MANCHESTER
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Manchester City Council
Quarterly economy dashboard

Quarter 1 2018-19

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Contents this quarter

Economic analysis, metrics and data - a forward look

This quarter we include a digest of the economic metrics that appear less than quarterly in this paper version of the dashboard. It provides a recap of the scope of the dashboard contents, how the metrics fit with the ‘Our Manchester’ vision, the current latest data and the next update to each topic.

Measure	Next update	Due	Commentary	Current performance
Office for National Statistics **Business Demography**	2017	Due November 2018	Detail of business starts, closures and the number of active businesses in Manchester and other areas	The diverse content reflects the economy of Manchester and highlights areas of success and challenge, in particular the high rates of both business births and, conversely, business deaths.
Gross value added – measure of goods and service produced in Manchester	2017	Due December 2018	Provides an indication of the value of goods and services which are compared against other local authority areas placing Manchester in context.	Manchester performs well when compared to Greater Manchester and to the Core Cities.
Deloitte Crane Survey – residential, office and educational development	2018	Mid 2019	The Crane Survey gives a comprehensive picture of complete, current and future development	Manchester continues to show exceptional growth in construction.

Measure	Next update to	Due	Commentary	Current performance
Annual Population Survey_- economic activity / inactivity	June 2017 to June 2018	Autumn 2018	Quarterly data on the % of the population who are identified as economically active and inactive	Manchester has a higher % of the population identified as economically inactive than the UK average, although the trend has been a year on year increase to the % population employed since 2011
Annual Population Survey_ - - NVQ equivalent qualifications data	2018	Early 2019	Detail of the % of the population with NVQ equivalent qualifications, presented for individual years.	Manchester has a higher % of the population with no qualifications than the UK average. It is difficult to identify a trend towards increased qualifications due to fluctuation in the figures, most notable in 2017 which saw a slight increase in the the % with no qualifications.
Annual Population Survey_ - - NVQ equivalent qualifications data	2018	Early 2019	Detail of the shape of Manchester's workforce in terms of standard occupational classification	Since 2011/12 the sector that has seen the largest decrease in terms of % of the workforce is the elementary occupations, the largest increase is in the associate professional and technical occupations.

As a highly skilled city we will *reduce the number of people with no qualifications and increase the opportunities for people to improve their skills throughout their working lives.*

Measure	Next update to	Due	Commentary	Current performance
Annual Survey of Hours and Earnings – real living wage analysis	2018	Early 2019	Bespoke analysis from PRI contrasting data on earnings to identify the volume of Manchester workers and residents paid below the real living wage	There is a large disparity (12% the highest in the UK) between the proportion of workers and residents paid below the real living wage.
Apprenticeships – starts and achievements	2017/18 academic year	Early 2019	Detail of the volume of apprenticeship starts and achievements by subject and level	Apprenticeship starts have decreased in volume in 2016/17
Graduate retention	2013/14 graduates	Early 2019	Bespoke analysis from PRI providing detail of the work location and work type of graduates from Greater Manchester higher education institutions	Graduate retention demonstrates the attractiveness of the city in terms of economic and social factors.
Business register and employment survey	2017	October 2018	Detail of the shape of Manchester's business sector – shown by location (including by ward) and by type of industry.	The data reflects the interaction of complex factors over time and is not indicative of good or bad performance, although an increase in volume is indicative of an expanding sector.

***As a highly skilled city** we will increase the number of apprenticeships, developing new models that encourage high level apprenticeships in a wide range of fields*

Measure	Next update to	Due	Commentary	Current performance
The economic impact of tourism – STEAM (Scarborough Tourism Economic Activity Model)	2017	Late 2018	Provides detail on the impact of tourism on the economy of Manchester, focussing on four main visitor types.	Manchester local authority area is the second most day visited area in England behind the City of London.
The **International Travel Survey**	2018	Due August 2019	Data on the volume of purpose of visits to the top fifty most visited towns and cities in England	Manchester received the third most visitors in 2017 behind London and Edinburgh.

