
Dewsbury Town Fund Investment Plan

Socio-economic assessment of Dewsbury

24 September 2020

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Status: Final

Date: 24 September 2020

For and on behalf of Avison Young (UK) Limited

1. Executive summary

- 1.1 Dewsbury has a long, vibrant history at the heart of West Yorkshire and its incredible industrial heritage. But sadly, the town has – alongside many others in the north and midlands and on the coast – experienced a relative decline in the face of the changes experienced by the UK economy over the past few decades.

The wider economic context for Dewsbury

- 1.2 This is a particularly difficult time to tackle the regeneration of Dewsbury:
- Coming into 2020, the UK had experienced only a slow recovery from the last recession in 2008/09 – productivity growth was at historically low levels, wages were stagnant for many and much of the growth had been concentrated in London and the South East.
 - Dewsbury is part of the West Yorkshire City Region, one of the areas of the country that has grown more slowly than average.
 - the City Region has many assets and economic strengths, but has below-par productivity, incomes and skill levels.
 - Kirklees district has the lowest productivity in West Yorkshire (alongside Bradford) and the lowest wages in the City Region.
 - and now, in addition to the huge toll on public health from Covid-19, the town faces the challenges of recovery from the economic impact of the pandemic.

Dewsbury's businesses and economy

- 1.3 All available evidence suggests that the town's business base has even lower productivity and wage levels than other parts of Kirklees:
- of the 26,000 jobs located in the town, 22% (6,000) are in manufacturing, almost three times the UK average. Most are in lower value-added sectors, with a particular cluster in furniture;
 - Dewsbury is a logistics hub, with 15% of jobs in wholesaling, three times the national average – also not generally a highly-paid industry; and
 - the town has few businesses in the types of service industries that are growing rapidly across the UK and which offer many higher-paid jobs, such as finance, IT and professional services.

Dewsbury's people

- 1.4 Dewsbury is among the 10% most deprived towns in England. Many of its residents face worryingly high levels of deprivation and ill-health, while skill levels and incomes are also below average:
- the town has a growing population, currently standing at over 66,000. Residents are on average younger than elsewhere, while 37% are of south Asian origin.
 - over a quarter of the population (26%) live in neighbourhoods that are classed as being in the most deprived 10% of all those in England, two-and-a-half times the national level.
 - relative deprivation is severe in almost all aspects of life: education, crime, employment, incomes and the quality of the local environment. Only in relation to access to housing and local services is Dewsbury less deprived than average.
 - the health of residents is poor, with local healthy life expectancy three years below England as a whole.

- the available evidence suggests that fewer Dewsbury residents have degree-level qualifications and more have no qualifications at all, compared to the rest of Kirklees and to UK averages.
- fewer residents work in managerial and professional posts, while more are employed in routine process/machine work and elementary jobs, compared to the rest of the UK.
- average household incomes in Kirklees are just 80% of the UK average. The available evidence suggests that incomes in Dewsbury are up to 10% below the district average.

Dewsbury as a place to live and work

- 1.5 Dewsbury is extremely well located in relation to local, regional and national road and rail networks, but the town centre has been in serious decline, particularly since the recession of 2008/09:
- most employers in Kirklees see the local transport network as an advantage for their business, but half believe connections are worse than other parts of West Yorkshire.
 - as a result of its good transport connections, it is easy for residents to travel to jobs outside the town and for people to commute to work in Dewsbury from elsewhere. Overall, 2,000 more people travelled into the town each day to work in 2011 than commuted outwards. Little more than one-third of residents (7,500) both lived and worked in Dewsbury. The remainder worked either elsewhere in Kirklees or outside the district, including 3,400 who worked in Leeds. Residents who commute outside the district on average earn higher salaries than those employed locally.
 - prior to the pandemic, the town centre had seen a dramatic drop in footfall, including a loss of 50% of visitors on Saturdays over the past 20 years. The Council estimated that footfall in Dewsbury fell by a further 75% at the height of the lockdown.
 - important anchors such as Marks & Spencer and McDonald's have closed, and shoppers have the choice of using the retail malls just outside the ring road or the nearby centres in Leeds and Wakefield.
 - the town centre has retained much of its high-quality architectural heritage, but 30% of properties were vacant in 2019.
 - there are few restaurants and leisure or entertainment opportunities in the town centre, and a lack of evening activity.

The future of Dewsbury

- 1.6 There is, of course, great uncertainty over the future because nobody can predict the path of recovery from the economic impact of Covid-19, and especially whether towns such as Dewsbury will be better or less well-placed in the new economy that emerges over the next few years.
- 1.7 Nevertheless, there are opportunities that can be taken to turn around the fortunes of Dewsbury and its residents:
- it enjoys a great location, easily accessible to a large surrounding population.
 - it has a young, growing population with many Asian residents that can help revitalise the town centre.
 - there is a strategic commitment from the Combined Authority as well as the local council to develop the North Kirklees Growth Zone, bringing more jobs to the area and thousands of new residents who should see Dewsbury as a natural destination for shopping and leisure activities.
 - there is a strong commitment from Kirklees Council and local stakeholders to the regeneration of the town.
 - the government has established the Towns Fund as a means to kickstart investment in Dewsbury and other towns across England.

- 1.8 Through the Towns Fund, government will make available £3.6 billion to support projects that will regenerate 101 towns as part of its strategy to level up communities across the country. Dewsbury is one of the towns invited to bid for funding
- 1.9 Under the government's guidelines, projects put forward by the Dewsbury Town Deal Board should aim to deliver long-term economic and productivity growth through a concentration on three aspects of regeneration:
- urban regeneration, planning and land use;
 - skills and enterprise infrastructure; and
 - digital and physical connectivity.
- 1.10 To maximise their impact in view of the challenges and opportunities facing the town, we recommend that the Towns Fund Investment Plan for Dewsbury should put forward proposals that both conform to these three headings and which will also promote and accelerate development in the three key areas of:
- supporting the creation of extra economic activity in the town;
 - enabling local residents to develop the appropriate skills to take advantage of new job opportunities; and
 - enhancing the accessibility and appearance of the town centre to ensure it becomes a more attractive place for people to do business, to shop or to pursue leisure activities.

SWOT Analysis

- 1.11 As part of the Council's 2018 Strategic Development Framework for Dewsbury, a SWOT analysis of the town centre was carried out. This SWOT analysis is shown overleaf and has been updated to account for recent activity and the pandemic.

<p>STRENGTHS</p> <ul style="list-style-type: none"> • Good public transport links –Trans Pennine rail and local bus routes. • Location – good access to M1/M62. • Built Heritage - Architecture visually attractive. • The Market – large and important to the town. • Significant catchment – 64,000 (Zone 8 Retail Study) with wider potential. • Occupancy of retail sheds south of ring road – shows there is demand. Public realm (paving & street furniture) generally good. • A young and diverse population 	<p>WEAKNESSES</p> <ul style="list-style-type: none"> • High levels of vacant/underused buildings. • Poor image – visually unattractive in parts, rundown buildings, vacant sites. • Lack of private sector investment. • Lack of significant evening economy e.g. – lack of restaurants in Town. • Market declining. • Car Parking – location, perception that too expensive. • Ring road discourages pedestrian trips from outside the ‘ring’. • Not enough to keep people in town. • Business confidence low. • Fear of crime/Anti-Social Behaviour. • Perceived lack of positive promotion of Dewsbury • Public resources constrained. • Generally low-income levels in immediate catchment.
<p>OPPORTUNITIES</p> <ul style="list-style-type: none"> • Population growth – young population, NKGZ – 3,000 New Homes in the catchment by 2035. • Town centre living - HAZ funds secured for Daisy Hill. • Pioneer House (reuse by College)- increase in Student Numbers/footfall. • Development of leisure offer. • Attractive Arcades but under-utilised, esp. The Arcade. • Small Business set up opportunities. • Yet untapped local customer base, also wider catchment. • The Market. • New ‘can do’ investors. • New owner of Rishworth/Railway Street retail park. • Potential Schemes for enhancing public realm. • River corridor • Capitalising on the rise of flexible working post Covid – Dewsbury offers local hubs, connectivity and amenity to support flexible workers. • Developing the creative and cultural sector offer with music and arts at the forefront (Bidding for UNESCO Creating City of Music status) 	<p>THREATS</p> <ul style="list-style-type: none"> • Doing nothing. • Competitors, e.g. out of town/local centres, internet grow stronger. • Further growth of retail to south of the traditional town centre. • Lack of delivery on key projects/initiatives. • Downward spiral -businesses closing down, more empty shops. • Established businesses leave replaced by lower quality. • Loss of comparison retail in traditional town centre.

2. Introduction and structure of report

- 2.1 This report presents a socio-economic assessment of the town of Dewsbury. It forms a key building block for the Dewsbury Town Investment Plan and the Town Deal to be agreed with government that will help to regenerate the local economy.
- 2.2 This short introduction sets out the aims of the government's Towns Fund and how the economic assessment fits into the process to agree a Town Deal, before describing the structure of the report.

Towns Fund aims and objectives

- 2.3 In November 2019, the government launched the £3.6 billion Towns Fund. Dewsbury was one of 101 towns in England to be invited to bid for funding to support projects that will regenerate the town as part of its strategy to level up communities across the country.
- 2.4 The government set out guidance on the process in its initial Prospectus in 2019, updated in June 2020.
- 2.5 The intention is to agree a Town Deal for each locality, in which the financial support from the Towns Fund provides core public sector support for projects that may also use additional funding from the private sector or from other parts of government.
- 2.6 Deals are to be agreed by a Town Deal Board – the members of the Board for Dewsbury are now in place. The Board will develop a Town Investment Plan, setting out the case for the proposed capital investment projects so that they can be assessed by government and formal agreements signed.
- 2.7 Projects should aim to deliver long-term economic and productivity growth through a concentration on three aspects of regeneration:
- urban regeneration, planning and land use;
 - skills and enterprise infrastructure; and
 - digital and physical connectivity.
- 2.8 Investment should support clean growth wherever possible, or at least not conflict with the government's commitment to net-zero carbon emissions.
- 2.9 The impact of Covid-19 has been felt by all towns, and government has extended the timetable for submission of Town Investment Plans in recognition of the challenges facing those involved. However, government does not wish to change the focus of the Fund, nor the types of projects that will be supported. Boards are now being asked to set out in their Investment Plans the ways in which Covid-19 is affecting their local economy, and how this is being reflected in the strategy and priorities.

The Town Investment Plan and the role of the socio-economic assessment

- 2.10 As the lead council and accountable body for the Dewsbury Town Deal Board, Kirklees Council commissioned Avison Young to support it in preparing the Dewsbury Town Investment Plan in May 2020.
- 2.11 While the scope and timing of the work have been amended somewhat to take account of the government's revised guidance published in June, the main components of the work remain essentially unchanged from those set out in the project brief:
- to undertake a baseline socio-economic assessment of Dewsbury to highlight the area's strengths and weaknesses;
 - to consult with key stakeholders in the preparation of the Town Investment Plan;
 - to work with the Town Deal Board and other key partners to develop a shared vision and objectives for Dewsbury; and

- to prepare a prioritised list of projects to comprise the Investment Plan, according to government guidelines, to be agreed by the Board.
- 2.12 The purposes of the baseline socio-economic assessment, as set out in the Avison Young project proposal, are to:
- assess the past and current economic performance and socio-economic characteristics of the town and the wider North Kirklees Growth Zone;
 - compare this performance to other areas in order to determine the scale of the task ahead; and
 - determine the drivers of both under-performance and of success in the local economy in order to devise interventions that will have the greatest impact.
- 2.13 Emerging from this analysis will be a picture of the socio-economic factors that drive the Dewsbury economy, of the main problems that need to be tackled and of the key opportunities that can be exploited in order to deliver successful regeneration.
- 2.14 Some of these will be beyond the scope of the Towns Fund and will require interventions from local, regional and central government. But the assessment will enable the Town Deal Board to set out the criteria by which investments supported by the Fund can be chosen to make the biggest impact.

Structure of the report

- 2.15 The next section describes the methodology used to prepare the assessment and the scope of the work in terms of the definition of the geographical area used as the boundary of Dewsbury for the Towns Fund. Section 4 provides a profile of the population of the town.
- 2.16 Sections 5 and 6 presents an examination of the wider economic context of the UK, West Yorkshire and Kirklees economies and the impact of Covid-19, as we know it at the time of writing. This is followed by Sections 7-11, which examine in turn various aspects of the socio-economic characteristics of Dewsbury: the business base; transport and connectivity; deprivation and health; skills, education and employment; and the state of the town centre and local property market.
- 2.17 Finally, Section 12 summarises existing regional and local regeneration strategies affecting Dewsbury before setting out some initial policy recommendations for the future regeneration of Dewsbury.

3. Methodology and scope of the report

3.1 This section sets out how we assembled the data to use in the assessment, some of the factors to be aware of in interpreting the results, and the particular geographical areas covered in the report.

Data assembly

3.2 This socio-economic assessment is a piece of secondary research – in other words, it is based upon data already available from other sources and not upon any original survey work done by us.

3.3 In assembling the data, we have used a wide range of sources. The main providers are the government's official statisticians, the Office for National Statistics (ONS), and Nomis, a website that contains many additional official datasets for smaller geographical areas.

3.4 Kirklees Council staff have provided data from the Kirklees Observatory for Dewsbury and the North Kirklees Growth Zone. They have also passed on information on town centre footfall, transport and commuting patterns, and a wide range of background documentation and statistics.

3.5 Additional background information and business data were provided by staff at the West Yorkshire Combined Authority.

Data analysis and interpretation

3.6 In general, the smaller the geographical area, the less reliable is the available statistical information.

3.7 Apart from the Census taken every ten years and the records of all those in receipt of particular state benefits, the socio-economic information we have about our country is calculated by estimates and surveys. For smaller geographical areas, such as local authorities or towns, the sample size for economic surveys can be small, and therefore the estimates produced can have a wide margin of error.

3.8 We have used our experience in economic analysis to interpret carefully the figures reported here for Dewsbury, the North Kirklees Growth Zone (NKGZ) and for Kirklees Council area in order only to draw attention to trends and figures that we believe to be significant or that show genuine differences from other areas.

3.9 Having assembled the data, the next key step is to compare how Dewsbury stands against Kirklees Council as a whole and against other areas of West Yorkshire, both at present and over time.

3.10 The key factors that drive local economic performance include:

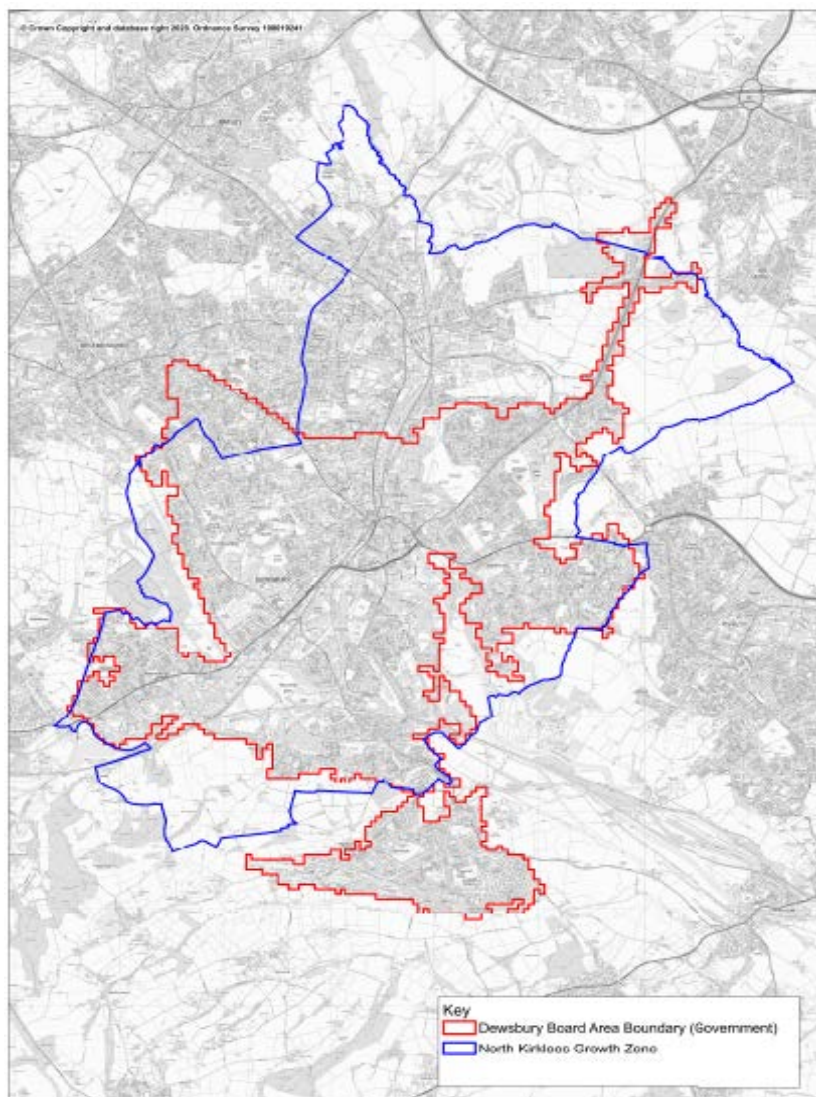
- For the people of Dewsbury – the supply side of the local economy – their skill levels and state of health are among the vital factors determining their life chances. We therefore examine data on skills and educational attainment, deprivation and health in relation to levels across Kirklees and the rest of the country.
- In relation to economic activity – the demand side – the number and success of local private businesses is vital to the town. We examine the structure and performance of Dewsbury companies and how it compares to other areas.
- Good infrastructure and public realm do not in themselves guarantee economic prosperity, but they are an essential foundation. The report looks at the quality of local transport and digital infrastructure in comparison to other areas, as well as considering developments in the town centre over recent years.

3.11 We have been able to obtain a wide range of data covering the people and businesses of Dewsbury, which we place at the centre of the analysis. Some measures are not available for the town specifically, and here we look at figures for Kirklees district instead.

- 3.12 Comparisons are made, wherever possible, with West Yorkshire and/or the country as a whole so that we can give a sense of where Dewsbury stands in relation to regional and national averages. This provides a sense of the scale of the challenges and opportunities facing the town.

The geographical scope of the assessment

- 3.13 The focus of the analysis is the town of Dewsbury. In the highly built-up conurbation of West Yorkshire, it can be difficult to determine the precise boundaries of each town. For the purposes of the Town Investment Plan, the government has recommended that we use the Dewsbury Built-up Area as defined by ONS in 2013.
- 3.14 The ONS map was based on Ordnance Survey grid squares, which do not correspond to any statistical boundary. We have therefore, in agreement with Kirklees Council, used neighbourhoods (known as Lower Layer Super Output Areas, or LSOAs) to build up the 'best fit' to the ONS definition. In terms of total population, our boundary is a very close fit to that from ONS.
- 3.15 In the analysis below, any information for Dewsbury sourced from ONS or Nomis uses the government's boundaries for the town, while the data from the Kirklees Observatory are based on our own boundaries.
- 3.16 The town centre of Dewsbury, which is the focus of the analysis of pedestrian footfall and the commercial property market, is a much smaller area bigger than the Built-up Area.
- 3.17 Another geographical area used in the analysis is the North Kirklees Growth Zone. This is an area designated by the Council as a target for growth and regeneration and is a strategic priority area in the economic strategy of the West Yorkshire City Region. The Growth Zone is comprised of the electoral wards outlined in blue in the map below.



4. Dewsbury: population profile

- 4.1 Dewsbury is the second biggest settlement in Kirklees district after Huddersfield, with a population of over 66,000. Residents are younger, on average, than in other parts of the district, and more likely to be of Asian ethnicity.
- 4.2 The population of Dewsbury¹ in 2018 was 66,500, according to the ONS, an increase of 5% since 2011. This is slightly faster than the increase of 4% for Kirklees as a whole over the same period, and is in line with the rate of growth across England. According to the 2001 Census, Dewsbury's population then was 59,100, meaning that the town grew by 12.5% between 2001-18, also in line with the overall change across England.

Table 1: Dewsbury population change 2011-18

	2011	2018	Change, 2011-18	
			No.	%
Aged 0 to 15	15,600	16,300	700	4%
Aged 16 to 64	39,900	41,500	1,700	4%
Aged 16 to 29	12,900	12,500	-400	-6%
Aged 65+	7,600	8,700	1,100	14%
All Ages	63,100	66,500	3,400	5%

Source: ONS

- 4.3 Dewsbury residents in 2018 were somewhat younger than in the rest of Kirklees. Around 43% were under 30 years of age, above the figure of 38% for all Kirklees residents. As the table shows, however, the trend in recent years has been towards an ageing population in the town, with a rapid increase in over-65s and a drop in the numbers aged 16-29.
- 4.4 The 2011 Census showed that 62% of Dewsbury residents were of white ethnicity and 38% non-white, which compared to 79% and 21% respectively across Kirklees as a whole. There has been an increase in the town's non-white population since the previous decade. In 2001, the Census showed that 73% of Dewsbury's residents were white and 27% non-white.
- 4.5 The non-white population is predominantly of Asian origin, accounting for 36% of Dewsbury residents in 2011. This compares to 16% of the Kirklees population that were of Asian origin. A further 1% of Dewsbury residents were of mixed Asian and white ethnicity.
- 4.6 One-third (34%) of Dewsbury residents in 2011 said they were of the Muslim faith.
- 4.7 Kirklees district's population was 440,000 in 2019, up by 21,000 (+5%) since 2010 and by over 50,000 (13%) since 2001.
- 4.8 Over the decade to 2018, on average, Kirklees gained 1,200 new residents from international migration each year, but lost 700 from internal migration to other parts of the UK, a net gain of around 500 annually. The bulk of the district's total population increase therefore stemmed from natural increase (that is, a greater number of births than deaths).

¹ The boundary of Dewsbury used in this report, unless otherwise stated, is the Built-up Area defined by ONS, as described in Section 3 above.

5. The wider context: Economic growth and productivity

5.1 In determining the best approach to the regeneration of Dewsbury, it is important to recognise that the town's people and businesses do not live and work in isolation from the rest of the country. The town exists in the wider context of the Kirklees, West Yorkshire and UK economies. Many of the trends that affect Dewsbury – whether positive or negative – are the result of events and trends that are national or even international in origin. The Covid-19 pandemic is just the latest and most obvious example of this interdependency.

Key points:

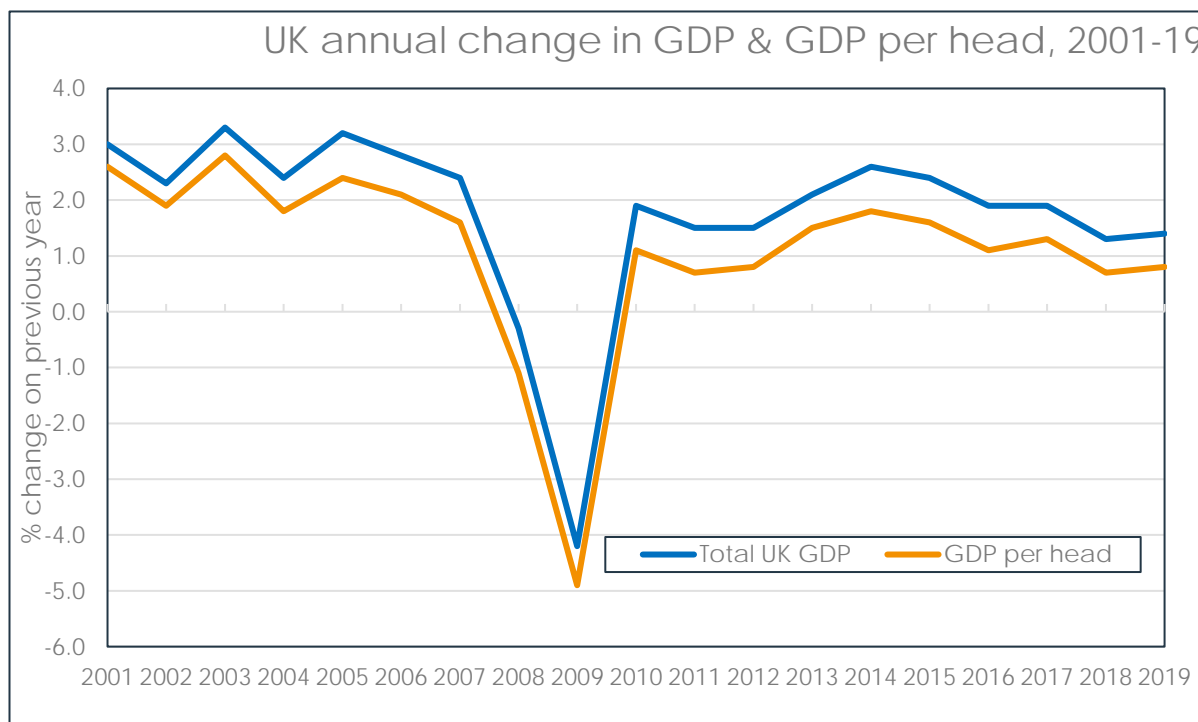
- *Following a period of sustained and rapid expansion, the UK was badly hit by the recession of 2008/09. Following that economic decline, the economy then experienced steady growth for nearly ten years, but the pace of recovery has been slow by historical standards.*
- *The main source of economic growth over the last decade has been the rise in employment, whereas the rate of growth of productivity has been at a historic low. As a result, living standards for many have stagnated. Average wages in 2018 were lower than they were in 2004.*
- *Productivity levels in West Yorkshire are comparable to some other city regions, but lag well behind the national average. Importantly, West Yorkshire has not been closing the gap on these indicators. As a result, household incomes are well below UK averages.*
- *Productivity in Kirklees was just 78% of the UK average in 2018, on a par with Bradford as the lowest in West Yorkshire.*
- *Gross disposable household income per person in Kirklees in 2017 was £15,500 per year, close to that for West Yorkshire as a whole, but just 80% of the UK average of £19,500.*
- *In terms of overall average household income, unofficial statistics suggest that Dewsbury residents' income is around 90% of the Kirklees average.*

5.2 This is a particularly difficult time to address the regeneration of Dewsbury. Not only is the town part of a district and City Region where productivity and incomes are well below UK averages, but it also faces the increased economic uncertainty created by Covid-19. The economic impact of the coronavirus is addressed in the next chapter.

