



MANCHESTER
CITY COUNCIL

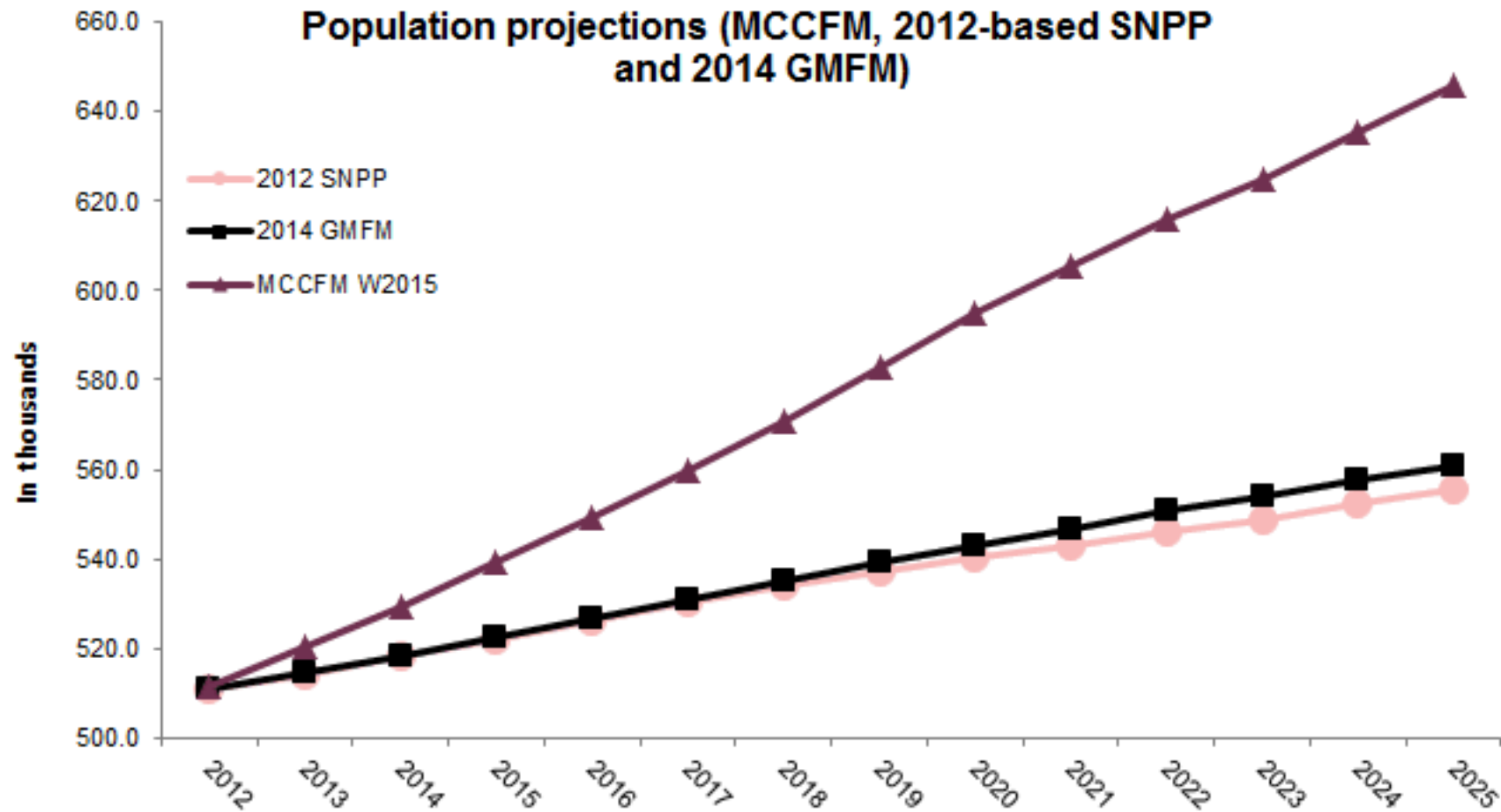
Manchester Economic Outlook 2016/17

Eddie Smith
Strategic Director

Population Growth driven by Economic Growth

- The city's population has increased ahead of forecasts;
 - 19% growth from 422,900 in 2001 to 503,100 in 2011
 - Third biggest increase of any local authority in the UK
 - Current population estimated to be almost 550,000 (2015 MCCFM)
- Residential development is responding – over 1,500 units delivered in 2015/16
- Over 2,800 units started on site during 2015/16 - a 58% increase in starts on 2014/15
- The city is increasingly ethnically diverse
- New residents are having more children
- There are more people in work
- People are better educated
- There are record numbers of graduates many of whom are choosing to live in the extended city centre

