Huddersfield Town Centre

Local Housing Market Assessment (LHMA)

2020

Kirklees Metropolitan District Council

Final Report

November 2020

Main Contact: Dr. Michael Bullock
Email: michael.bullock@arc4.co.uk
Telephone: 0800 612 9133
Website: www.arc4.co.uk

Table of Contents

List of Tables

List Charts and Figures

List of Maps

1. Introduction

1.1 Kirklees MDC (the council) commissioned this work in order to provide an evidence base to describe the housing and household characteristics of Huddersfield town centre. This is to inform the housing component of the masterplan for the regeneration of Huddersfield town centre

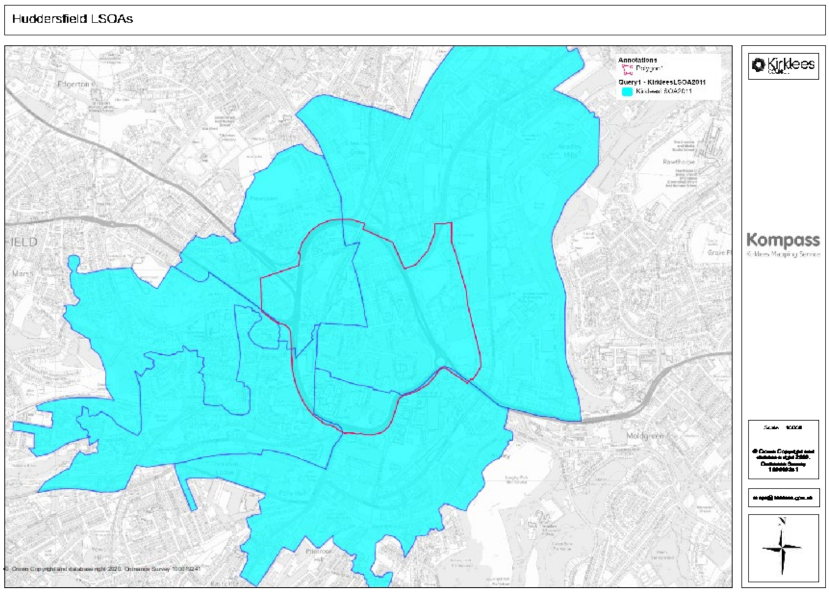
1.2 This report is an account of a desktop study that reports on key features of the town's current housing offer in terms housing type and tenure, price and affordability. It also describes the characteristics of resident households and those living in the area in affordable housing need as measured by the council's housing register.

1.3 The information is provided in the context of the Kirklees MDC SHMA 2016, the masterplan for Huddersfield town centre and data comparing the characteristics of the town centre to the Kirklees metropolitan district area.

2. Geography

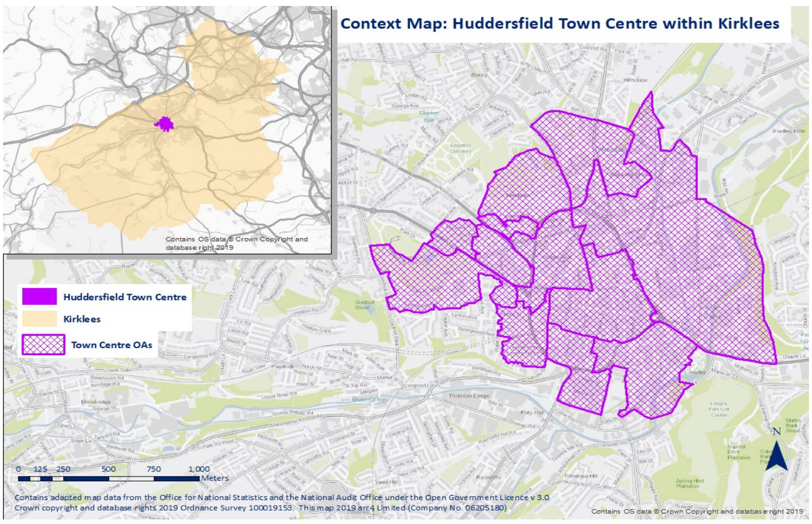
2.1 The location of Huddersfield town centre, for the purposes of this study and as defined by the council, is shown within the red line in Map 2.1. The town centre encompasses the majority of the area within the inner ring road as well as areas outside the ring road to the east and west. Map 2.1 also shows areas covered by the census lower super output areas (LSOA) that cover the town centre.

Map 2.1 Huddersfield town centre geography



2.2 The location of Huddersfield town centre, in relation to Kirklees district, is shown in Map 2.2. Map 2.2 also shows areas covered by the census output areas (OA) that cover the town centre.

Map 2.2 Location of Huddersfield town centre



Note on dwelling stock and household base numbers

2.3 There are an estimated 1,387 dwellings located in the Huddersfield town centre area based on the council's gazetteer. Other sources quoted in this report provide alternative base numbers. This is simply down to the source data. The geographical extent of the town centre has been calculated based on postcodes. These are linked to other geographies including census Output Areas (OAs) and Lower Super Output Areas (LSOAs). Some of the data which relates to the town centre is only available for larger geographies and where possible this has been apportioned to the town centre area.

3. Housing and population profile

Dwelling stock profile

3.1 According to the council's property gazetteer, there are 1,387 residential dwellings in the Huddersfield town centre area. As part of our analysis, Valuation Office Agency (VOA) data on dwelling type, number of bedrooms and council tax band has been assembled. This is based on data for LSOAs which are located in the town centre area. This identifies a higher number of dwellings (2,993).

3.2 Table 3.1 presents a detailed breakdown of dwelling types, number of bedrooms and council tax band in the town centre area based on VOA data. Tables 3.2 and 3.3 provide further summary data.

Table 3.1 Proportion of dwellings by council tax band, type and number of bedrooms

Dwelling type and number of bedrooms	Council Tax Band				
	A	B	C-E	F+	Total
Bungalow 1-bedroom	0.2	0.0	0.0	0.0	0.2
Bungalow 2-bedrooms	0.5	0.0	0.0	0.0	0.5
Bungalow 3-bedrooms	0.0	0.0	0.0	0.0	0.0
Bungalow 4 or more-bedrooms	0.0	0.0	0.0	0.0	0.0
Flat 1-bedroom	48.3	1.1	0.0	0.0	49.4
Flat 2-bedrooms	4.2	4.1	1.3	0.0	9.6
Flat 3-bedrooms	0.4	0.5	0.7	0.0	1.6
Flat 4 or more-bedrooms	0.6	1.7	4.0	0.0	6.3
Terraced house 1-bedroom	2.3	0.0	0.0	0.0	2.3
Terraced house 2-bedrooms	10.3	0.1	0.0	0.0	10.4
Terraced house 3-bedrooms	6.6	1.7	0.7	0.0	9.0
Terraced house 4 or more-bedrooms	1.0	2.7	0.8	0.0	4.5
Semi-detached house 1-bedroom	0.0	0.0	0.0	0.0	0.0
Semi-detached house 2-bedrooms	0.2	0.5	0.0	0.0	0.7
Semi-detached house 3-bedroom	0.1	0.6	1.5	0.0	2.2
Semi-detached house 4 or more-bedrooms	0.0	0.3	1.7	0.0	2.0
Detached house 1-bedroom	0.0	0.0	0.0	0.0	0.0
Detached house 2-bedrooms	0.0	0.0	0.0	0.0	0.0
Detached house 3-bedroom	0.0	0.0	0.5	0.0	0.5
Detached house 4 or more-bedrooms	0.0	0.0	0.6	0.3	0.9
Total	74.8	13.2	11.8	0.3	100.0

Base: 2,993(excludes annex, other and missing)
Based on data from LSOAs located in the town centre area

Table 3.2 Dwelling type summary and council tax band

Dwelling type	Council Tax Band				
	A	B	C-E	F+	Total
Terraced house	20.1	4.5	1.5	0.0	26.1
Semi-detached houses	0.4	1.4	3.1	0.0	4.9
Detached houses	0.0	0.0	1.1	0.3	1.4
Flat	53.6	7.3	6.0	0.0	66.9
Bungalow	0.7	0.0	0.0	0.0	0.7
Total	74.8	13.2	11.8	0.3	100.0

Base: 2,993 (excludes annex, other and missing)
Based on data from LSOAs located in the town centre area

Table 3.3 Number of bedrooms summary and council tax band

Number of bedrooms	Council Tax Band				
	A	B	C-E	F+	Total
1	50.9	1.1	0.0	0.0	51.9
2	15.2	4.7	1.3	0.0	21.2
3	7.1	2.8	3.3	0.0	13.2
4 or more	1.6	4.7	7.1	0.3	13.6
Total	74.8	13.2	11.8	0.3	100.0

Base: 2,993 (excludes annex, other and missing)
Based on data from LSOAs located in the town centre area