UK growth and productivity

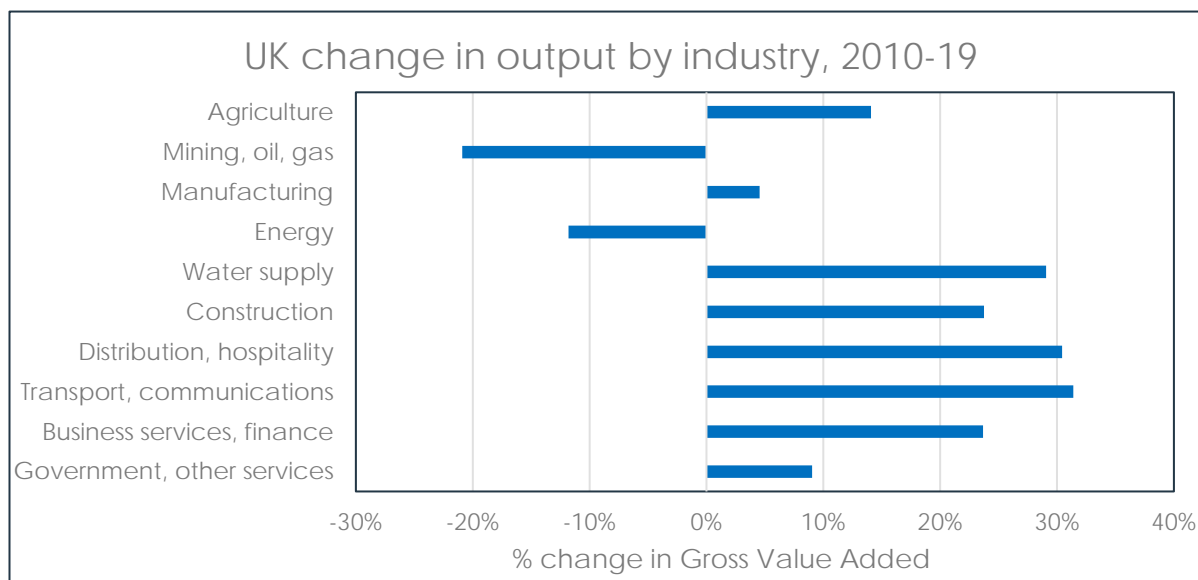
5.3 For a period of 15 years, starting in the mid-1990s, the UK enjoyed sustained and relatively fast economic growth. For example, in the period from 2001-07, the economy enjoyed annual average growth of 2.8% each year. Allowing for population growth, the rate was 2.2% per person per year.

5.4 The country – along with the rest of the developed world – was then hit with the recession of 2008/09. Following the recession, growth has been steady, but much slower than recoveries from previous recessions. Economic growth averaged 1.9% per year in total from 2010-19, and just 1.1% per head of population, half the earlier rate.



Source: ONS

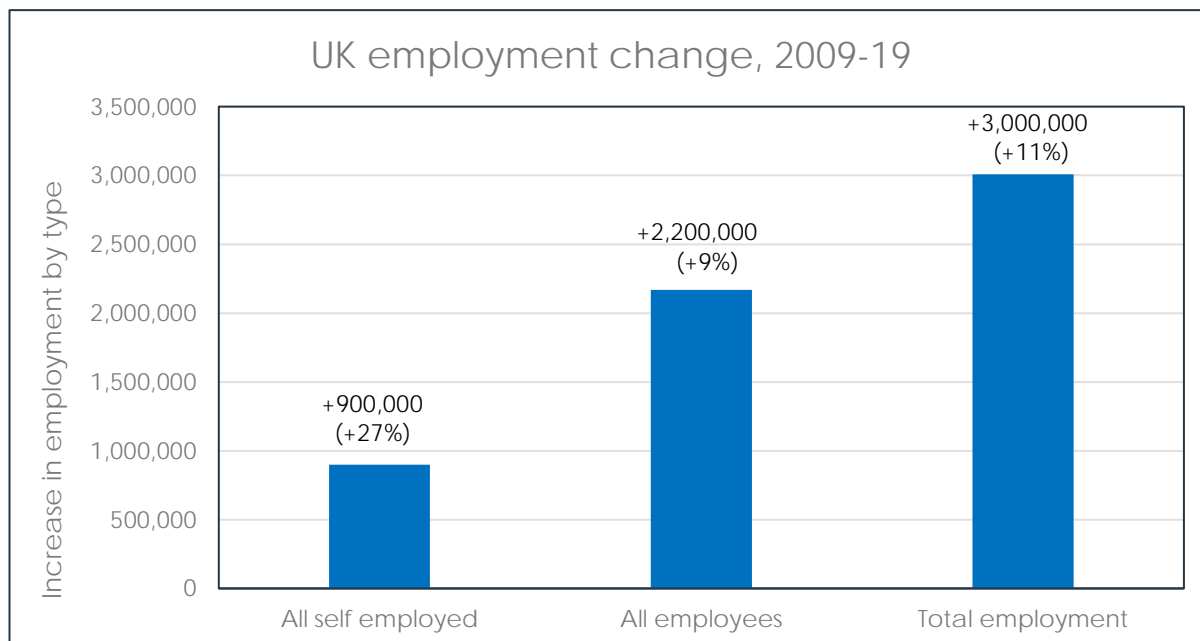
5.5 Growth since 2010 has been uneven across different industries. Services make up the vast majority of economic output in the UK, and they have seen the biggest increases in output – distribution & hospitality and transport & communications grew the fastest, but business services & finance and government & other services also expanded. Construction also performed strongly, but manufacturing output grew only slightly over the period.



Source: ONS; author's calculations

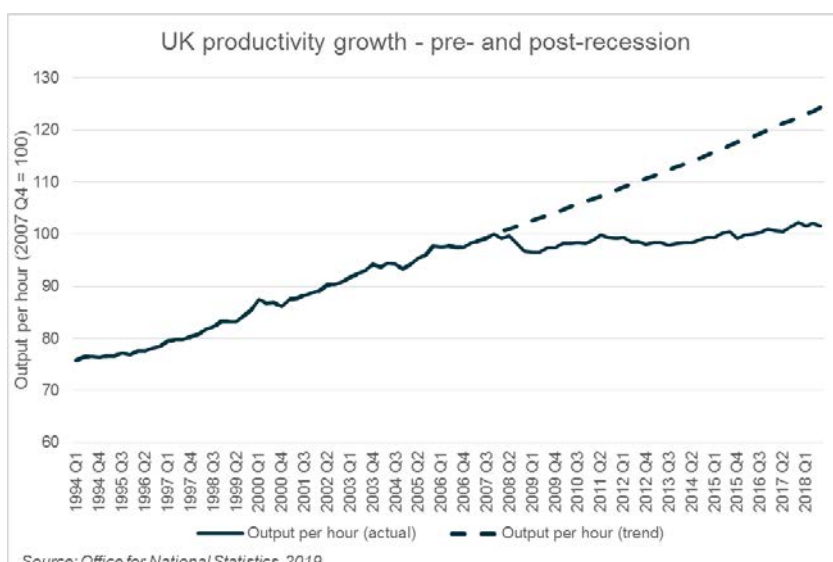
5.6 An economy increases economic output in two ways: growth in the number of people in work, or greater efficiency of the people in work (that is, higher productivity). Most of the UK's increase in economic output of the last decade has stemmed from rapid job growth rather than higher productivity.

5.7 In 2019, there were 3 million more people in work (+11%) than in 2009. Perhaps the most significant change in labour market has been growth of self-employment, up by 900,000 (+27%) since 2009.



Source: Annual Population Survey via Nomis; author's calculations

- 5.8 As the job market tightened during the 2010s, there was some improvement in the quality of jobs available – part-time employment stabilised, full-time jobs grew, and fewer people were in part-time or temporary work against their wishes. Even so, the numbers on zero-hours contracts reached a peak of almost 1 million at the end of 2019, around 3% of all people in employment.
- 5.9 Productivity growth, however, has been much slower post-recession than the trend pre-2008. Productivity is the efficiency of businesses and workers – best measured by output per hour worked or output per worker.
- 5.10 Historically, productivity has grown in the UK at about 2% per year, but the ONS calculates that the increase in the decade since the recession has been less than a quarter of what it was in the ten years prior to the downturn.



Source: Office for National Statistics, 2019

- 5.11 Research from the Bank of England² suggests that the UK's best companies are often world class. Productivity levels and growth rates among the best-performing firms in all industries are competitive with the best in France and Germany, for example, even since the recession. The UK has a university system, an R&D infrastructure

² A. Haldane, *The UK's Productivity Problem: Hub no Spokes*, speech, June 2018.

and a venture capital network that supports successful start-ups and innovation in all parts of the country and in all industries.

- 5.12 The Bank suggests that the UK’s productivity problems lie in those firms outside the top 1%. Around half of all UK companies had no increase at all in their productivity between 2004-14. And the proportion of low productivity and poorly-performing firms seems to be higher in the UK than in France and Germany. Moreover, some firms that were doing well before the recession have since stagnated. In short, the UK appears to have a longer ‘tail’ of low productivity firms than other countries, and this tail has become even longer since the crash.
- 5.13 A country’s productivity performance is widely agreed to be the main factor that determines everyone’s living standards over the medium and long term.
- 5.14 The UK’s sluggish productivity growth has been a major factor in the relatively flat wage levels of the past decade – average wages (as measured by the median) in 2018 were lower than they were in 2004.

UK regional inequality

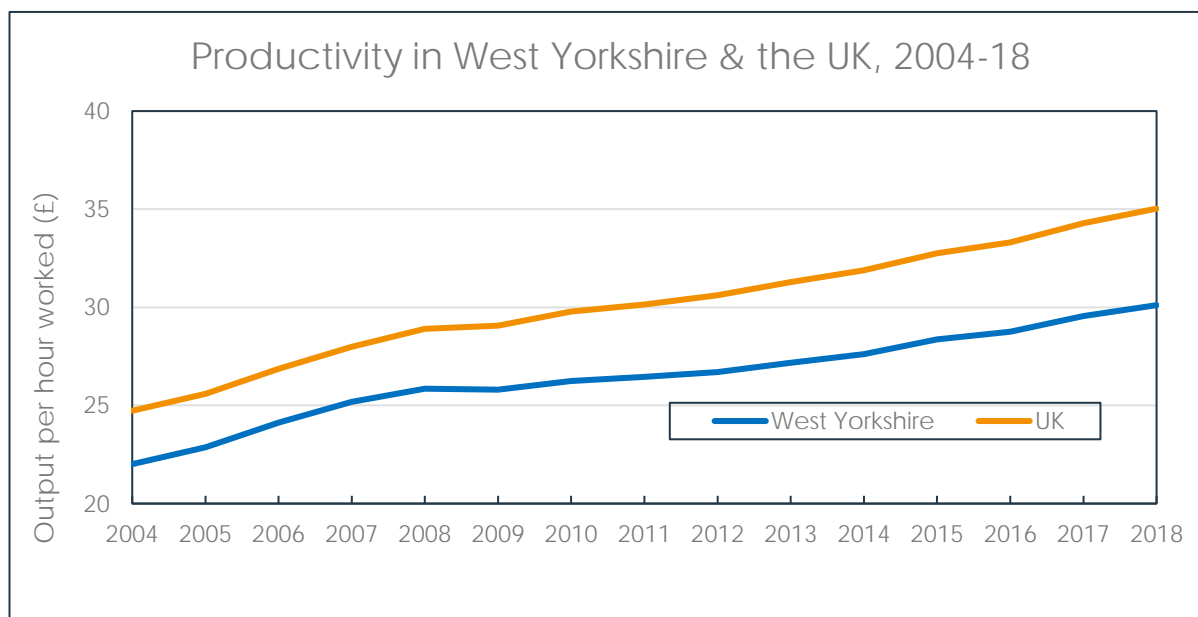
- 5.15 Another element of the UK’s economic performance that affects living standards is regional economic inequality. The UK has the widest regional disparities in Europe, and the UK’s map of relative prosperity has remained little changed for decades, despite many differing policy approaches to this problem.
- 5.16 While London is not uniformly prosperous, average income levels in the capital are more than 75% greater than in Wales, the poorest area of the UK. Moreover, London is the only region that has seen incomes rise relative to the UK average since 2009, whereas incomes in all other parts of the country have dropped back relative to the average.



Source: ONS

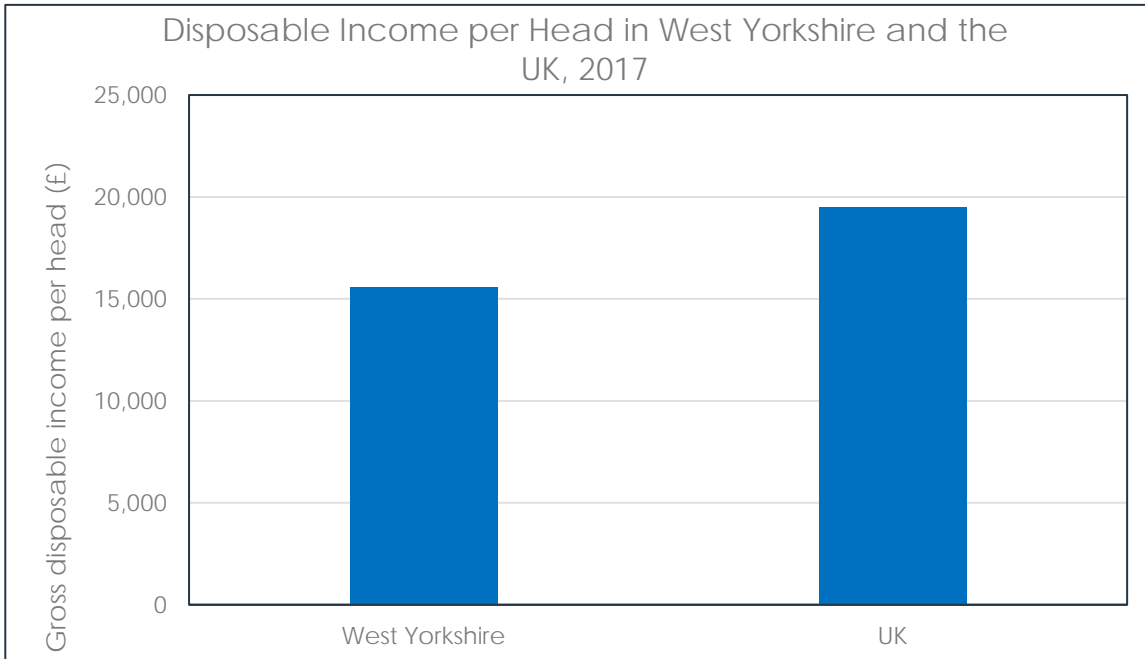
Productivity and incomes in West Yorkshire

- 5.17 Dewsbury and Kirklees are part of the West Yorkshire City Region, five districts forming an interconnected economy for living, work and leisure. The West Yorkshire economy is the immediate context in which the firms and people of Dewsbury and Kirklees as a whole make a living.
- 5.18 Looking at the vital indicator of productivity, West Yorkshire lags a long way below the UK. In 2018, City Region productivity was just 86% of the national level, and this gap has widened since the start of the recession.



Source: ONS

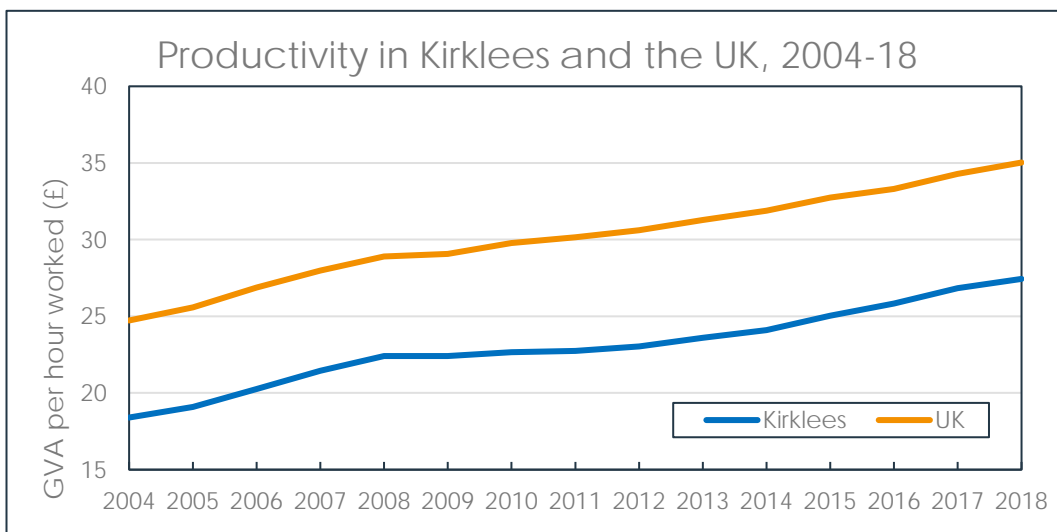
- 5.19 London's status as a global city means it has very high levels of productivity with which few other parts of the UK can compete, and which can even distort the national average. It is often more useful, therefore, to compare performance against other City Regions or against a measure of the UK excluding London.
- 5.20 In 2018, West Yorkshire productivity stood at 6% below the level of the UK excluding London. The City Region trails behind both Birmingham and Bristol city regions, which each have productivity above the UK average excluding London. However, West Yorkshire productivity is a little above Sheffield and Derby/Nottingham, and similar to levels in Manchester, Liverpool and the North East.
- 5.21 In terms of the growth of productivity in West Yorkshire over time, the City Region has performed well in comparison to other City Regions in England in that recent period since 2012 – only Birmingham has had faster Gross Value Added (GVA) growth.
- 5.22 On the broader measure of household income per head (which takes into account the position of those who don't work as well as those who do, and also all forms of income), West Yorkshire in 2017 was at just 80% of the national average, with income per person of £15,600 per year, compared to £19,500 nationally.



Source: ONS

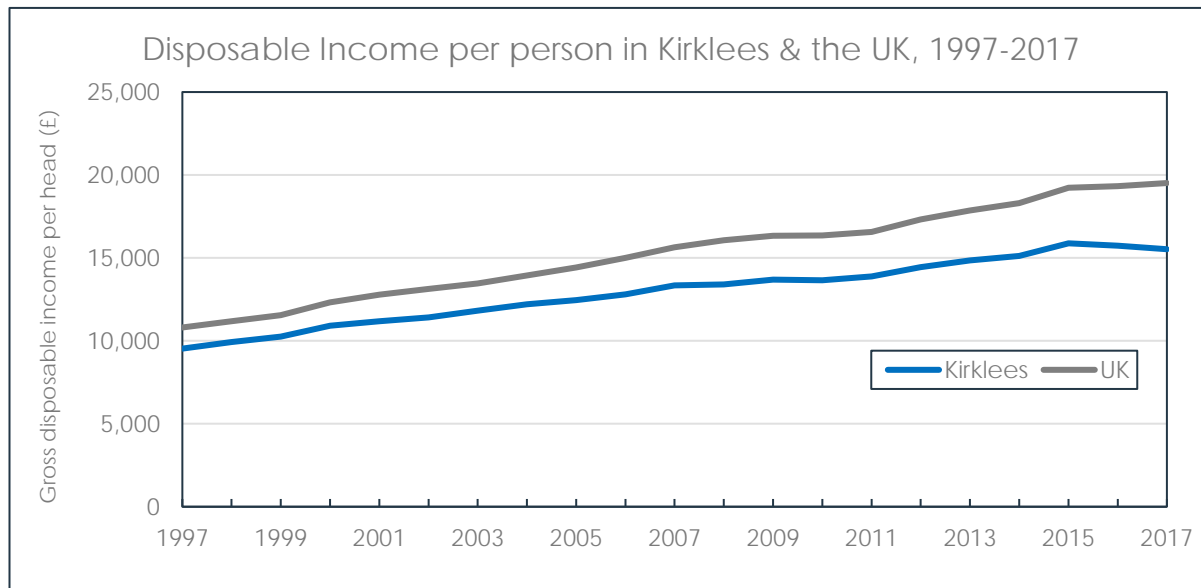
Productivity and incomes in Kirklees

- 5.23 The latest figures show Kirklees had a £7.4bn economy in 2016 (as measured by total GVA). This represents roughly one-seventh (15%) of the West Yorkshire economy.
- 5.24 Throughout the last 20 years, output growth in Kirklees has been slower than the UK average. In the decade prior to the 2008/09 recession, Kirklees was the slowest growing district in the City Region. From 2009-16, however, output grew slightly faster than Leeds and Bradford.
- 5.25 In terms of productivity – output per hour worked in businesses across Kirklees – the figure was just 78% of the UK average in 2018, on a par with Bradford as the lowest in West Yorkshire. If businesses in the district could match UK productivity levels, the local economy could be nearly 30% bigger, producing over £2 billion in extra economic output.
- 5.26 More positively, though, local productivity has grown slightly faster than the UK since 2004, whereas the other West Yorkshire districts, except Calderdale, have fallen further behind.



Source: ONS

- 5.27 Gross disposable household income per person in Kirklees in 2017 was £15,500 per year. This figure is close to that for West Yorkshire as a whole, but represents just 80% of the UK average of £19,500. Moreover, the growth in disposable income in Kirklees over the last 20 years has been slower than the national average.



Source: ONS

Average household income in Dewsbury

- 5.28 Estimates of productivity are not available for a small area such as Dewsbury. Nor does ONS publish official estimates of disposable income per head, as reported above for Kirklees.
- 5.29 However, according to the data company, CACI, average household income in Dewsbury in 2019 was 91% of the Kirklees average. Moreover, their information suggests that the town has experienced slower household income growth than the rest of the district since 2001.

What factors cause low productivity in Kirklees and West Yorkshire?

- 5.30 The causes of the UK's persistent regional differences in productivity and incomes are complex. The government's industrial strategy, launched in 2017, lists five foundations of productivity. Some of them are factors that affect individual firms differently; others influence performance in entire regions or even across the UK as a whole. In general terms, London and other successful parts of the country perform better on these factors than the less prosperous parts of the UK. The five factors are:

- ideas – levels of innovation and research & development, and the effective commercialisation of ideas;
- people – the quality of technical education, the provision of 'STEM'³ skills and the regional disparities in education and skill levels;
- infrastructure – the quality of the UK's transport, housing and digital infrastructure;
- business environment – levels of entrepreneurship and business growth, access to finance, the quality of management and the diffusion of good practice, competition policy; and
- places – the quality of the living and working environment is vital, as are the powers and funding available locally to change things.

- 5.31 Measuring the potential influences on productivity at the local or regional level is difficult because of the lack of suitable data for smaller geographical areas. As a result, research into the particular causes of economic

³ Science, technology, engineering and maths.

performance in particular towns or local authority districts is rare. We are not aware of any research that examines the specific causes of low productivity in Kirklees.

5.32 A recent report commissioned by the West Yorkshire Combined Authority⁴ did provide both an excellent summary of the general issues surrounding the importance of productivity as an indicator of economic success and also an analysis of the City Region's performance. This analysis, together with other available official statistics, can be used to draw up a picture of some of the factors that influence West Yorkshire's productivity:

- In terms of the factors listed above, the level of enterprise is important to overall productivity. West Yorkshire has fewer business failures than the rest of the UK, but also fewer new starts, suggesting a less vibrant entrepreneurial culture.
- Innovation is also vital. While many West Yorkshire companies do innovate with new products or processes, across Yorkshire & Humber region as a whole, spending on R&D is the lowest in England.
- The quality of infrastructure is a vital underpinning for productivity. Yorkshire & Humber has the second-lowest level of investment in transport of any region.
- In terms of institutions that can support economic development, West Yorkshire has a high quality, internationally significant higher education cluster, particularly in relation to science. The concentration of NHS decision-making bodies locally and the move of many Channel 4 staff to the City Region will drive further expansion in these fast-growing areas of activity.
- Average skill levels – as measured by levels of educational attainment – are rising across both West Yorkshire and Yorkshire & Humber as a whole, but remain below the national averages. Harder to measure is the quality of management practices and processes, which has a vital effect on how effectively staff are deployed and how well capital investment is utilised.
- The overall level of capital equipment per firm or per worker is also vital. The UK as a whole has a lower level of physical capital per worker than G7 countries such as France, Germany and the USA. Within the UK, the level of private sector business investment in Yorkshire & Humber is especially low.
- At the company level, ONS has found that those firms that trade overseas tend to have above-average productivity levels. Productivity is even higher among firms that trade outside the EU than those who export solely within the EU. Since Dewsbury and Kirklees as a whole have a higher proportion of manufacturing companies, which tend to be more export-oriented than most other sectors, this could be a factor that might increase productivity locally.

5.33 It should be noted that low productivity in any given company or locality doesn't mean that workers are necessarily any less hard-working or less efficient, nor even that local managers are necessarily less effective – recent research⁵ has shown that many of the differences across the country are linked to a range of factors outside the control of the individual firm, including local industrial and occupational structure and commuting patterns.

5.34 Chapters 7-11 below provide further evidence for Dewsbury and Kirklees district on local industrial and occupational structure, educational qualifications and other measures that can influence productivity.

⁴ West and North Yorkshire Productivity Audit and Sector Analysis, Hatch Regeneris, August 2019.