Manchester's population will continue to grow

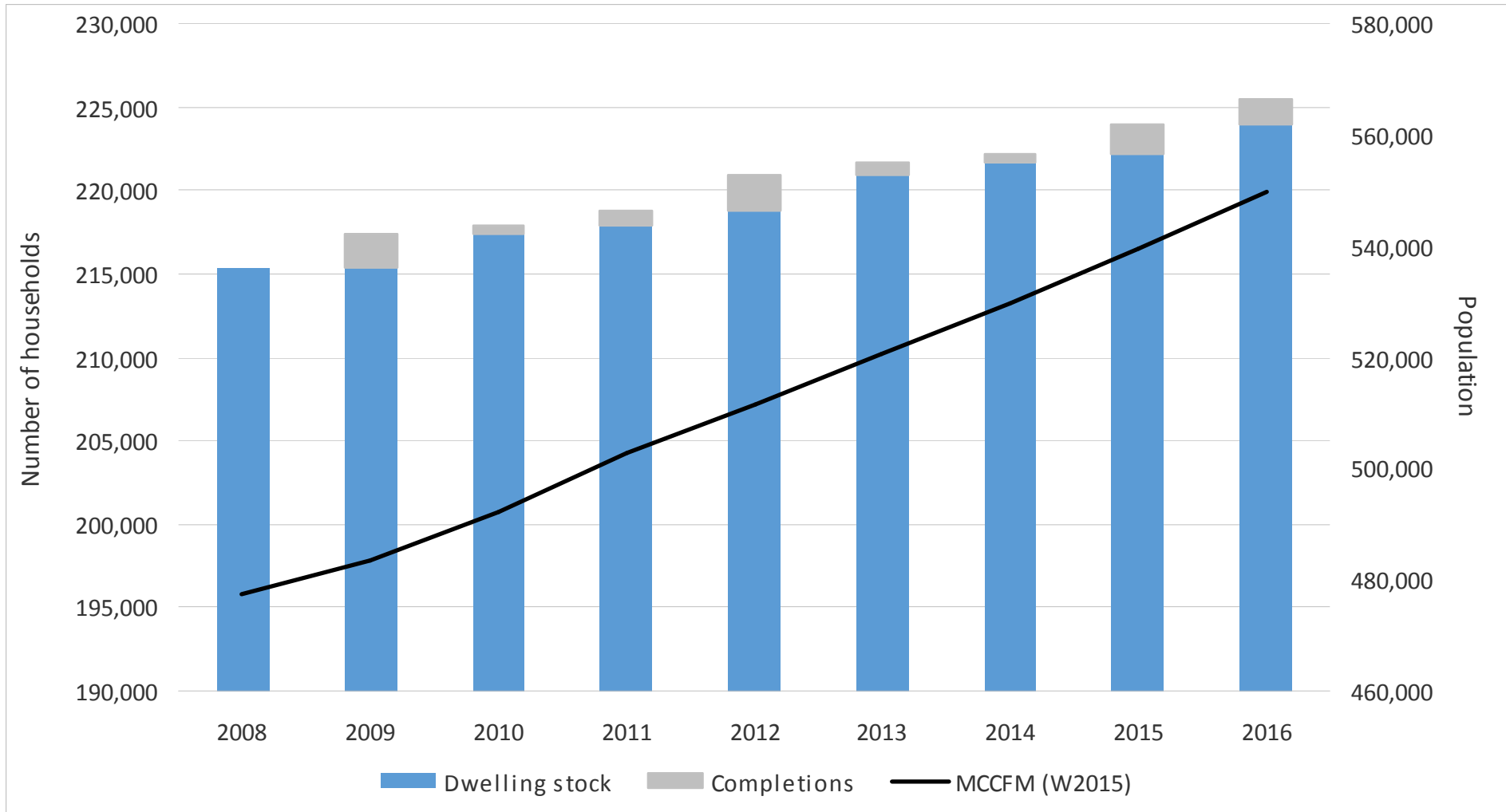


Source: 2012-based SNPP. ONS © Crown copyright: 2014 GMFM. © copyright Oxford Economics Ltd: MCCFM. Public Intelligence.

- Local estimates suggest that Manchester's population now stands at around 550,000, just over 50,000 of which live in the extended city centre
- It is not unreasonable to expect Manchester to be home to 600,000 people by 2021
- The average number of persons per dwelling rose from 2.25 in 2009 to 2.44 in 2015 (1.96 to 2.14 within the extended city centre)

Housing market recovering but supply out of sync with demand

City expected to deliver over 1,500 units in 2016/17 and over 2,300 units in 2017/18