3.3 In summary, tables 3.1 to 3.3 show:

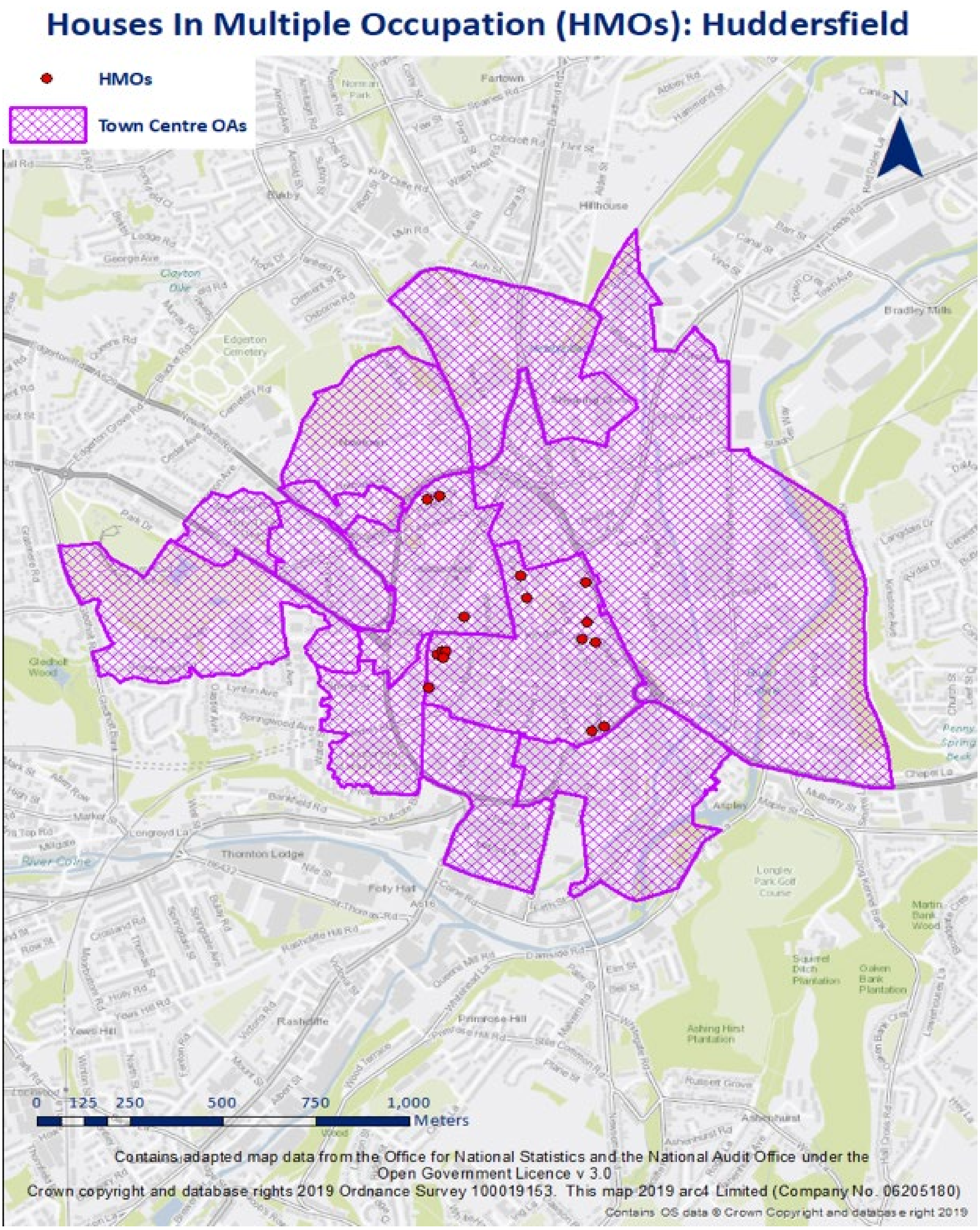
- 88% of dwellings in Huddersfield town centre are council tax band A or B properties and 12% are band C or above;
- 66.9% of dwellings are flats, 32.4% are houses and 0.7% are bungalows;
- almost half of flats (48.3%) are in one-bedroom band A and most houses are terraced;
- 51.9% of dwellings have one-bedroom, 21.2% two-bedrooms, 13.2% three-bedrooms and 13.6% four or more -bedrooms; and
- overall 66.1% of dwellings are in council tax band A with one or two-bedrooms.

3.4 Through visiting the area, we observed that many one-bedroom flats were converted from dwelling houses rather than being purpose built.

Houses in multiple occupation

3.5 Within the town centre area there are 591 bed spaces within 16 HMO properties. The distribution of HMO properties is illustrated in Map 3.1.

Map 3.1 HMO properties in Huddersfield town centre

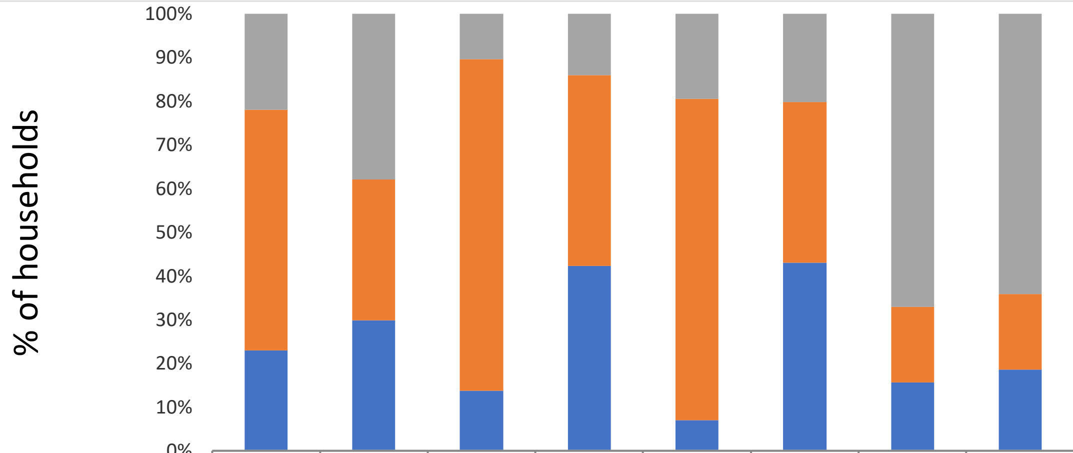


Source: Kirklees MDC

Tenure profile

3.6 According to the 2011 census, the tenure profile of Huddersfield town centre was 21.9% owner occupied, 55.1% private rented and 23% affordable (social/affordable rented and affordable home ownership). Figure 3.1 sets out how the tenure profile compares with other towns and cities, the district and region.

Figure 3.1 Tenure profile of Huddersfield town centre compared with other West Yorkshire towns and cities, Kirklees metropolitan district and the Yorkshire and Humber region



	Hudders-field town centre	Dewsbury town centre	Bradford town centre	Halifax town centre	Leeds town centre	Wakefield town centre	Kirklees district	Yorkshire and the Humber region
Owner Occupied	21.9%	37.9%	10.3%	14.1%	19.4%	20.2%	67.1%	64.1%
Private Rented	55.1%	32.3%	75.9%	43.5%	73.5%	36.8%	17.3%	17.4%
Affordable	23.0%	29.8%	13.8%	42.4%	7.1%	43.1%	15.6%	18.5%

Source: census 2011

3.7 The high proportion of dwellings in the private rented sector is noteworthy. We have therefore investigated the scale of the private rented sector in other town centre areas. We have defined the town centres in a similar way to the Huddersfield town centre geography described in map 2.1 i.e. a limited number of output areas that reflects the core town centre or inner-city taking into account natural boundaries such as a ring road or waterway.

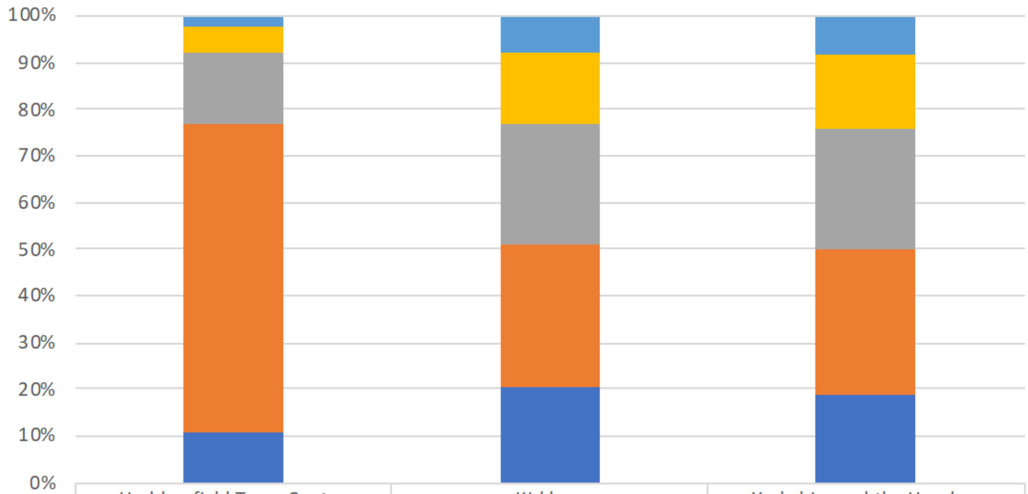
3.8 Figure 3.1 shows that comparator town and city centres have much higher proportions of private rented sector housing than the district or regional average. Wakefield and Dewsbury have lower proportions than the other towns and cities, possibly due to the absence of a university.