⁵ C. Beatty and S. Fothergill, *Local Productivity*, Centre for Regional Economic and Social Research, Sheffield Hallam University, 2019.

6. The economic impact of the Covid-19 pandemic

6.1 As families and communities recover from the health crisis of the pandemic, we now face the UK's biggest economic decline in 300 years. The pandemic has also created a great deal of uncertainty about the future, which is likely to persist at least until we know whether and when a successful vaccine against Covid-19 will be available.

6.2 This chapter sets out what we know about the economic impact of the virus at the time of writing, and the plans being developed by Kirklees Council and the West Yorkshire Combined Authority for policies to accelerate recovery.

Key points:

- *The economic impact of Covid-19 has been enormous: the UK economy shrank by a quarter in the first two months of lockdown.*
- *Economic growth resumed in May and June, but the total size of the economy remained 17% smaller in June than it had been in February 2020.*
- *Business investment fell by -31% in the April-June quarter.*
- *Over 9 million workers were furloughed at the peak of the job protection scheme, with 50,000 of these in Kirklees, while 7.5 million remained furloughed in June, a quarter of the entire workforce.*
- *If the government proceeds with current plans to end these schemes, projections are for an increase in unemployment to somewhere between 7.5-12% by the end of 2020. Particular sectors are likely to continue to struggle for some time, and job prospects for young people in particular are likely to be poor in the coming months and years.*
- *Town centre footfall in Huddersfield and Dewsbury fell to just 25% of normal levels.*
- *93% of companies surveyed by Kirklees Council had experienced a drop in their turnover by the end of June, with around half having furloughed some or all of their staff. Almost one-fifth (18%) had already laid-off employees.*
- *The future pace and nature of economic recovery is uncertain, but both the West Yorkshire Combined Authority and Kirklees Council have developed Economic Recovery Plans to map a way forward. The Kirklees Plan is to build an inclusive and productive economy in the context of the need to reduce inequalities and enhance environmental sustainability.*

The UK-wide economic impact of Covid-19

6.3 As we entered 2020, UK economic policy makers faced a number of challenges:

- tackling low and slow-growing levels of productivity;
- tackling the high levels of regional economic inequality across the UK;
- ensuring maximum economic opportunity and minimum disruption from Brexit; and
- placing all the above in the context of the need to decarbonise the economy over the next decade and beyond.

6.4 None of these challenges has gone away. But in addition to the dreadful impact of the virus on so many lives, every sector of the economy has been affected. The lockdown triggered a dramatic fall in UK economic activity:

- total output shrank by around a quarter in March and April.

- as some businesses were allowed to reopen, the economy grew by 2% in May and 9% in June. Even so, the economy remained more than one-sixth (-17%) smaller in June than in February 2020.
- looking at the figures for entire quarterly periods, the UK shrank by 20% in the April-June quarter compared to January-March, and output was 22% smaller than in the final quarter of 2019.
- the three main industrial sectors – manufacturing, construction and services – have each returned to growth, but all were substantially smaller than they were in February.
- the impact of lockdown on the economy has differed across sectors. For example, consumer spending on travel, entertainment and restaurants fell by 80% at its worst, and over 80% of firms in hospitality and leisure temporarily stopped trading in April (compared to just 5% of professional services companies).
- business investment fell by almost one-third (-31%) in the April-June quarter.

6.5 The government introduced a wide range of measures to cushion the impact of the economic emergency on individuals, families and businesses. These measures have added some much-needed stability and support to individual and company finances, even though they have not managed to cover everyone. However, the prospects for the job market as we move into the autumn and beyond are not looking good:

- at its peak, almost 9 million workers were furloughed – having their jobs and at least 80% of their wages protected by the government even though they were not working – and this figure stood at 7.5 million in June 2020, or more than a quarter of the workforce.
- the success of the job protection and support schemes means that there was little change in total employment and unemployment in the April-June quarter. However, the number of self-employed fell by 240,000 in that quarter, and it appears that the biggest job losses were among routine occupations (that is, those requiring lower levels of training and educational qualifications) and other jobs that are less well-paid.
- the total number of hours worked in the UK fell by 18% between the first and second quarters of 2020.
- the number of people claiming unemployment-related benefits more than doubled between March and July 2020, to stand at 2.7 million.

6.6 At the time of writing, the government plans to end the job protection schemes before the end of 2020, and unemployment is then expected to rise substantially. The Bank of England expects that the unemployment rate could rise from its current level of 3.9% to 7.5% in the fourth quarter of 2020, while the Office of Budget Responsibility predicts that unemployment could rise to 12% or more.

6.7 The longer the disease remains in widespread circulation, the more likely it will be that there are long term ‘scarring’ effects on people and businesses – in other words, adverse effects on some people’s earnings potential and health resulting from both the problems in the education system as well as the unemployment that many could experience, and the otherwise successful companies that will go out of business. The job prospects of young people are likely to be particularly poor for some time, while hospitality, travel, entertainment and culture will be among the sectors that will find it most difficult to recover.

The impact of Covid-19 on place

6.8 The economic effects of Covid-19 are likely to differ between places, depending on their resilience and economic structure among other factors. Nobody can predict with any certainty at the moment whether a town like Dewsbury will be able to emerge from the crisis more or less strongly than other areas.

6.9 The government has developed a list of industries it thinks are most ‘at risk’ from the economic impact of the pandemic, in the sense that continued social distancing or other issues may make it harder for them to recover fully. On this measure, two-thirds of jobs (67%) in Dewsbury are ‘at risk’, whereas the national figure is around half (49%). The difference is due largely to the above average concentrations of manufacturing and wholesale employment in the town when compared with the national average.

- 6.10 The lockdown has dramatically altered people's work, shopping and leisure patterns. In particular, travel into towns and cities has dropped massively, and nobody can be sure how things will develop as lockdown eases and the economy recovers. Some of the key changes witnessed so far include:
- the restrictions on movement have led to a great decline in public transport usage. For example, by the end of June 2020, daily footfall at Leeds station was still 82% below pre-lockdown levels. Bus passenger numbers have been similarly reduced.
 - understandable fears of infection may bring about a shift away from public transport and towards the private car in the initial period of economic recovery. The West Yorkshire Covid-19 Transport Survey has found that fewer people intend to use the bus or train and more say they will travel by car.
 - there has been an increase in walking and cycling during lockdown. While there is again great uncertainty as to whether this will continue to be the case in future, research by the Combined Authority suggest that a higher proportion intend to walk to carry out their local grocery shopping than before the lockdown.
 - internet shopping has become a higher proportion of total retail spending. While it may drop back slightly as physical retailing becomes easier, this could well be a permanent upward shift in an already rising trend away from spending in the high street.
 - pubs, restaurants and some leisure facilities have reopened – at considerably reduced capacity – while other aspects of the cultural and entertainment industries remain shuttered. There seems little prospect of concerts, theatre, nightclubs, festivals and sporting events returning to pre-lockdown audience levels until 2021 at the earliest.
 - many companies operating from offices in towns and cities have adapted satisfactorily to remote working for a high proportion of their staff. A substantial proportion of both employers and employees appear content to see home-working continue in some form beyond the end of lockdown. Such a trend could reduce economic demand in towns and cities on a long term basis.
- 6.11 As with most aspects of the recovery from the virus, it is almost impossible to predict what the specific impact will be on a town such as Dewsbury. It is certainly possible that many of the current trends in high street composition may be accelerated. And it may be that a greater trend towards working from home may offer potential benefits to places like Dewsbury, since there may be a move away from large offices in the bigger cities and a need for smaller, more flexible spaces in smaller towns nearer to where many people live. But equally we could see a continuation of some of the trends in lockdown that have further disadvantaged smaller companies against larger ones, and less-skilled people against higher-skilled individuals.
- 6.12 Regional and local authorities have of course already been active in their response to the economic crisis as well as to the health impact of the pandemic. Below, we summarise the recovery plans produced by the West Yorkshire Combined Authority and Kirklees Council.

West Yorkshire Covid Economic Recovery Plan

- 6.13 In order to plan effectively for the future, the Combined Authority established a West Yorkshire Economic Recovery Board, bringing together members of the Authority, the LEP and partners from the private sectors, unions, third sector and public bodies. The Board has commissioned economic modelling regarding the possible economic impact of the pandemic and a Recovery Plan that was approved by the Combined Authority in July 2020.
- 6.14 The economic modelling examined three different scenarios: a 'V-shaped' recovery in which the economy returns to pre-crisis levels of activity by the end of September; a slower pick-up with output taking until the third quarter of 2021 to recover; and one in which there is a second lockdown later in the year and a 'double-dip' recession.
- 6.15 The impact on West Yorkshire output (measured by GVA, or Gross Value Added) in these scenarios ranges from a loss of £5 billion in this year alone to £12 billion, representing losses of 10-22% of the economy. In the first scenario, possible job losses were estimated to be up to 30,000 with employment returning to current levels in

mid-2022, since job growth usually lags behind that of output. In the third scenario, job losses could be twice as great and employment may not recover to pre-crisis levels until the third quarter of 2025.

- 6.16 The modelling suggests that economies with a greater reliance on manufacturing could suffer slightly larger output decline than those based more around financial and professional services. This could mean that Kirklees is more badly hit than districts such as Leeds, though the predicted differences are relatively small.
- 6.17 The West Yorkshire recovery plan is based on two overarching goals: to deliver an inclusive economy that reduces inequalities; and to deliver a recovery that is environmentally sustainable, recognising that the City Region entered the pandemic already in a climate emergency. There are three policy areas of focus:
- promoting good jobs in resilient businesses;
 - providing skills and training to help people obtain the tools they need to access these jobs; and
 - delivering accelerated infrastructure investment that will improve communities and improve access to jobs.
- 6.18 A separate, complementary West Yorkshire Transport Recovery Plan has been developed and approved to support the City Region's aspirations for better connections of people to jobs and businesses to new opportunities, and to support the shift away from carbon-intensive modes of travel. The intention is that these two plans will be integrated with regional health and local authority recovery plans. The Economic Recovery Plan contains a request for £1.1 billion of additional funding from government to support the programmes that will deliver the envisaged jobs, training and infrastructure investments.

Kirklees Covid Economic Recovery Plan

- 6.19 The Council has developed its own Economic Recovery Plan in parallel with that of the City Region, and it seeks to focus on interventions that are best planned and delivered at the local level. The Plan has been developed by the Kirklees Economic Recovery Partnership Group, which brings together the Council with both large and small employers and the third sector. It was endorsed by the Cabinet in July 2020.
- 6.20 The document sets out some of the principal economic effects of lockdown on the people and businesses of Kirklees. These include:
- 50,400 Kirklees workers had been furloughed by the end of May 2020, representing just under 25% of Kirklees residents in employment (just below the UK average of 27%).
 - some 14,200 self-employed residents of Kirklees had received support through the Government's Self-Employment Income Support Scheme by the end of May, representing just under 50% of those eligible to receive support compared with UK take-up of 70%.
 - the increase in the claimant count for Kirklees, from 10,225 at the end of March 2020 to 18,870 by the end of May, was almost 85%; in comparison, during the financial crisis of 2008/9 there was a 72% increase in the number of residents on out of work benefits.
 - town centre footfall in Huddersfield and Dewsbury fell to just 25% of normal levels.
- 6.21 In terms of the potential economic impact, analysis by the Leeds City Region LEP suggests that 17% of the Kirklees workforce is employed in industries most affected by lockdown, the same as the UK average. However, a forecast by the Centre for Progressive Policy suggested that the district could suffer the second largest drop in economic output of any council in Yorkshire & Humber.
- 6.22 The Council has carried out its own survey of local businesses to find out how the lockdown has affected them. The survey attracted responses from 760 employers in late June 2020.
- 6.23 Unsurprisingly, nearly all businesses in the district have been adversely affected. At the time of the survey, 93% of firms had experienced a drop in turnover, with 50% having temporarily closed or paused their operations at some point. Just one in 20 (5%) had continued to trade as usual.

- 6.24 Just under one-fifth (18%) had laid off a proportion of their staff, but a majority (51%) had furloughed some or all of their employees, with 71% in total having utilised this and other government support. Half (49%) had taken measures to develop new ways of working, such as having staff work from home (25%), changing working patterns or decreasing working hours. A significant proportion had taken other action to limit the impact of the coronavirus on their operations, such as re-evaluating their required premises (19%), innovating or diversifying (18%) and moving to an online business model (14%).
- 6.25 Many businesses reported concern for their future, with 37% saying they were not confident they had the financial resources to survive the Covid-19 outbreak, compared to 35% who were confident. Nearly two-thirds of companies in Kirklees had three months' worth of cash reserves or less. Only 8% said they had no concerns at all about the long-term future of their business.
- 6.26 Of the 760 Kirklees businesses that responded in June, 74 were located in Dewsbury. The results suggest that businesses in the town had largely similar experiences of the pandemic to those elsewhere in the district, though they did seem to be a bit more worried about potential problems with staff retention and productivity than those elsewhere in Kirklees. Customer retention and potential supply chain issues were also a bigger concern for Dewsbury firms. Such worries may reflect the disproportionate impact that the lockdown had on the level of spending and activity in most towns and cities.
- 6.27 The Kirklees Economic Recovery Plan builds on the vision of the 2019 Economic Strategy for an inclusive and productive economy. In the context of the need to reduce inequalities and enhance environmental sustainability, the Plan has four policy priorities:
- job creation;
 - mitigating the economic impact of the virus on young people, including the introduction of a Kirklees Youth Guarantee to support all 16-18 year-olds in retaining access to full-time education or apprenticeships and to support 19-24 year-olds into work or apprenticeships;
 - tackling the digital divide between more and less affluent communities and individuals; and
 - developing the role and contribution of the voluntary and community sector.
- 6.28 The Council has responded actively to the economic crisis. It has made over 8,000 grant payments to local businesses, offered advice to over 600 firms, and provided more money via councillors directly to food banks and other local support for vulnerable people. The Plan will involve the repurposing of £40 million of existing budgets into an Economic Recovery Fund, as well as prioritising capital investments that will support recovery. The Council will continue to seek additional funding from regional and national sources to help deliver the Plan.
- 6.29 In relation to assistance for Dewsbury and the other towns in the district, the Council has improved street cleaning and re-allocated road space in towns to facilitate social distancing and outside business. Looking ahead, the Council will:
- seek to accelerate key Blueprint projects, including the Arcade in Dewsbury, utilising Council assets to kick start the regeneration process;
 - utilise other Council assets (town centres, libraries, business centres) to support start-ups and other 'meanwhile' uses on a subsidised basis and support the regeneration of the major centres;
 - accelerate delivery of major housing sites, including Dewsbury Riverside, to support the contribution of the construction sector to the recovery; and
 - work with Network Rail, the Transpire Alliance and other key partners to optimise the social value benefits of the TransPennine Upgrade, including the development of construction and engineering skills training facilities, apprenticeships and local recruitment and supply chain opportunities.

7. Business in Dewsbury

7.1 This section looks at the types of businesses there are in Dewsbury, and what this means for local employment. We compare this to Kirklees as a whole, and to West Yorkshire and the UK. We also look at the limited information available on the performance of firms in Dewsbury, and at the results of a survey of companies across Kirklees concerning their views on the local environment for business.

Key points:

- *There were 26,000 jobs located in the town of Dewsbury in 2018.*
- *The make-up of businesses in Dewsbury suggests a local economy highly dependent on companies in relatively low productivity sectors.*
- *Manufacturing accounts for 13% of all local businesses and for 22% of employment, while 15% of jobs are in wholesaling.*
- *These figures are higher than the rest of Kirklees, and much greater than the UK, where 8% of jobs are in manufacturing and 4% in wholesaling.*
- *Most local manufacturing employers are in lower value-added sectors – furniture is the biggest local cluster, employing around 1,600. There is also an absence of jobs in service industries such as finance, IT and professional services, which are growing rapidly across the UK and which tend to be higher-paid.*
- *Company records show 11 locally-run firms with annual turnover of over £10m that have grown rapidly (by over 20%) in the last three years.*
- *The main official data source on business starts and survival shows that Kirklees tends to have a lower business birth rate and a similar business death rate compared to other parts of the country, suggesting that the local economy is somewhat less dynamic than elsewhere.*
- *The great majority of employers in Kirklees as a whole (87%) were satisfied with their location as a place to do business, though only 40% said their premises fully met their needs, the lowest figure in West Yorkshire.*

Dewsbury's business base

7.2 There were around 2,700 businesses in Dewsbury⁶ in 2019. This figure covers both locally-owned firms and the local branches of externally-owned companies, such as national retail chains or foreign-owned manufacturing plants.

7.3 The number of businesses in the town has increased by around 6% (by between 100-200) since 2016, which is a faster rate than in the rest of Kirklees, but similar to the increase for the whole of the UK.

7.4 As is the case in all parts of the UK, the vast majority of employers are 'micro-businesses' with fewer than 10 employees. These businesses made up 80% of all employers in Dewsbury, with 16% having 10-49 staff and just 4% having 50 or more employees. Dewsbury has a slightly higher proportion of firms with 10 or more employees than the national average, perhaps reflecting the concentration of manufacturing and distribution activities in the town.

7.5 Around 13% of the businesses in the town were manufacturing firms, more than twice the UK average. Over one-third of the 335 manufacturing companies were in furniture making, an important local cluster. The next biggest numbers were in fabricated metal products and in textiles, while there were very few enterprises

⁶ It should be noted that the boundaries for this dataset are different from those used in most of this report. The area covered here is slightly bigger than the official Dewsbury Built-up Area.

operating in sectors that usually have higher productivity, such as chemicals, pharmaceuticals, electronics or electrical equipment.

- 7.6 Wholesale, retail and transport also made up an above-average proportion of the local business base, reflecting the town's advantageous position in relation to the regional and national transport networks.
- 7.7 However, there were significantly fewer businesses in Dewsbury providing professional & scientific services or in information & communication. There was little or no provision of accommodation for visitors to the town, and very few enterprises engaged in creative, cultural and media activity, or in scientific research & development.

Table 2: Businesses in Dewsbury by Industry, 2019

Industry	No. of businesses in Dewsbury	% share of businesses 2019	
	2019	Dewsbury	UK
Agriculture, forestry & fishing	20	1%	5%
Mining, quarrying & utilities	15	1%	1%
Manufacturing	335	13%	5%
Construction	250	9%	11%
Motor trades	155	6%	3%
Wholesale	160	6%	4%
Retail	385	14%	10%
Transport & storage (inc postal)	155	6%	4%
Accommodation & food services	140	5%	6%
Information & communication	90	3%	7%
Financial & insurance	45	2%	2%
Property	80	3%	4%
Professional, scientific & technical	220	8%	15%
Business administration & support services	175	7%	8%
Public administration & defence	5	0%	1%
Education	70	3%	2%
Health	210	8%	5%
Culture, recreation & other services	135	5%	6%
All businesses	2,680	100%	100%

NB. All business count numbers are rounded. As a result, the column does not sum to the total, and all figures should be taken as approximate.

The data are available only for geographical units known as Middle Layer Super Output Areas (MSOAs). The best fit they produce is a slightly larger geographical area than the Dewsbury Built-up Area defined by ONS.

Source: UK Business Counts – local units

Employment by industry in Dewsbury

- 7.8 Employment in Dewsbury – that is, the number of jobs located in the town – stood at 26,000 in 2018, which was around 5% higher than in 2009. This represents only half the rate of increase for England & Wales.
- 7.9 Table 3 below shows the numbers of jobs and the share of employment in each industry in Dewsbury in 2018.

Table 3: Employment in Dewsbury and Kirklees by Industry, 2018

	Dewsbury		Kirklees
	Employment	% of total employment	% of total employment
Extraction & utilities	500	1.9	0.9
Manufacturing	6,000	22.2	16.7
Construction	900	3.3	4.3
Motor trades	450	1.7	1.9
Wholesale	4,000	14.8	6.2
Retail	2,500	9.3	11.1
Transport & storage	1,500	5.6	4.3
Accommodation & food	800	3.0	6.8
Information & communication	300	1.1	2.2
Financial & insurance	175	0.6	1.2
Property	200	0.7	1.9
Professional, scientific & technical	900	3.3	5.6
Business administration & support	900	3.3	6.8
Public administration & defence	600	2.2	3.1
Education	2,500	9.3	10.5
Health	3,500	13.0	12.3
Culture, recreation & other services	700	2.6	3.7
All employment	26,400	100.0	100.0

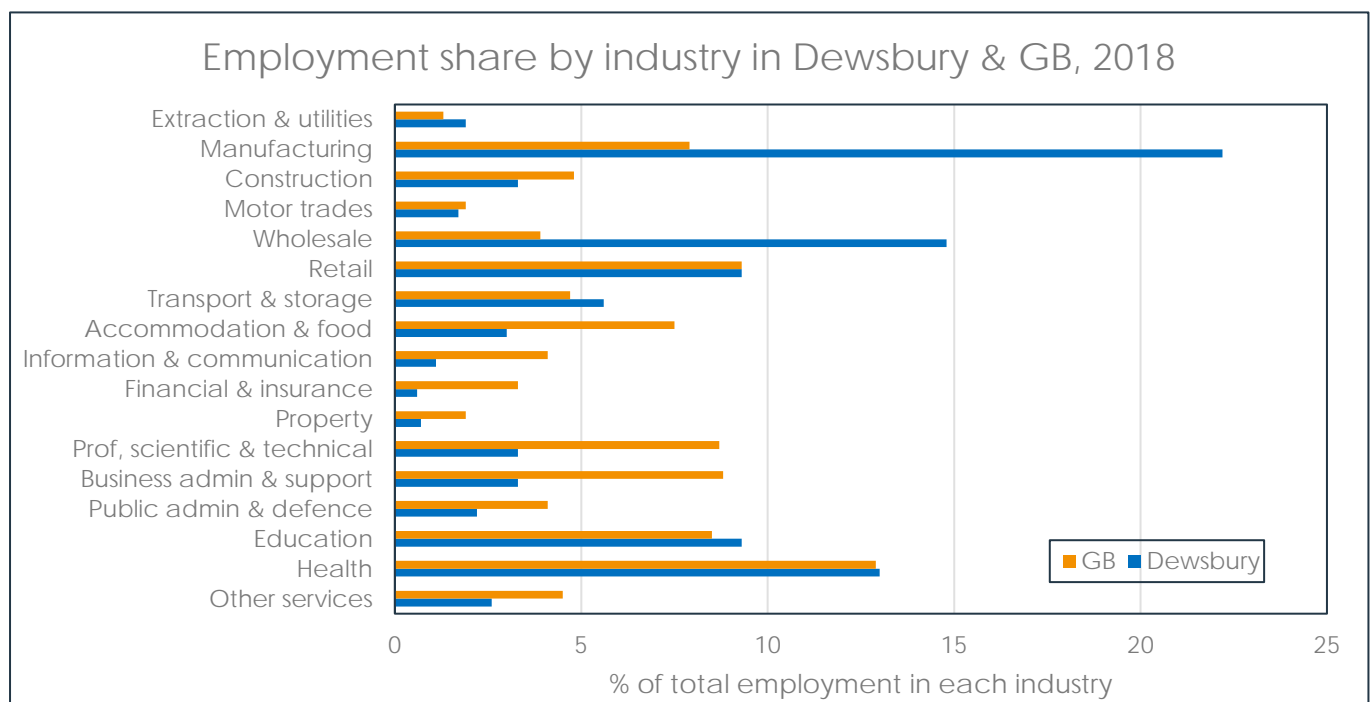
NB. All numbers are rounded. As a result, the columns do not sum to the totals, and all figures should be taken as approximate.

Source: Business Register and Employment Survey⁷

- 7.10 Dewsbury has a very high concentration of manufacturing employment. In 2018, over one-fifth of all jobs in the town (22%, or 6,000 jobs) were in manufacturing. This was well above Kirklees district's manufacturing share of 17%, and almost three times the Great Britain (GB) average of 8%.

⁷ Survey results are for Great Britain rather than the United Kingdom

- 7.11 Within manufacturing, the dominant industries are furniture (around 1,600 jobs) and textiles (around 1,400). There has been a small increase in furniture employment in recent years, while textile jobs have held steady.
- 7.12 As a consequence, service sector employment makes up a below-average share of employment in the town, accounting for around 70% of Dewsbury employment, compared to 78% for Kirklees as a whole and 84% across GB.
- 7.13 Within the service industries, wholesale and retail are important, accounting for 15% and 9% of jobs respectively. Wholesaling employment is more than three times the national average, and more than twice as high as in the whole of Kirklees, reinforcing the fact that the local economy is a logistics hub.
- 7.14 Education (9%) and health (13%) are also major local employers. However, there are fewer jobs in Dewsbury relative to both GB and Kirklees averages in service industries such as accommodation & food, information & communication, financial & insurance, professional services, business support and other services.
- 7.15 The structure of jobs in Dewsbury supports the analysis above of the numbers of businesses in the area. The local economy is heavily dependent on manufacturing – mostly in less advanced sectors – and wholesaling, also not a highly paid sector.
- 7.16 Compared to GB, there is a clear absence of jobs in the growing private service industries – though it should be pointed out that some of this difference stems from the fact that many higher end services are concentrated in the larger cities of GB.