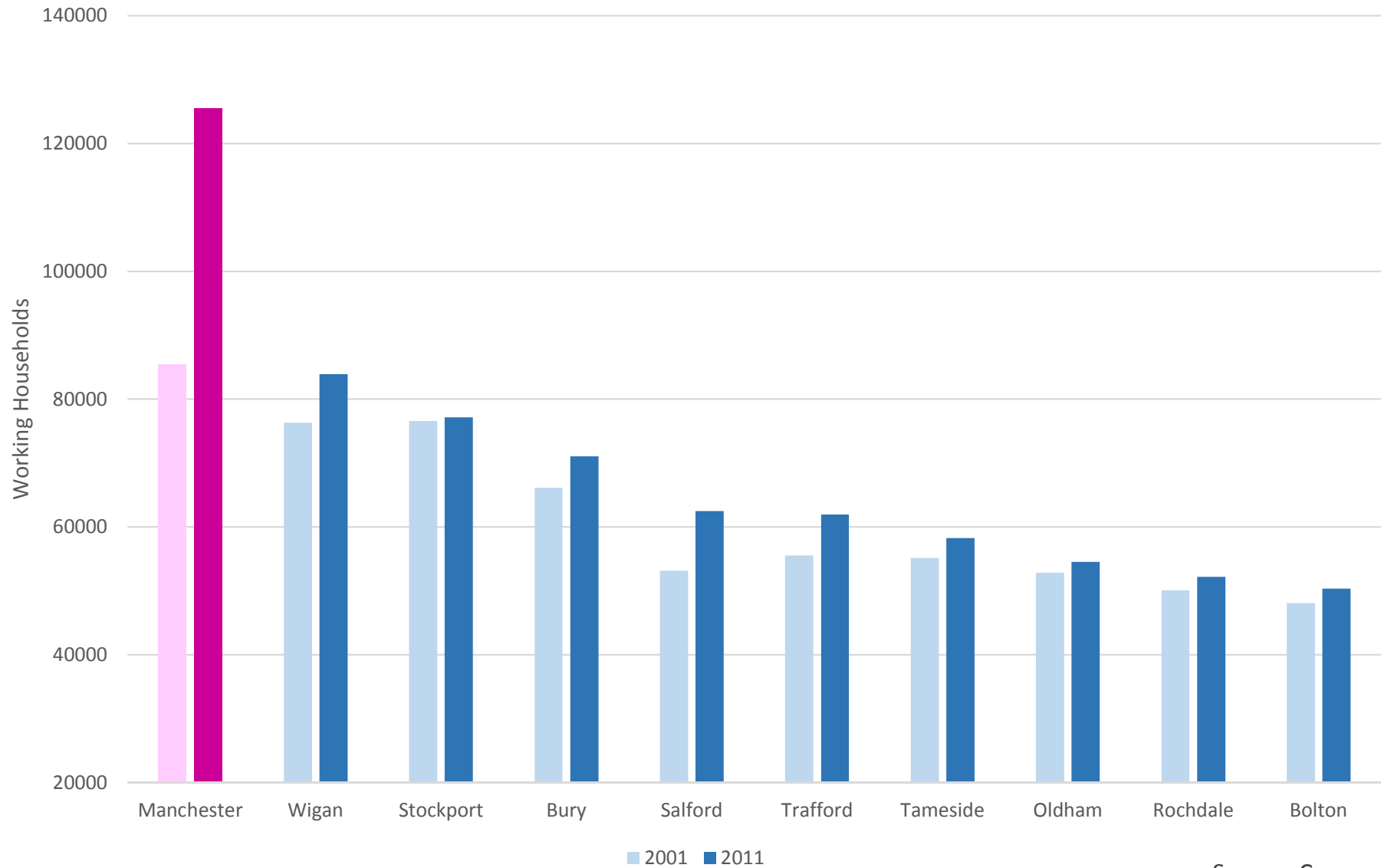


Looking forward – many reasons to be optimistic

- Manchester is forecast to create 43,000 new jobs by 2024 (GMFM, 2014)
- Manchester has a large proportion of professional, scientific and technical jobs (11% compared to 8% in the other seven core cities)
- There are over 7,000 new residential units with planning permission expected to complete over the next 3 years.
- 2,800 apartment units started on site in Manchester during 2015/16
