

## **Note for the Local Plan Inspector on preparation of the Kirklees Economic Strategy**

### **1.0 Background**

- 1.1 The Kirklees Economic Strategy (KES) was prepared in early 2014 to cover the years 2014-2020.
- 1.2 The KES was developed with wide ranging input from within the Council and key external partners.
- 1.3 Cabinet on June 17th agreed to endorse the draft KES and agreed to a six week period of consultation on the draft. Policy Committee on 25 June debated the key points of the draft KES.
- 1.4 It was proposed that response to the consultation and a proposed Implementation Plan would be submitted to Cabinet for consideration in the autumn.
- 1.5 The KES was endorsed at Council on 16/7/2014 along with the Councils Joint Health and Wellbeing Strategy. The decision was as follows:

**“That the Joint Health and Wellbeing Strategy, and the Kirklees Economic Strategy be endorsed and that the co-ordinated approach of 'Your Health, Your Economy' be approved.”**

- 1.6 The decision can be found here:  
<https://democracy.kirklees.gov.uk/Data/Council/201407161800/Agenda/Council20140716DecisionSummary.pdf>
- 1.7 This demonstrates that the KES was endorsed and approved as a joint strategic document in tandem with the JHWS at the Council meeting on 16/7/14.

### **2.0 Economic Resilience and Local Plan**

- 2.1 Whilst the consultation period was open very few comments were received on the KES. Comments were invited by email.
- 2.2 As a consequence it was considered that no changes to the document should be made and the focus should be on the implementation of the KES.
- 2.3 Implementation of the KES was subsumed within the Council’s approach to Economic Resilience and establishing greater certainty over what the Council would be able to resource in the light of reductions in overall budgets.
- 2.4 The focus has therefore been on making progress to deliver the KES and it is a clear underpinning principle of both ER and the Local Plan process.
- 2.5 The approach to Economic Resilience has been reported to Council including:
  - A report to Cabinet in June 2015 to establish the Kirklees Economy and Skills Board  
<https://democracy.kirklees.gov.uk/ieListDocuments.aspx?CId=139&MIId=208&Ver=4>
  - A report to Cabinet on 17th November 2015 on the North Kirklees Growth Zone and how it could be used to implement the Kirklees Economic, and the Health and Wellbeing Strategies  
<https://democracy.kirklees.gov.uk/ieListDocuments.aspx?CId=139&MIId=218&Ver=4>

- A report to Cabinet on 3 October 2016 setting out the priorities for the allocation of resources to enable the delivery of the Economic Strategy through the Economic Resilience budget alongside the savings agreed in the Medium Term Financial Plan <https://democracy.kirklees.gov.uk/ieListDocuments.aspx?CId=139&MId=5189&Ver=4>
- A report to Cabinet 18 October 2016 on the next steps for the North Kirklees Growth Zone <https://democracy.kirklees.gov.uk/ieListDocuments.aspx?CId=139&MId=4979&Ver=4>

2.6 Since Cabinet endorsed the KES work has also progressed on the Local Plan and consultation on the Local Plan has continued over the period since July 2014.

2.7 The Local Plan has embedded economic assumptions from the KES and these have been subjected to the local plan consultation process and the KES has been commented on through the Local Plan process.

2.8 Furthermore, the Leeds City Region (LCR) Strategic Economic Plan (SEP) (CR9) provides the overarching economic objectives for the city region, of which Kirklees is a part. The First LCR SEP was completed in March 2014 with agreement reached by the LEP Board in July 2015 to undertake a light touch refresh. This involved an extensive programme of consultation and engagement which fed into the final document produced in May 2016. The identified priorities within the LCR SEP for Kirklees include regenerating Huddersfield and North Kirklees and providing space for businesses to grow which places an emphasis on engineering and manufacturing (CR9, page 32). The council's KES which was consulted on between 1<sup>st</sup> July 2014 and 12 August 2014 was used to inform this document.