3.9 It is possible that Huddersfield's history has influenced the tenure profile of the town centre. Until 1920 the Ramsden Estate owned the freehold of its manorial estate, including the town, and played a major role in its development over many centuries. The leasehold tenure was employed by the estate until the municipal authorities purchased much of the estate. It is unclear to us how this may have led to the scale of the private rented sector in the town centre as the leasehold tenure must be distinguished from the periodic tenancy that applies to the private rented sector. The other factors driving the scale of the private rented sector would be the university and living space above shops and offices as well as purpose built or converted flats and apartments, which are abundant in the city centres of Bradford and Leeds.

Population age profile

3.10 ONS Small Area population data have been used to establish a population profile of the town centre area. In 2018, the population was estimated to be around 5,628. Figure 3.2 compares the population age profile in the town centre with Kirklees. The majority of residents (76.7%) are aged under 40 compared with 50.7% across Kirklees. As a result, the proportions in other age groups are markedly below the Kirklees proportions as shown in Figure 3.2. Over the period 2013 to 2018, the population has increased by around 750 people.

Figure 3.2 Population age profile of Huddersfield town centre compared with Kirklees and Yorkshire and the Humber



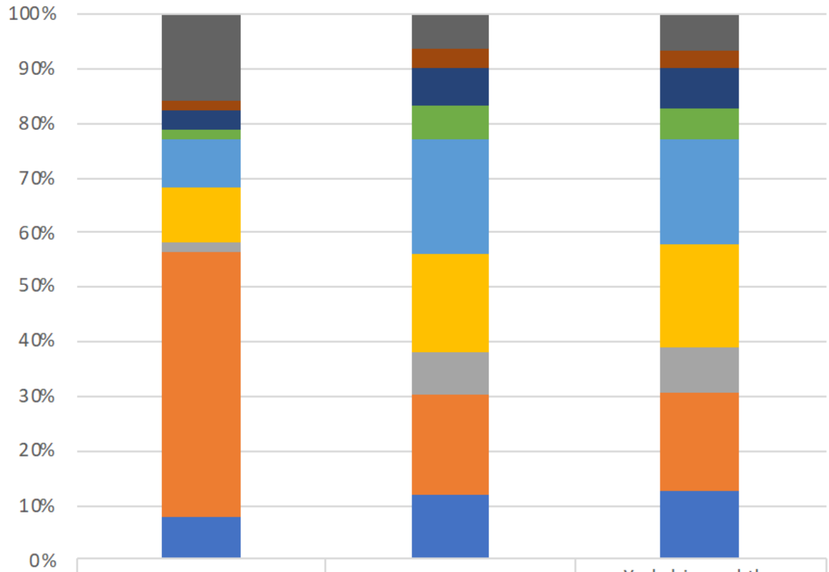
	Huddersfield Town Centre	Kirklees	Yorkshire and the Humber
75 and over	2.5	7.7	8.3
60-74	5.4	15.2	15.8
40-59	15.4	26.3	25.8
16-39	65.9	30.3	30.9
Under 16	10.8	20.5	19.1

Source: ONS Small Area Population Estimates

Household characteristics

3.11 The overall profile of households living in Huddersfield town centre is summarised in Figure 3.3. Although a range of household types live in the town centre, almost half of households are single person households aged under 65 (48.3%) and 16.1% are 'other' types of household including people sharing.

Figure 3.3 Household profile of Huddersfield town centre compared with Kirklees and Yorkshire and the Humber



	Huddersfield town centre	Kirklees	Yorkshire and the Humber
Other type of household	16.1	6.5	6.7
Lone Parent with non-dependent child(ren)	1.7	3.2	3.2
Lone Parent	3.6	7.3	7.1
Couple with non-dependent Child(ren)	1.6	6.1	6.1
Couple with Child(ren)	8.5	20.7	19.2
Couple No Children	10.3	18.3	18.7
Couple (both aged 65+)	1.8	7.7	8.4
Single <65	48.3	18.5	17.9
Single 65+	8.0	11.8	12.7

Source: census 2011

3.12 CAMEO UK data can be used to profile the households living in the town centre. The data is based on income, life stage, interests and spending habits. There are six groups living in the town centre area as shown in Table 3.4. The data clearly shows the current household profile is skewed towards renters and students.

Table 3.4 CAMEO household types

CAMEO Income categories (INCC)	Percentage
Couples and singles in rented accommodation	47.0
Young professionals in student areas	40.7
Communal establishments in mixed neighbourhoods	7.2
Couples and singles in flats	4.0
Young professional flat dwellers	0.9
Lower class families	0.2
Total	100.0

Source: Transunion CAMEO UK market segmentation 2019; base 116 postcodes and 555 households

Economic activity and income

3.13 Table 3.5 summarises the economic activity rates of residents in the town centre area, indicating that 55.1% are economically active compared with 68.2% across Kirklees. Nearly half (44.9%) are economically inactive but this is largely accounted for by the high student population (around 46%[1] of residents aged 16-64 years). The level of unemployment is slightly higher than the Kirklees average.

Table 3.5 Economic activity of Huddersfield town centre compared with Kirklees and Yorkshire and the Humber

Location	% residents aged 16-64			
	Economically active	Economically inactive	Students	Unemployed
Huddersfield town centre	55.1	44.9	46.0	5.5
Kirklees	68.2	31.8	9.2	4.7
Yorkshire and the Humber	68.4	31.6	9.2	4.4

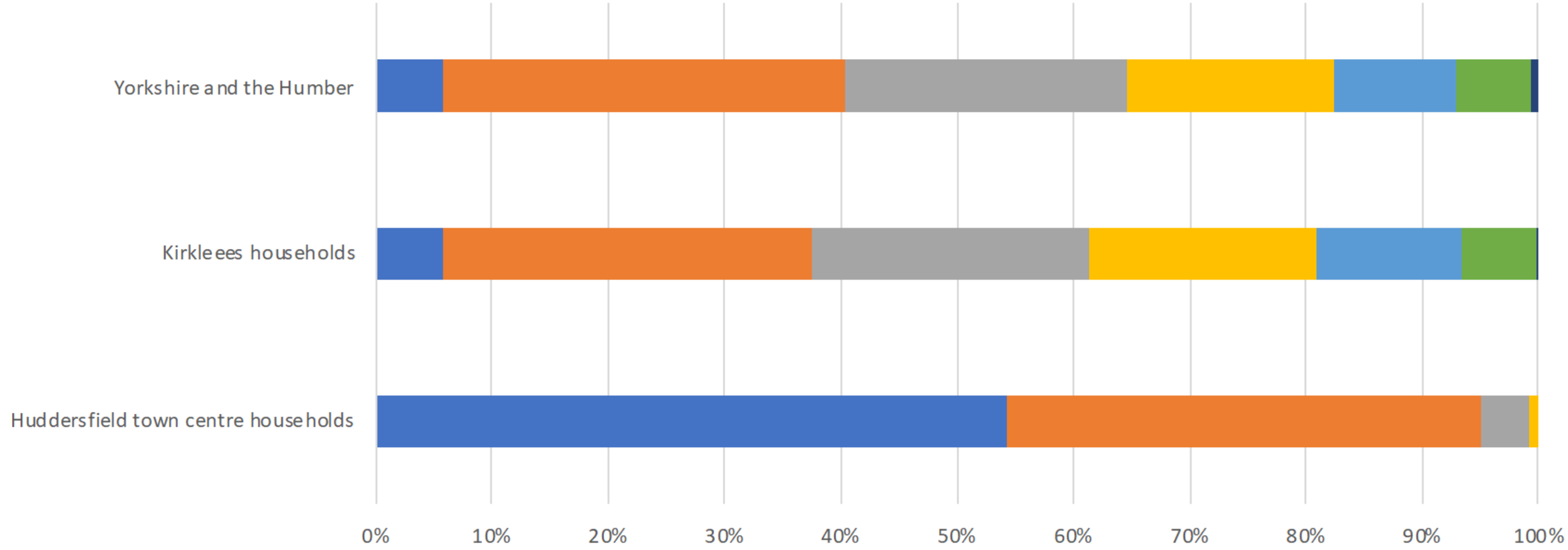
Source: 2011 census. NB: rows do not sum to 100% as students and unemployed are subsets of the economic status.