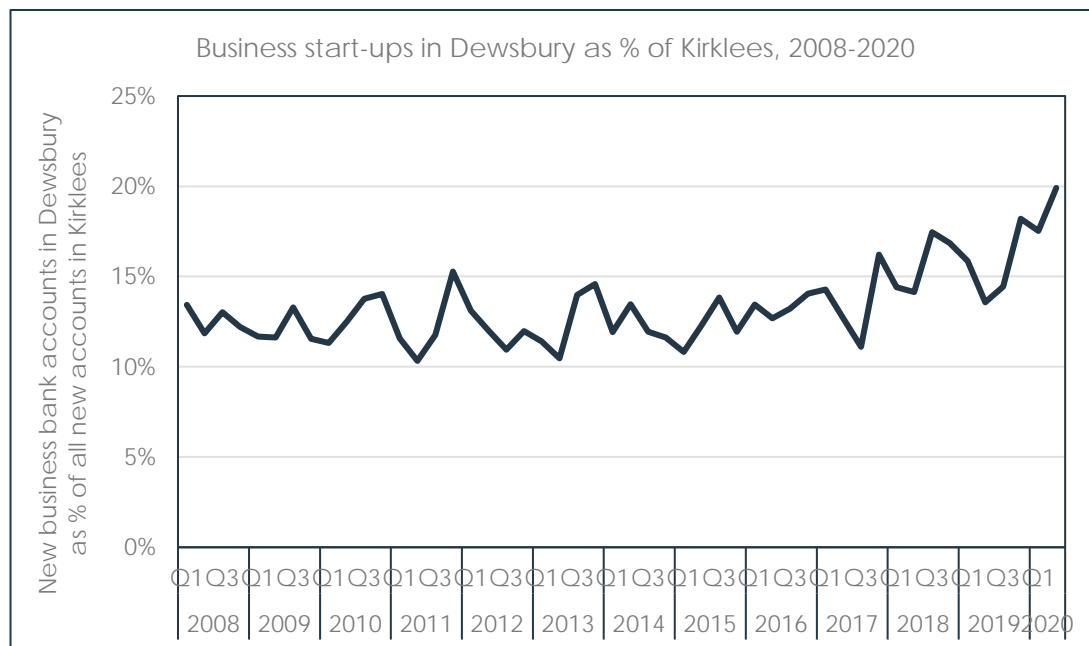


Source: Business Register and Employment Survey

Business start-ups in Dewsbury

- 7.17 Little data is available on the rate of new business starts in Dewsbury. An unofficial source, provided by a consultancy, BankSearch, provides information on the number of new business bank accounts. Across Kirklees as a whole, the rate of new bank account formation has dropped from between 25-30 new accounts per 10,000 working age residents to below 20 in the first half of 2020. The rate of start-ups in Kirklees has remained similar to that for the entire Leeds City Region throughout the period since 2008.
- 7.18 We can look at figures on this measure for the three Dewsbury council wards as a proportion of all new accounts in Kirklees. This shows that the broader Dewsbury area has comprised a growing proportion of all

Kirklees accounts since 2018. This suggests that the rate of start-ups locally has been more resilient and less affected by the more challenging business environment that has seen the rate fall in other parts of the district.



Source: BankSearch

Major and fast-growing companies in Dewsbury

- 7.19 Some extra information on businesses in Dewsbury is available from public records filed with Companies House and other sources. The information below has been provided to us by the Council, and by the West Yorkshire Combined Authority, using the commercial FAME database.
- 7.20 Among the major local businesses that are either headquartered or located in Dewsbury are firms in a wide range of industries, including:
- a cluster of bed manufacturers, including Jay-Be, The Shire Bed Company and Highgate Beds;
 - UK Greetings, greetings card publishers;
 - Rixonway, a major kitchen manufacturer;
 - lighting manufacturer Martech UK; and
 - Jemmtec Ltd (trading as Magma), maker of refractory products.
- 7.21 The FAME database provides information on companies that have enjoyed sustained turnover or employment growth. From the available records, covering those businesses that are locally controlled or which comprise the main branch of an externally- owned company, there are just 11 firms in Dewsbury with annual turnover of more than £10 million and which achieved turnover growth of 20% or more in the latest three years for which their accounts are available.
- 7.22 These firms are from a wide range of industries, including petrol stations, kitchen furniture manufacturing, wholesalers, carpet manufacturing, chemicals and construction. Most of these firms also experienced job growth of at least 10%.
- 7.23 We cannot know whether there are companies not in the FAME database that have also performed well, nor how the proportion of these growth companies in Dewsbury compares to the rest of Kirklees or other parts of the country.

7.24 There is official information from ONS, however, about high-growth companies in Kirklees as a whole. High-growth enterprises are defined here as firms with at least 10 employees that have enjoyed employment growth of at least 20% per year for the last three years. Around 5% of firms in Kirklees were classed as high-growth in 2018. The proportion has varied little since 2013. In comparison with other areas, the Kirklees figure has been similar to the rates seen in West Yorkshire and England. Looking at West Yorkshire districts, Leeds is the only one that has had a consistently higher proportion of high-growth firms than Kirklees over this period.

Business formation and survival rates in Kirklees

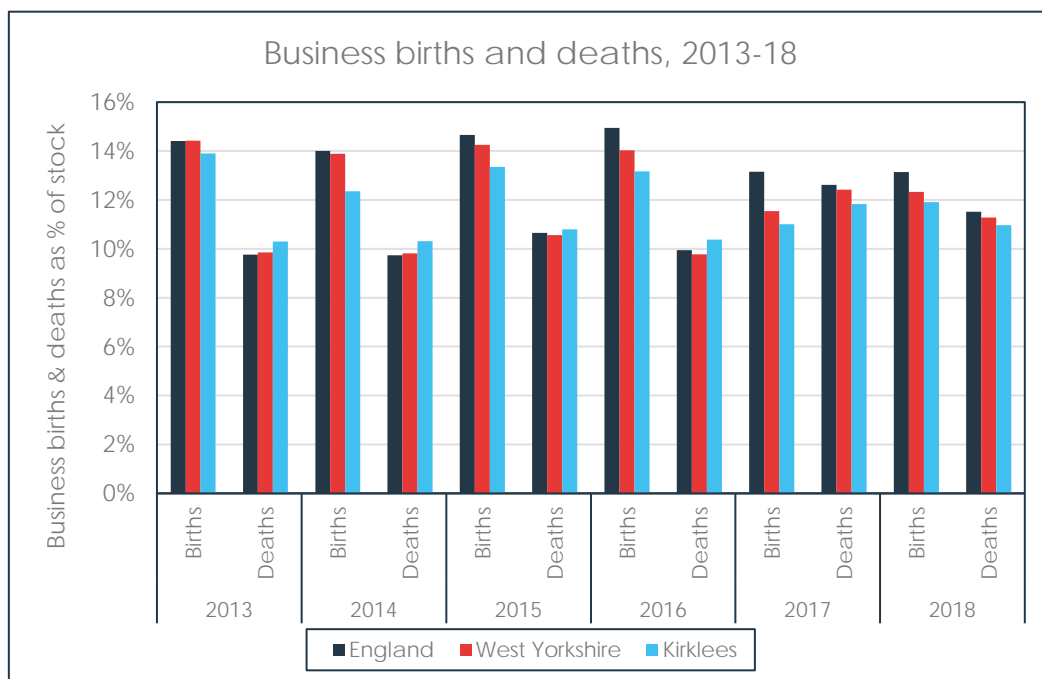
7.25 The level of enterprise in any particular area is hard to measure. Among the most useful statistics in this regard are those that measure business formation ('births'), closures ('deaths') and survival rates. These figures give an idea of the dynamism of the local economy in comparison to other parts of the country. They are available for Kirklees only, based on companies that have at least one employee.

7.26 On this basis, there were 2,000 business births in Kirklees district in 2018, which represented a birth rate of almost 12% of the stock of existing companies. In the same year, there were slightly fewer business deaths, around 1,800, a rate of 11%. This means that the total stock of businesses with employees in Kirklees rose slightly over the year, as has been the case both locally and nationally almost throughout the period since 2013.

7.27 The chart below shows that:

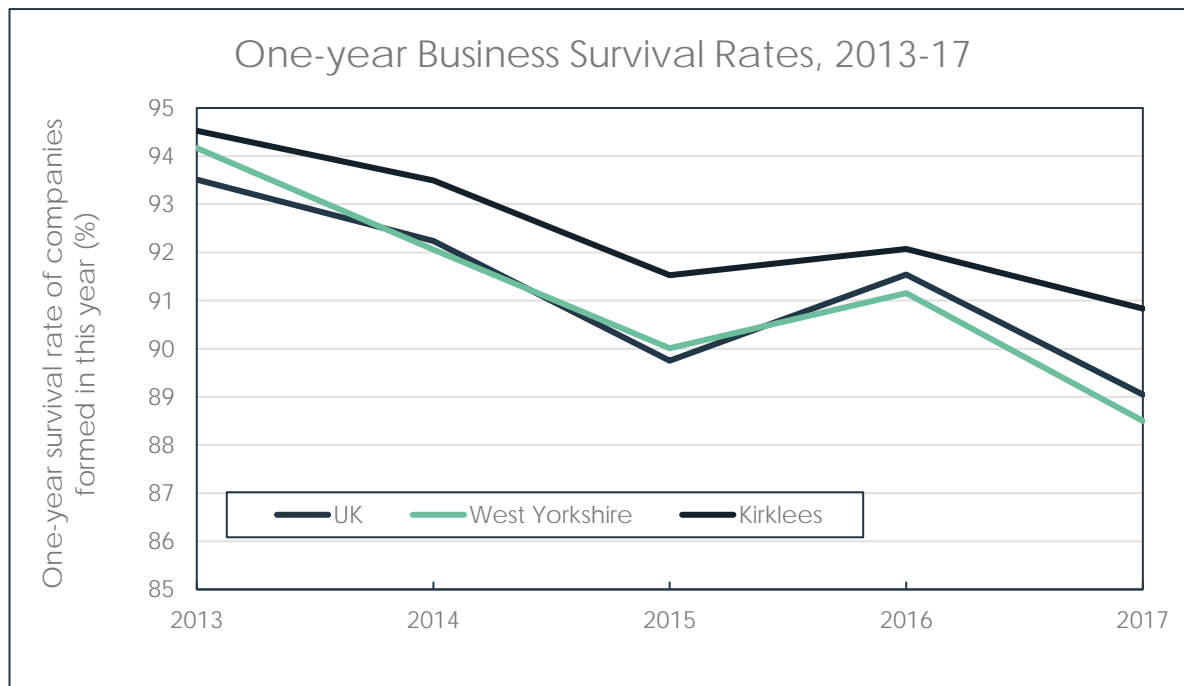
- compared to the figures for England and West Yorkshire, Kirklees had a lower business birth rate in every year from 2013-18 and a higher business death rate in the period from 2013-16. The district's death rate was below average in 2017 and 2018.
- in broad terms, however, the business death rates in Kirklees in each year did not differ greatly from those elsewhere in the country.
- conditions for business appeared to worsen in 2017 and 2018, since birth rates fell and death rates rose across the country compared to the earlier years.

7.28 Areas that exhibit low birth rates can be said to have a less dynamic enterprise culture than others. And areas with birth rates that are well above-average often also have higher death rates, as the 'churn' rate of companies is higher in more vibrant economies. This is the case in London, for example.



Source: ONS

- 7.29 Over 90% of companies in Kirklees formed in 2017 survived their first year of operations. This is somewhat higher than the survival rates for both West Yorkshire and the UK as a whole, which were around 89%. The higher local rate could be an indicator of greater stability in the Kirklees economy, but it could also suggest that the area is less dynamic than elsewhere.
- 7.30 Survival rates have been falling steadily across the country since 2013, supporting the analysis of birth and death rates which suggested that operating conditions had become more difficult over this period.



Source: ONS

Views of Kirklees employers on the local business environment

- 7.31 The 2020 Leeds City Region Business Survey spoke to 2,000 employers in early 2020, just prior to the start of lockdown. Around 240 of these firms were based in Kirklees. We report the results for the district as a whole here because the number of companies surveyed in Dewsbury was too small to produce statistically reliable data.
- 7.32 Kirklees employers were the gloomiest of all the districts in West Yorkshire about their performance in 2019, with 30% saying that their business performance had got worse, substantially higher than any other part of the City Region. Backing this up, 14% of the district's businesses had reduced their staffing in 2019, while around a quarter (26%) had seen falling turnover. Both of these figures are the highest proportions of anywhere within the City Region.
- 7.33 Almost one-fifth (19%) of employers were exporters in 2019, the joint highest of West Yorkshire districts alongside Leeds. Over 70% had introduced some sort of innovation in their companies in the previous three years, which could have been a new technology, a new product or a new business process. This was a similar figure to West Yorkshire as a whole.
- 7.34 Kirklees businesses were more likely than elsewhere in the City Region to view the likely impact of Brexit as beneficial, though this was the view of only 17% of employers.
- 7.35 Kirklees had the smallest proportion of employers (40%) among West Yorkshire districts who said that their premises fully met all their business needs, with the size of the site being the most frequent problem. However, fewer than 10% of local businesses felt that their business premises did not meet their needs at all.

- 7.36 Overall, 87% were satisfied with their location as a place to do business, similar to businesses in other parts of West Yorkshire.

8. Transport and connectivity

- 8.1 Transport links and the quality of transport infrastructure are vital factors that underpin growth and productivity. Dewsbury is well-located in relation to the regional and national transport networks. It is relatively easy for businesses to reach their markets, and also for residents to travel to other parts of the City Region or further afield for work and leisure.
- 8.2 This section looks at the quality of the local transport infrastructure and at available data on commuting. We report the views of local employers on the pluses and minuses of the transport system.
- 8.3 Digital connectivity is also a vital aspect of 21st century infrastructure, for residents as well as for businesses. There is currently little information for Dewsbury on this topic, so we also examine statistics for Kirklees and West Yorkshire.

Key points:

- *Dewsbury has an excellent location at the heart of the regional and national road and rail networks – this has been a vital factor behind the town’s specialisation in logistics and warehousing.*
- *most employers in Kirklees see the area’s transport network as an advantage for their business – but half believe the local system is worse than in other parts of West Yorkshire, and around one-in-seven feel that the quality of train links and airport connectivity are actually a disadvantage for their business.*
- *at the time of the 2011 Census, there was a net inflow of around 2,000 people each day travelling into work in Dewsbury, comparing the numbers who commuted into and out of the town.*
- *by contrast, there was a net outflow of around 25,000 people from Kirklees as a whole commuting to work outside the district in 2011. This figure increased to around 30,000 by 2018.*
- *unofficial statistics suggest that superfast broadband is available to 98% of premises in Dewsbury, with full fibre services (1 Gbit per second) available to 18% of premises – these figures are in line with the UK averages. Unfortunately, there is no information currently available regarding the take-up of these services, nor for the availability or take-up of mobile data services.*

Dewsbury transport links

- 8.4 Dewsbury’s location at the heart of the country means that the town is also extremely well-placed in relation to major local, regional and national road and rail networks. Train times from Dewsbury are around 10 minutes to Huddersfield, less than 20 minutes to Leeds and around 40 minutes to Manchester. It is within a few minutes’ drive of both the M1 and M62.
- 8.5 Leeds/Bradford Airport, one of the fastest growing airports in the country prior to lockdown, is easily accessible, while many residents will use Manchester Airport for both leisure and business travel.



- 8.6 These good transport links to other parts of the country are a major factor in the town's specialisation in warehousing and logistics.
- 8.7 However, decades of under-investment, both in West Yorkshire and in other parts of the country, mean that the capacity of the road and rail networks in Kirklees and West Yorkshire more widely have not kept pace with economic and population growth, resulting in problems such as congested roads, bus unreliability and delays, overcrowded trains and poor air quality.
- 8.8 Spurred on by devolution across the north and midlands, there has been a growing recognition of the need for improvements to transport infrastructure, especially the rail network, if the economic potential of these areas is to be realised.
- 8.9 Among the major forthcoming investments is the TransPennine Upgrade. This will be a £3 billion investment across the entire route. It is estimated that around £1 billion will be spent in Kirklees alone, including the electrification of the line between Dewsbury and Huddersfield, a doubling of the number of tracks on this section of the line, and improvements to four stations in the district. The aims of the investment are to reduce journey times and improve service levels and reliability. Travellers into and out of Dewsbury should therefore benefit from this major project, and connections from Dewsbury to stations across the north should be improved.

Employer's views on transport links in Kirklees

- 8.10 The 2020 Leeds City Region Business Survey asked employers in Kirklees about their views on transport links and the impact they have on their business.
- 8.11 The district's good road links and other transport connections are seen as an advantage to being located in Kirklees by the majority of employers. Even so, the proportion of employers who think that the transport system is worse than the rest of the UK (51%) is higher in Kirklees than in other parts of the City Region. Additionally, a sizeable minority of around 13-14% feel that the quality of train links and airport connectivity are actually a disadvantage for their business.

Commuting in Dewsbury and Kirklees

- 8.12 The only official data on commuting to and from work across council boundaries comes from the 2011 Census. We are able to examine commuting patterns into and out of Dewsbury at that particular time, and also to compare them with those for Kirklees as a whole.

- 8.13 According to the 2011 Census, there were 22,600 people who worked in Dewsbury, regardless of where they lived, and 20,500 residents of Dewsbury who were in work, regardless of the location of their employment. This indicates a net inflow of around 2,000 more people each day who came to work in the town than travelled out to work elsewhere. A total of just 7,500 people both lived and worked in Dewsbury, showing that very large numbers commuted into and out of the town.
- 8.14 Of the 22,600 who worked in Dewsbury, 36% (8,200) lived elsewhere in Kirklees, while 31% (6,900) travelled into the town from outside Kirklees district.
- 8.15 Of the 20,500 Dewsbury residents in employment in 2011, 25% (5,200) travelled to work elsewhere within Kirklees, and 38% (7,800) commuted to jobs outside the district. The largest destination for out-commuters was Leeds (3,400 out-commuters).
- 8.16 There were 136,800 people whose location of work was in Kirklees district in 2011, while 162,000 Kirklees residents had a job, regardless of its location, suggest a net outflow of around 25,000 people each day from the district to jobs elsewhere. More than one-third of Kirklees residents worked outside the district in 2011, the highest figure of all the council areas in West Yorkshire.
- 8.17 We can make an estimate of the same figures for 2018 for Kirklees. At that time, there were 162,000 workplace jobs in Kirklees (that is, those jobs located within the district), compared to around 193,000 local residents in employment. These figures suggest a net outflow of around 30,000 people each day who live in Kirklees but earn their living outside the district boundary. The pattern of commuter flows into and out of Kirklees therefore seems to have been similar in both 2011 and 2018.
- 8.18 The increase in the working population and the high level of commuting to and from Dewsbury have contributed to rising passenger numbers using Dewsbury rail station over the past decade. The latest figures for 2018/19 (that is, the 12-month period ending March 2019) estimate that 1.66 million passengers used the station, compared to a total of 1.6 million in 2012/13. Compared to some other West Yorkshire stations, passenger numbers grew faster in Dewsbury than at Halifax, but more slowly than either Huddersfield or Leeds. All local stations experienced a drop in numbers during 2018/19, reflecting the impact of the industrial action that occurred during the year.
- 8.19 It should be borne in mind that future commuting patterns may be very different, depending on the way that the economy recovers from lockdown, the extent to which existing office workers return to their normal work location, and the further impact such changes have on demand for retail and leisure jobs in the bigger towns and cities.

Digital connectivity

- 8.20 Across West Yorkshire as a whole, 96% of properties were able to connect to superfast broadband⁸ in 2019, a figure that is slightly above the national average. However, in the 20% most deprived areas of the City Region, access is only 69%.
- 8.21 Access to full fibre broadband⁹ is currently more limited, applying to 8% of all West Yorkshire properties, and just 3% of those in the most deprived 20%.
- 8.22 Current information from the private company, think broadband, suggests that 98% of all residential and commercial properties in the Dewsbury parliamentary constituency have access to superfast broadband, and that 18% have access to full fibre broadband. According to their figures, which are for July 2020, the level of access to superfast broadband in Dewsbury is similar to that across Kirklees as a whole, while the access to full fibre broadband is slightly higher than the district average. The figures for Dewsbury are similar to, if not slightly higher than, the UK average, according to think broadband.
- 8.23 It should be noted that access to a service does not mean that all people or businesses will take up that service – usage is therefore likely to be lower than the above.

⁸ Superfast broadband is defined as speeds of at least 30 Mbits per second.

⁹ Full fibre broadband is defined as speeds of at least 1 Gbit per second.

- 8.24 In July 2019, the private company, CityFibre, announced that they would be adding Dewsbury (and Batley) to the list of locations in which they will install a full-fibre network to be available for both business and residential customers. The timetable for this investment has not yet been announced.
- 8.25 Across the UK, over 90% of homes have both indoor and outdoor access to 4G data services, though the proportion is lower in rural areas.
- 8.26 According to the 2020 Leeds City Region Business Survey, around half of employers in Kirklees (49%) use superfast broadband services, the same as the City Region average. The most commonly stated reasons for not having broadband were that it was not available in their location, or that it was not needed for their business. Three-quarters (75%) were satisfied with their broadband service, but 14% were dissatisfied. These figures are also in line with other parts of West Yorkshire.
- 8.27 Information on data service availability in Dewsbury is not currently available. For domestic users, the availability of 4G data services is likely to be high, given the urban nature of the area. But since the levels of deprivation in Dewsbury are high (see Section 9 below), usage may be lower than average because it may be harder for many families to afford them.

9. Deprivation and health

9.1 Levels of poverty and relative deprivation have a significant impact on the ability of individuals and communities to take advantage of economic opportunities. Health is also closely associated with an individual's economic situation. Nationally, people in lower paid occupations are more than twice as likely to report not being in good health as those in professional and managerial jobs.

9.2 This section looks at the available evidence on deprivation and health in Dewsbury, and at what this means for average incomes in the town.

Key points:

- *The evidence for Dewsbury from the 2019 Index of Multiple Deprivation supports the analysis of the local economy elsewhere in this report.*
- *There are two-and-a-half times more residents living in severely deprived neighbourhoods in Dewsbury than the English average, according to the overall measure of deprivation. This is much worse than the position for Kirklees as a whole, and also worse than across West Yorkshire.*
- *The town is most severely deprived in relation to education and crime. The town is also badly deprived in terms of income levels, employment and the quality of the local environment.*
- *The only deprivation measure on which Dewsbury fares better than the national average is in access for residents to housing and local services.*
- *Dewsbury is among the 10% most deprived towns in England.*
- *Healthy life expectancy for both men and women in Kirklees is around three years lower than for people in England as a whole.*
- *Overall mortality rates and premature death rates are significantly higher than the English averages.*
- *In 2019, 35% of children lived in low-income families, more than twice as high as the English average (15%).*
- *Property prices in Dewsbury are more than 20% below the figure for Kirklees, and less than half the national level.*
- *Fuel poverty is above the district and national averages.*

Deprivation in Dewsbury

9.3 The Index of Multiple Deprivation (IMD) brings together a range of statistical measures of deprivation at a neighbourhood level right across England. Each neighbourhood can be ranked according to their relative standing on these indicators.

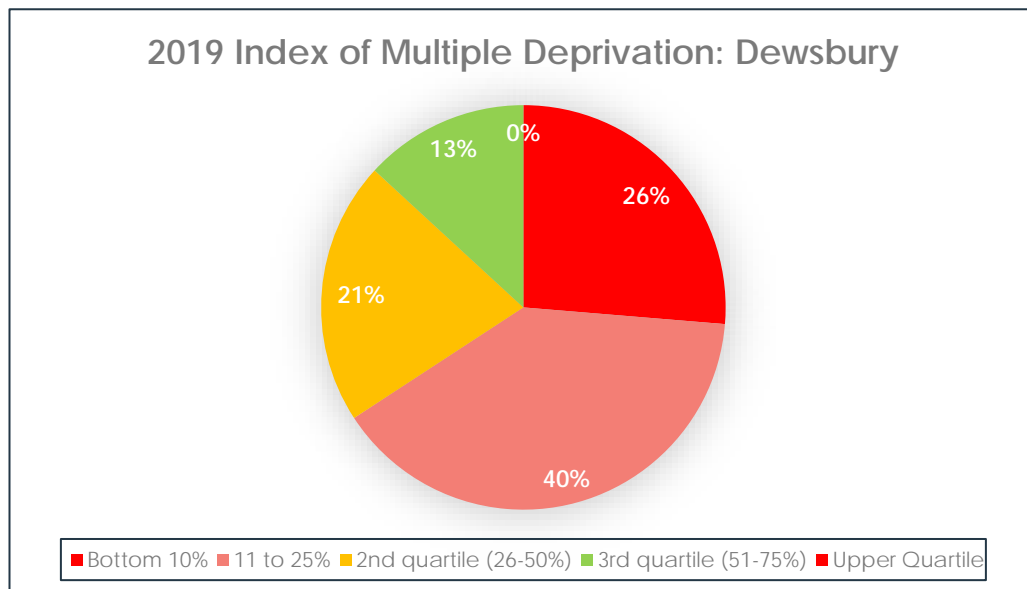
9.4 It is important to note that the Index is not a measure of absolute levels of deprivation – it can only describe a neighbourhood in relation to others.

9.5 Before looking at the picture in Dewsbury in some detail, the figures for West Yorkshire and Kirklees provide some context.