## Decision Summary

**Committee:** Council  
**Date:** 16 July 2014  
**Committee Clerk:** Andrea Woodside  
**Tel:** 01484 221000

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### 1. Announcements by the Mayor and Chief Executive

To receive any announcements.

**Decision:** The Mayor conveyed thanks to all those who had been involved in the Tour de France preparations, and gave recognition to the success of the event across the West Yorkshire region.

### 2. Apologies for absence

Group Business Managers to submit any apologies for absence.

**Decision:** Apologies for absence were received on behalf of Councillors Blanchard, Bolt, Harris, Holyoyd-Doveton, Lees-Hamilton, Light, Lyons and Walton.

### 3. Minutes of Annual Council Meeting held on 4 June 2014

To agree and authorise the Mayor to sign as a correct record.

**Decision:** Approved as a correct record subject to the amendment of Minute No 1 to reflect that Mrs Christine Smith will be Mayoress for the coming year, and the title of Minute No 11 to read 'Devolution and Local Area Working 2014/2015.

#### **4. Declaration of Interests**

The Councillors will be asked to say if there are any items on the Agenda in which they have Disclosable Pecuniary Interests, which would prevent them from participating in any discussion of the items or participating in any vote upon the items, or any other interests.

**Decision:** Councillor Allison declared an 'Other' interest in Agenda Item 7 on the grounds that she has a relative who works within the Adults and Communities (Finance) Service.

Councillor Smaje declared an 'Other' interest in Agenda Item 12 on the grounds that she is a Board Member of Kirklees Neighbourhood Housing.

#### **5. Annual Report on Treasury Management 2013/2014 (Reference from Cabinet/Corporate Governance & Audit Committee)**

To receive and consider.

**Contact:** Tim Mitchell, Accountancy Services Manager

**Decision:** That the review of Treasury Management Activity 2013-2014 be noted.

**6. Capital Outturn and Rollover 2013/2014; Capital Investment Plan 2014/2015-2018/19 Inclusive of Rollover (Reference from Cabinet)**

To receive and consider.

**Contact:** David Smith, Director of Resources

- Decision:**
- (1) That £13, 826k 'uncommitted' rollover be removed from the Capital Investment Plan (para 3.10a refers).
  - (2) That £1,105k uncommitted rollover relating to Pioneer House be reprofiled into 2015/2016 (para 3.10b refers).
  - (3) That the strategy on dealing with Cemetery Chapels be covered within Risks and Pressures (para 3.10c refers).
  - (4) That the Area Committee capital underspends be rolled forward to 2014/15, and that any balances that aren't contractually committed by the end of the 2014/2015 financial year be removed from the Capital Plan (para 3.10d refers).
  - (5) That the LTP grant allocations and additional DfT grant be built into the Highways baseline but that these baseline levels be reviewed as part of the CSR Review (paras 3.16 and 3.17ii refer).
  - (6) That the updated Capital Investment Plan be approved.

**7. Revenue Financial Outturn and Rollover 2013/2014 (Reference from Cabinet)**

To receive and consider.

**Contact:** Gill Eastwood, Assistant Director – Financial Management

- Decision:**
- (1) That the revenue outturn position for 2013/2014 (Appendices 1 and 2 refer), be noted.
  - (2) That the revenue rollover as set out in the detailed revenue rollover report, and appendix 3, be approved.
  - (3) That the Council's Reserves and Balances be noted.
  - (4) That the £830,000 saving on the seasonal weather budget be treated as a rollover bid and added to the highways and pavement repair budget for 2014/15.

**8. Council Budget Strategy Update 2015-2016/2017- 2018 (Reference from Cabinet)**

To receive and consider.

**Contact:** Gill Eastwood, Assistant Director – Financial Management

**Decision:** That the updated assumptions informing the Medium Term Financial Plan update, as summarised in the Appendix of the Report, and as agreed by Cabinet, be a basis for budget planning and the consideration of an updated spending control target across the next three years.

**9. Report of Independent Allowances Panel (Reference from Corporate Governance & Audit Committee)**

To receive and consider.