As a Connected City: *we will capitalise on the increased capacity at the airport and the connectivity and logistics benefits of Airport City to boost the economy*

You can find more detail on the economic themes referenced above in the latest State of the City report available here: https://www.manchester.gov.uk/stateofthecity

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Economic development

As a thriving and sustainable city, we will support the growth of established and emerging business sectors

Business Rates

Net annual charges payable at snapshot date / number of properties
(source: MCC revenues and benefits)

Business type	*Snapshot date*	*£ and % variation from a year ago*			*Number of properties*		
	Jul/18	Variation summary	Variation in value	% variation	***Jul/18***	One year ago	Two years ago
Office	£115.26 m	Higher	£0.26 m	0.23%	8,095	7,824	7,321
Retail	£84.9 m	Lower	-£0.86 m	-1.00%	5,102	5,074	5,059
Health & public services	£43.49 m	Lower	-£0.09 m	-0.21%	632	641	640
Industrial	£35.8 m	Higher	£0.31 m	0.87%	4,884	4,844	4,747
Services & food	£21.79 m	Higher	£1.17 m	5.67%	1,343	1,304	1,214
Sports, recreation & culture	£24.96 m	Lower	-£3.43 m	-12.08%	901	896	889
Hotels	£18.31 m	Higher	£1.78 m	10.77%	94	91	88
Car parks	£13.75 m	Higher	£0.04 m	0.28%	3,414	3,262	3,216
Education	£9.13 m	Higher	£0.14 m	1.58%	379	374	365
Advertising & communication	£4.93 m	Higher	£0.53 m	11.95%	1,610	1,635	1,324
Total	£372.3 m	Lower	-£0.16 m	-0.04%	26,454	25,945	24,863

The category ‘*Sports, recreation & culture*’ includes licensed premises and the decline in this sector accounts for the lower business rates income seen this quarter.

These figures represent the financial amount billed by Manchester City Council, not the financial amount of business rates collected. The data is taken as a snapshot as at the first day of the month after quarter end. The most recent business rates revaluation occurred on 1st April 2017.

The data shown in the table above shows the total net annual charges payable for all business rate accounts live as at a snapshot date. Net charge is the amount due after reliefs and discounts (for example, small business rate relief, charitable relief, empty property relief).

Housing

As a liveable and low carbon city: we will provide a diverse supply of good quality housing in clean, safe, more attractive and cohesive neighbourhoods across the city.

