that efficiencies were put in place to deliver it and the offer within the available funding.
- The Council was working closely with partners; the University was very keen on the plans for the town centre as they would improve the offer for their students and the investment was also welcomed by the football and rugby clubs.
- A range of options had been considered in respect of the council accommodation at Buxton House; the tenant feedback had been clear that they wished to stay there, a cost appraisal had been undertaken and the cost per unit had been taken into account in making the decision to refurbish.
- In relation to the income pressure associated with court fee income, as many court dates as possible were booked but the courts were still dealing with a backlog from the pandemic.

RESOLVED –

1. That the Leader and Cabinet Members, Executive Directors, and Service Director, Finance be thanked for attending the meeting to present the budget proposals for 2025/26 and the opportunity for pre-decision scrutiny be welcomed.

2. That the comments made by the Committee, including those set out below, be considered in taking the budget forward and be reported to Cabinet and Council at the meetings where the final decisions are taken:

- The improvements made in terms of the approach to pre-decision scrutiny in the last few years be welcomed and that it be 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 be 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 in the approach to budget development.

- Consideration 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 be welcomed.

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Council Plan 2025/26 - Pre-Decision Scrutiny

The Leader of the Council and the Head of Policy, Partnerships and Corporate Planning gave a presentation in respect of the 2025/26 Council Plan, highlighting the following:

- The plan set out the priorities of the administration in the short term.
- The 2025/26 document represented a revision of the previous council plan and the intention was to undertake a more in-depth review in 2025.
- The longer-term elements such as the vision, shared outcomes and key partnership strategies had been in place for a significant period of time and remained in place, at this point,
- The plan set out the priorities and the areas of focus for the Council and the budget outlined the resourcing to align with those.
- The 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'.
- The eight shared outcomes:
 - Shaped by People
 - Best Start
 - Well
 - Independent
 - Aspire and Achieve
 - Sustainable Economy
 - Safe and Cohesive
 - Clean and Green,and the Council's additional outcome; Efficient and Effective
- The importance of working in partnership to deliver the vision and the four key partnership strategies:
 - Kirklees Health and Wellbeing Strategy
 - Environment Strategy
 - Inclusive Communities Framework
 - Inclusive Economy Strategy
- The principles and approach including place-based working and the supporting behaviours and values set out in the People Strategy.
- The four Council Plan priorities:
 1. Getting the basics right – a balanced budget and a modern organisation

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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
- The areas of focus under each priority.

Questions and comments were invited from Committee Members, with the following issues being covered:

- In terms of the approach, and whilst noting that it had been stated that the vision and outcomes spanned a number of years, the view was expressed the plan should cover a longer period than a year. In response, it was explained that this was considered to be a long-term plan which had been revised on an annual basis. A more in-depth review was planned and would take account of the peer review, devolution and the revised national funding approach.
- Whilst there were references to a greener economy it was questioned whether climate change should be placed more prominently on the agenda as a theme; it was considered that this would be beneficial to the Council, it would help to focus attention on climate change and link that into activities in communities; there were also economic benefits. The Council Plan could not include everything that the Council did and there was a wide range of things that were important both to the Cabinet and the residents of Kirklees. The Environment Strategy was referenced within the plan, to reinforce the partnership commitments that had been made, and the term 'greener Kirklees' encompassed climate change.
- It was possible for some partners/community organisations to access external funding that was not available to the Council, use of which would help achieve Council objectives. However, they may not have the resources or skills to facilitate access; a dual approach as an enabler would therefore have a positive impact.
- Assurance was given that potential regional and national funding opportunities were shared with third sector groups and, although bids were not written for them, support was provided to try and assist in accessing funding. The Council also worked alongside partners, such as the university, and would continue to do so.
- It was acknowledged that there was positive work taking place, for example using crowdfunding platforms such as 'Spacehive' with Council match funding for community projects and, whilst on a small scale, these sums could have a significant, disproportionate impact. However, it was noted that the fees for that platform were relatively high.
- There was awareness that some long-running community events had ceased due to lack of funding. In many cases these events had contributed to the Council's outcomes and may have been supported by ward budgets in the past prior to them being reduced. There were alternative sources of funding that might be able to be used, such as the Community Plus Fund, but ward councillors input to how they were spent, or ability to access them, was more limited than had been the case in the past, an example being the 'New Homes Bonus' fund.
- The Committee was advised that a piece of work was being undertaken to identify the different pots of money and the different teams across the Council that supported such community groups, to try and improve working practices. The issue in respect of engagement with ward councillors and a recognition of their knowledge of their communities, local groups and their particular needs for support was recognised and could be fed into this.

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- There was also concern that such difficulties might contribute to a reduction in the numbers of people willing to volunteer. There was an awareness of diminishing numbers of volunteers and available funding, which was a national issue, and measures to help address this would be considered.

RESOLVED –

1. That the Leader, Deputy Leader and the Head of Policy, Partnerships and Corporate Planning be thanked for attending the meeting to present the Council Plan for 2025/26 and the opportunity for pre-decision scrutiny be welcomed.
2. The comments made by the Committee, as set out below, be considered in taking the Council Plan forward and be reported to Cabinet and Council at the appropriate meetings:
 - 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 but 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.

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Work Programme 2024/25

The latest version of the Committee's Work Programme for 2024-2025 was submitted. It was noted that a briefing note in respect of relevant Government legislative and policy changes would be provided for Members in advance of the next meeting of the Committee.