- There has been a significant increase in the number of large scale, complex development schemes, with major planning applications received rising from 103 in 2014 to 181 in 2015 (a 76% increase)
- At the same time however;
 - High levels of worklessness; complex dependency and pockets of deprivation remain in some neighbourhoods
 - Unprecedented pressure on school places
 - Welfare reforms are changing neighbourhoods

40,000 more working households in the city (2001-2011)

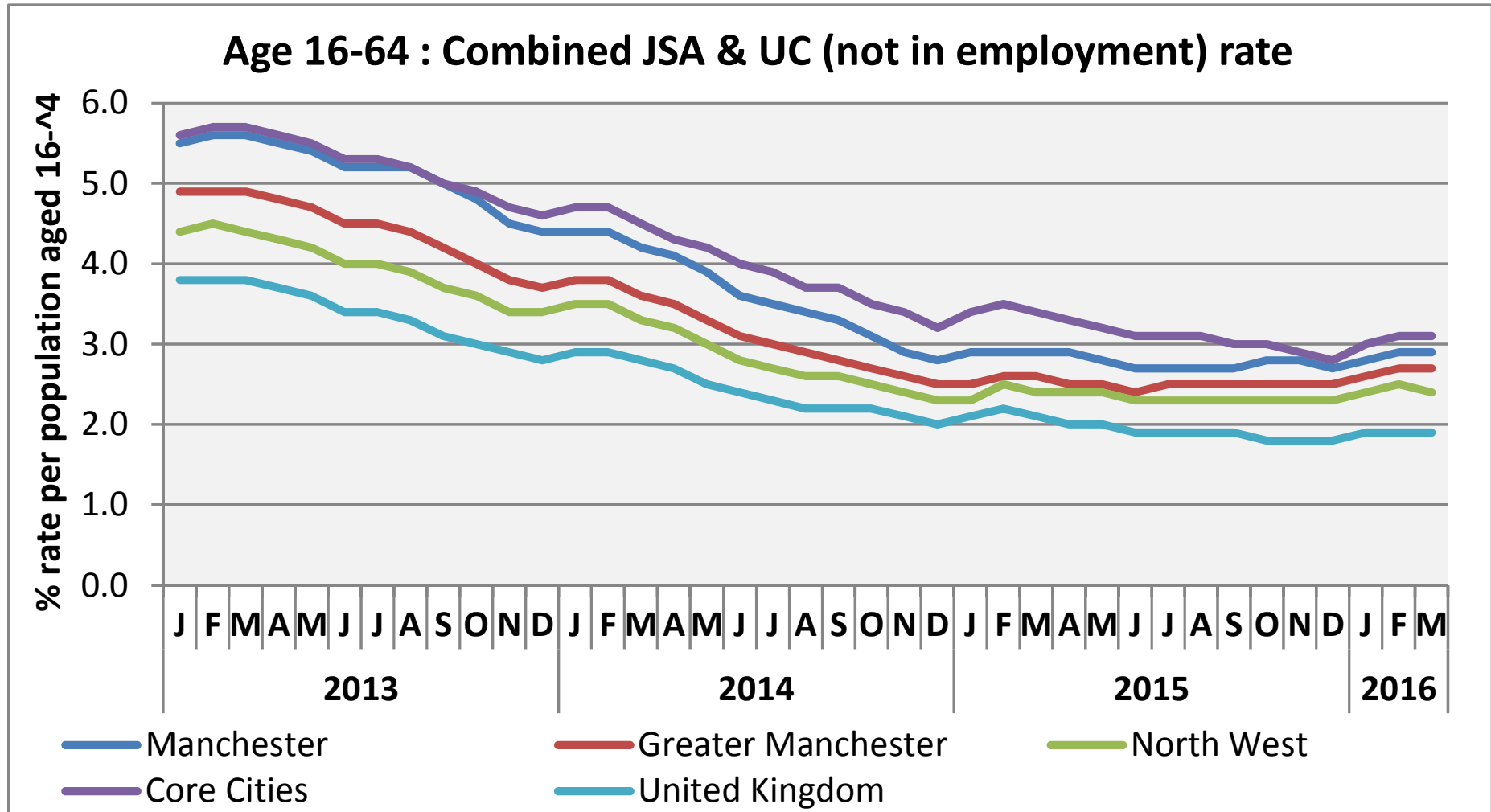
Working age residents increased by 100,000 between 2001 and 2011