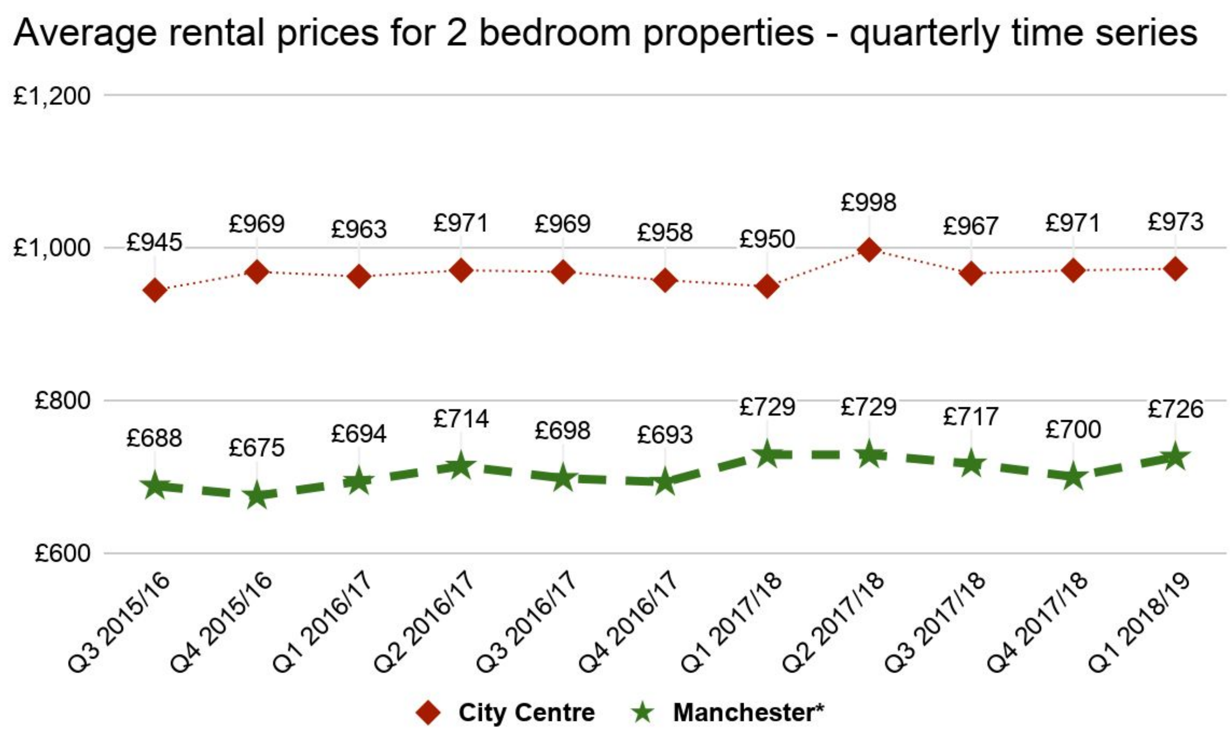
Housing market data

Property prices and sales during the quarter (derived from Land Registry data)

			Variation from last quarter		*Variation from a year ago*	
		2017/18 Qtr4	**Number**	**%**	**Number**	**%**
Number of properties registered as sold	**Manchester city centre**	493	-309	-38.5%	-160	-24.5%
	Manchester excluding city centre	1,358	-131	-8.8%	-124	-8.4%
Mean Price	**Manchester city centre**	£206,343	£11,965	6.2%	£4,346	2.2%
	Manchester excluding city centre	£178,039	-£11,019	-5.8%	£880	0.5%

Data availability dictates that sales data is reported one quarter in arrears.