3.14 The range of household incomes in the town centre are shown in Figure 3.4 and compared with those for Kirklees and Yorkshire and the Humber. These data clearly shows a skew towards lower income households in the town centre, with 54.2% of households having an income of less than £10,000 and 40.9% an income of between £10,000 and £20,000. Overall, 95.1% of households had an income of less than £20,000 compared with 37.6% across Kirklees.

3.15 Map 3.2 shows the spatial distribution of income levels. In this case, the average income for each postcode sector.

[1] Note that ONS records students are either economically active or economically inactive and so there is some discrepancy in the % of residents who are students and % who are economically inactive.

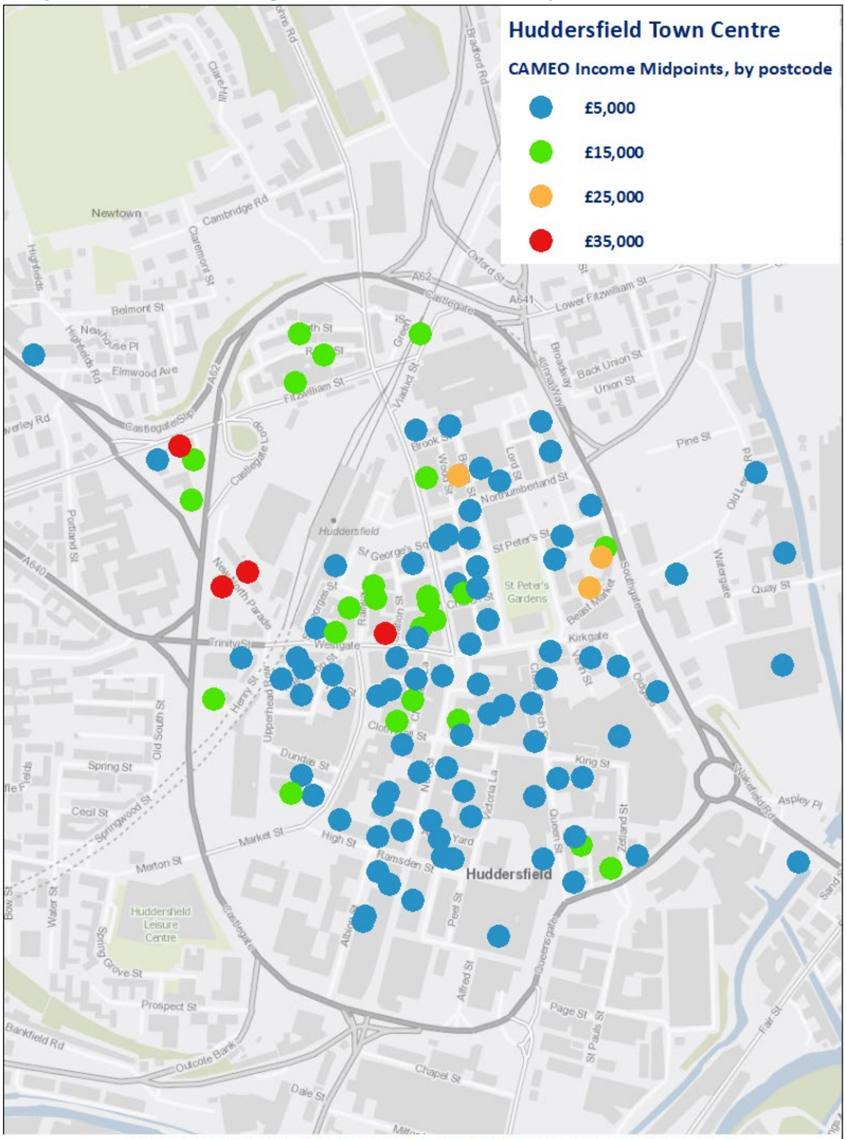
Figure 3.4 Household income distribution of Huddersfield town centre compared with Kirklees and Yorkshire and the Humber



	Huddersfield town centre households	Kirklees households	Yorkshire and the Humber
Many Households With An Income Less Than £10k	54.2	5.7	5.8
Many Households With An Income Between £10 - £20k	40.9	31.9	34.6
Many Households With An Income Between £20 - £30k	4.0	23.7	24.2
Many Households With An Income Between £30 - £40k	0.9	19.5	17.9
Many Households With An Income Between £40 - £50k	0.0	12.6	10.6
Many Households With An Income Between £50 - £75k	0.0	6.3	6.4
Many Households With An Income Between £75 - £100k	0.0	0.2	0.5
Many Households With An Income Over £100k	0.0	0.0	0.1

Source: CAMEO UK 2019

Map 3.2 Average income within each postcode sector Huddersfield town centre



3.16 Further analysis of the above data enables us to estimate lower quartile and median income of town centre residents by census output area.

Table 3.6 Household income levels			
Town Centre OA	LQ	Median	Mean
E01011107	5,000	5,000	9,421
E01011229	5,000	15,000	10,818
E01011232	15,000	15,000	16,212
E01011235	5,000	5,000	10,476
E01011236	5,000	15,000	14,804

Source: CAMEO UK 2019

Indices of multiple deprivation

3.17 The 2019 MHCLG Indices of Multiple Deprivation provide a set of relative deprivation measures for LSOAs. Each LSOA is ranked out of a total of 32,844 and are based on seven ‘domains of deprivation”: income; employment; education, skills and training; health deprivation and disability; crime; barriers to housing and services; and living environment deprivation.

3.18 For Huddersfield town centre, the average rank of constituent LSOAs is shown along with the average decile (1 represents the most deprived 10% of LSOAs in England, 2 represents the next 10-19%, 3 the next 20-29% etc.). Analysis would suggest that overall, the town centre ranks in the most deprived 20-29% of LSOAs nationally, and particular challenges are crime and education and living environment.

Table 3.7 Indices of multiple deprivation scores for Huddersfield town centre.

Index of deprivation domain	Average rank of town centre LSOAs	Average decile of town centre LSOAs
Income	7,625	3
Employment	4,689	2
Education, Skills and Training	3,405	2
Health and disability	8,336	3
Crime	2,758	1
Barriers to housing and services	8,055	3
Living environment	2,554	1
Overall IMD	4,666	2

Source: MHCLG Index of Multiple Deprivation 2019

Summary of section 3

3.19 The characteristics of the town centre housing stock differ from those of Kirklees District. In the town centre there are:

- higher levels of private and affordable rented housing and lower levels of home ownership;
- nearly double the proportion of residents aged 16-39 years, half the population aged under 16 and one third the proportion of people aged over 60 years;
- nearly half of households are single person households aged under 65 years;
- the socio demographic profile is mostly couples and singles in rented accommodation and young professionals in student areas with 95% of households having an income of under £20,000 p.a.

3.20 Within the town centre area there are 591 bed spaces within 16 HMO properties

3.21 According to the index of multiple deprivation, the town centre LSOAs feature in the first decile for crime and living environment in England.

4. Prices, affordability and market review

Dwelling sales 2017-2019

4.1 Over the 3-years 2017-2019, the Land Registry reports 55 dwelling sales in Huddersfield town centre. Table 4.1 summarises the volume of sales by dwelling type and price over this period. Data are also compared with sales across Kirklees.

Table 4.1 Dwelling sales in Huddersfield town centre and Kirklees by type 2017-2019

Huddersfield town centre	Detached	Semi-detached	Terraced	Flat	All sales
LQ price	£275,995	No sales	£63,000	£75,745	£79,250
Median price	£294,995	No sales	£95,000	£85,000	£118,000
Number of sales	21	0	7	27	55
Kirklees	Detached	Semi-detached	Terraced	Flat	All sales
LQ price	£212,000	£120,000	£83,000	£65,000	£100,000
Median price	£270,000	£150,000	£111,000	£88,500	£145,000
Number of sales	4,746	6,252	7,741	1,308	20,047

Source: Land registry (price paid)

Private rentals 2017-2019

4.2 Detailed information on private rental activity over the period 2017-2019 is available from Zoopla. Table 4.2 summarises the number of rentals coming to market and price by number of bedrooms and dwelling type. Rentals of one-bedroom flats accounts for 41.3% of private rentals followed by 21.1% (two or more-bedroom flats), 13.6% studio flats, 12.9% one and two-bedroom houses and 10% three or more-bedroom houses.

4.3 Lower quartile prices range between £260 and £558 per calendar month (pcm) for houses and £394 to £1,248 for flats. Across all types and sizes of dwelling, the lower quartile price was £399 and the median price was 37.8% higher at £550.