Source: Census

Total out of work benefit claimants has been decreasing

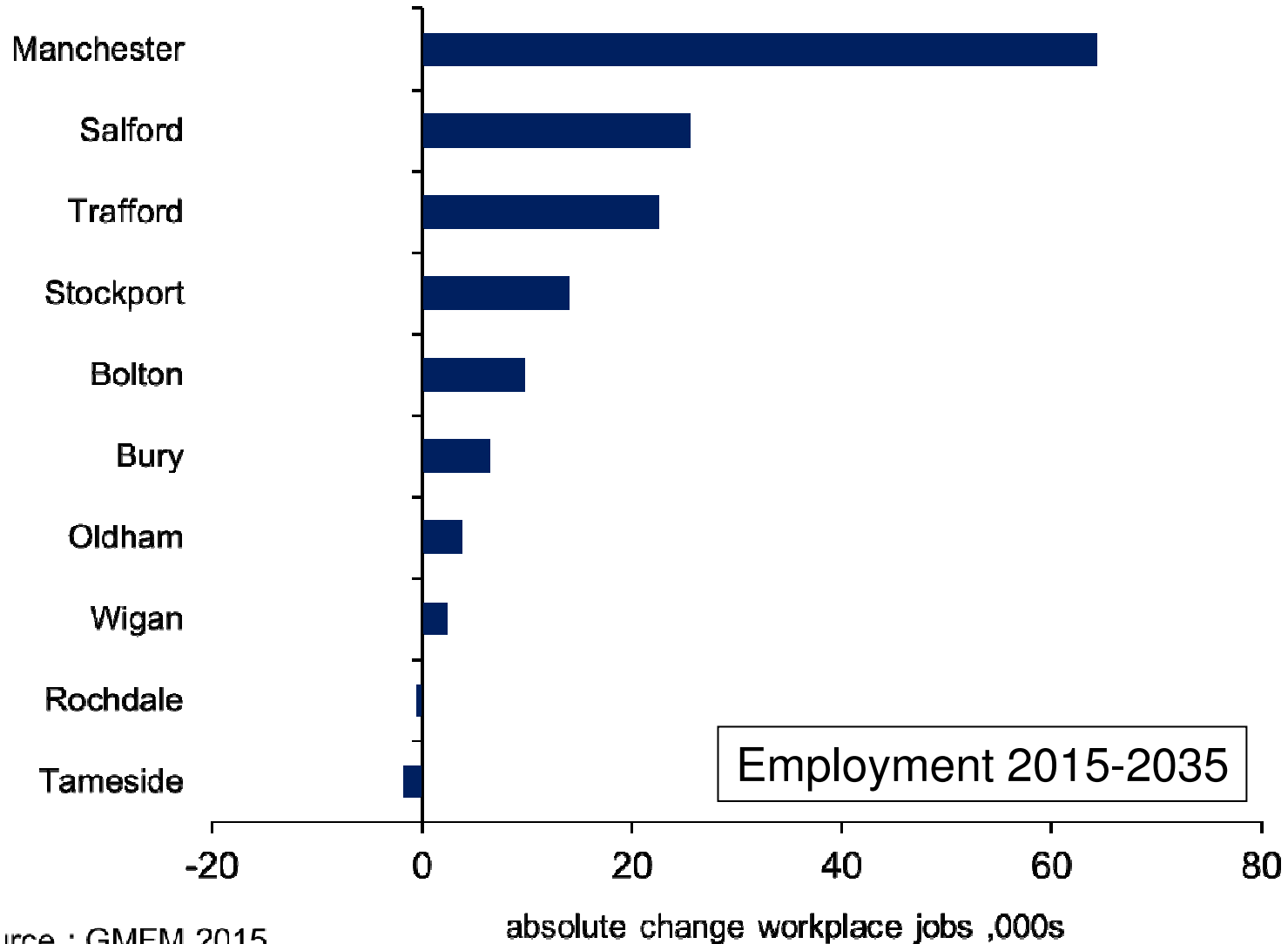
A combination of economic growth and welfare reform