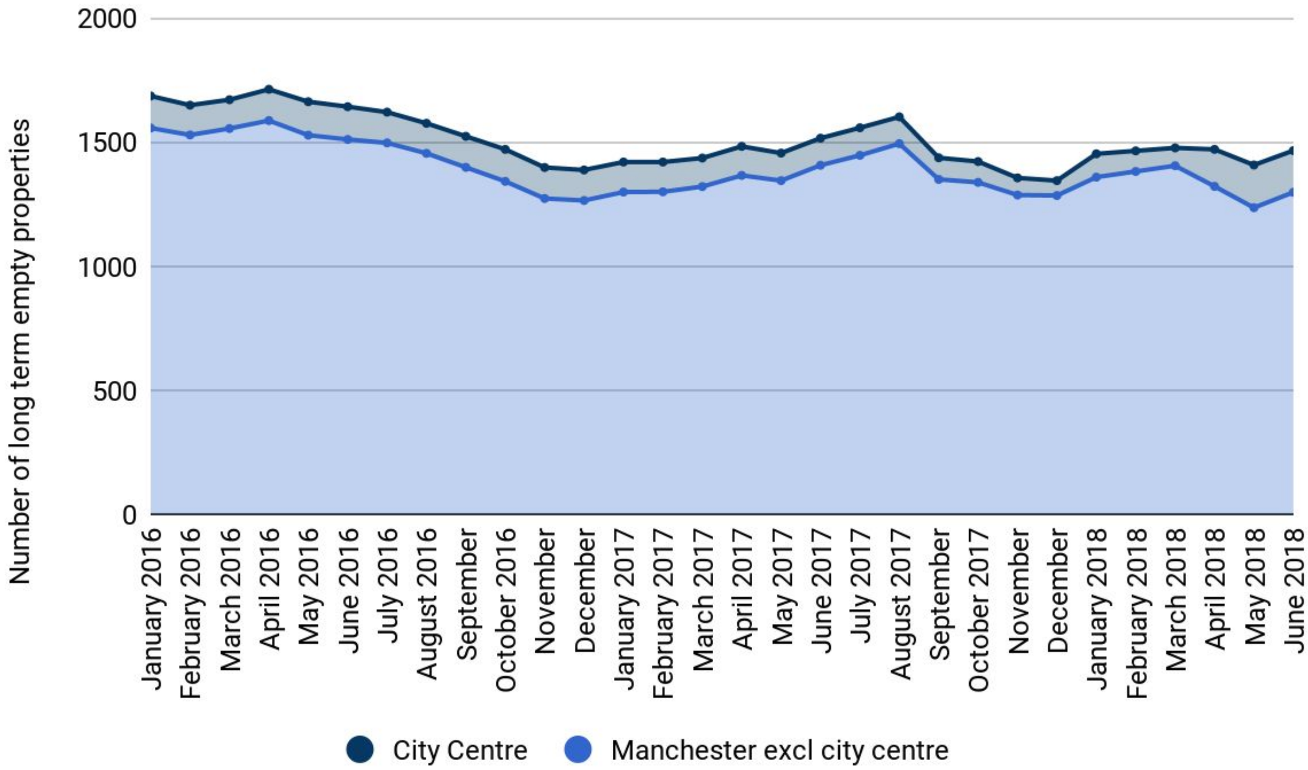
Rental market data



Rental price data is retrospectively amended to incorporate the latest available intelligence. Previous quarters may not match figures in preceding dashboards.

There is variation amongst rental prices for two bedroom properties in the city centre. The chart below shows the range of average rental prices as at quarter 1 2018/19 for city centre neighbourhoods:

Volume of empty properties[1]



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[1] *Manchester data shows properties excluding those in the city centre*

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Housing

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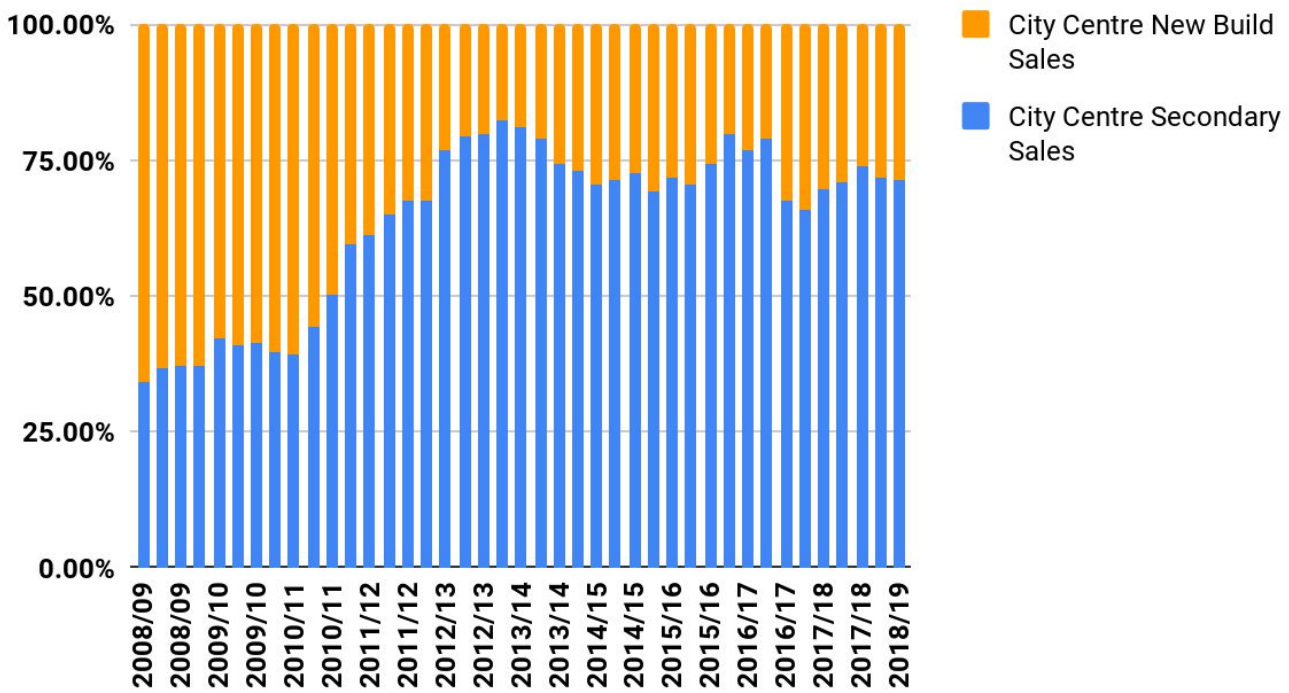
New build and secondary sales



The chart above is a new addition to the economy dashboard and provides detail of the percentage of sales in the City Centre that are new build (and as such not registered with the land registry) and sales of properties that are registered.

