

**REPORT TITLE: AMENDMENTS TO OWNERSHIP AND CONTROL ARRANGEMENTS:
 KIRKLEES STADIUM DEVELOPMENT LTD**

Meeting:	Delegated decision
Date:	18 September 2025
Cabinet Member (if applicable)	Cllr M Crook
Key Decision Eligible for Call In	No No
<p>Purpose of Report To provide the background and information in relation to the decision to complete the transfer of responsibility and control of Kirklees Stadium Development Ltd (KSDL) by way of share transfer and associated transactions. (Update of detail from previously approved decision dated 7th October 2024)</p>	
<p>Recommendations To approve: -</p> <ul style="list-style-type: none"> • That the councils shareholding in KSDL be transferred to Huddersfield Town Association Football Club Limited (HTAFC) • That as a part of this arrangement certain other property transfers, financial arrangements and restructuring are undertaken. • That share transfer and restructuring of leases and other arrangement's by Huddersfield Rugby League Football Club (HRLFC), Huddersfield Sporting Pride Ltd (HSP) and one other person be conditional on the effecting of these recommendations • The service director Legal, Governance and Commissioning be authorised to enter into and execute on the Council's behalf any necessary documentation or instruments in relation to the above matters <p>Reasons for Recommendations The proposed decision achieves a council objective of disposing of its entire shareholding in KSDL and ceasing to be responsible for the operation of the Accu (formerly John Smith) Stadium (Leeds Road Huddersfield), other than as freeholder.</p> <p>It will enable the Council to obtain possession and freehold ownership of the Gasworks Street site which is necessary for regeneration purposes.</p> <p>The surrender of the Council's lease of the Swimming pool facility will relieve it of liability under the lease to KSDL</p> <p>The restructuring will mitigate the Council's liabilities.</p>	
<p>Resource Implications:</p> <ul style="list-style-type: none"> • As set out in the private appendix and as already provided for in the Council's accounting records 	

Date signed off by <u>Strategic Director</u> & name.	18 September 2025 (delegated decision)
Is it also signed off by the Service Director for Finance?	11 September 2025
Is it also signed off by the Service Director for Legal Governance and Commissioning?	16 September 2025

+Cllr G Turner as a director of KSDL has recused himself from this decision

Electoral wards affected: all

Ward councillors consulted: none

Public or private: public with a private appendix

The appendix to this report is recommended for consideration in private because the information contained in it is exempt information within part 1 of Schedule 12A of the Local Government Act 1972 namely that the report contains information relating to the financial or business affairs of any particular person (including the authority holding that information). The public interest in maintaining the exemption outweighs the public interest in disclosing the information and providing greater openness in the Council's decision making.

Has GDPR been considered? yes

1. Executive Summary

The Council joined with Huddersfield Town Association Football Club (HTAFC), and Huddersfield Rugby League Football Club (HRLFC)(also known as Huddersfield Giants) about 30 years ago to construct a new stadium in Huddersfield, which they have since jointly owned and controlled. Over recent years it has become clear that the existing commercial arrangements are no longer effective in being sure that the stadium continues to function as an effective facility, and the parties have been looking to identify a new arrangement that achieves the objectives of each party. There have been various proposals to restructure operations, but each has failed to complete. The owner of HTAFC has made a proposal that is potentially attractive to both the rugby club and the Council.

The attached private appendix provide details of the commercial arrangements.

2. Information required to take a decision

There has been concern for some time that the existing arrangements for the operation of Kirklees Stadium are unsustainable. Rising operating costs, and the need to carry out substantial refurbishment of a facility that is now 30 years old, linked to a lease that does not provide a level of income that is sufficient to achieve a viable sustainable business require a change of approach. During 2020 there were proposals to create a new KSDL arrangement through which rents would be increased to meet the costs of operation. This solution was not supported by (the then) new management of HTAFC. A second proposal was then considered, but again this did not lead to an outcome with which the

other two parties were content. In 2024, Kirklees Active Leisure indicated that it could no longer sustain operations at the stadium site, and the facility closed.

The current owner of Huddersfield Town AFC has made a proposal whereby they take full responsibility for the stadium site, and in due course become the principal user.

The council will retain the freehold of the site, which should provide greater certainty about how the site is operated over the medium and long term. This involves an element of debt write off by the Council to facilitate the arrangement but provides release from other financial liabilities including surrender of the swimming pool lease together with the acquisition of a key strategic regeneration site.

The commercial features of this proposal are contained in the private Appendix.

3. Implications for the Council

3.1 Working with People

The revised proposals will provide the potential for the stadium to be maintained as a community related asset.

3.2 Working with Partners

Not applicable beyond the fact that the partnership with HTAFC and HRLFC has not been fully effective in achieving a sustainable business model. The revised proposals contained in the private appendix presents an opportunity to reach a solution acceptable to all shareholders.

3.3 Place Based Working

Not directly applicable. The proposals will enable strategic investment opportunities

3.4 Climate Change and Air Quality

Not directly applicable.

3.5 Improving outcomes for children

Not directly applicable.

3.6 Financial Implications

There are financial implications for the council, as described in the private appendix.

3.7 Legal Implications

The Council has the legal powers to participate in KSDL as a shareholder relying on Section 19 of the Local Government (Miscellaneous Provisions) Act 1976 (recreational purposes); Section 145 Local Government Act 1972 (entertainment power) (1972 Act), implied powers under Section 111 of the 1972 Act and Section 1 of the Localism Act 2011 (General Power of Competence).

By section 120 of the Local Government Act 1972 the Council has the power to acquire land for the purposes of its functions or the benefit, improvement, or development of its area. The acquisition will provide an opportunity for regeneration purposes and lever in inward investment. Section 123 of the 1972 Act permits the Council to dispose of land at best consideration reasonably obtainable. Disposal at less than best consideration must comply with the General Disposal Consent 2003 where it promotes economic, social or environmental wellbeing and the difference between the unrestricted value and consideration for the disposal does not exceed £2 million.

The Council must act reasonably in accordance with its public law duties and prudently having regard to its fiduciary duty to taxpayers when exercising its powers.

- 3.8 **Other (e.g. Risk, Integrated Impact Assessment or Human Resources)**
The lack of certainty about the future of the stadium has created certain risk associated with inter alia freehold reversion.
4. **Consultation**
With the other parties to the existing commercial arrangements re the stadium and KSDL The Executive Director Place has consulted the Chief Executive, Service Director - Finance and the Service Director Legal Governance and Commissioning and the relevant Portfolio Holders in accordance with its delegation from the Cabinet at its meeting on 17 October 2023 including the Deputy Leader.
5. **Engagement**
Not applicable.
6. **Options**
There are no realistic alternative options at the present time. The current option has features which make it more commercially attractive than previous proposals.
7. **Next steps and timelines**
The proposal, if approved by the other parties will be affected by way of contractual and other arrangements.
8. **Contact officer**
David Shepherd Executive Director Place.
David.Shepherd@kirklees.gov.uk .Tel:01484221000
David Wildman Service Director Skills and Regeneration.
9. **Background Papers and History of Decisions**
Various reports to Cabinet
17th October 2023
21st December 2022
Delegated decision
7th October 2024
10. **Appendices**
Private appendix
11. **Service Director responsible**
David Wildman, Service Director