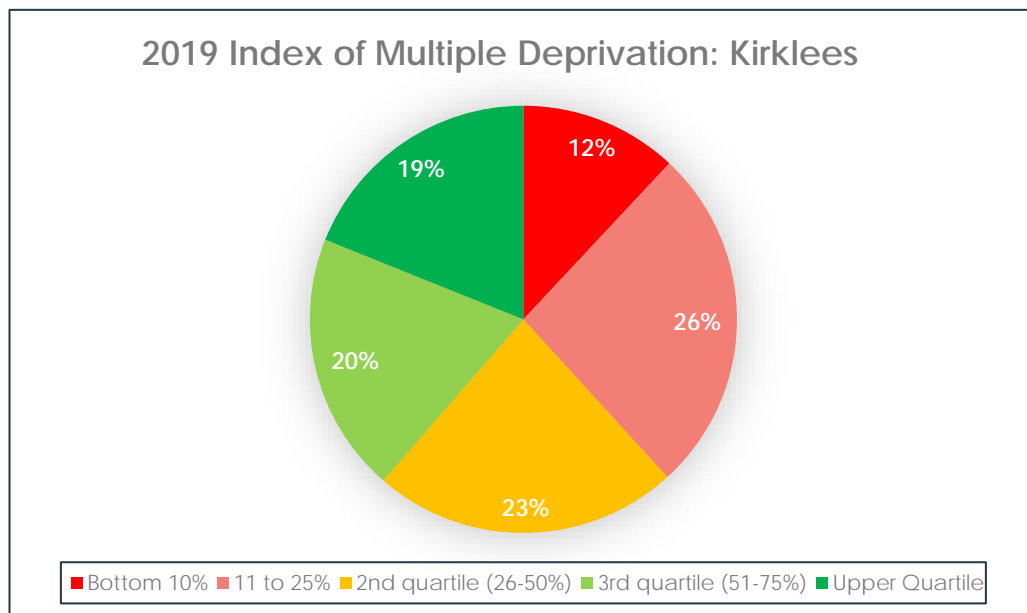
9.6 In West Yorkshire as a whole, 22% of neighbourhoods in 2019 were among the 10% most deprived areas in England, more than twice the average figure. Conversely, just 5% of neighbourhoods are in the least deprived 10%, which is half the English average.

9.7 Kirklees is less severely deprived than other parts of the City Region. The district has 12% of its neighbourhoods in the most deprived 10% of English neighbourhoods, while 11% of the population live in the least deprived 20% of areas.

- 9.8 However, the statistics for Dewsbury indicate that the town is generally more severely deprived than other parts of Kirklees and most parts of West Yorkshire.
- 9.9 The proportion of Dewsbury neighbourhoods in the most deprived 10% in England is 26%, two-and-a-half times the English average. Two-thirds (66%) of the town’s neighbourhoods are in the national bottom 25%, which means that almost three times as many people live in these highly deprived areas as in the whole of England.
- 9.10 At the other end of the scale, none of Dewsbury’s neighbourhoods are among the least deprived 25% in England.

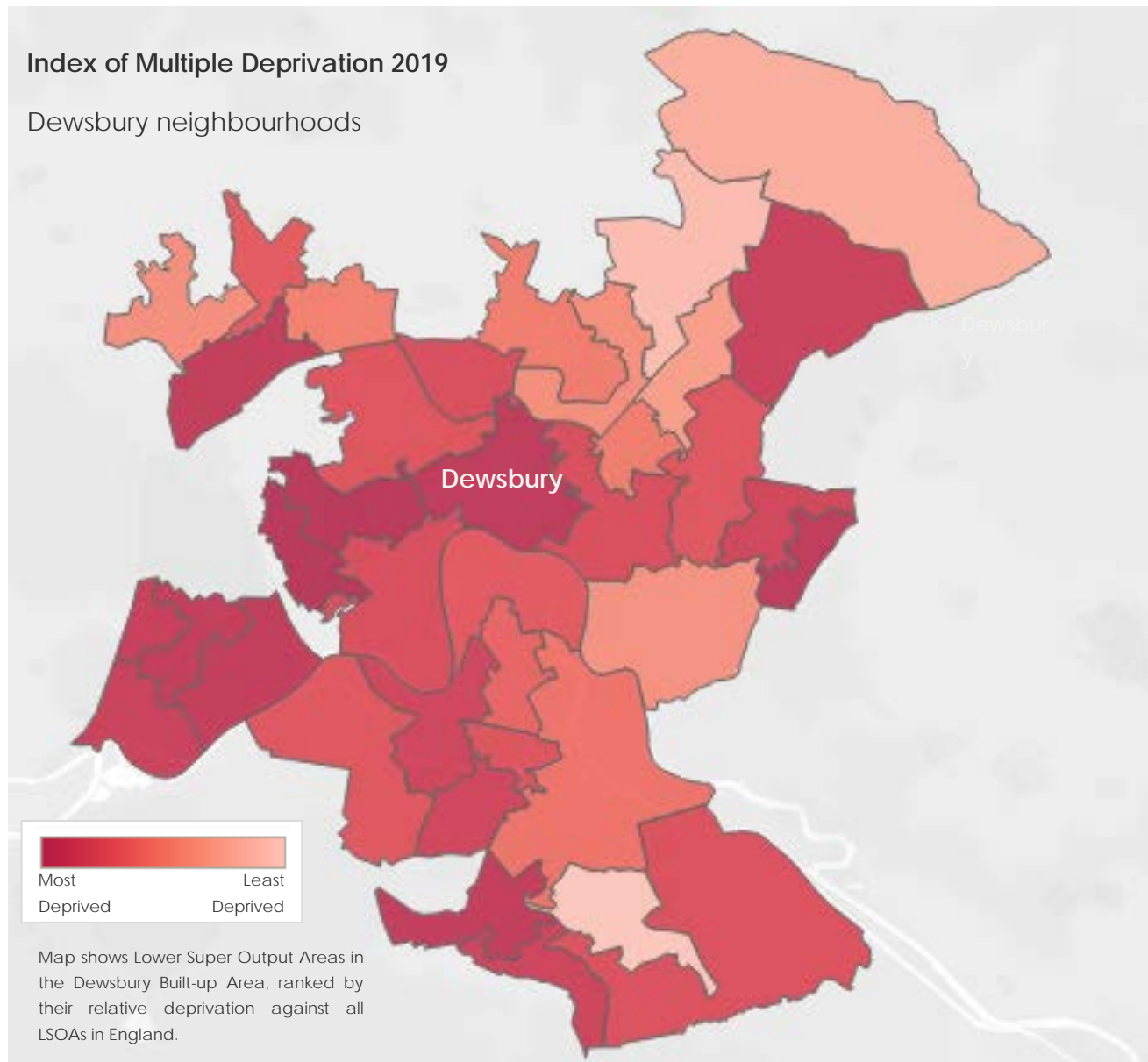


Source: Kirklees Observatory



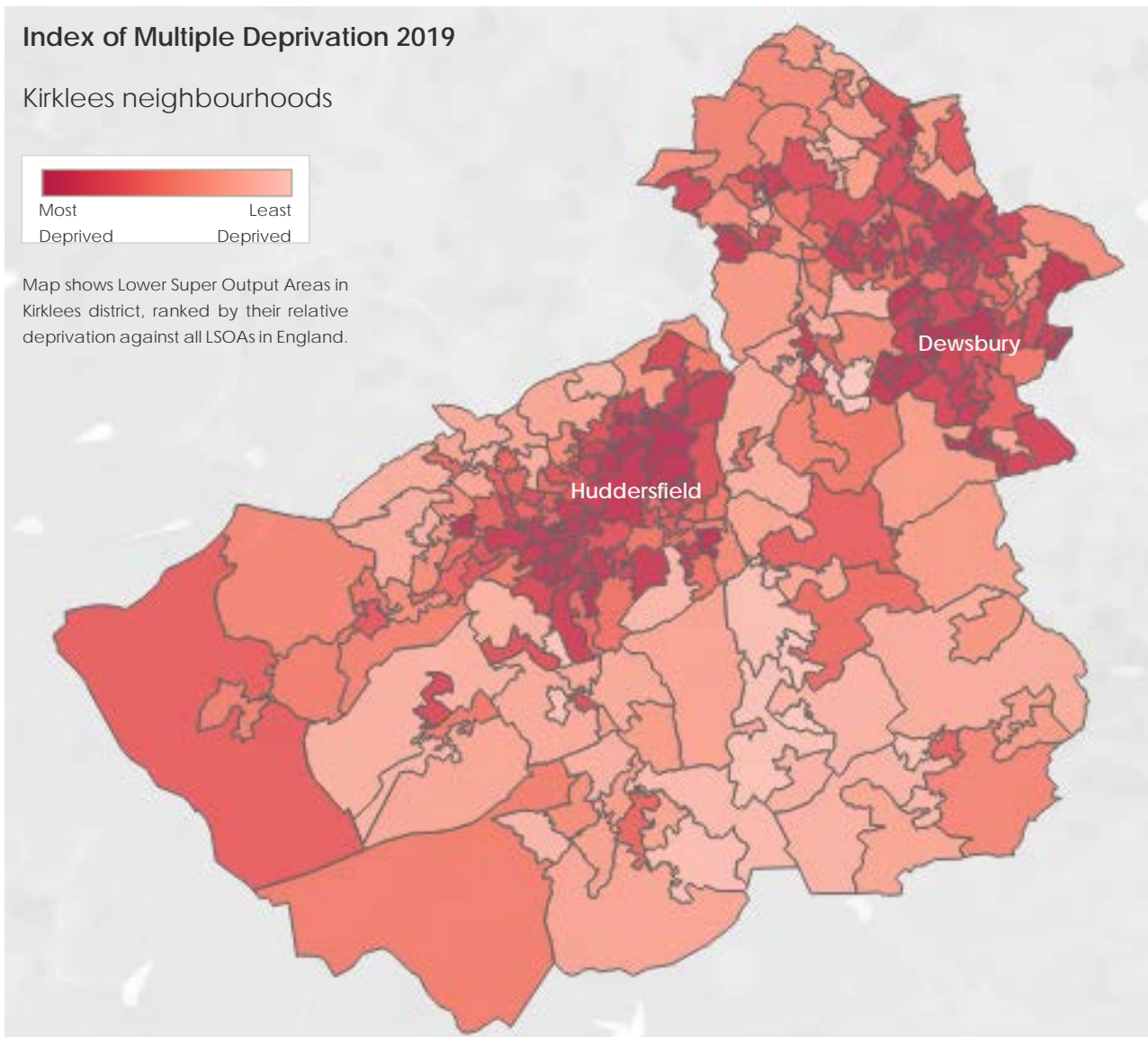
Source: Kirklees Observatory

- 9.11 The map below shows the area of Dewsbury used in this report and the levels of relative deprivation in each of its neighbourhoods. The highest levels of relative deprivation – shown by the areas coloured deepest red – are found in many parts of the town, but there are groupings of the most deprived neighbourhoods in the town centre and to its west and in Ravensthorpe.



Source: Kirklees Council

9.12 The second map below shows all the neighbourhoods in Kirklees. There is a further concentration of high levels of relative deprivation around Huddersfield, as well as in Dewsbury.



Source: Kirklees Council

- 9.13 Since the previous IMD was published in 2015, the position of Dewsbury relative to the rest of England has deteriorated somewhat, in that 53% of neighbourhoods were in the most deprived 25% nationally at that time, compared to 66% in the 2019 IMD. In an analysis based on the 2015 IMD, ONS ranked Dewsbury as one of the 10% most deprived towns in England.¹⁰ It is therefore unlikely that the town has since moved out of the most deprived 10%.
- 9.14 The overall IMD is made up of indicators that look at different measures of prosperity, known as 'domains': income; employment; education; health; crime; accessibility of housing and local services; and the quality of the local environment. There are two additional indices, of income deprivation among children and older people. The town's position on each of these measures is summarised in Table 4 below.

¹⁰ Understanding towns in England and Wales: an introduction, ONS, July 2019.

Table 4: Relative deprivation in Dewsbury and Kirklees by domain, 2019

	Dewsbury		Kirklees
	% of areas in most deprived 10%	% of areas in most deprived 25%	% of areas in most deprived 25%
Income	18%	61%	34%
Employment	18%	58%	35%
Education	42%	68%	33%
Health	11%	50%	29%
Crime	32%	53%	45%
Access to services	0%	5%	6%
Living environment	17%	53%	44%
Children's income	13%	37%	22%
Older people's income	39%	50%	27%

Green shading – less highly deprived than England

Amber shading – more highly deprived than England

Red shading – more than twice as highly deprived as England

Source: Kirklees Observatory

- 9.15 Dewsbury is most severely deprived in relation to education and crime, in that more than twice as many neighbourhoods are in both the bottom 10% and the bottom 25% compared to the English average.¹¹ The town is also badly deprived in terms of income levels, employment and the quality of the local environment.
- 9.16 More positively, the town is less deprived than the English average in its access to housing and local services.
- 9.17 Dewsbury neighbourhoods are more deprived than those in Kirklees as a whole on every one of the main domains except access to housing and local services.
- 9.18 Income deprivation for children in Dewsbury is somewhat higher than the national average, whereas the whole of the district is slightly less deprived than England. However, severe deprivation levels relating to income among older people in the town are almost four times the English average.

Crime and community safety

- 9.19 Information on recorded crime is available for Dewsbury. The overall number of recorded crimes in Dewsbury in the 12 months to June 2020 was 189 per 1,000 residents, which was 14% higher than the rate for Kirklees of 166 per 1,000. The recorded rates in Dewsbury are higher than the district average for most types of offences. One of the largest differences is in public order offences, where the Dewsbury rate was 30% higher than the Kirklees average. This type of offence is often associated with town and city centres.

Health

- 9.20 West Yorkshire's industrial heritage has left behind a legacy of health, social and environmental challenges. Life expectancy in all West Yorkshire districts is significantly lower than the national average, while fewer

¹¹ It should be noted that recorded crime has increased partly because the police have been following recording standards more strictly. It is therefore difficult to tell whether the rising trend is a genuine one or simply the result of these changes in recording practices.

residents report themselves as being in good health – though health in the City Region is better than others, such as Liverpool and Sheffield city regions, on this measure.

- 9.21 The health of Kirklees residents is worse than the national average. Overall life expectancy in 2018 for men and women was 78.5 years and 82.5 years respectively. These figures were slightly lower than the English averages.
- 9.22 However, the gaps are bigger when healthy life expectancy is considered. The figure for men in Kirklees was 60.5 years, compared to 63.4 across England as a whole. Healthy life expectancy for women in Kirklees was also 60.5 years, compared to 63.9 for England. This suggests that the district's residents may have more serious underlying health conditions that affect them and shorten the time they spend in good health.
- 9.23 A number of other indicators are available for Dewsbury¹² from Public Health England, the majority of which show that residents have poorer health than the national averages. For example, the overall mortality rate during the period from 2013-17 was around 20% above the English average, and premature deaths among the under-75s were more than one-quarter higher than the national level. Hospital stays for alcohol-related harm were also significantly above average. More positively, hospital stays relating to self-harm are slightly below average, as is the prevalence of smoking at the age of 15. However, the incidence of low birth weight among full-term babies is higher than the English average, while under-5s are more likely to be admitted to hospital for emergencies.

Other indicators

- 9.24 The proportion of children in low-income families in Dewsbury¹³ is more than twice the national average. In the year to March 2019, 35% of the town's children lived in families whose income was less than 60% of the national average. This figure compares to 23% of children across the whole of Kirklees and 15% in England.
- 9.25 Fuel poverty in Dewsbury is also above average. One in eight households (12.9%) was classed as being in fuel poverty in 2018. The figure for the whole of Kirklees district was 10.6%, the same as that for West Yorkshire, while the English average was 10.3%.
- 9.26 The average price of all domestic properties sold in Dewsbury in 2019 was £141,000. This is more than 20% below the Kirklees average of £179,000. The average Kirklees price is close to the West Yorkshire figure of £185,000, but the average English property price is much higher, at £301,000 – more than double that in Dewsbury.

¹² The boundary of Dewsbury used to compile these statistics is made up of larger neighbourhoods (known as Middle Layer Level Super Output Areas, or MSOAs). They are the best fit to the Dewsbury Built-up Area used for most of the other data, but comprise a slightly larger geographical area.

¹³ These statistics are provided by the DWP and published on the Kirklees Observatory website. The boundary of Dewsbury used is the old County Borough, which is somewhat different from the ONS Built-up Area used for most of the other data.

10. Skills, education and employment

- 10.1 From both an individual's perspective and that of the local economy, educational qualifications and skill levels are one of the most important determinants of job opportunities and earnings potential.
- 10.2 This section examines the available information on skills and education, and how it affects the job market and wages. Limited information is available for Dewsbury from the 2011 Census and the 2019 Index of Multiple Deprivation. A wider range of data is available for Kirklees on these topics.
- 10.3 Additionally, we can examine information from employers across Kirklees concerning the issues they currently face in relation to skills shortages and filling vacancies. Finally, we consider what the job market may look like in the future – again, this information is for Kirklees or West Yorkshire as a whole rather than Dewsbury, but it is important in predicting future skills needs.

Key points:

- *The available evidence supports the view that Dewsbury has a less well-educated and lower skilled population than the rest of Kirklees and that a higher proportion of local jobs generally require lower educational qualifications.*
- *The proportion of Dewsbury neighbourhoods that fall within the most educationally deprived 25% of all those in England is nearly three times the national average.*
- *Fewer people in Dewsbury and Kirklees have degree-level qualifications and more have no qualifications at all, compared to the UK averages.*
- *Fewer Dewsbury residents work in managerial and professional posts and more work in process and elementary jobs when compared to the national averages.*
- *Kirklees as a whole has the lowest average wages of any district in West Yorkshire, at 81% of the UK level.*
- *While unemployment in Kirklees as a whole has been close to the national level in recent years, the numbers of out of work claimants in Dewsbury are above district and national rates.*
- *The Covid-19 economic crisis has already led to an increase in unemployed claimants in Dewsbury from 4.9% of the population to 9% between March and May 2020.*
- *Despite the low levels of skills and qualifications in the district, Kirklees employers report no more difficulties with skill levels in their existing workforce or in the number of vacancies that are hard-to-fill than in the rest of West Yorkshire.*
- *Looking to the future, there will be openings across all occupations because most demand for labour is a result of the need to replace workers who retire or move to other jobs.*
- *In terms of net gains and losses, the City Region is predicted to experience the fastest rates of job growth in higher skills occupations and in caring personal services, while net losses are predicted for many mid-skilled and routine occupations, such as secretarial jobs, some skilled trades and in process, plant & machine operatives.*

Educational qualifications and educational deprivation in Dewsbury

- 10.4 The 2011 Census provides a snapshot of educational attainment in Dewsbury and allows us to compare the town to other areas. One-third of Dewsbury residents at that time had no qualifications, compared to around 25% in Kirklees and West Yorkshire as a whole, and 22.5% across England.
- 10.5 Conversely, just 15% had degree-level qualifications in 2011, well below the totals in Kirklees as a whole (24%), West Yorkshire (24%) and England (27%).

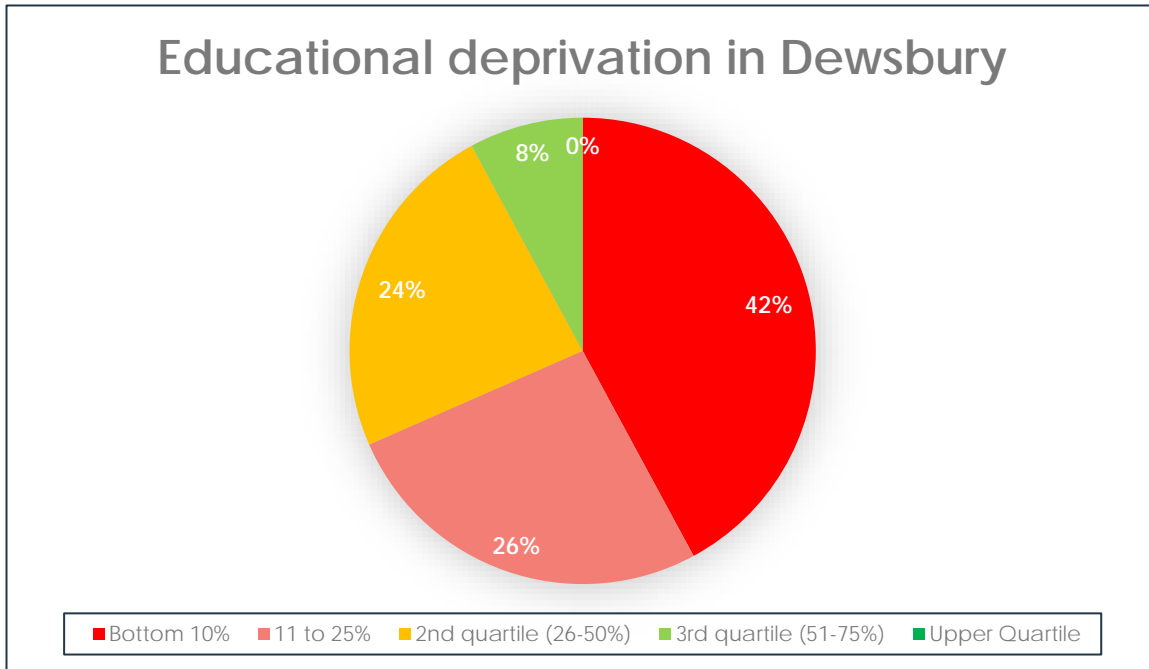
Table 5: 2011 Census: Educational attainment in Dewsbury and other areas

	% of residents aged 16+			
	Dewsbury	Kirklees	West Yorkshire	England
No qualifications	33.7	25.4	25.9	22.5
Level 4 qualifications and above	15.4	23.9	23.8	27.4

Source: 2011 Census

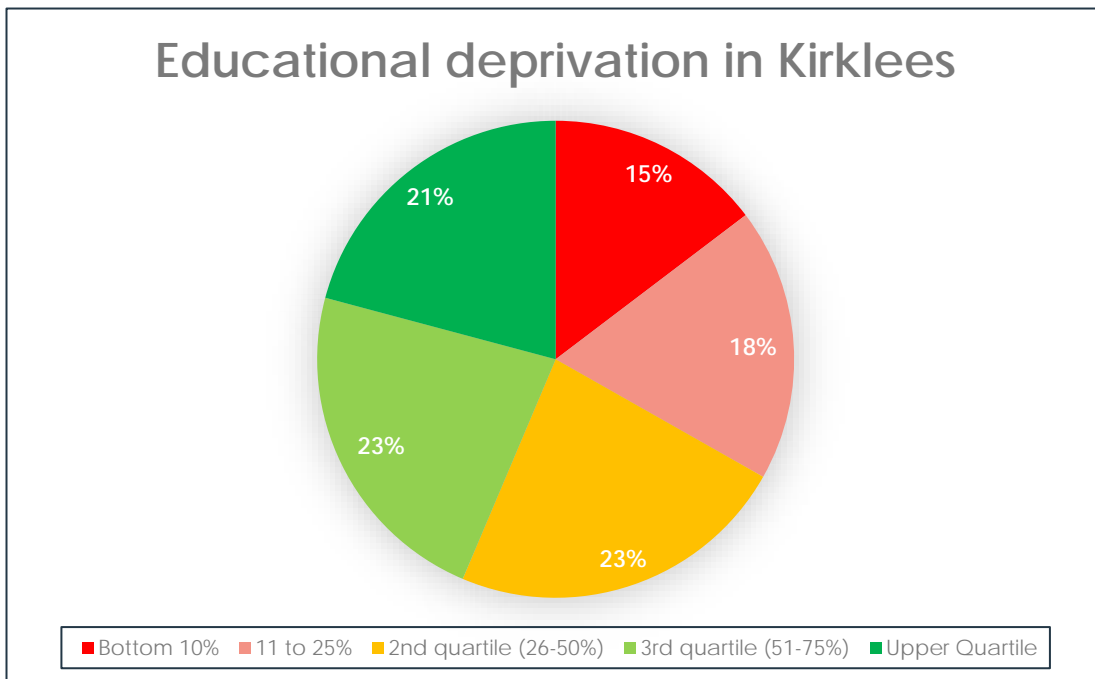
- 10.6 There is some more up-to-date information available regarding current school performance in Dewsbury¹⁴. Of those pupils reaching school-leaving age in 2019, 93% stayed on in full-time education, and just 2% were not in full-time education, training or employment. These are in line with the figures for Kirklees as a whole, which were 92% and 2% respectively.
- 10.7 The achievement levels of Dewsbury pupils by the end of primary school (Key Stage 2) in reading and maths were also similar to those in the rest of the district, but the local scores in reading were a little below the English average.
- 10.8 At secondary level, around 39% of pupils in the town achieved passes in English and Maths at GCSE in 2019, close to the English average of 40% but behind the figure of 43% for the whole of Kirklees. The government assesses the educational progress of pupils during their secondary schooling (Key Stage 4), but there is limited information available for Dewsbury schools since several have independent or other status which means that their progress scores are not published. As a result, there are only four schools in the town, plus two located in Mirfield, for which information is available. Of these six, one scored well above average in 2019, one was average, three below average, and one well below average.
- 10.9 Another piece of evidence on the level of educational attainment in Dewsbury comes from the 2019 Index of Multiple Deprivation. As described in Section 8, the overall index is made up of a number of separate domains, one of which looks at educational deprivation. The measure includes factors such as school pupil attainment and post-16 destinations (as mentioned in the previous paragraph), adult low qualifications and/or lack of English language proficiency.
- 10.10 Dewsbury is very highly deprived on this measure, with 42% of the town's neighbourhoods falling within the most deprived 10% nationally. Two-thirds of local neighbourhoods are in England's most deprived 25% of areas. By contrast, there are no Dewsbury neighbourhoods in the least deprived 25% nationally.
- 10.11 Dewsbury's position on this measure is much worse than Kirklees as a whole, which is not too different to the picture across the rest of England. Half as many Kirklees neighbourhoods (33%) are in the most deprived 25% nationally, compared to Dewsbury, while 21% are in the least deprived quarter of areas.

¹⁴ These statistics are provided by the Council and published on the Kirklees Observatory website. The boundary of Dewsbury used is the old County Borough, which is somewhat different from the ONS Built-up Area used for most of the other data.



NB. This chart uses data from the education 'domain' of the 2019 Index of Multiple Deprivation, and shows the proportion of Dewsbury neighbourhoods by their level of relative educational deprivation against the English average.