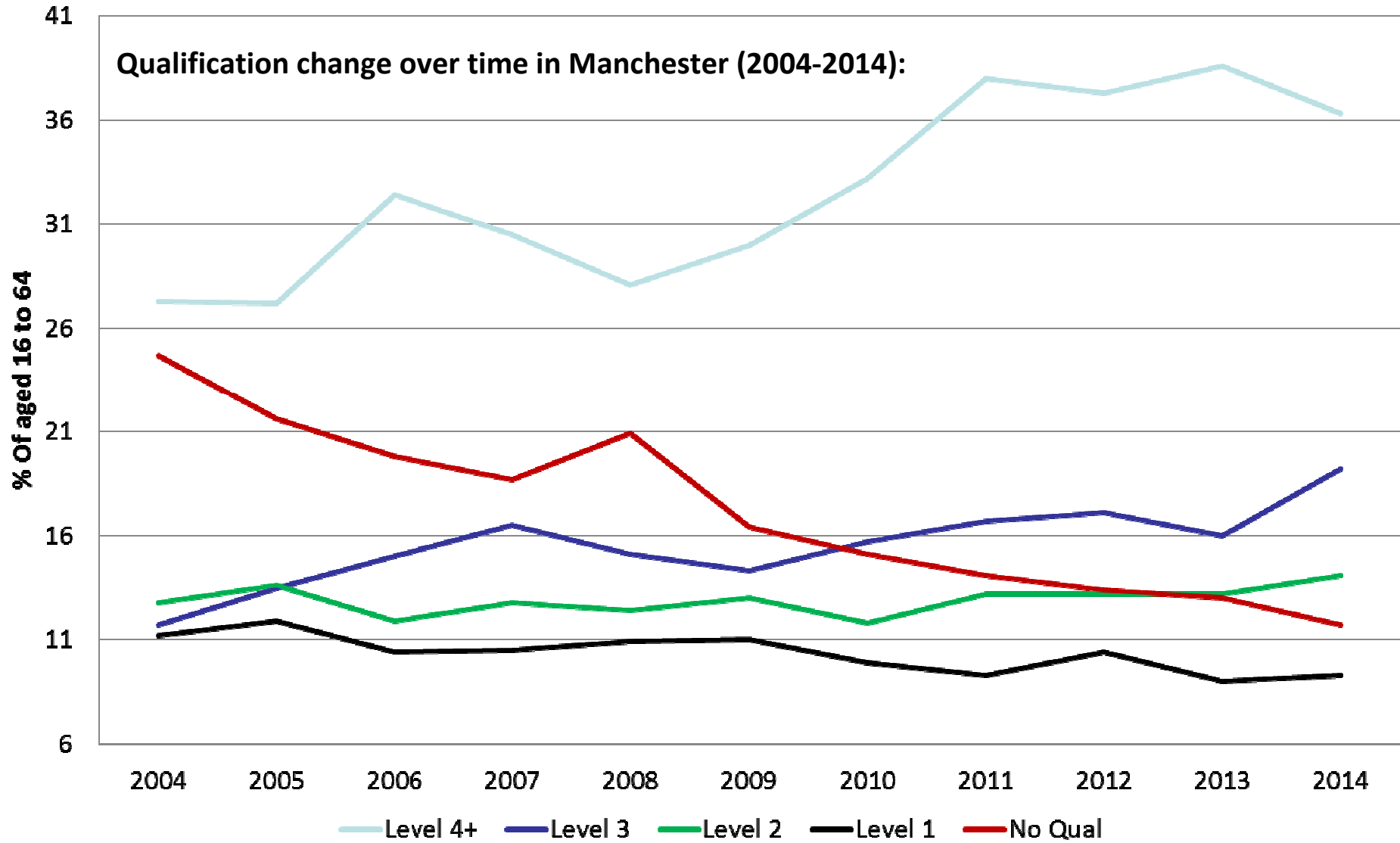
Recently this decrease has levelled off at just under 3% - a trend consistent with the national picture and other Core Cities