New supply is driving secondary market sales in the city centre - over 70% of sales in the city centre are in the secondary market despite circa 2,000 completions in 2017/18.

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Visitor economy

As a liveable and low carbon city: we will invest in cultural and sports facilities for the benefit of the city's residents and to improve the city's international attractiveness

Hotel stock and pipeline

Note: data availability means that the latest data available relates to the end of March 2018.

Hotel accommodation stock					
Number of rooms in Manchester city centre (snapshot at month end)		Quarterly change		Annual change	
	Jul/18	Number	%	Number	%
4 & 5 star hotels	4135	-1	-0.02%	1	0.02%
3 star and below hotels	4347	8	0.18%	424	10.81%
Self-catering and serviced apartments	1070	169	18.76%	233	27.84%
Total rooms	9552	176	1.88%	658	7.40%

The most recent forecasts from Visit Manchester suggests a further **866** rooms will become available in Manchester city centre before the end of 2018.

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Visitor economy

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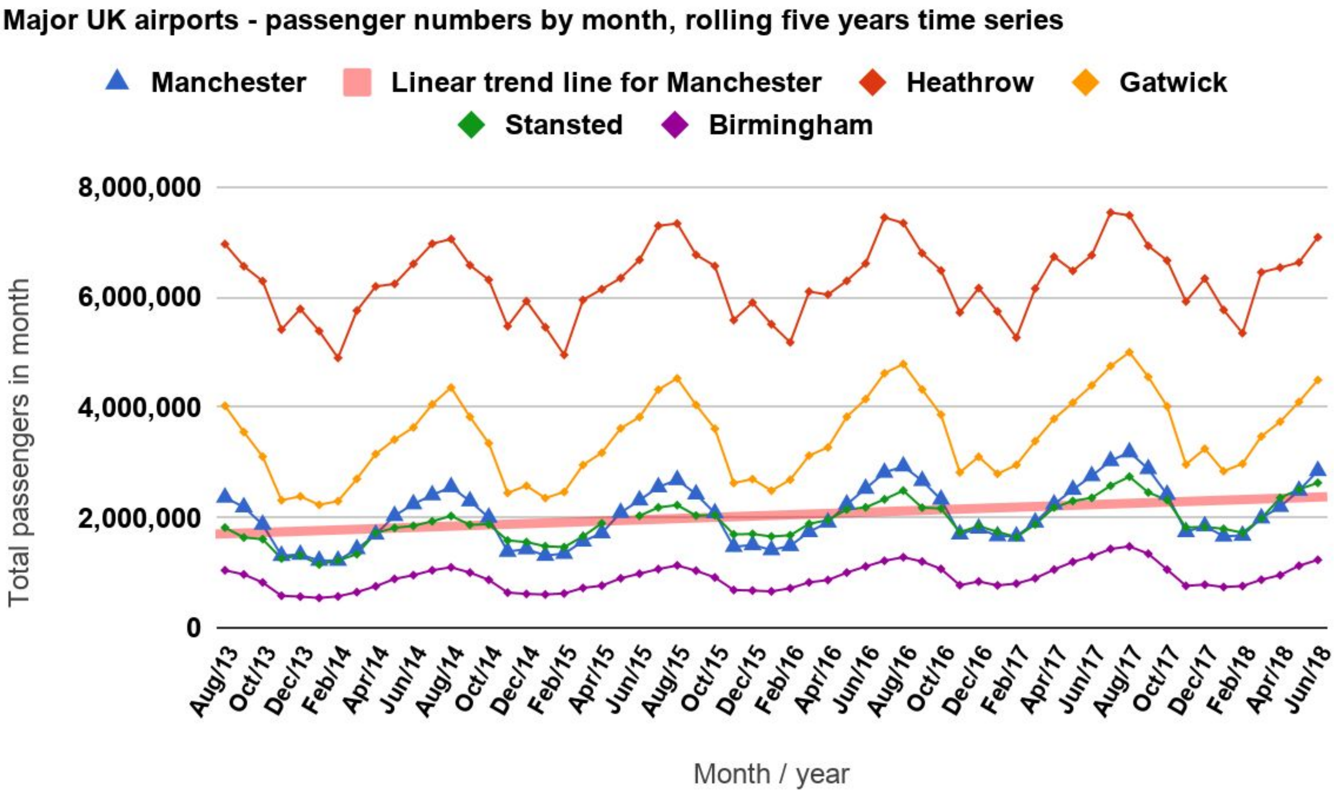
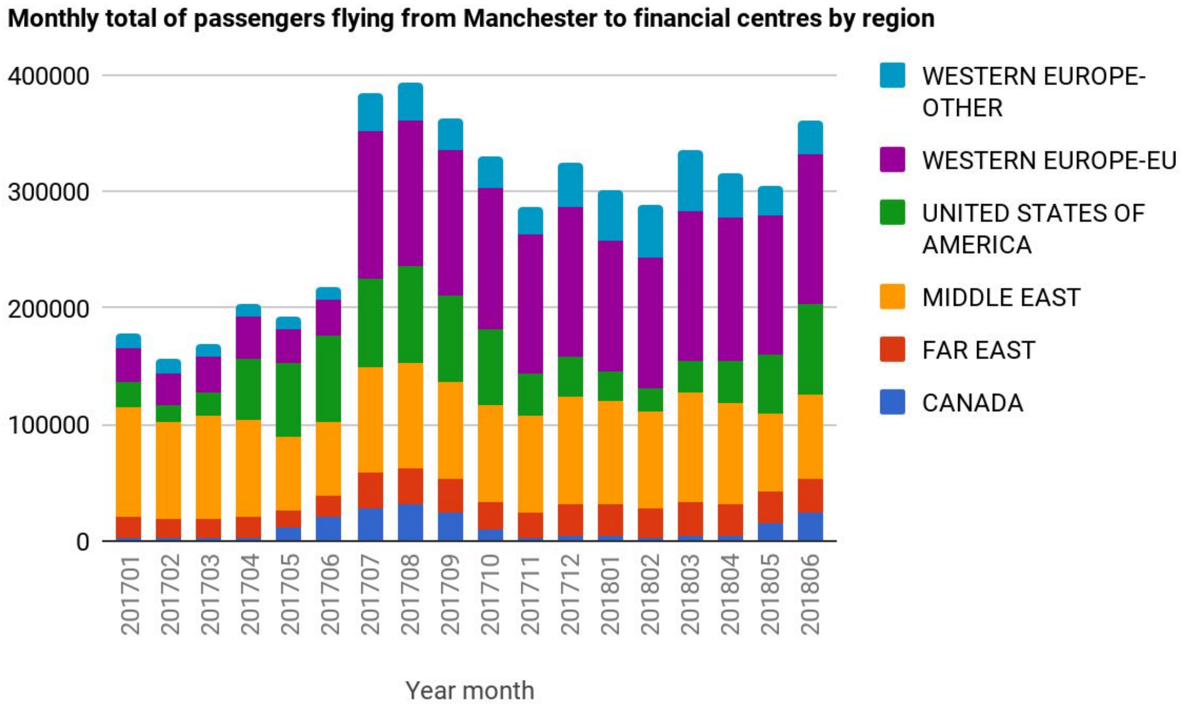
Manchester Airport data