Source: Kirklees Observatory



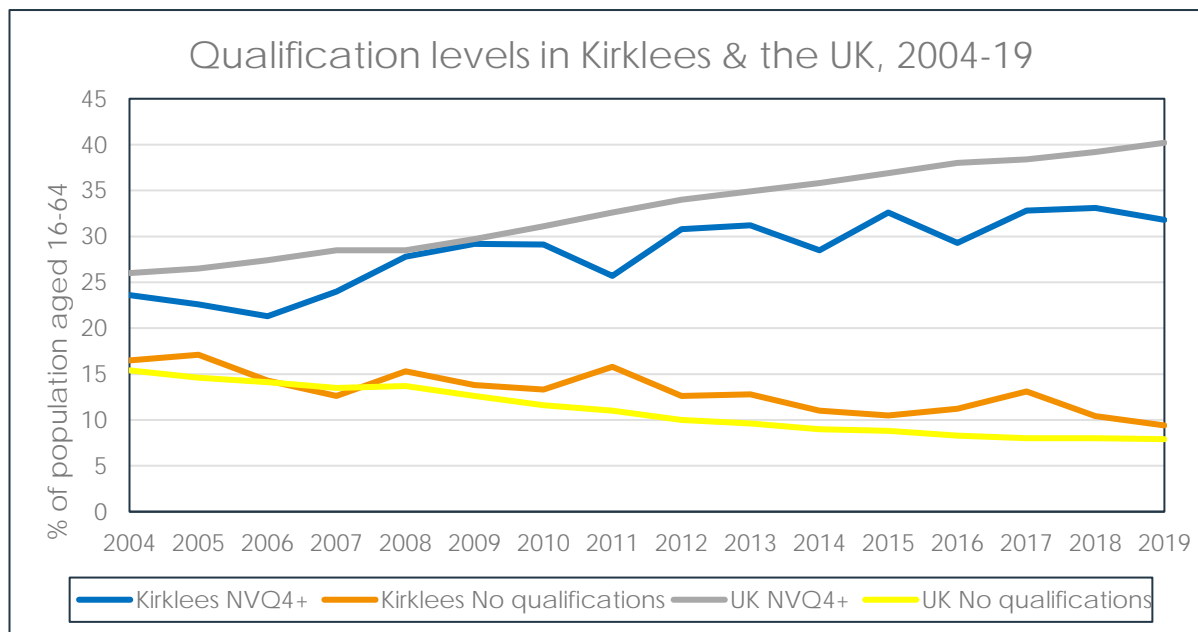
NB. This chart uses data from the education 'domain' of the 2019 Index of Multiple Deprivation, and shows the proportion of Kirklees neighbourhoods by their level of relative educational deprivation against the English average.

Source: Kirklees Observatory

Skills and qualifications in Kirklees

- 10.12 If we look at the data for Kirklees, we are able to examine trends over time in the district, which may give an indication of how things have changed in Dewsbury.
- 10.13 Educational attainment has been improving in Kirklees over the last 15 years, but not as fast as in many other parts of the country.

- 10.14 The proportion of the working age population with no qualifications at all has come down from 17% in 2004 to 9% in 2019, slightly worse than the UK average of 8%.
- 10.15 Just under one-third (32%) of local residents have degree-level (NVQ4+) qualifications, compared to the UK average of 40%. This is an improvement from the 24% with such qualifications in 2004, but the gap between Kirklees and the UK average has widened substantially over that period.
- 10.16 Within West Yorkshire, Kirklees has more residents with degree-level skills than Bradford and Wakefield, but fewer than Leeds.
- 10.17 In fact, the trends in Kirklees have been similar to those across West Yorkshire as a whole. The proportion of City Region adults with degree-level (NVQ4+) qualifications increased from 23% in 2004 to 33% in 2019, while the proportion of adults with no qualifications at all dropped from 17% to 10% between 2004-19.



Source: Annual Population Survey

- 10.18 In view of these figures, it is probable that qualification levels have also improved in Dewsbury since 2011, but also likely that the town's attainment levels remains behind the rest of the district.

Occupational structure in Dewsbury

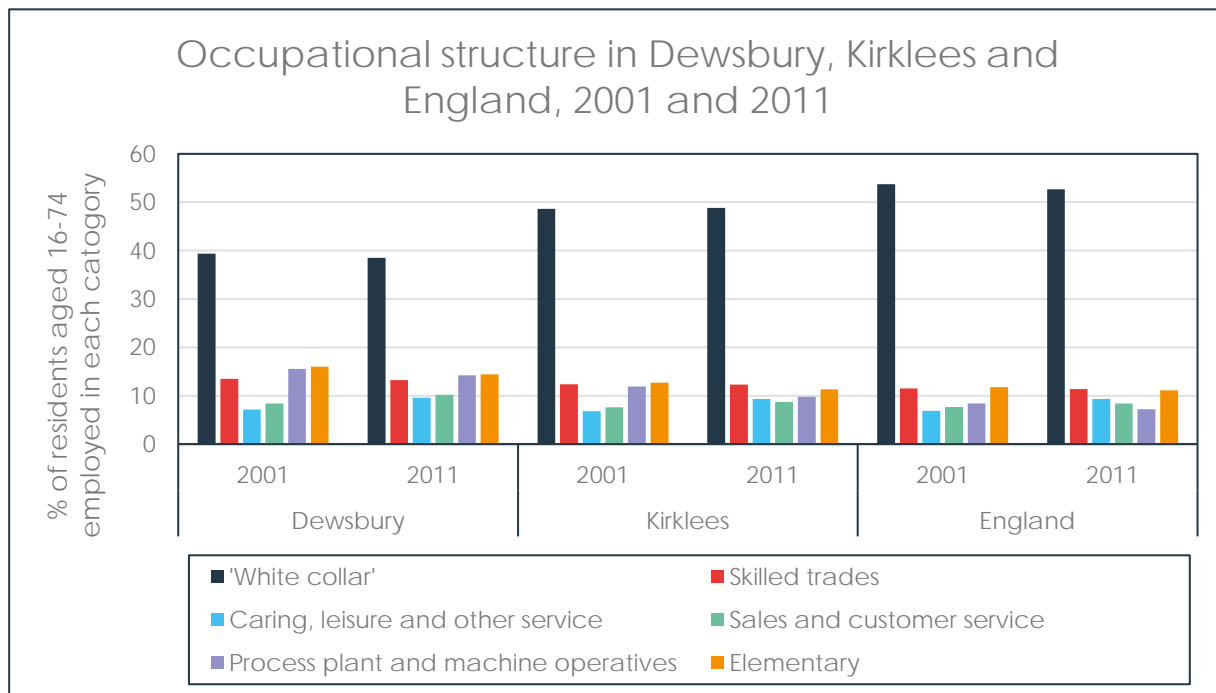
- 10.19 There is data describing employment by occupation in Dewsbury available from both the 2001 and 2011 Censuses. We can compare the town to Kirklees as a whole and to West Yorkshire and England.
- 10.20 In 2011, compared to both Kirklees district and England, there were fewer Dewsbury residents employed in the three occupational categories at the top of Table 6 below, namely the managerial, professional and associate professional jobs that often require higher level educational qualifications and which are associated with higher pay.
- 10.21 Moreover, there were more people from Dewsbury working as process plant and machine operatives and in elementary occupations than elsewhere. These are posts that often require lower levels of educational qualifications and can be low paid. The concentration of process plant and machine operatives is not surprising given the town's large manufacturing presence, as these jobs are largely those associated with factory work.

Table 6: 2011 Census: Occupational structure in Dewsbury and other areas

Occupation	% of employed residents aged 16-74			
	Dewsbury	Kirklees	West Yorkshire	England
Managers, directors and senior officials	8.7	10.7	9.8	10.9
Professional	10.9	15.6	16.0	17.5
Associate professional and technical	8.8	11.7	11.9	12.8
Administrative and secretarial	10.1	10.8	11.6	11.5
Skilled trades	13.2	12.3	11.4	11.4
Caring, leisure and other service	9.6	9.3	9.5	9.3
Sales and customer service	10.2	8.7	8.9	8.4
Process plant and machine operatives	14.2	9.8	8.7	7.2
Elementary	14.4	11.3	12.2	11.1

Source: 2011 Census

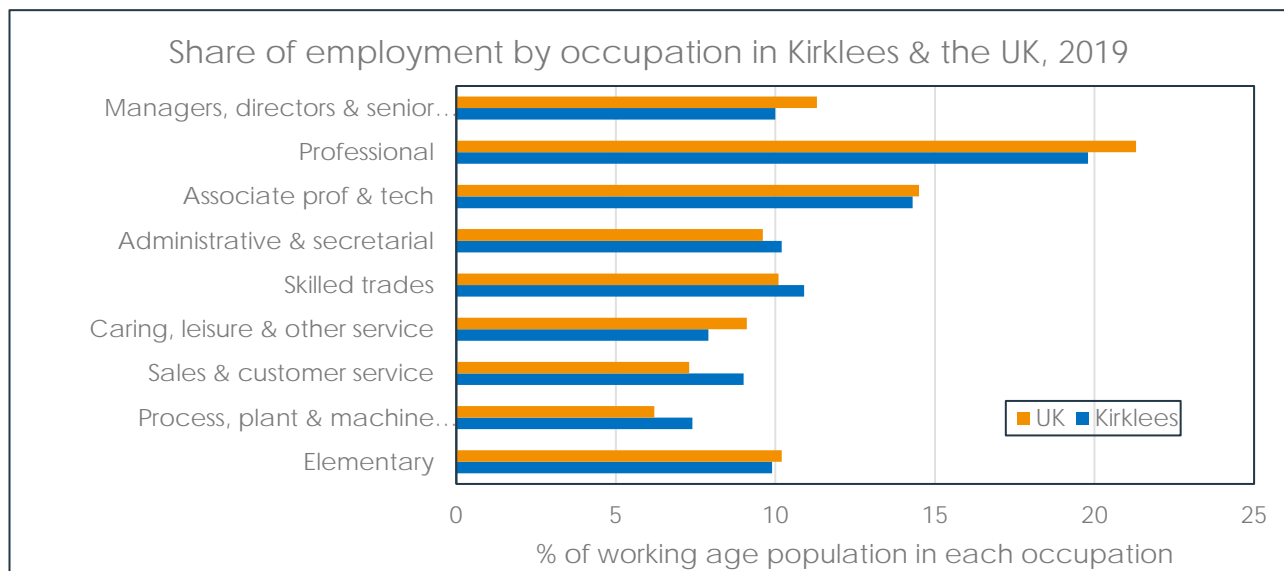
- 10.22 Employment by occupation in 2011 can be compared to the results from the 2001 Census to show some of the changes over time in the make-up of jobs among the town’s residents. In the chart below, the four occupational groups at the top of Table 6 have been amalgamated because of changes in the definitions of certain jobs between 2001 and 2011. We have called this new category ‘white collar’ jobs.
- 10.23 There was a real lack of white collar jobs in Dewsbury in both 2001 and 2011 in comparison to other areas. Around 39% of Dewsbury residents worked in these jobs in 2011, compared to 49% across Kirklees district and 53% in England.
- 10.24 In fact, the general direction of changes in occupations in Dewsbury between 2001 and 2011 was the same as that nationally, with steady numbers in white collar and skilled manual trades, rising numbers in caring/leisure and sales, and a declining proportion in both process plant and machine operatives and elementary posts.



Source: ONS

Employment structure and earnings

10.25 More recent information is available for Kirklees as a whole. Figure for 2019 show that Kirklees still has fewer people working in the managerial and professional jobs, but a greater proportion in jobs that usually require lower level qualifications, such as sales and plant & machine operatives. However, there are fewer Kirklees residents working in caring & leisure posts.

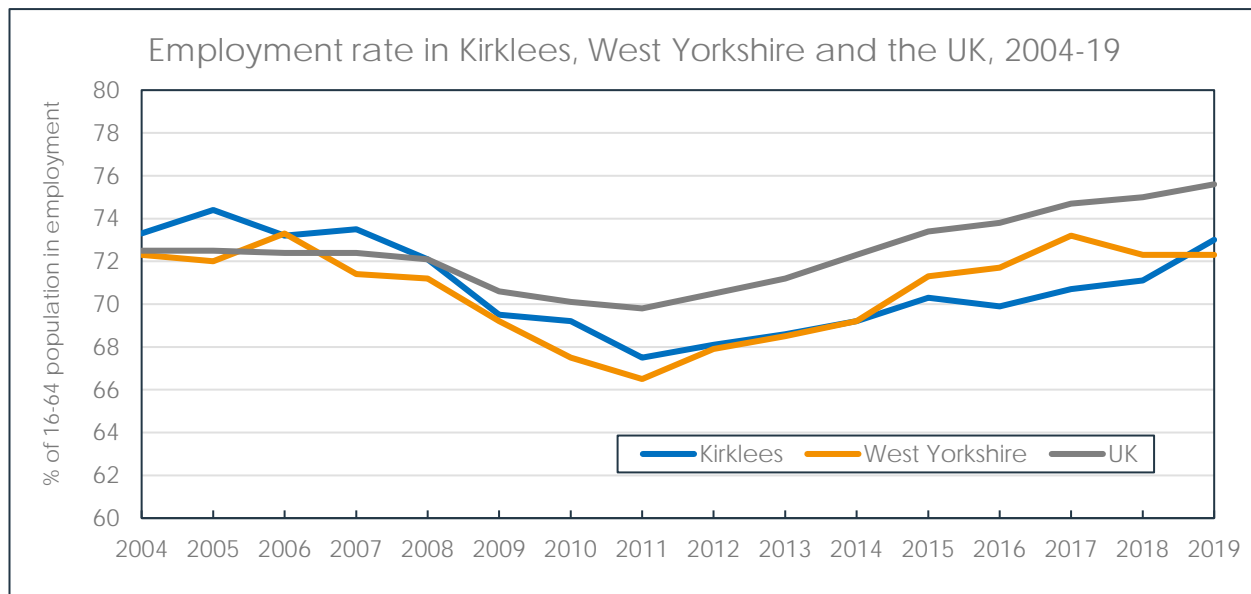


Source: Annual Population Survey

- 10.26 Partly as a result of the below-average skill levels – and the relatively low productivity that was described in Section 5 above – wages in Kirklees are low.
- 10.27 Average (median) earnings for people who worked in the district were £390 per week in 2019, the lowest of any of the West Yorkshire districts. This is 87% of the West Yorkshire average of £451 per week, and just 81% of the UK average of £479 per week.
- 10.28 More than a quarter of jobs in Kirklees pay less than the Living Wage, which is the highest proportion in West Yorkshire. The relatively low pay levels across both Kirklees and the wider City Region appear to reflect the fact that there are fewer better-paid posts at the upper end of the earnings scale.
- 10.29 Over the last two decades, Kirklees earnings have been falling behind the rest of the City Region and the UK. In 1997, local wages were actually above the West Yorkshire average and very close to the UK level.
- 10.30 Average earnings for Kirklees residents are somewhat higher – these figures include those who commute to work in better-paid jobs in Leeds, Bradford and elsewhere. Average weekly pay in 2019 was £432, which was 97% of the City Region average (£446) and 90% of the UK figure of £479.

Employment and unemployment

- 10.31 The most reliable statistics on employment and unemployment come from the ONS Annual Population Survey. Unfortunately, figures are available only for Kirklees as a whole, not for Dewsbury, and they are not available for 2020.
- 10.32 There were 198,000 Kirklees residents aged 16-64 in employment in 2019, representing 73% of the working age population. This is lower than the UK employment rate of 76%.
- 10.33 While employment in Kirklees has been rising since 2011, a gap between the local and national rate has opened up that did not exist at the start of the recession. Kirklees therefore has a 'jobs gap' of around 7,000 – the number of extra people who would be in work if the employment rate matched the UK average.



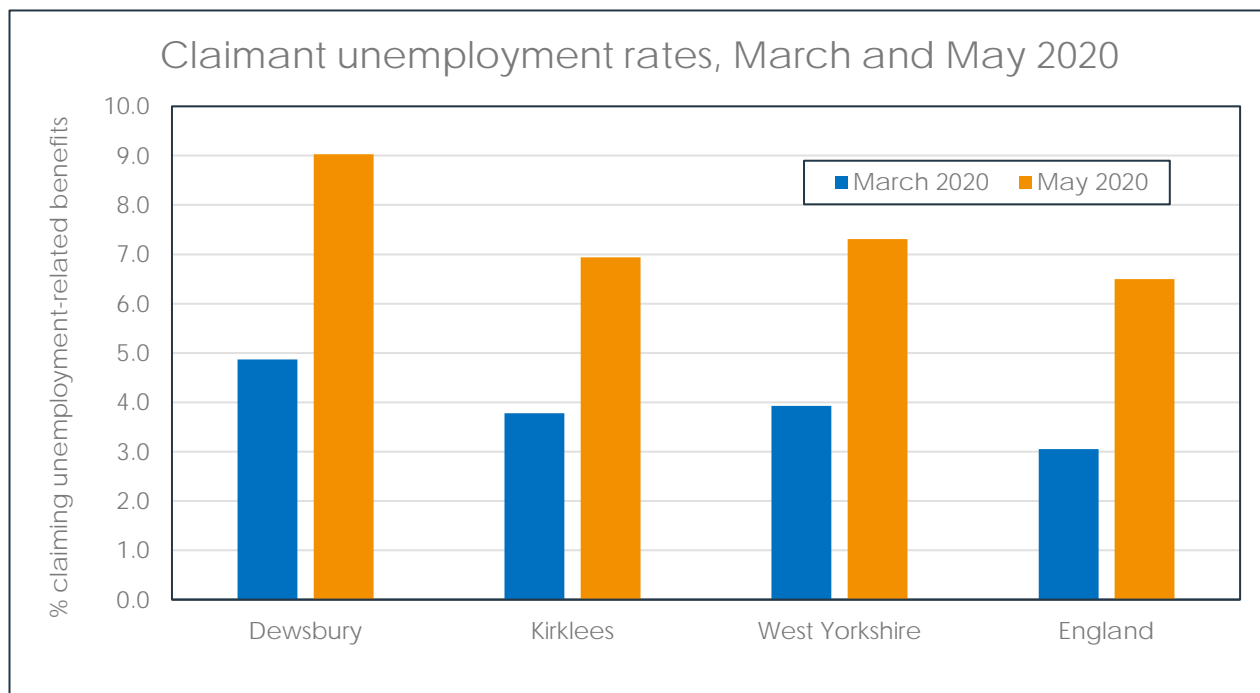
Source: Annual Population Survey

10.34 Unemployment in Kirklees in 2019 was around 3% (fewer than 6,000 people), down from the high of 9% in 2010. These rates compare to national averages of 4% in 2019 and 8% in 2010. The local unemployment rate has remained similar to the national average for most of the last decade. Unemployment is likely to increase substantially as a result of Covid-19.

Claimant unemployment in Dewsbury

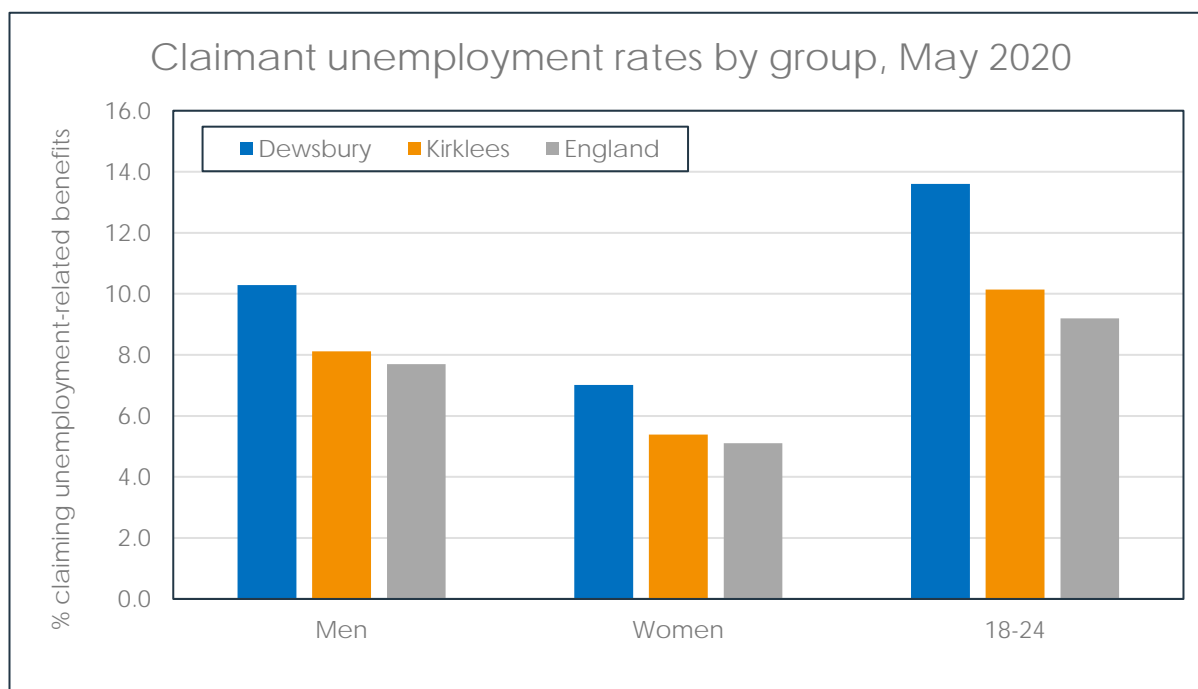
10.35 Official statistics are available for those in Dewsbury claiming unemployment benefits – Jobseekers Allowance and out of work Universal Credit – which is only a partial measure of all those seeking a job.

10.36 The latest available figures are for May 2020, which reflects some of the impact of the lockdown on the job market. There were 3,700 claimants in Dewsbury, representing 9% of the working population. This is above the Kirklees rate of 6.9%, and also above the figures for West Yorkshire (7.3%) and England (6.5%).



Source: Kirklees Observatory

- 10.37 We can see that the impact of Covid-19 on the economy was already being felt in May. The claimant rate had increased substantially in all areas from March, before the lockdown began. Notably, the increase from 4.9% in March to 9% in May in Dewsbury is a greater increase than elsewhere, even though Dewsbury already had the highest rate in March.
- 10.38 Already, the unemployment claimant rate is above 10% in over one-third of Dewsbury neighbourhoods, and reaches 16% in one particular area. The position is worst among young people, with 13.6% of Dewsbury residents aged 18-24 claiming unemployment-related benefits. Rates are higher for men than for women.



Source: Kirklees Observatory

- 10.39 The total numbers of people claiming Universal Credit (UC) in Dewsbury are also above average. This measure is an indicator of poverty levels, since it includes not just those out of work, but also those in work whose income is sufficiently low to require a top-up to cover basic necessities. There were 18.3% of Dewsbury residents claiming UC in May 2020, compared to the Kirklees figure of 14.1% and the English average of 13.1%. In some neighbourhoods, more than a quarter of residents are in receipt of UC.

Skills issues for Kirklees employers

- 10.40 If more businesses in Kirklees face skills problems with either their existing workforce or in recruiting new workers, this may indicate that local residents do not possess the appropriate skills for the jobs available. The 2020 Leeds City Region Employers Survey examined a range of issues to do with workforce skills.
- 10.41 Around three-fifths of Kirklees employers said that some of the skills in their business need to be improved. This is in line with other businesses in West Yorkshire. Among the most frequently-mentioned skills that were felt to be lacking were technical and specialist skills, sales & marketing and management skills.
- 10.42 One-fifth of Kirklees employers had experienced one or more hard-to-fill vacancies in 2019, again in line with the City Region average. Finding people with the right technical or job-specific skills caused the great majority of these recruiting problems.
- 10.43 The evidence therefore suggests that Kirklees employers face no greater degree of skills challenges than those in other parts of West Yorkshire.

Skills supply

- 10.44 To achieve successful and inclusive growth, an economy needs to supply the right number of individuals with the right skills to meet changes in demand. We have seen above that overall educational qualification levels in Kirklees have been rising, though they still lag behind national levels.
- 10.45 However, the provision of work-related skills and training has declined in recent years. The numbers participating in FE College courses and in apprenticeships fell by more than 20% across Leeds City Region between the 2012/13 and 2017/18 academic years, similar to the national trend. School leavers from poorer backgrounds in Kirklees (measured by those in receipt of free school meals) are only half as likely to go into an apprenticeship as other pupils, a similar gap to those found in other parts of West Yorkshire.
- 10.46 The performance of Kirklees in getting young people into higher education (HE) is a good one: 44% of school leavers went into HE in the 2016/17 academic year, which was the highest figure of any West Yorkshire district, and better than the English average of 41%. But again, pupils in receipt of free school meals are much less likely than others to enter HE. In Kirklees, 31% of free school meals pupils went into HE in the 2016/17 academic year, well behind the proportion of 46% of other pupils going into HE. More positively, the figure of 31% was the highest in West Yorkshire, and better than the English average of 26%.