Job creation will be centred on Manchester

*147,000 new jobs forecast in GM between 2015 and 2035,
of which 64,000 will be in Manchester*



Resident skill levels improving but challenges remain...



Digital and business skills in greatest demand

Top 10 detailed Manchester occupations 1st March 2015-
29th February 2016



Source: Labour Insight, Burning Glass

The city has an established springboard for growth in key sectors

- **Spinningfields is the premier Grade A office campus outside London - home to Manchester's burgeoning business, financial and professional service sector**
 - Grade A office take up higher than any other Core City
 - Prime rents expected to reach £34 sqft 2016/17
 - Business, Financial and Professional Services sector to account for a third of all jobs in the city by 2025
- **The alignment of science, creativity and tech in key businesses**
 - The Oxford Road Corridor is set to benefit from £2.5bn investment in the digital, science, research and development across the UoM, MMU and Central Manchester University Hospital research cluster.
 - Graphene Engineering Innovation Centre (GEIC) – a new £60m focusing on the development of commercial graphene applications
 - Sir Henry Royce Institute – a new £235m institute encompassing advanced materials research and innovation
 - Manchester Science Park expansion – plans to triple its Corridor campus from the current provision of 350,000 sq. ft. to 1 million sq. ft. by 2018
- **The GM Mayor has been given devolved powers to introduce a rates supplement to support investment**
 - Greater Manchester (GM) became one of three areas identified to trial 100% retention in 2017 with a view to rolling it out to the rest of England in 2020/21

Major transport investment increasingly linked to devolution

- **A devolution agreement with central government and a directly elected GM Mayor**
- **The most significant transport element of the 2014 Devolution Agreement - bus franchising - will provide the opportunity to effectively influence the network and create an integrated ticketing offer similar to London and many other European cities.**
- **A new statutory body – Transport for the North (TfN) with plans to deliver sustained investment in Manchester’s and the wider North’s transport infrastructure:**
 - £60m committed towards plans for an improved rail link between Manchester and Leeds
 - £161 million to accelerate the upgrade of the M62 to a four-lane smart motorway
 - £75 million to develop a business case for a 18-mile Trans-Pennine tunnel between Manchester and Sheffield
 - £150 million of funding to support the delivery of smart and integrated ticketing across local transport and rail services in the North
- **HS2, £1bn worth of railway improvements (the “Northern Hub”), Metrolink Extension, Cross City Bus, Ordsall Chord...**