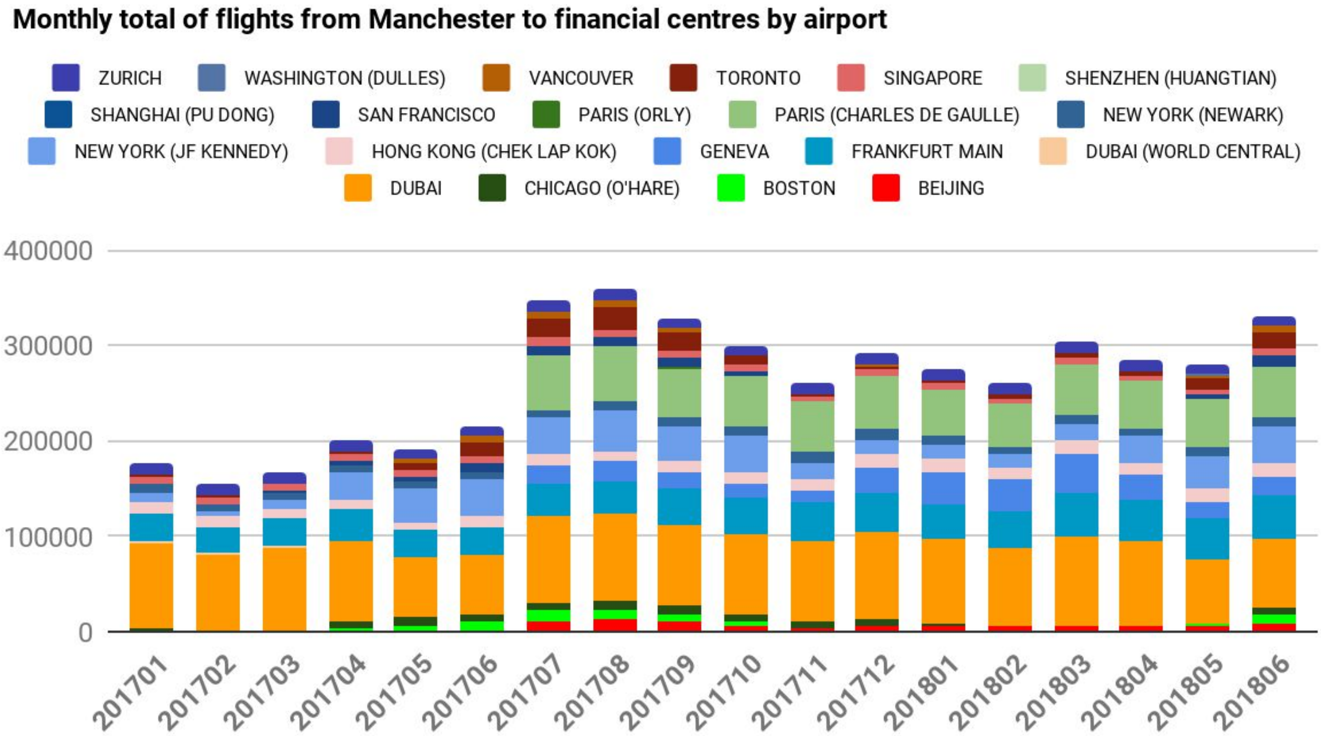
	Passenger numbers during month of:	*Annual change*		*Biennial change*	
	Jun/18	*Actual*	%	*Actual*	%
Manchester	2,853,875	93,896	3.40%	322,765	12.75%
Heathrow	7,086,917	326,555	4.83%	475,837	7.20%
Gatwick	4,499,857	98,050	2.23%	347,911	8.38%
Stansted	2,635,451	271,907	11.50%	445,597	20.35%
Birmingham	1,239,181	-63,023	-4.84%	119,750	10.70%

Business travel to and from Manchester airport

This section of the dashboard tracks the expansion of flights from Manchester to the major financial centres of the world. The ranking utilised for financial centres is taken from the Global Financial Centres index which measures the competitiveness of centres using a variety of indices. The ranking quoted below is from index 23 which was published in March 2018. London remains at position one in the index. Data availability means that at present we cannot differentiate between passengers who fly to the airports included as their final destination and those who transit on to other final destinations.



The chart below shows the month on month total number of passengers on flights to and from Manchester for the *current* top twenty financial centres from 2017 to March 2018.



Ends