Future employment and skills need

- 10.47 At the time of writing, in the midst of the pandemic, it is all but impossible to predict the future path of the local economy and the types of jobs that might be available over the next few years. As time passes, and the path out of the present crisis becomes clearer, it will be sensible to develop new predictions for the labour market, since it is vital to have this information as the basis for planning skills training and educational provision, and so that the residents of Dewsbury and elsewhere have information on which they can base their skill choices. For the time being, however, the only such forecasts available are ones prepared before Covid-19 emerged. Their predictions therefore need to be used with great caution.
- 10.48 As part of the development of the Local Plan, adopted in 2019, the Council worked with the LEP to develop employment forecasts, based on achieving the targets of a 75% employment rate and additional manufacturing employment set out in the 2014 Kirklees Economic Strategy. Table 7 overleaf shows the forecasts for 13 sectors of the economy in terms of predicted growth in full-time equivalent jobs. The forecasts were done in 2016.
- 10.49 The biggest increase in absolute terms was predicted for public services, expected to add over 6,000 jobs between 2013-31. Around 3,000 extra jobs were forecast in each of construction, manufacturing, professional & private services and in wholesaling, plus a further 2,000 in accommodation & food services.
- 10.50 It should be noted that net change in total employment is only one part of future labour demand. The other, much larger, component is 'replacement demand' – the need to fill jobs left by people who retire or move to another role.
- 10.51 Looking at the whole of the Leeds City Region, forecasts from the Combined Authority in 2019¹⁵ say there are expected to be 600,000 job openings over the next decade, with nine out of ten of these being replacement demand. There will be new opportunities in all occupations at all skill levels, even in those jobs where net losses are forecast.
- 10.52 The report suggests that recent patterns of occupational change are likely to continue. This means that the fastest rates of job growth are expected in higher skills occupations and in caring personal services. Net declines are predicted for many mid-skilled and routine occupations, such as secretarial jobs, some skilled trades and in process, plant & machine operatives.
- 10.53 However, we have observed that in Kirklees there has in recent years been much slower growth in the higher skilled occupations, so there has to be a question as to whether the district can benefit from these trends in the future.

¹⁵ West Yorkshire Labour Market Report, 2019.

Table 7: Forecast change in employment in Kirklees, 2013-31

	2013 employment	Employment change, 2013-2031	
		No. of jobs	% change
Accommodation, food services & recreation	7,500	+1,900	+25%
Agriculture, forestry & fishing	400	-100	-29%
Construction	7,200	+3,100	+43%
Extraction & mining	200	+100	+43%
Finance & insurance	1,800	+200	+13%
Information & communication	2,500	+500	+22%
Manufacturing	24,700	+2,900	+12%
Professional & other private services	17,300	+3,000	+18%
Public services	35,800	+6,400	+18%
Transport & storage	6,900	+1,700	+24%
Utilities	1,300	+300	+24%
Retail	12,100	+400	+3%
Wholesale	12,800	+2,700	+21%
Total employment	130,500	+23,200	+18%

Source: Kirklees Local Plan Submission Documents SD22, Employment Technical Paper, April 2017; author's calculations

11. Property market and town centre

- 11.1 Dewsbury town centre is at the heart of plans to regenerate the town and the whole of North Kirklees Growth Zone. Only a thriving town centre will enable the town's fortunes and those of its wider catchment area to be revived.
- 11.2 However, a town like Dewsbury is 'disadvantaged' by its historic character, as investments in such town centres are by their nature unique, with each scheme differing according to building characteristics, scale of work required and local setting. Given this, investors relying on external private finance will struggle to effectively demonstrate the potential financial returns that could be achieved, compared to more typical commercial investments, resulting in the under-provision of these types of investments. The lack of development in Dewsbury due to low development values evidences and further exacerbates this issue in a vicious cycle of low investor confidence.
- 11.3 In the following section of the report, we will provide analysis of the residential property market nationally, as well as an assessment of the residential market in Dewsbury. This section of the report also identifies key trends and characteristics within the local commercial property market (focusing on office, retail and industrial properties) in Dewsbury.

Key points:

- The average price paid for a home in Dewsbury currently stands at £124,058 (down 1.38% on the 12-month average of £125,788).
- The current average achieved price of a home in Dewsbury is 25% lower than the average achieved in Huddersfield and 44% lower than the average achieved in Leeds.
- Rental values for properties in Dewsbury are lower than most other neighbouring towns and cities.
- In conclusion Dewsbury is a relatively affordable town in which to live.
- Dewsbury town centre is the main location of retail and commercial activity in North Kirklees. The high quality of its architecture and its excellent road and rail connections are significant advantages.
- Pedestrian footfall has declined dramatically, especially since the recession of 2008/09. The number of Saturday visitors has dropped by more than half over the past 20 years.
- 30% of town centre properties were vacant in 2019.
- Important local anchors such as Marks & Spencer and McDonald's have closed, while nearby retail parks and additional capacity in Leeds and Wakefield have further drawn away potential shoppers.
- There are few restaurants and a lack of evening activity.
- The office market in the town centre is comprised entirely of buildings from before 1990, and both capital and rental values are low. This suggests that private sector office development in Dewsbury is unlikely without public sector support

National residential property market

- 11.4 Nationwide's July House Price Index (HPI) release reported that house prices across the UK increased by 1.7% in July, compared to a 1.6% fall in June. They are now up 1.5% annually.
- 11.5 The monthly rise has been attributed to the lifting of lockdown allowing a release of some pent-up demand as well as the announcement of the stamp duty holiday for property valued under £500,000 between 8 July 2020 and 31 March 2021. Although this is a strong month-on-month growth figure, a key question is whether the house price growth is sustainable.

- 11.6 Rightmove data has also illustrated a post-lockdown boost in activity. The site recorded its 10 busiest days ever in May and June, with 955,000 hours spent on the site on 6th June alone. In a typical month, Rightmove may expect to accrue around 1.4 million hours spent on their site. Asking and achieved price data shows transactions on Rightmove achieved 97.7% of their asking price in June, up from 96.6% in February. This strong performance fuelled continued growth in asking prices on the site, increasing by 2.4% in July compared to March with an annual growth of 3.7%.
- 11.7 Due to the severely reduced number of transactions because of lockdown, ONS have temporarily paused their UK house price index. The last available figure, March 2020, suggested that house prices had remained largely flat month-on-month with a marginal decrease over the previous 6 months.
- 11.8 The RICS residential market survey which is a good timely indicator of sentiment, delivered significantly more positive readings in June compared to the April and May figures. Buyer demand held a net balance of +61%, while new instructions achieved +42%, jumping up from -94% and -22% in May respectively. These figures reflect a significant release of demand and, to a lesser extent, supply pressure that had built up during the lockdown period when the majority of housing transactions were placed on hold.
- 11.9 Price expectations for the coming twelve-months from the survey period remain slightly negative, despite persisting confidence in positive five- year growth.
- 11.10 Stamp duty receipts for residential properties, including those which are exempt from the charge, suggest that housing transactions in England and Northern Ireland totalled 133,000 in Q2 2020 and 244,000 in Q1 2020. These figures are down by 50.1% and 19.6% respectively compared with the 5-year average.

Mortgages

- 11.11 The number of loans approved for house purchases increased to 40,000 in June, a considerable rebound from the 9,300 low observed in May, although still 45.7% below February's figure, according to the Bank of England.
- 11.12 The continuing recession and economic uncertainty means that Covid-19 is still affecting banks' willingness to lend. Following the 2008 financial crisis, similar risk-averse attitudes translated into large decreases in loan-to-value (LTV) ratios, lower income multiples and higher deposits, resulting in reduced access to mortgages.
- 11.13 The Bank of England's base rate cut in March to a historically low 0.1% may provide incentive for the banks to take on some of the additional risk of lending in an uncertain environment. In a show of confidence in the market, Nationwide have relaunched their 90% LTV ratio mortgages with no cap or limit on the number provided.

The Regional Market

- 11.14 In the year to Q2 2020, Nationwide data showed an increase in the house prices of all the UK regions, apart from the North which remained flat. The largest increases were seen in the North West and Scotland with 4.8% and 4.0% annual growth respectively.
- 11.15 Although Land Registry data series has a substantial lag, Hometrack data suggests that regional transactions have recovered to 20% above their pre-lockdown level taken in early March. The UK regions were faster than London to initially rebound from the lockdown lows, but they have not experienced as strong a response to the stamp duty cut.
- 11.16 In the RICS residential survey, there was mixed sentiment across the regions regarding house prices. Although East Anglia and Northern Ireland respondents achieved reasonably strong positive net balances of around +10% with four other regions holding positive perceptions of house prices over the past month. Six UK regions reported negative sentiment in terms of recent house prices, with the South East and Scotland in the worst standing at around -30%.
- 11.17 Negative sentiment is more universal in the near-term outlook in terms of sales and prices, with only the North and South West holding positive net balances. This suggests that the considerable uptick in enquiries, which increased in all regions except for Northern Ireland, and new instructions, which increased in all bar Scotland and Northern Ireland, is a release of pent-up demand rather than the start of a continued increase in activity. The stamp duty holiday may provide some upside to this.

The Lettings Market

- 11.18 The ONS UK private housing rental index showed an annual increase of 1.5% in June 2020 for the price paid by tenants. Across the English regions, the South West and the East Midlands continue to report the highest annualised growth at 2.5% and 2.3% in June respectively, while the North East and North West experienced the least growth at 1.0%.
- 11.19 Tenant demand over the past three months is perceived to have increased in all regions apart from London and Scotland, as observed by the RICS residential survey. Conversely, new landlord instructions over the same period are thought to have declined in all regions excluding London, East Anglia and the South West. Over the near- and medium-term, rent expectations are largely positive, with only London and Wales recording a negative net balance and an anticipated increase of around 3% over the coming 5 years across the UK.
- 11.20 Rental properties, benefitting from increased accessibility and less permanence compared to home purchases, are thought to be more resilient in times of economic uncertainty and less cyclical. However, government support measures which have largely favoured tenants over landlords (e.g. through the moratorium on evictions) may off-set this advantage as the lost rental income and potential for high rates of evictions once the moratorium ends could put landlords out of pocket.

Build to Rent

- 11.21 Regional cities are becoming more attractive for big funds looking for long-run investments in the BTR market as the trend moves into city centres beyond London. The British Property Federation (BPF) reported that regional BTR completions totalled 24,700 units in Q2 2020, a 50% increase on Q2 2019 and in excess of London's BTR completions of 23,000. BTR schemes with planning permission totalled 80,700 in Q2 2020, 27% up on the same time last year.
- 11.22 BTR investors may prove an attractive exit opportunity for house builders in the current market. We expect to see an increase of bulk sales to investors, bringing certainty and reducing risk for the vendor. In general, we expect the sector to see strong interest, its lower cyclical volatility and strong demand profile make it appealing to funds and institutions looking for long-run returns.

Dewsbury residential market data

- 11.23 Residential property market data for Dewsbury has been obtained data from REalyse and the ONS. For comparison / benchmarking purposes, data have also been obtained for a number of neighbouring town and cities including Leeds, Manchester, Bradford, Wakefield, Halifax, Pudsey, Crossgates, Shipley and Morley.

Achieved sales prices

- 11.24 According to the ONS, in the year to December 2019, a total of 307 properties were sold in Dewsbury. A breakdown of these sales by house type is summarised in Table 8 below.

Table 8 - Summary of residential transactions in Dewsbury in 2019 (ONS)

	Detached	Semi-detached	Terraced	Flats/maisonettes	All property types
Quantity	71	109	113	14	307
%	23%	35%	37%	5%	100%

- 11.25 As can be seen from the table above, most of the homes sold in Dewsbury in 2019 were terraced and semi-detached, accounting for 72% of the market share. 23% of all homes sold in 2019 were detached homes, with only 5% of properties sold being flats/maisonettes.
- 11.26 According to data from REalyse, the average price paid for a home in Dewsbury currently stands at £124,058 (down 1.38% on the 12-month average of £125,788). The current average achieved price of a home in

Dewsbury is 25% lower than the average achieved in Huddersfield and 44% lower than the average achieved in Leeds.

11.27 Table 9 below summarises the current average price paid by property type in Dewsbury, compared against the 12-month average for Dewsbury, as well as other towns and cities in the region.

Table 9 - Summary of current residential sales values by property type (REalyse)

Region	Detached	Semi-detached	Terraced	Flats maisonettes &	All property types
Dewsbury	£194,000	£148,750	£129,333	£49,125	£124,058
Dewsbury (12-month average)	£214,453	£138,139	£104,939	£65,661	£125,788
Huddersfield	£300,000	£104,939	£107,500	£104,782	£163,300
Leeds	£385,000	£227,500	£143,750	£130,500	£221,688
Manchester	£294,098	£203,260	£139,502	£145,031	£172,064
Bradford	£258,385	£145,583	£102,125	£79,968	£132,229
Wakefield	£244,479	£146,042	£111,625	£85,458	£145,102
Halifax	£325,208	£168,812	£105,708	£131,031	£131,604
Pudsey	£298,915	£187,825	£166,542	£150,917	£192,756
Crossgates	£285,238	£210,252	£163,969	£97,471	£191,582
Shipley	£247,500	£254,283	£167,271	£78,917	£159,979
Morley	£271,442	£167,602	£103,754	£103,250	£135,183

11.28 Whilst current average prices for detached homes and flats appear to have fallen (by 9.6% and 15.2% respectively) against the 12-month average, semi-detached and terraced house values appear to have grown (by 7.7% and 23.2% respectively), suggesting a rise in demand for such properties (coinciding with the higher proportion of sales of semi-detached and terraced homes in 2019).

Achieved prices

11.29 Sold house prices data (Epsf) has also been obtained for Dewsbury along with the benchmark locations. This data is presented in Table 10 overleaf.

Table 10 - Summary of current residential values (Epsf) by property type (REalyse)

Region	Detached	Semi-detached	Terraced	Flats maisonettes &	All property types
Dewsbury	£200 psf	£180 psf	£150 psf	£99 psf	£157 psf
Dewsbury (12-month average)	£203 psf	£162 psf	£129 psf	£124 psf	£152 psf
Huddersfield	£188 psf	£216 psf	£110 psf	£186 psf	£175 psf
Leeds	£311 psf	£220 psf	£192 psf	£204 psf	£232 psf
Manchester	£263 psf	£216 psf	£166 psf	£230 psf	£204 psf
Bradford	£219 psf	£161 psf	£131 psf	£142 psf	£155 psf
Wakefield	£214 psf	£167 psf	£136 psf	£135 psf	£164 psf
Halifax	£218 psf	£187 psf	£128 psf	£161 psf	£149 psf
Pudsey	£272 psf	£218 psf	£186 psf	£198 psf	£204 psf
Crossgates	£210 psf	£214 psf	£178 psf	£193 psf	£207 psf
Shipley	£162 psf	£172 psf	£157 psf	£113 psf	£140 psf
Morley	£255 psf	£238 per psf	£164 psf	£156 psf	£177 psf

- 11.30 The average sales price for all property types in Dewsbury is up slightly on the 12-month average (by approximately 3.3%). Average sales values for all property types is lower than most of the benchmark locations, except for Bradford, Halifax and Shipley.
- 11.31 The data shows that, currently detached houses attract the highest sales values in Dewsbury at approximately £200 psf, which is down slightly on the 12-month average. This is higher than that of Huddersfield (at £188psf), and Shipley (£162psf) but lower than the other benchmark locations. The sales values for detached dwellings in Dewsbury are considerably higher than those achieved for semidetached, terraced and flats may reflect a lack of stock of detached houses in Dewsbury, therefore commanding a premium on sales values.
- 11.32 Sale values for semidetached and terraced properties have increased by 11% and 16% respectively on the 12-month average. Conversely, sales values for flats are down 20.2% on the 12-month average.
- 11.33 We have also obtained sales price data for new build homes only, to demonstrate whether a premium is achievable for new homes. No data was available for Crossgates and Shipley. This information is presented in Table 11 overleaf.

Table 11 - Summary of new build residential sales values (£psf) by property types (REalyse)

Region	Detached	Semi-detached	Terraced	Flats maisonettes &	All property types
Dewsbury	£221 psf	£180 psf	£140 psf	£153 psf	£192 psf
Dewsbury (12-month average)	£221 psf	£235 psf	£140 psf	£153 psf	£187 psf
Huddersfield	£233 psf	£171 psf	£168 psf	£304 psf	£220 psf
Leeds	£238 psf	£285 psf	£242 psf	£243 psf	£252 psf
Manchester	£264 psf	£211 psf	£166 psf	£403 psf	£397 psf
Bradford	£272 psf	£163 psf	£207 psf	£220 psf	£263 psf
Wakefield	£283 psf	£205 psf	£174 psf	£245 psf	£196 psf
Hallifax	£225 psf	£228 psf	£175 psf	£167 psf	£226 psf
Pudsey	£265 psf	£184 psf	£227 psf	£180 psf	£265 psf
Crossgates	-	-	-	-	-
Shipley	-	-	-	-	-
Morley	£234 psf	£275 psf	£258 psf	-	£258 psf

- 11.34 The data shows that, a premium (of circa 23%) is achieved on new build houses in Dewsbury compared to existing stock with the average value of all property types being £192psf compared with £157psf for existing stock. However, this 'premium' is not uniform across all property types. The greatest premiums appear to be achieved on new build detached dwellings and flats. New build sales values in Dewsbury are lower than all other areas where new build sales values have been obtained. This suggests that the market characteristics of Dewsbury are comparatively poor albeit the average new build value for all property types has increased by around 2.6% on the 12 month average.
- 11.35 In comparison with the larger towns and cities in the region, Dewsbury's new build residential values are 13% lower than Huddersfield, 24% lower than Leeds, 27% lower than Bradford and 52% lower than Manchester.
- 11.36 Again, the highest performing new build property type in Dewsbury is detached properties, perhaps in recognition of the lack of new build detached properties on the market.
- 11.37 It is noticeable that new build terraced houses have achieved poorer sales values per sq ft than existing stock. In our opinion this is an anomaly in the data, perhaps due to a small sample size of data or a handful of second hand transactions performing much higher than the average.

Asking rents

11.38 Using REalyse, we have been able to access Experian data which outlines asking rent information by property type. Table 12 below summarises this data.

Table 12 - Summary of asking rents by property type (REalyse)

Region	Detached	Semi-detached	Terraced	Flats & maisonettes
Dewsbury	£575 pcm	£585 pcm	£622 pcm	£403 pcm
Dewsbury (12-month average)	£575 pcm	£664 pcm	£588 pcm	£392 pcm
Huddersfield	£754 pcm	£658 pcm	£521 pcm	£497 pcm
Leeds	£994 pcm	£860 pcm	£812 pcm	£687 pcm
Manchester	£1,055 pcm	£914 pcm	£839 pcm	£817 pcm
Bradford	£658 pcm	£627 pcm	£521 pcm	£461 pcm
Wakefield	£757 pcm	£646 pcm	£533 pcm	£470 pcm
Halifax	£662 pcm	£673 pcm	£535 pcm	£471 pcm
Pudsey	£798 pcm	£873 pcm	£677 pcm	£605 pcm
Crossgates	£802 pcm	£871 pcm	£710 pcm	£553 pcm
Shingley	£548 pcm	£790 pcm	£683 pcm	£462 pcm
Morley	£706 pcm	£708 pcm	£550 pcm	£610 pcm

11.39 The average asking rents for detached and semi-detached properties in Dewsbury are broadly similar at £575 and £585 pcm respectively. Asking rents for terraced houses in Dewsbury command the highest rents at £622 pcm. Asking rents for flats in Dewsbury are the lowest at £403 pcm.

11.40 According to the data, asking rents for properties in Dewsbury appear to be lower than most other neighbouring towns and cities. The closest comparator appears to be Shipley, with asking rents at £548 pcm for detached, £790 pcm for semi-detached (significantly higher than that of Dewsbury), £684 pcm for terraced and £462 pcm for flats.

Gross yields

11.41 We have also obtained data on residential investment yields. These are estimated figures derived by REalyse and not necessarily reflections on actual investment transactions. The data is summarised in Table 13 overleaf.

Table 13 - Summary of gross yield data by property type (REalyse)

	Detached	Semi-detached	Terraced	Flats & maisonettes
Dewsbury	4.0%	4.8%	5.2%	6.9%
Dewsbury (12-month average)	3.9%	4.8%	5.6%	7.1%
Huddersfield	2.8%	4.2%	4.9%	5.8%
Leeds	3.2%	4.5%	5.6%	5.4%
Manchester	4.0%	4.8%	6.0%	5.4%
Bradford	2.8%	4.6%	5.1%	5.8%
Wakefield	3.4%	4.8%	5.4%	6.3%
Halifax	2.4%	4.3%	5.0%	5.0%
Pudsey	3.1%	5.1%	4.9%	6.1%
Crossgates	3.5%	4.9%	4.8%	5.7%
Shipley	2.5%	4.0%	4.2%	4.3%
Morley	3.3%	4.7%	4.7%	8.2%

11.42 The gross yield data shows that Dewsbury as a residential investment market achieves the greatest yields on flats/maisonettes, with the lowest returns seen on detached houses. In comparison with the other town and cities considered, Dewsbury's gross yields appear to be higher across the board (with a few exceptions), suggesting that property returns in the area are better than elsewhere.

11.43 However, this is likely to be more of a reflection of lower property values in Dewsbury, set against disproportionately healthier rental potential, as opposed to higher property values in, say, Leeds, where the rental return is greater in terms of actual sums paid, but lower than Dewsbury as a percentage of the property value.

11.44 Often, the rental markets will perform stronger than owner occupier markets due to individual affordability. In an area such as Dewsbury, where 'purchasing power' is perhaps restricted due to lower household income/affluence, there can be less demand for owning a home resulting in a reduction in capital values. As a consequence, rental properties often see disproportionality stronger rents due to higher demand, generating better yields for investors.

Dewsbury Commercial Market Data

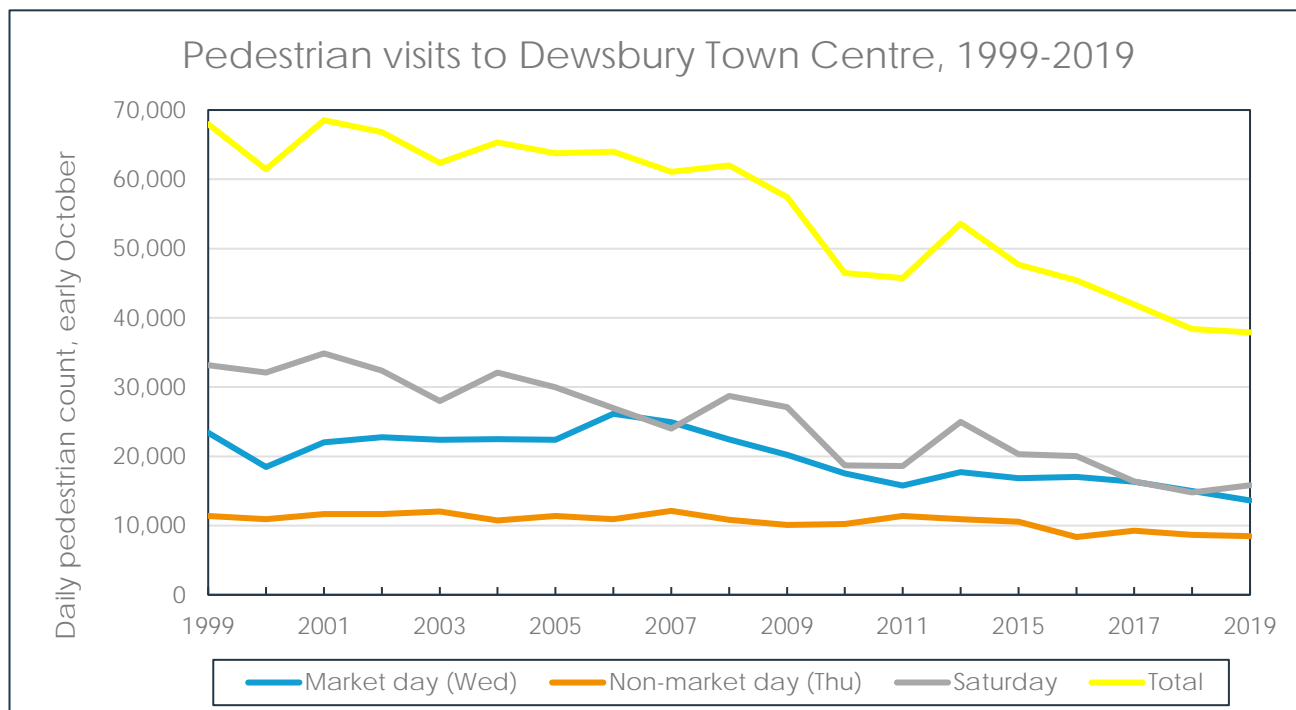
11.45 This section looks at the trends in shopping, work and leisure activities in the town centre, and examines information on the state of the commercial property markets.

The town centre

11.46 Dewsbury has had a long thriving retail and commercial life, its heritage clear for all to see in the high quality of the buildings that comprise much of the town centre. The excellent road and rail links make it easily accessible to a wide surrounding population.