**Contact:** Carl Whistlecraft, Governance & Democratic Services Manager

**Decision:** (1) That the Special Responsibility Allowance paid to a Chair of a District Committee be paid at Band C (£7, 365) with effect from 5 June 2014.

(2) That the Special Responsibility Allowance paid to the Council's representatives on the Police and Crime Panel be paid at Band C2 (£6,000) per annum with immediate effect.

**10. Date of Annual Council Meeting – May 2015 (Reference from Corporate Governance & Audit Committee)**

To receive and consider.

**Contact:** Andrea Woodside, Principal Governance Officer

**Decision:** That the meeting of Annual Council 2015 be held on Wednesday 20th May.

**11. Key Discussion; Kirklees Joint Health and Wellbeing Strategy and Kirklees Economic Strategy**

To consider and discuss issues as set out within the submitted report.

(In accordance with Council Procedure Rule 5(5) consideration of this item must commence by 7.00pm)

(60 minutes is permitted for this item)

**Decision:** That the Joint Health and Wellbeing Strategy, and the Kirklees Economic Strategy be endorsed and that the co-ordinated approach of 'Your Health, Your Economy' be approved.

**12. Motion submitted in accordance with Council Procedure Rule 14 as to Lack of Appropriate Housing in Kirklees.**

To consider the following Motion submitted in the names of Councillors Turner, Marchington, A Pinnock, K Pinnock, Iredale, P Scott, Lawson, Burke, Ridgway, Blanchard and Wilkinson.

`That this Council:

(1) Notes that:

- there are 6580 people on the housing list who presently face a very long wait for a council owned home to become available;
- that there are not enough council owned homes of the right size available to tenants;
- the cost of rent in the private sector is higher and costs more in terms of housing benefit payments.

(2) Recognises that there is real need to build homes in Kirklees that meet the needs of our communities.

(3) Also notes potential benefits from building homes in appropriate locations including new homes bonus payments and reduced benefit costs.

(4) Therefore resolves to:

a) recommend to Cabinet that it makes every effort to tackle the shortage of housing in Kirklees by:

- i) using money collected from rents in the Housing Revenue Account to support the funding, with third parties, of the construction of housing in Kirklees;
- ii) using Right to Buy Receipts to part fund with third parties the repurchase of former Right to Buy Properties;
- iii) making full use of Government polices such as the New Homes Bonus; the empty clusters fund; the a new 'affordable rent' model; Tax Increment Financing and the Community Infrastructure Levy to attract investment and/or build housing.

b) instruct the Chief Executive to write to Government on its behalf requesting that:

- i) councils be allowed to access the unused borrowing limits of other authorities so that new homes can be built;
- ii) the cap on borrowing which accompanied reforms of the HRA be removed so that councils can borrow against future revenue income - potentially releasing some £50bn investment in affordable housing over time;
- iii) the Bank of England extend the scope of the Quantitative Easing programme to include purchase of housing-issued bonds.

**Decision:** Motion approved as amended – See Report A.



**13. Motion submitted in accordance with Council Procedure Rule 14 as to a High Speed Rail Link for the North of England**

To consider the following Motion submitted in the names of Councillors Turner, Marchington, A Pinnock, K Pinnock, Iredale, P Scott, Lawson, Burke, Ridgway, Blanchard and Wilkinson.

That This Council:

(1) After decades of neglect by successive national Government, welcomes, in principle, the proposed creation of a transpennine high speed rail link for the North of England.

(2) Sees this announcement as an indication that Central Government is finally waking up to the need to invest in northern infrastructure in order to allow northern towns and cities to release their true economic potential.

(3) Believes such a development:

a) would be a huge boost to Kirklees businesses and would help to better balance the UK economy which is too reliant on the South of England;

b) would create new jobs and business opportunities in Kirklees improving peoples prospects , health and quality of life;

c) would increase business rates revenue that could be spent on the provision of local public services in Kirklees.