Table 4.2 Private rents in the town centre area

Dwelling type	Number of bedrooms	Rent (£ per calendar month)		Number of rentals
		Lower quartile	Median	
House	0	£401	£802	5
	1	£260	£325	56
	2	£451	£563	52
	3	£498	£563	26
	4+	£558	£1,928	58
Flat	0	£433	£542	114
	1	£394	£486	346
	2	£650	£750	134
	3	£556	£733	26
	4+	£1,248	£1,716	19
All rentals		£399	£550	
Base (all rentals)				836

Source: Zoopla

Private rental yield 2017-19

4.4 Table 4.3 summarises the gross yield on properties based on dwelling price. It shows the annual rent as a percentage of purchase price. Overall, a gross yield of around 6% is achieved on lower quartile priced properties and 5.6% on median priced dwellings.

Table 4.3 Gross rental yields by price

Price	Sale Price	Annual rent	Gross rental yield
Lower Quartile	£79,250	£4,788	6.04%
Median	£118,000	£6,600	5.59%

Relative affordability of housing tenure options and defining genuinely affordable housing

4.5 The relative cost of alternative housing options in Huddersfield town centre is considered from two perspectives. Firstly, analysis considers prevailing prices across a range of market and affordable tenures and the incomes required to afford these dwellings. Secondly, analysis considers what is genuinely affordable to households based on local incomes and assumptions around the proportion of income that should be spent on renting and the multiples of income for buying. The analysis of what is genuinely affordable also considers the incomes of selected key workers and those on minimum and living wages.

4.6 Assumptions around the costs of alternative tenures is presented in Table 4.4. Table 4.5 then considers the actual costs of the tenures in the Huddersfield town centre market and whether they are affordable to households on lower quartile and median incomes (excluding any allowance for housing benefit/universal credit).

4.7 Analysis indicates that, despite the relatively low price of renting and buying, prices in the town centre area remain unaffordable to local households.

Table 4.4 Summary of tenure (including affordable options), price assumptions and data sources

Tenure	Tenure price assumptions	Data Source
Social rent	2019 prices	Regulator of Social Housing Statistical Data Return 2019
Affordable Rent	2019 prices	Regulator of Social Housing Statistical Data Return 2019
Market Rent – lower quartile	2017-2019 prices	Zoopla 2019
Market Rent – median	2017-2019 prices	Zoopla 2019
Market Sale – lower quartile	2017-2019 prices	Land Registry Price Paid
Market Sale – median	2019 prices	Land Registry Price Paid
Shared ownership (50%)	Total price based on median price and 50% ownership. Mortgage based on 40%. 10% deposit on full price required; annual service charge £395, Annual rent based on 2.75% of remaining equity	Assumptions applied to Land Registry Price Paid data
Shared ownership (25%)	Total price based on median price and 25% ownership. Mortgage based on 20, 5% deposit required on full price, annual service charge £395. Annual rent based on 2.75% of remaining equity	Assumptions applied to Land Registry Price Paid data
Help to buy	Total price based on median price. Mortgage based on 75% equity. 20% loan and deposit of 5% on equity amount. Loan fee of 1.75% in year 6 of outstanding equity loan increasing annually from year 7 at RPI+1%	Assumptions applied to Land Registry Price Paid data
Discounted home ownership (30%)	70% of Median Price (note this is comparable to the proposed FirstHome tenure options)	Assumptions applied to Land Registry Price Paid data

Table 4.5 Summary of tenure (including affordable options), price assumptions and data

Tenure	Cost	Household income required	Affordable to lower quartile income households	Affordable to median income households
Social rent (average monthly)	£385	£18,468		
Affordable rent (monthly)	£406	£19,500		
Market rent - lower quartile	£399	£19,152		
Market rent - median	£550	£26,400		
Market sale - lower quartile	£79,250	£20,379		
Market sale - median	£118,000	£30,343		
Shared ownership (50%)	£59,000	£21,556		
Shared ownership (25%)	£29,500	£18,058		
Help to buy	£118,000	£24,021		
Discounted home ownership (30%)	£82,600	£22,420		

Key:

Affordable	
Not affordable	

4.8 The extent to which open market sales are affordable to selected keyworkers and those on minimum and living wages is explored in Table 4.6.

4.9 Some of the key workers could afford lower quartile dwelling prices based on a 3.5x income multiple. Nurses would find affordability of a lower quartile priced dwellings challenging. Single earner households on a minimum/living wage would need a 4.5x income multiple for a lower quartile priced dwelling to be affordable. For households with more than one minimum/living wage earner, lower quartile priced dwellings could be affordable based on a 3.5x income multiple.

4.10 Dwellings at average median price are not affordable to selected key workers unless income multiples at least of 4.5/5x are applied. For households with more than one earner on a minimum/living wage, median prices are affordable at a 3.5x to 4.5x multiples but for single earners a higher multiple would be required.

4.11 Overall, town centre market average lower quartile priced dwellings are generally affordable to key workers and to dual income minimum/living wage households. However, accessing average median priced dwellings is more challenging.

4.12 The extent to which open market rents are affordable to selected keyworkers and those on minimum and living wages are explored in Table 4.7

4.13 Lower quartile rents are affordable to most of the selected keyworkers and all those on multiple minimum/living wages. The affordability test was based on a household having to spend no more than 25% of income on rent.

4.14 Average median rented dwellings were affordable to most households when 30% of income was spent on rent but for lower pay grade nurses and single minimum/living wage earners higher multiples were required.

Table 4.6 Average lower quartile house prices compared with household incomes of selected key workers and those on minimum/living wages

Lower quartile prices

Benchmark incomes	Gross Household Income 2019 (£)	3.5x	4x	4.5x	5x	5.5x	LQ price 2019
Police officer	£23,124	£80,934	£92,496	£104,058	£115,620	£127,182	£79,250
Nurse	£17,652	£61,782	£70,608	£79,434	£88,260	£97,086	£79,250
Fire officer	£23,862	£83,517	£95,448	£107,379	£119,310	£131,241	£79,250
Teacher	£23,720	£83,020	£94,880	£106,740	£118,600	£130,460	£79,250
Min Wage (single household)	£16,010	£56,033	£64,038	£72,043	£80,048	£88,052	£79,250
Min Wage (1 FT/1PT)	£24,014	£84,050	£96,057	£108,064	£120,071	£132,078	£79,250
Min Wage (two working adults)	£32,019	£112,067	£128,076	£144,086	£160,095	£176,105	£79,250
Living Wage (single)	£17,550	£61,425	£70,200	£78,975	£87,750	£96,525	£79,250
Living wage (1 FT/1 PT	£26,325	£92,138	£105,300	£118,463	£131,625	£144,788	£79,250
Living Wage (two workers)	£35,100	£122,850	£140,400	£157,950	£175,500	£193,050	£79,250

Median prices

Benchmark incomes	Gross Household Income 2019 (£)	3.5x	4x	4.5x	5x	5.5x	6x	6.5x	7x	Median price 2019
Police officer	£23,124	£80,934	£92,496	£104,058	£115,620	£127,182	£138,744	£150,306	£161,868	£118,000
Nurse	£17,652	£61,782	£70,608	£79,434	£88,260	£97,086	£105,912	£114,738	£123,564	£118,000
Fire officer	£23,862	£83,517	£95,448	£107,379	£119,310	£131,241	£143,172	£155,103	£167,034	£118,000
Teacher	£23,720	£83,020	£94,880	£106,740	£118,600	£130,460	£142,320	£154,180	£166,040	£118,000
Min Wage (single household)	£16,010	£56,033	£64,038	£72,043	£80,048	£88,052	£96,057	£104,062	£112,067	£118,000
Min Wage (1 FT/1PT)	£24,014	£84,050	£96,057	£108,064	£120,071	£132,078	£144,086	£156,093	£168,100	£118,000
Min Wage (two working adults)	£32,019	£112,067	£128,076	£144,086	£160,095	£176,105	£192,114	£208,124	£224,133	£118,000
Living Wage (single)	£17,550	£61,425	£70,200	£78,975	£87,750	£96,525	£105,300	£114,075	£122,850	£118,000
Living wage (1 FT/1 PT	£26,325	£92,138	£105,300	£118,463	£131,625	£144,788	£157,950	£171,113	£184,275	£118,000
Living Wage (two workers)	£35,100	£122,850	£140,400	£157,950	£175,500	£193,050	£210,600	£228,150	£245,700	£118,000

Key:

Not affordable	
Affordable	

Table 4.7 Private rents compared with household incomes of selected key workers and those on minimum/living wages

Lower quartile rents

Occupation/Wage	Gross Household Income 2019 (£)	Monthly lower quartile rent that could be afforded by percentage of income spent on rent			LQ Rent and Income	
		25% of income	30% of income	35% of income	Actual LQ rent 2017-19	Gross household income 2019 (Monthy £)
Police officer	£23,124	£482	£578	£674	£399	£1,927
Nurse	£17,652	£368	£441	£515	£399	£1,471
Fire officer	£23,862	£497	£597	£696	£399	£1,989
Teacher	£23,720	£494	£593	£692	£399	£1,977
Min Wage (single household)	£16,010	£334	£400	£467	£399	£1,334
Min Wage (1 FT/1PT)	£24,014	£500	£600	£700	£399	£2,001
Min Wage (two working adults)	£32,019	£667	£800	£934	£399	£2,668
Living Wage (single)	£17,550	£366	£439	£512	£399	£1,463
Living wage (1 FT/1 PT	£26,325	£548	£658	£768	£399	£2,194
Living Wage (two workers)	£35,100	£731	£878	£1,024	£399	£2,925