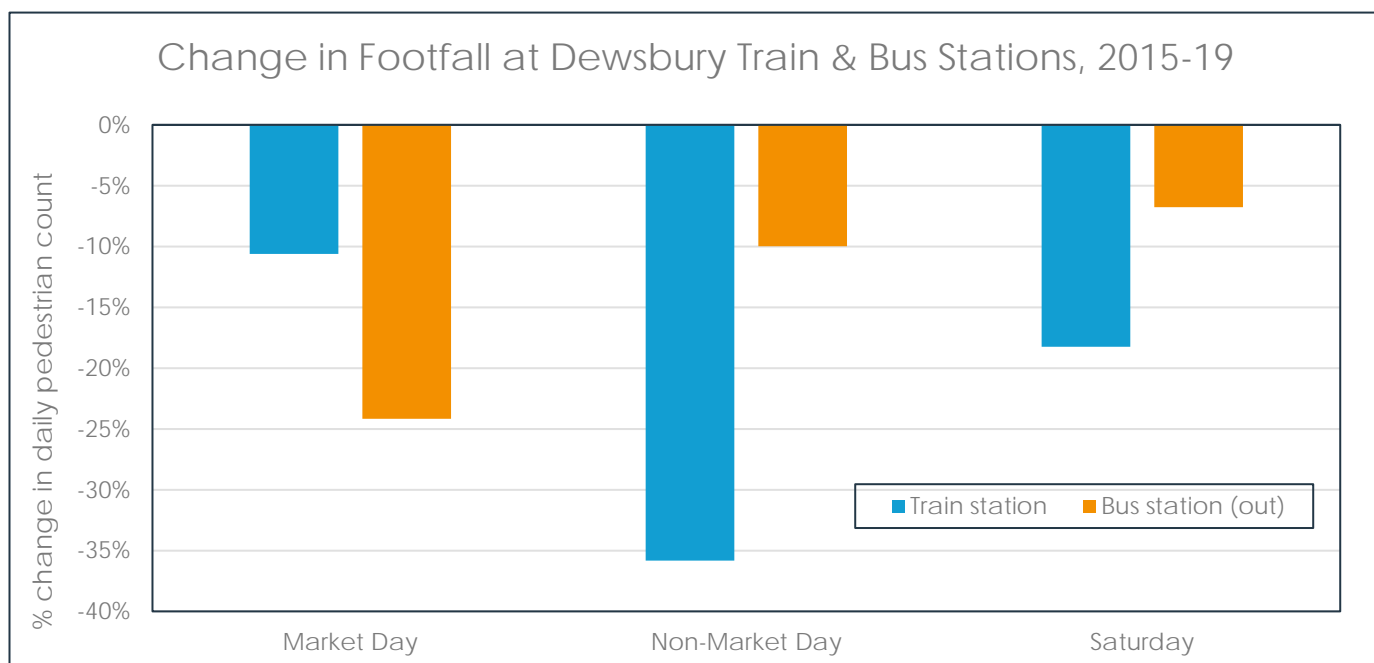
11.47 But in the last 20 years, there has been a sustained decline in its fortunes. The clearest evidence of this comes in the footfall figures which measure the number of pedestrian visitors to the town centre. Visits to Dewsbury town centre have been falling for the past 20 years, but especially since the recession of 2008/09.

11.48 The drop in footfall has been most severe on Saturdays, with a drop of over 50% since 1999. The decline on Wednesdays – market day – was also bigger than on non-market days. This suggests that the town centre is being seen less and less as a destination for shopping and leisure activity, and increasingly as a place for essential visits only.



Source: Kirklees Council

11.49 Footfall information is also available for a number of locations within the town centre. Looking specifically at the train and bus stations between 2015-19, there have been substantial falls in the pedestrian counts at these places, even over this relatively short four-year period. This is further evidence that Dewsbury is becoming less attractive as a shopping and leisure destination for visitors from outside the town centre.



Source: Kirklees Council

11.50 Part of the town centre has been pedestrianised for 30 years, which adds to its potential attractiveness as a shopping and leisure destination. Many of the buildings in the town are of extremely high architectural quality, but the overall impression is of a run-down centre. Data supplied to us by the Council shows that vacant outlets made up 30% of all commercial units in the town centre in 2019, although this high figure is down marginally from 2018.

Retail and Leisure

11.51 There are now few restaurants in the town centre and also few family-friendly pubs. Other leisure and cultural facilities are limited. There is therefore a lack of an evening economy in the town.

11.52 A wide range of factors have contributed to the decline of retailing and leisure activity in the town, including:

- the changing industrial structure of the surrounding economy, which has seen wages fall relative to other areas and which reduces the level of demand in local shops and for leisure and entertainment venues;
- the closure of important anchors such as Marks & Spencer and McDonald's;
- the ring road forms a barrier to pedestrian visits to the town centre, exacerbated by the major shopping centres with ample parking located just outside the ring road; and
- development of new shopping and leisure capacity at the Birstall Shopping Park and in Wakefield and Leeds has further increased the draw away from the town centre.

11.53 All of these issues have been exacerbated and compounded by the deep structural changes that have occurred in the retail and leisure sectors in recent years, as a result of changing consumer behaviour as well as the rapid expansion of online retail.

11.54 According to research undertaken by Avison Young (Accelerating Structural Change in the UK Retail Sector, April 2020), discretionary consumer spending accounts for over a third of the UK's economic activity. As a result of the COVID-19 pandemic, it is anticipated that consumer spending is likely to cut back, which will have a knock-on effect to the local retail market in Dewsbury, as well as the UK economy as a whole.

11.55 In the lead up to the Government's lockdown measures, widespread stockpiling resulted in a surge in trading for grocery stores, who continued to perform well with product demand at pre-Christmas period levels. Electrical stores and home-crafts also witnessed a rush in spending as consumers looked to ensure they could work and entertain themselves from home.

11.56 However, all "non-essential retailers" were forced to close on 25 March, meaning many comparison retailers saw no revenue coming into the business, but in many cases still had to meet quarterly rent payments and other occupational costs. To counter this, the Government announced a suite of financial assistance packages, providing business rates relief to small businesses, as well as the Coronavirus Job Retention/Furlough Scheme which covers 80% of staff salaries up to a maximum of £2,500 per month.

11.57 Landlords would typically have expected to receive well over 90% of rent owed after the quarterly rent payment date, however it is estimated that following the March rent date, landlords received somewhere in the region of 50% to 60% of what was owed.

11.58 According to the UK Retail Trends (February 2020) research piece undertaken by Avison Young, retail rental values were down 5.0% in the 12 months leading to Q4 2019. Retail capital values decreased by 11.6% during 2019 and average retail investment yields were 6.1% as at Q4 2019, up from 5.7% in the previous year.

11.59 During 2019, retail investment transactions in the UK totalled £5.2 billion, some 44% below the 10-year average.

11.60 Retail sales volume decreased by 1.0% quarter-on-quarter for Q4 2019, the largest decline since June 2012.

11.61 With respect to Dewsbury there was 1 letting in the last 12 months; which took place in Kingsway Arcade. The transaction comprised 828 sq ft of ground floor retail space, where the asking rent was £6,000 per annum. No details of lease length or tenant information was available.

- 11.62 There are currently 12 retail spaces available for let in Dewsbury, at an average asking rent of £16.78 per sq ft. These units range in size from 222 sq ft to 6,320 sq ft (situated in the Princess of Wales Shopping Centre) in total.
- 11.63 In terms of demand, we are aware of one known requirement from Pizza Hut Delivery for 1,000 sq ft of A5 retail space.
- 11.64 According to Costar, market rent for retail properties in Dewsbury is approximately £15.26 per sq ft, reflecting an increase of £0.50 per sq ft (3.4%) on the previous 12-month period. Figure 2 below shows rental growth for retail properties in Dewsbury over the last 5-years.
- 11.65 The only retail property to have sold in Dewsbury in the last 12 months was Dewsbury Arcade, acquired by Kirklees Council as part of the 'Dewsbury Blueprint' regeneration plans.
- 11.66 Costar estimates that investment yields of retail properties in Dewsbury currently stand at 7.2%, down slightly from 7.3% in the previous 12-month period. Costar also estimates that capital values currently stand at around £135 per sq ft, down from £139 per sq ft on the previous 12-month period
- 11.67 We are aware of 3 retail properties currently available for sale in Dewsbury; including:
 - 3 Westgate, Dewsbury. 2,256 sq ft mixed retail (A1/A2/A3/A4/A5, B1 or D1) available for £147,500. We understand this property is currently under offer.
 - 17 Foundry Street, Dewsbury. 752 sq ft mixed retail (A1/A2/A3/A4/A5, B1 or D1) with no asking price listed. We understand this property is currently under offer.
 - Ravensthorpe Shopping Park. 40,625 sq ft retail park on the outskirts of Dewsbury available for £3,850,000 (reflecting 8.50% NIY).

Retail rental growth over last five years (Costar)



Offices

- 11.68 The size of Dewsbury means that the town centre inevitably does not have as large and vibrant an office market as Huddersfield.
- 11.69 Research undertaken by Avison Young has established that the stock of office accommodation within Dewsbury currently stands at approximately 44,963sq.m (484,000sq.ft), with no net additional office accommodation currently under construction.
- 11.70 The main occupiers in the town are the council, charities, solicitors, estate agents and community organisations. There is no provision of serviced office accommodation in Dewsbury, though there is the nearby Bretton Street Enterprise Centre in Savile Town, operated by the council.
- 11.71 The current vacancy rate of office space in Dewsbury is 1.4%, up marginally on the previous 12-month period by 0.1%, with availability at 3% of total stock.
- 11.72 Property transactions in the town have been rare over the past 10 years. In the last year, the net absorption rate was -307 sq ft, meaning that more space was vacated than occupied. However, in comparison with the previous 12-month period, the net absorption rate of office accommodation has increased from -3,600 sq ft.
- 11.73 According to both Costar and EGi, there have been no leasehold transactions of office accommodation in Dewsbury in the last 12 months.
- 11.74 Data from Costar shows that there are currently 4 office properties for let in Dewsbury. We understand that the average asking rent for these properties stands at £8.45 per sq ft.
- 11.75 There is evidently a lack of good quality, Grade A office accommodation in Dewsbury, with most of the available space comprising historic buildings that have been refurbished/converted to office use.
- 11.76 We understand only one office property has sold in Dewsbury in the last 12 months; 22 Bond Street, comprising 2,298 sq ft of office accommodation contained in a period building from 1899 which was sold at auction. The property was tenanted at the time of sale, however, it was marketed as both an investment property and a potential development opportunity for residential conversion.
- 11.77 Costar also estimates a market capital value of £101psf for office space, up from £99 psf on the previous 12-month period.
- 11.78 Costar estimates that the market rent for office properties in Dewsbury is £9.35 psf, up 1.5% on the previous 12-month period (at £9.21 psf) and up 6.25% on the 10-year average (at £8.80 psf). The chart below shows rental growth over the last 5 years.
- 11.79 These low rental and capital values mean that private sector office development in Dewsbury is not viable without public sector support.

Office rental growth over last five years (Costar)

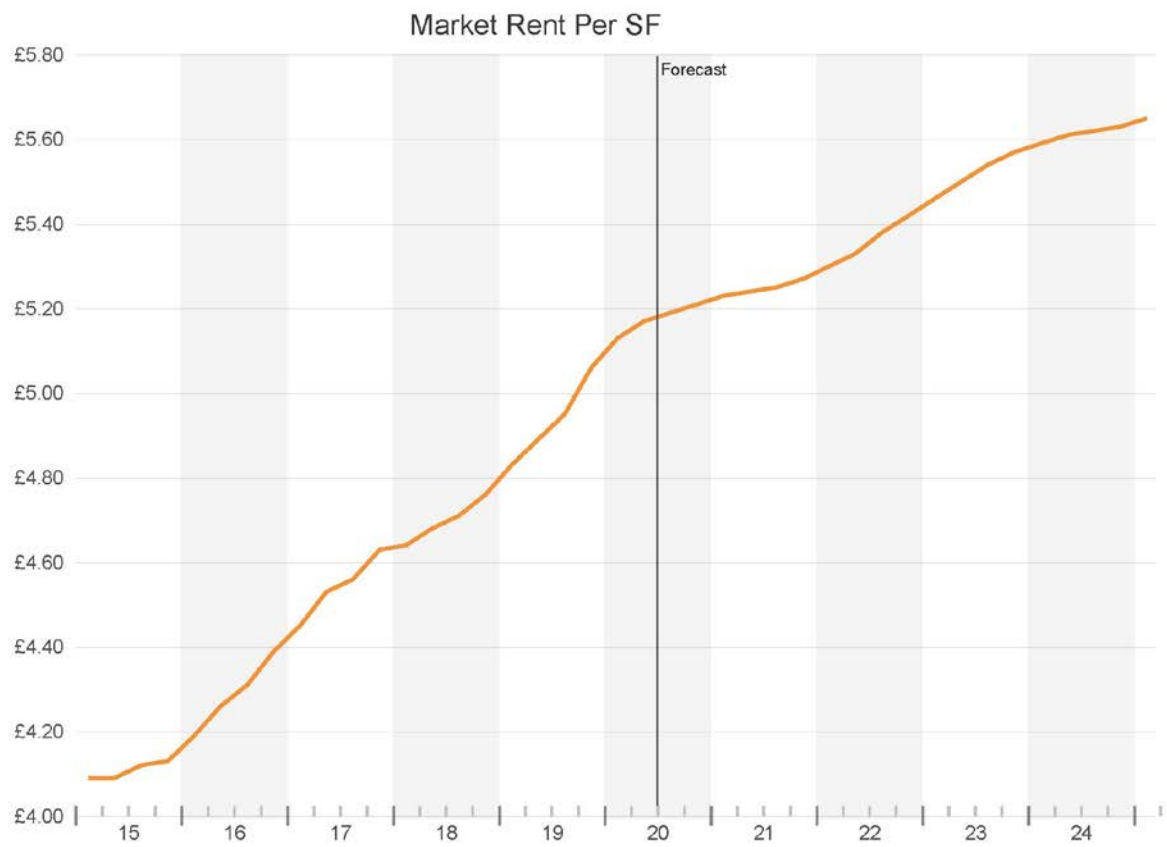


Industrial

- 11.80 The stock of industrial accommodation surrounding Dewsbury currently stands at approximately 3,800,000 sq ft according to Costar. At present, some 1.8% stands vacant (c. 68,400 sq ft) up from 1.6% on the previous 12-month period and 2.4% is currently available to let (91,200 sq ft).
- 11.81 In the last year, the net absorption of industrial floorspace stood at -3,700 sq ft, meaning that more industrial space was vacated than occupied. The net absorption of industrial floorspace in the previous 12-month period was 18,300 sq ft, suggesting greater take up of industrial space in the previous year.
- 11.82 Costar estimates that the market rent for industrial properties in Dewsbury is £5.18 per sq ft, up £0.24 per sq ft on the previous 12-month period and £0.71 per sq ft on the 10-year average (at £4.47 per sq ft). The chart below outlines office rental growth in Dewsbury over the last five years.
- 11.83 According to Costar, there were 3 lettings of industrial spaces in Dewsbury in the last 12 months. These deals comprised of the following:
- Unit 700 Bretton Park Way – 26,462 sq ft stand-alone unit let to Ross-Shire Engineering Ltd on a 10-year lease at £6.18 per sq ft.
 - Unit 1 Dale Works, 2 Brewery Lane – 11,443 sq ft industrial unit let to a private tenant at a rent of £2.57 per sq ft.
 - Unit 2a-2b Anchor Bridge Way – 1,980 sq ft industrial unit let to a private tenant on a 3-year term. No details of rent made available.
- 11.84 There are currently 8 industrial spaces available in Dewsbury, according to Costar, accounting for approximately 49,600 sq ft of accommodation. The average asking rent of these properties currently stands at £4.74 per sq ft.

11.85 Costar states that 7 industrial properties have sold in the last 12 months, totalling 120,000 sq ft of floorspace. No detail regarding achieved yields has been obtained in the data. However, Costar estimates a market yield for industrial properties in Dewsbury to be 7.9%, up 0.2% on the previous 12-month period.

Industrial rental growth over last five years (Costar)



12. Existing strategy and policy recommendations

Existing regeneration strategies

- 12.1 This assessment has described the way in which the challenges and opportunities for the Dewsbury economy are inextricably linked to those facing the rest of Kirklees, West Yorkshire and the UK as a whole.
- 12.2 There are similar issues facing many towns in all parts of the country. They have been recognised by government in its emphasis on the levelling up agenda, and in particular in the establishment of the Towns Fund. Similarly, local and regional policy makers are committed to working together to regenerate their economies and improve the quality of life for their residents. .

City Region policy

- 12.3 At the City Region level, the West Yorkshire Combined Authority and the LEP have been working for some years to increase prosperity and growth in the area.
- 12.4 In March 2020, a devolution deal for West Yorkshire was announced that will see the election of a City Region Mayor in 2021 and the assumption of greater local powers and financial control over transport, housing, planning and other matters.
- 12.5 The new powers will build on work done under the existing devolution of budgets and decision-making powers to the Leeds City Region Enterprise Partnership and to the West Yorkshire Combined Authority.
- 12.6 The overall approach has been set out in the most recent Economic Strategy, completed in 2016. Substantial sums of money have been made available under the government's Growth Deal settlements to allow the City Region to pursue its own priorities in transport, skills, innovation, business support and encouraging green growth.
- 12.7 The City Region identified the North Kirklees Growth Zone as one of its Strategic Priority Areas in 2016, in recognition of its potential as a location for employment and housing growth.
- 12.8 The strategy will be refined in a West Yorkshire Local Industrial Strategy that is currently under development. Draft priorities published in 2019, following public consultation, include:
- addressing the productivity gap;
 - enabling everyone to live healthy and active lives;
 - supporting business, enterprise and innovation;
 - building on West Yorkshire's position as a world leader in healthcare technology;
 - providing infrastructure that supports clean, inclusive growth and higher productivity, with affordable and reliable transport and future-proof housing; and
 - a skilled labour force in good jobs with an education and training system that meets the needs of individuals and businesses.

Kirklees Council policy

- 12.9 The Council's overall approach to economic development is set out in the 2019 Kirklees Economic Strategy, which sets out an aim to build a more inclusive and productive economy. The five priorities are to:
- support modern, innovative businesses;
 - equip residents with the skills, talents and confidence they need to access good, well-paid jobs;

- build effective and high-impact partnerships across the public, private and voluntary sectors;
 - secure and maximise the benefits from improved transport, housing, digital and green infrastructure; and
 - revitalise key centres, including Dewsbury and North Kirklees.
- 12.10 The health and wellbeing of residents is seen as a major factor in building a better economy, as set out in the Kirklees Joint Health and Wellbeing Strategy.
- 12.11 Over the past decade or more, as the problems facing Dewsbury town centre and local residents have become more acute, the Council and the City Region have begun to identify the main challenges and opportunities, and to seek to address them.
- 12.12 The first Dewsbury *Strategic Development Framework* in 2010 was followed by the designation of the North Kirklees Growth Zone (NKGZ), the aims of which were described above.
- 12.13 The Council places a high priority on delivery of the aims of the North Kirklees Growth Zone, which has Dewsbury at its heart. The revitalisation of the town centre is key to this strategy, alongside plans to develop thousands of new homes at Chidswell and Riverside, the provision of extra land for business development and support for improved connectivity to support these developments. The *Strategic Development Framework* was updated in 2018, followed by the publication of the *Dewsbury Blueprint* in 2020, a 10-year plan to bring more activity into the town centre, and to make it more attractive and accessible.
- 12.14 The Kirklees Local Plan, adopted in 2019, draws on the visions of the Economic Strategy and the Joint Health and Wellbeing Strategy to set out how the Council will deliver long term sustainable growth and plan for new development in the period to 2031. Among the main priorities of the Plan is to regenerate the district's towns while retaining and reinforcing their distinctiveness. It states that:
- Dewsbury will be transformed by building on its strategic location, driven by integrated housing and economic development in the town centre and connected to communities.*
- 12.15 Notably, the Plan contains a specific policy for Dewsbury town centre (LP18), which aims to make the town centre:
- a place of vibrancy, vitality and diversity, with a mix of uses to attract visitors and provide new space for town centre living. The town centre will form the focus for retail provision for the north of the district, supported by other main town centres uses.*
- 12.16 In order to put extra emphasis on the planning of the regeneration of Dewsbury, the Council has begun work on a Dewsbury Area Action Plan, a 10-year plan for the development of Dewsbury town centre. It should be completed in 2021 or 2022.

Policy recommendations

- 12.17 Dewsbury – both the town centre and the wider residential area – faces serious challenges, many of them similar to those experienced by other towns in other parts of the country. These include the long term trends away from 'bricks and mortar' retail, competition from larger and more modern shopping centres and the decline in local wealth creation that has followed the loss of industrial employment over several decades. There are also social challenges such as anti-social behaviour and low expectations among some local residents.
- 12.18 However, the central economic issue for Dewsbury and the prospects of its residents is the lack of economic activity and demand in the town. A sustained increase in economic activity would result in more spending in the town, more demand for leisure and entertainment as well as retail, and hence the creation of more jobs.
- 12.19 Policy should focus on achieving a higher level of economic activity in the town if the regeneration of Dewsbury is to be a success.

- 12.20 In the longer term, the aim should be to achieve self-sustaining, private sector-led growth – but in the shorter term, significant interventions by the public sector, working alongside other partners, will be needed to kick-start a virtuous cycle of development.
- 12.21 The immediate need is to have more employment in the town centre. The opening of the Kirklees College campus in Pioneer House is an excellent first step – the location of 200-300 staff and students in the town centre will provide an immediate lift to daytime footfall levels and to demand in town centre shops and businesses, as well as being an important symbol of the revitalisation of Dewsbury.
- 12.22 The Council itself has plans to relocate perhaps several hundred staff to a new consolidated location in the town centre. This would provide an even bigger boost to the town centre from the shopping and leisure activities of hundreds of salaried employees.
- 12.23 Many cities and towns have been able to boost activity by encouraging the return of residential provision in their centres. Again, having a resident population provides a direct boost to demand in the town centre and provides a further boost to the night time economy. There are existing residential streets within the town centre, but both the SDF and the Blueprint state that the Council hopes to see Daisy Hill developed as a new residential area within the town centre. The sooner this development happens, the earlier the extra demand will filter through to the town centre.
- 12.24 These three developments will go a long way to providing the kick-start need to the regeneration of the town centre. But sustained regeneration over the longer term will not be possible without action on two other areas of policy to create the conditions for this success:
- a better skilled population – to enable people to take advantage of new job opportunities; and
 - an attractive environment – to encourage small businesses and individuals to come back to the town to set up, to shop and to enjoy leisure activity.
- 12.25 In relation to skills, the new college campus will offer new educational opportunities to Dewsbury residents that should make a significant difference to the prospects of many individuals. The College – which already operates an existing FE campus close to the town centre, as well as the recently-opened Springfield Sixth Form College – is committed to working with local employers, community groups and other partners to ensure that courses are tailored to local demand wherever possible.
- 12.26 Alongside individual skills, improved health will be needed to enable more people to participate in work and to improve the quality of their lives. Reduced poverty and deprivation will in themselves bring about improved health for residents, but, additionally, more emphasis on local and national schemes to improve diets, encourage exercise and reduce the harmful consumption of alcohol, tobacco and drugs is needed.
- 12.27 The town centre possesses a fine architectural heritage on which to build, but improvements are vital to create a modern and attractive location that will encourage people to visit the town and to spend more time there. A greener and more pedestrian-friendly streetscape is vital, with investment to make the ring road less of a barrier to pedestrians. Investment to improve the appearance and the flexibility of the older buildings in the town will be required.
- 12.28 The SDF recognises that there needs to be a rebalancing of town centre activity away from retailing. This provides an opportunity to repurpose premises for community organisations and private sector small businesses that will offer the opportunity for new and different activities in the town, further enhancing demand.
- 12.29 More flexible and modern office and business space will therefore be required. The current state of the property market in the town centre is such that public sector support for major investments is likely to be needed.
- 12.30 At the same time, whatever retail provision is retained needs to be as attractive and accessible as possible. The market is central to the town's success: the Council intends to reduce the number of retail stalls and introduce more places to eat, socialise and for cultural activities. In May 2020, the Council completed the purchase of The Arcade and aims to reopen as soon as possible, again with a mixture of retail, leisure and community facilities.

- 12.31 The regeneration of the town also needs to be seen in the context of the wider plans for the North Kirklees Growth Zone. The plans to build thousands of new homes and to provide more employment land over the coming decade or so are an enormous opportunity for Dewsbury.
- 12.32 The arrival of thousands of new residents close to the town offers a substantial potential increase in the numbers of people who might use the town centre for shopping and leisure. The danger is that if the necessary improvements have not been made to the town by the time they move into their new homes, they will get into the habit of going elsewhere for these activities.
- 12.33 These new residents, together with the provision of additional employment land, also offer the chance of a boost to the job prospects of the people of Dewsbury as they will bring extra economic demand and additional employment in manufacturing and other industries. Again, the provision of the appropriate education and training will be vital if existing residents are not to be pushed out of the job market by better-qualified individuals from elsewhere.
- 12.34 A high quality digital infrastructure – the availability of full-fibre broadband and wifi – is increasingly essential to business. It is also vital for everyday family life, and is likely to become still more crucial if the trend towards greater home working and schooling that has been triggered by Covid-19 continues. It is vital that Dewsbury has access to these services as quickly as possible if it is to compete effectively with other towns and cities as a location for business and enterprise.
- 12.35 As Section 5 set out, there are many factors outside direct local control that will also help to determine Dewsbury's future economic path. The successful delivery of national and City Region economic strategies that will result in improved infrastructure – transport, housing and digital – and greener economic growth will be crucial, as will national and regional policies to improve productivity. In relation to transport connectivity, the plans for the TransPennine Upgrade that will improve the rail links for Dewsbury and other towns in Kirklees, involving a £1 billion investment into the district, are particularly significant.
- 12.36 A key question to consider is whether the economic, social and health impacts of the pandemic will require a change of direction or content in any of the existing strategies to regenerate Dewsbury and the North Kirklees Growth Zone. At the time of writing, it remains extremely difficult to foresee the longer term changes in consumer and business behaviour and what their specific impact will be on a town such as Dewsbury. The approach taken by both the Council and the West Yorkshire Combined Authority in their initial Covid Economic Recovery Plans is to remain focused on long term aims of sustainable growth, higher productivity, inclusivity and reductions in inequalities.
- 12.37 The Towns Fund remains restricted to three specific types of investment that government has specifically said will not change as a result of the virus:
- urban regeneration, planning and land use;
 - skills and enterprise infrastructure; and
 - digital and physical connectivity.
- 12.38 For maximum impact, the Towns Fund Investment Plan for Dewsbury therefore needs to put forward proposals for projects that both conform to these three headings and which will also promote and accelerate development in the three key areas of:
- supporting the creation of extra economic activity in the town;
 - enabling local residents to develop the appropriate skills to take advantage of new job opportunities; and
 - enhancing the accessibility and appearance of the town centre to ensure it becomes a more attractive place for people to do business, to shop or to pursue leisure activities.

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