(4) However, also believes that what has been described as HS3 and as running between Manchester and Leeds:

a) should Stretch from Liverpool to Hull connecting towns, cities, ports and airports from East to West across the North of England;

b) would be of greater value to the UK economy than HS2;

c) should be delivered as soon as possible, either at the same time or in place of HS2.

(5 )Furthermore, also believes that if northern towns and cities are to go on to truly compete at a national and international level, investment in infrastructure needs to be accompanied by greater devolution of both fiscal and decision making powers to regional and local levels.

(6) Therefore resolves to instruct the Chief Executive to write to the Leaders of the main political parties at Westminster:

a) informing them of Council's support for high speed rail in the north;

b) recommending to them that the high speed rail link runs the whole breadth of the North of England, connecting towns, cities, ports and airports from Liverpool to Hull;

c) advising them that Council believes that such an investment would be of greater value to the UK economy than HS2 and as such it should be delivered as soon as possible, either alongside or in place of HS2;

d) urging them to marry investment in infrastructure with greater devolution of fiscal and decision making powers to regional and local authority levels so people living in the north and elsewhere can create the conditions for greater economic growth and the eventual creation of a balanced sustainable economy across all parts of the UK.

**Decision:** Item not considered (due to time constraints).

## Kirklees: Unemployment Rate

From a highpoint of over 8% in 2010–2013, Kirklees has experienced a decline in its unemployment rate, at an average of approximately -0.3 percentage points per year since 2010. If this trend were to continue to 2020, the unemployment rate would return to a similar level to that experienced in 2004 and 2005.

Figure 1 and Table 1 below present the unemployment rate for Kirklees from the historical ONS modelled data (2004–2016), a continued trend of recent years to 2020, and the unemployment rate assumptions applied under the **Jobs-led SENS1** scenario which underpins Kirklees’ OAN.

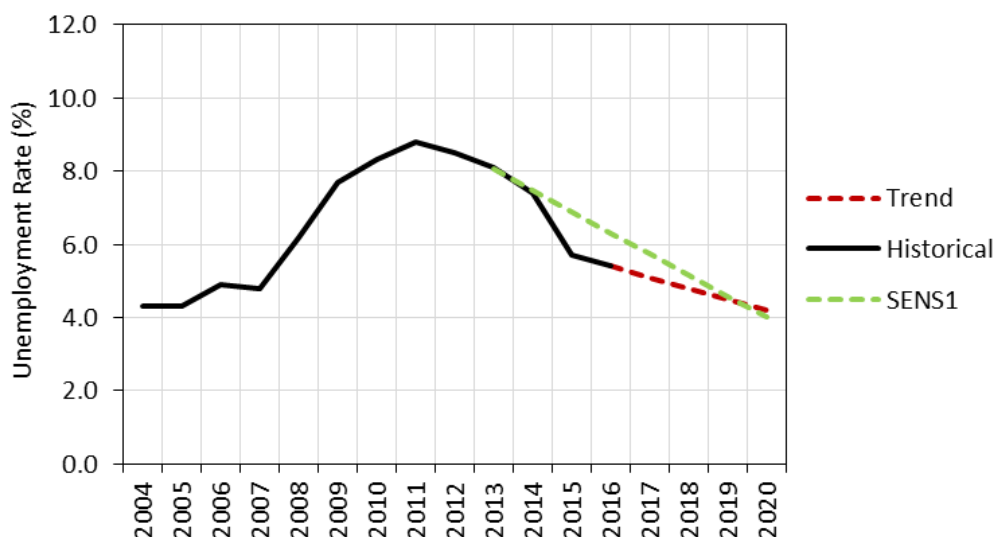


Figure 1: Kirklees unemployment rate 2004–2020

Table 1: Kirklees unemployment rate

Unemployment Rate (%)	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Historical & Trend	4.3	4.3	4.9	4.8	6.2	7.7	8.3	8.8	8.5	8.1	7.4	5.7	5.4	5.1	4.8	4.5	<b>4.2</b>
Modelled (SENS1)										8.1	7.5	6.9	6.3	5.7	5.2	4.6	<b>4.0</b>