Median rents

Occupation/Wage	Gross Household Income 2019 (£)	Monthly median rent that could be afforded by percentage of income spent on rent			Median Rent and Income			
		25% of income	30% of income	35% of income	40% of income	45% of income	Actual Median rent 2017-19	Gross household income 2019 (Monthy £)
Police officer	£23,124	£482	£578	£674	£771	£867	£550	£1,927
Nurse	£17,652	£368	£441	£515	£588	£662	£550	£1,471
Fire officer	£23,862	£497	£597	£696	£795	£895	£550	£1,989
Teacher	£23,720	£494	£593	£692	£791	£890	£550	£1,977
Min Wage (single household)	£16,010	£334	£400	£467	£534	£600	£550	£1,334
Min Wage (1 FT/1PT)	£24,014	£500	£600	£700	£800	£901	£550	£2,001
Min Wage (two working adults)	£32,019	£667	£800	£934	£1,067	£1,201	£550	£2,668
Living Wage (single)	£17,550	£366	£439	£512	£585	£658	£550	£1,463
Living wage (1 FT/1 PT	£26,325	£548	£658	£768	£878	£987	£550	£2,194
Living Wage (two workers)	£35,100	£731	£878	£1,024	£1,170	£1,316	£550	£2,925

Key:

Not affordable	
Affordable	

Affordable housing need

4.15 The 2016 SHMA identified an overall annual shortfall of 377 affordable dwellings across the Huddersfield North and South area. This analysis did not drill down to the needs of households in the town centre area.

4.16 Up-to-date information from the housing register has been provided by the council. Table 4.8 is based on 965 households on the register living in the postcode sectors of the town centre area (HD1 1, HD1 2, HD1 4, HD1 5, HD1 6). 44.6% of households on the register are Band D General Needs and in terms of specific needs, most frequently mentioned are low medical need (6.6%), housing debt (6.6%), homeless relief (5.9%) and overcrowding (4%).

4.17 Based on minimum bedroom entitlement, the profile of affordable need by number of bedrooms is 69.4% 1-bedroom, 18.1% 2-bedroom, 10.9% 3-bedroom and 1.6% 4 or more-bedroom.

4.18 The housing register data did not include income information to determine an appropriate tenure split. However, the 2016 SHMA recommended an affordable tenure split of 55% affordable/social rented and 45% intermediate (affordable home ownership).

Table 4.8 Housing Register data for Huddersfield town centre postcode sectors

Band and reason for housing need	Minimum bedroom entitlement				Total no. of households	Band/Reason %
	1	2	3	4		
Band A - High Medical Needs/ High Care and/or Support Needs	1	0	0	0	1	0.1
Band A - Under - occupying two of more bedrooms	1	1	0	0	2	0.2
Band B - For the Relief of Homelessness Where the Household is Eligible for, or Accommodated in, Temporary Accommodation	44	9	4	0	57	5.9
Band B - High Medical Needs	2	2	4	0	8	0.8
Band B - Hostel / Supported Housing Residents	12	1	0	0	13	1.3
Band B - Move for essential care and support	2	1	1	0	4	0.4
Band B - Severe Overcrowding	0	0	1	0	1	0.1
Band B - Unintentionally Homeless Households in Priority Need	3	1	0	0	4	0.4
Band C - For the Prevention of Homelessness	50	7	1	1	59	6.1
Band C - For the Relief of Homelessness Where There is Not a Duty Owed to Provide Temporary Accommodation	34	0	0	0	34	3.5
Band C - Give / Receive Support	32	3	2	0	37	3.8
Band C - Intentionally Homeless	0	0	1	0	1	0.1
Band C - Low Medical Need	48	8	6	2	64	6.6
Band C - Overcrowded	1	14	22	2	39	4.0
Band C - Overcrowded Licensees	13	6	1	0	20	2.1
Band C - Retired Living Scheme Move	1	0	0	0	1	0.1
Band C - Under Occupying	7	1	0	0	8	0.8
Band D - General Needs	272	100	51	7	430	44.6
Band E - Anti-Social Behaviour	2	0	0	0	2	0.2
Band E - Home Owner	17	2	4	1	24	2.5
Band E - Housing Debt Current Tenant	7	0	3	0	10	1.0
Band E - Housing Debt Former Tenant	53	9	1	1	64	6.6
Band E - No Local Connection to Kirklees	68	9	3	1	81	8.4
Reason not specified	0	1	0	0	1	0.1
Total number	670	175	105	15	965	100.0
Total %	**69.4**	**18.1**	**10.9**	**1.6**	**100.0**	

Source: Kirklees MDC housing register 2020

Summary of section 4

4.19 Over the 3-year period 2017 to 2019:

- town centre flats attract higher lower quartile prices than Kirklees as a whole, whereas terraced housing attract lower lower quartile prices;

- the proportion of sales of flats is higher in the town centre compared to Kirklees as a whole;
- there is a larger volume of residential rentals (836) than sales (55) in the town centre; and
- the private rented sector yield is estimated as 6% on lower quartile priced dwellings and 5.6% on median priced dwellings.

4.20 Regarding the affordability of the housing stock to current residents of the town centre, it is apparent that no household on a median income or lower, can afford any dwellings at average prices across a range of market and affordable dwellings unless supported by benefit or financial assistance such as parental support (table 4.5).

4.21 However, a range of dwellings at entry level (lower quartile) prices and rents would be affordable to key worker households in various configurations should they seek to be housed in the town centre.

4.22 Regarding the council's housing register of households seeking affordable housing tenancies, nearly 1,000 households live in postcode areas that affect the town centre and its immediate surrounding areas, 70% of whom are seeking 1-bedroom homes.

5. Policy Context

5.1 This section summarises the policy context that affects Huddersfield town centre.

The Huddersfield Blueprint Our 10-year vision

Precis of the Town Centre Blueprint SPD

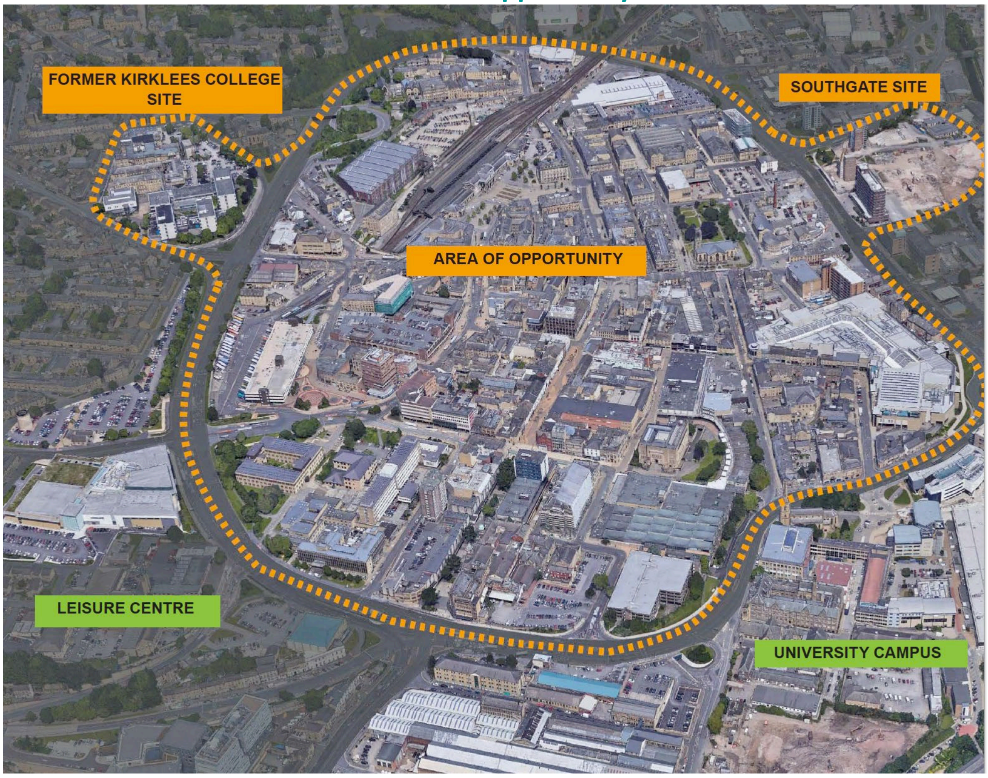
5.2 This Blueprint SPD seeks to promote and guide growth to create a vibrant, high quality environment where people want to live, do business, shop and visit. Early engagement with key stakeholders supported this aim and the SPD brings together this shared commitment to provide a clear, robust strategy, offering certainty to our residents and to potential investors.

5.3 It differentiates between the ‘area of opportunity’ and the ‘areas of influence’. The areas of opportunity predominantly lie within the ring road and have the potential to transform our town centre. The areas of influence lie outside of the ring road and are not subject to any proposed schemes but need to be carefully considered

5.4 The town centre Area of Opportunity is recognisable as ‘the centre’. Also included is the former Kirklees College site and Southgate sites that are available for development.

5.5 The Areas of Influence include the HD One site, the University of Huddersfield campus and student accommodation facilities, Bates Mill and the Leisure Centre.

Map 5.1 Huddersfield town centre area of opportunity and areas of influence



5.6 Regarding housing within the town centre, the ambition is for quality, affordable, intergenerational homes in pleasant and convenient housing. The belief is that homes within the town centre can help locals easily access their jobs and support enjoyable lifestyles. This ambition is linked to the thriving arts, music and cultural community in Huddersfield.

5.7 The post office and sorting depot are located in the heart of St Peter's area and it is considered likely that both could come forward for future residential development. When combined with the area of the sorting office there is a development site which offers the unique opportunity to provide contemporary living in the short to medium term. The blueprint document observes that this is beginning to happen already with the conversion of the former Co-op building.

5.8 There is an ambition to explore all opportunities to increase living in the town centre including the use of upper floors and the reuse of the town's heritage stock. Opportunities to appeal to the creative industries are also being explored. Virtual offices associated with the Media Centre support 70 businesses off-site, while 21 live-work units called 'Creative Lofts' are housed in the former Mechanics Institute building which is managed by The Media Centre for Places for People Group.

5.9 The blueprint identifies that the town centre residential market has been primarily led by the delivery of student accommodation in recent years. The University of Huddersfield has consistently increased its student numbers and students often wish to be accommodated close to the university campus, rather than in out-of-town locations such as Storthes Hall. The council has observed a number of planning applications being submitted by developers specifically for student housing within Huddersfield. The blueprint is seeking to encourage opportunities to deliver housing aimed at the young professionals graduates can be retained, capture this potential skilled workforce and attract young professionals wishing to commute to larger neighbouring centres.

5.10 In summary the Blueprint SPD aims to:

- increase residential opportunities within the town centre by re-using our heritage stock;
- diversify the local housing tenure;
- improve the public realm and townscape environment;
- increase permeability across the town centre;
- promote the delivery of and access to services to support town centre living;
- increase the attractiveness of Huddersfield to buyers;
- deliver affordable homes; and
- provide more opportunities for living and working to retain graduates.

Kirklees Housing Strategy 2018-23

5.11 Partners to the strategy include colleagues from across the Council and Health, Clinical Commissioning Groups (CCG's) Kirklees Neighbourhood Housing (KNH) and Pinnacle PSG, housing developers and investors, Housing Associations, private landlords, the third sector and our housing forums. The Housing Growth Delivery Plan sets out a range of interventions to support housing and associated regeneration schemes which contribute to sustainable growth in Kirklees and is a key document which sits alongside this strategy.

5.12 The strategy states that Huddersfield dominates the south of Kirklees, with innovative textile and engineering industries, and heritage, and a retail offer. It is also consolidating its role as a university town. Huddersfield serves the more rural Colne, Holme, and Dearne valleys, and settlements such as Marsden, Meltham, Holmfirth and Denby Dale.

5.13 Strategy partners will work towards delivering a solution to the Huddersfield Station Gateway Regeneration project. Specifically providing infrastructure to support a viable re-use of the Station warehouse, enhancing the transport hub potential of the area and maximising connections between the Station Warehouse land and the town centre. This will increase the opportunities for town centre living being delivered in Huddersfield.

5.14 The strategy recognises the benefits of pursuing the development of a new junction between Junction 24 and 25 of the M62 and that rail remains an import area of investment. The £3bn Trans-Pennine Upgrade will be extremely important for Kirklees partners plan to work very closely with Department for Transport and the Combined Authority to maximise the benefits for our district. Stations such as Huddersfield, Dewsbury, Batley and Ravensthorpe/Mirfield need to benefit from this upgrade.

Kirklees Economic Strategy 2019-2025

Action Programme 10: Huddersfield

5.15 The strategy and action plan attach great importance to delivering the HD One development and the benefits it will bring to the town centre. The aims of the investment are

- more business space including high quality offices and creative spaces;
- more town centre living including apartments (not only student accommodation);
- widened cultural offerings including a mid-sized music venue, upgraded museum and art gallery and expanded event programme;
- high quality public realm and green infrastructure network; and
- investment by City Fibre planned to offer gigabit speeds to premises across the town centre

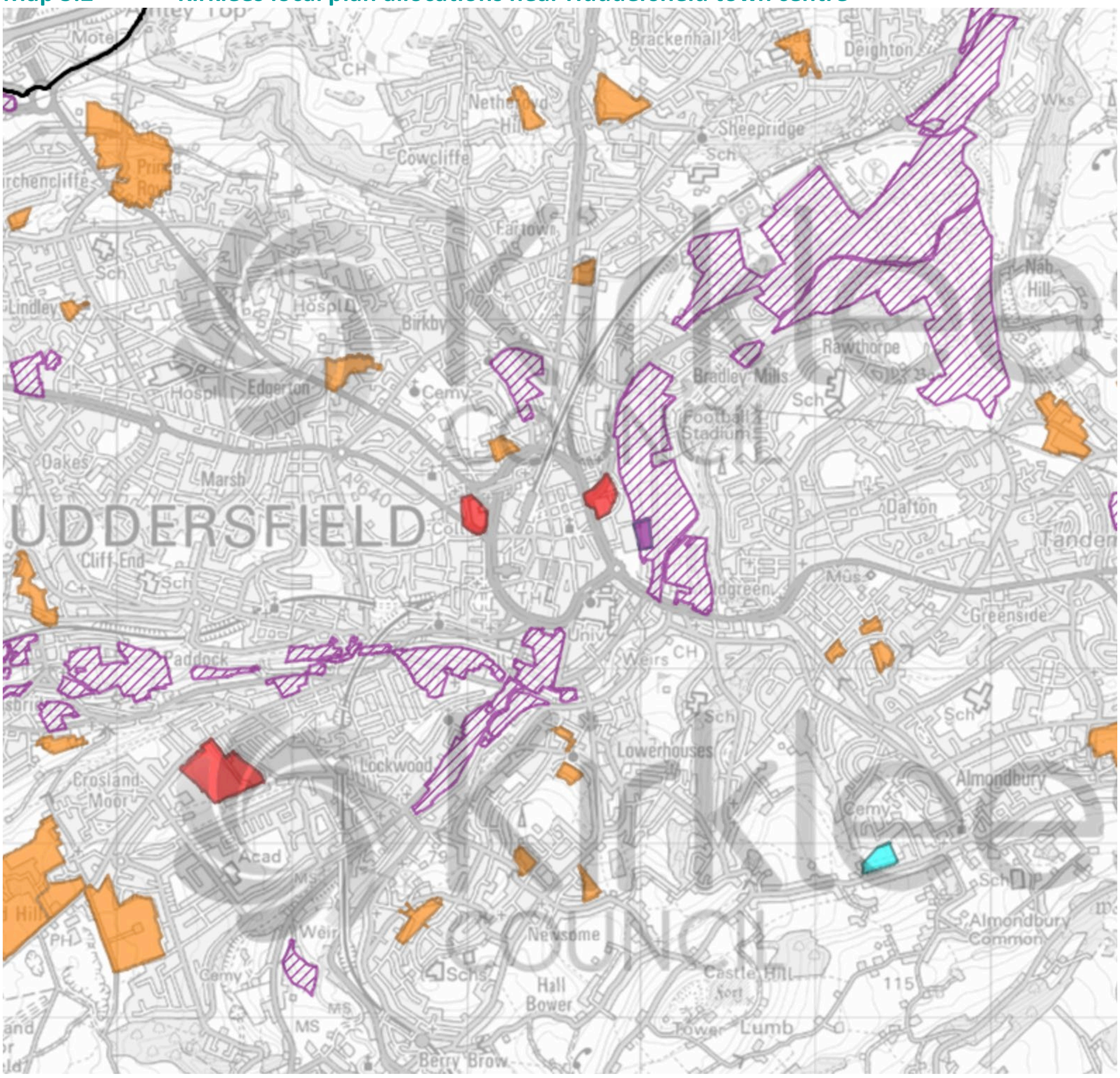
Kirklees Local Plan Allocations and Designations

5.16 This was adopted on 27th February 2019. Map 5.1 depicts relevant allocated sites within an approximate 3km of the town centre. The key is:

- Orange: housing allocation;
- Purple: employment allocation;
- Purple hatch priority employment areas; and
- Red: mixed use allocation

5.17 Employment allocation and priority employment areas are noteworthy as some are situated quite close to the town centre and may influence the level of demand for housing in or close to the town centre.

Map 5.2 Kirklees local plan allocations near Huddersfield town centre



Source: Kirklees MDC

5.18 The allocated housing sites (HS) and mixed-use sites (MXS) immediately adjacent to the town centre area identify a potential 135 additional dwellings:

- MXS2 Land East of Southgate, Huddersfield 2.67 Ha. 46 dwellings;
- MXS4 Land North of Trinity St. Huddersfield 2.44 Ha. 45 dwellings; and
- HS42 Land South of Cambridge Road, Huddersfield 1.27 Ha. 44 dwellings.

6. The local economy

Impact of the university

6.1 It is important to put into perspective the impact of the university on the local housing market and the local economy.

6.2 In 2019, arc4 undertook a student survey on behalf of Leeds City Council. The unpublished report was called *'The social and economic impact of student living in Leeds 2019'.* Relevant findings were:

- students on average spent around £400 per month on accommodation;
- nearly half of all students spent £26 to £50 per week on food and 35% spent £25 or less;
- 59% of students spent £1 to £25 per week on alcohol with 16% spending £26 to £50. Nearly one quarter stated that they did not drink alcohol;
- 32% of students did not spend money on take-away food. However, £57% stated that they spent between £1 and £25. Nearly half of students only ordered one takeaway meal per week on average;
- when buying food, students stated that cost, quality and healthy food were all factors taken into consideration when making choices;
- regarding social activities, nearly 40% of students spent between £1 and £25 on nightclubs, pub outings, cinema, concerts or sport. All students had some spend in these places;
- 46% stated that they attended more than one social event the previous week. 92% of students walked to their social event; and
- 63% of students spent between £1 and £25 on non-food items such as clothes and games. 13% stated that they spent nothing. 82% of students shopped in Leeds city centre for these items.
- one third of students told us that they had a part time job. Most worked under 23 hours per week.
- post university plans were investigated. Around 20% told us that they planned to remain in Leeds. 14% stated that they planned to take a gap year and 18% stated that they planned to further their studies.

6.3 Mid-point estimates of spending patterns and estimated student numbers enabled us to broadly estimate the level of spend in the local economy. We have adjusted the following findings on the basis that Huddersfield has approximately 25% of students compared to the total in Leeds' 4 universities.

- the value of spending on social life, food, clothing and miscellaneous items is around £47m per year; and
- similarly, the specific spend on alcohol and takeaway food is around £11m which should be regarded as part of the £47m total spend.

6.4 Other spending such as tuition fees and some accommodation fees are paid to the university. Other accommodation fees are paid to landlords, whether private rented sector or purpose built student accommodation (PBSA) landlords. These have indirect impacts on the economy resulting in employment and supply spending, which is wider than city centre spending. Crude calculations would suggest that fees and accommodation are above £250m.

6.5 Tables 6.1, 6.2, and 6.3 summarise information published by HESA (the Higher Education Statistics Agency.

6.6 Table 6.1 shows that, over the last 4-years, student numbers attending the University of Huddersfield have declined.

6.7 Table 6.2 estimates the gross value of academic staff salaries at over £43m p.a. In addition, there will be wages and salaries of support staff as well as other inputs to the local economy such as use of public transport, car parking charges, business rates, local purchasing.

6.8 Table 6.3 shows that there is around 15.7% of staff turnover, which may have some impact on demand for housing.

Table 6.1	Student numbers and domicile									
Year	England	Scotland	Wales	Northern Ireland	Other UK	Total UK	Other EU	Non-EU	Total Non-UK	Not known	Total
2014/2015	16,175	35	100	50	40	16,400	890	2,335	3,220	0	19,620
2018/2019	13,930	25	105	35	20	14,115	550	2,630	3,180	0	17,295
Difference	-2,245	-10	5	-15	-20	-2,285	-340	295	-40	0	-2,325

Source: HESA

Table 6.2	Full time academic staff salary levels						
Salary range	< £19,202	≥ £19,202 and <£25,482	≥ £25,482 and <£34,189	≥ £34,189 and <£45,892	≥ £45,892 and <£61,618	≥ £61,618	Total
Number of staff	0	0	45	270	320	125	760
Salary mid-point			£34,189	£45,892	£61,618	£80,000*	
Estimated cumulative cost			£1,538,505	£12,390,840	£19,717,760	£10,000,000	£43,647,105

Source: HESA (*estimated)

Table 6.3	Academic staff starters and leavers		
Total academic staff 2017/18	Starters	Leavers	Total academic staff 2018/19
920	155	145	925

Source: HESA

Economic outlook

6.9 Data published by Statistica.com was accessed regarding the retail and hospitality sectors, as these are the sectors most prevalent in the town centre. We consider that this national data applies. Our walk through of the town centre revealed long term closures of independent stores, the closure of the George Hotel and other stores e.g. Laura Ashley in the process of closing (summer 2020).

Table 6.4 Number of job losses and store closures in the retail sector in the United Kingdom (UK) as of March, 2020

	Administration	Rationalisation**	Totals
Specific redundancies & rationalisation	-	3,860	3,860
Multiples: stores closed	272	694	966
Multiples: jobs lost	6,155	6,974	13,129
Self-employed/concessions in larger shops	190	390	540
Independent store closures	484	409	893
Independent job losses	2,066	1,915	3,981
Total job losses	8,371	13,139	21,519
Total store closures	756	1,103	1,859

Source: Statistica.com

Table 6.5 Average share of sites across the hospitality industry predicted to re-open after the coronavirus (COVID-19) lockdown in the United Kingdom (UK) 2020*

Hotels	85
Pub restaurants	79
Wet-led pubs	77
Bars	76
Restaurants	71
Late night outlets	69

Source: Statistica.com

Tables 6.4 and 6.5 show that multiples and late-night outlets are particularly vulnerable.

7. Bringing the evidence together and findings

7.1 The socio-economic profile of the town centre is not typical of Kirklees as a whole, however, it is typical of many town centres. Predominant features are:

- the retail and hospitality sectors;
- low wages;
- flats rather than houses; and
- rented housing rather than home ownership.

7.2 What makes Huddersfield distinctive from other large towns is the presence of its university, which is in close proximity to the town centre. We have demonstrated the massive effect this has on the economy of the town centre and its housing market.

7.3 The central issue is that households that currently live in the town centre and the immediate area are either unable to afford any form of market housing whether rented or owner occupied or are students. It is noteworthy that the town centre has a higher proportion of affordable housing when compared to Kirklees as a whole.

7.4 Therefore, unless affordable housing is built on the allocated sites close to the town centre, the potential for growing the town centre population comes from outsiders.

7.5 The allocated sites were visited in the course of this study as was the town centre itself. Two are mixed use sites and, according to the site allocation policy, could yield around 135 new homes. During our observations we noted two matters in particular. Firstly, the potential of the Southgate site, noting in particular that Crown House is now vacant and repurposing it, or the site, could provide a major opportunity for town centre living. Whilst acknowledging that our remit is to describe the need for additional housing, we were struck that that the opportunity has not been taken to provide a waterside residential setting alongside the Huddersfield Broad Canal to the east of the Southgate site. Waterside housing has been key to the success of housing development in Leeds and Manchester. Secondly, we were struck by the potential for making better use of space in the town centre itself by repurposing shops and other redundant buildings and establishing high quality residences above shops and commercial buildings. We saw evidence of this opposite the railway station and there is considerable scope for more.

7.6 However, we have established that key workers and low-income households, where there is more than one adult working full time, can afford entry level market prices. The challenge is to create a housing offer that attracts them into the area as the current offer is predominately small flats unsuitable for families.

7.7 Key workers are becoming a group that is attracting public policy attention. Our concern that the definition of key worker might be drawn too narrowly. For example, the Covid 19 epidemic has rightly focussed more attention on health care, teachers, social workers, armed forces and police but the importance has been recognised of essential shop workers, care workers, childcare and cleaners. If we add to this the economic importance of university academic and support staff, we would suggest that there is a significant audience for good quality town centre living in an attractive well connected and safe town centre.

7.8 We consider that a specific town centre housing strategy is needed. The aims of the strategy could be:

- diversifying the profile of households living in the town centre;
- diversifying the housing tenure available to people seeking to live in the town centre;
- creating a task force to re-purpose redundant or unused space to either directly provide good quality housing accommodation or create sites for new build;
- re-define key workers in terms of those occupations that contribute to the economy or quality of life in the town centre;
- ensure that these groups are targeted in marketing newly available accommodation;
- ensure that incentives such as discounted sale and the government's emerging First Home scheme are embraced by housebuilders; and
- bring together the major employers in the town (public and private sectors) as well as existing regeneration agencies to ensure that the town centre housing strategy and other strategies and investment are aligned.