Quarterly Economic Dashboard – May 2021

Manchester's Economic Headlines

1. **The reopening of retail & hospitality led to significant growth in footfall in the city centre**
   Footfall on Market St on 12th April increased 193% on the week before and was 20% higher than the equivalent week in 2019

2. **Over 350 licenses have been provided to businesses in Manchester allowing them to increase outdoor seating in line with the latest Covid-19 protocols**

2. **The number of residents on Furlough across Manchester has been decreasing since a winter peak in January – further decreases are expected as the economy opens up**

4. **Recruitment activity (number of job postings) in Manchester has been steadily increasing – particularly since the start of the year- and appears to be returning to pre-pandemic levels**

5. **2020-21 was another record year for housing delivery in Manchester with 4,260 new homes completed across the city – more than any year since 2008**

6. **The sites receiving the second tranche of GM Brownfield Land funding have been announced with three major sites receiving a share Sites include**
   Collyhurst village (1,756 homes, 20% of which will be affordable), Silk Street (69 homes for social rent) and the public realm in the Back of Ancoats Neighbourhood Regeneration Framework

7. **Manchester Life revealed plans for the next phase of the regeneration of Ancoats & New Islington**
   Plans include 3 schemes deliver 225 new homes (incl. over 100 affordable homes) and the Mobility Hub – a shared car & cycle storage facility

8. **Will Lewis from OBI has predicted that the Manchester office market will continue to prosper despite the Covid induced switch to working from home**
   Factors driving this confidence are: Manchester Council's long term economic strategy, high graduate retention, significant rises in business start ups, planned major infrastructure investments & improved connectivity and a push for high quality office developments and refurbishments

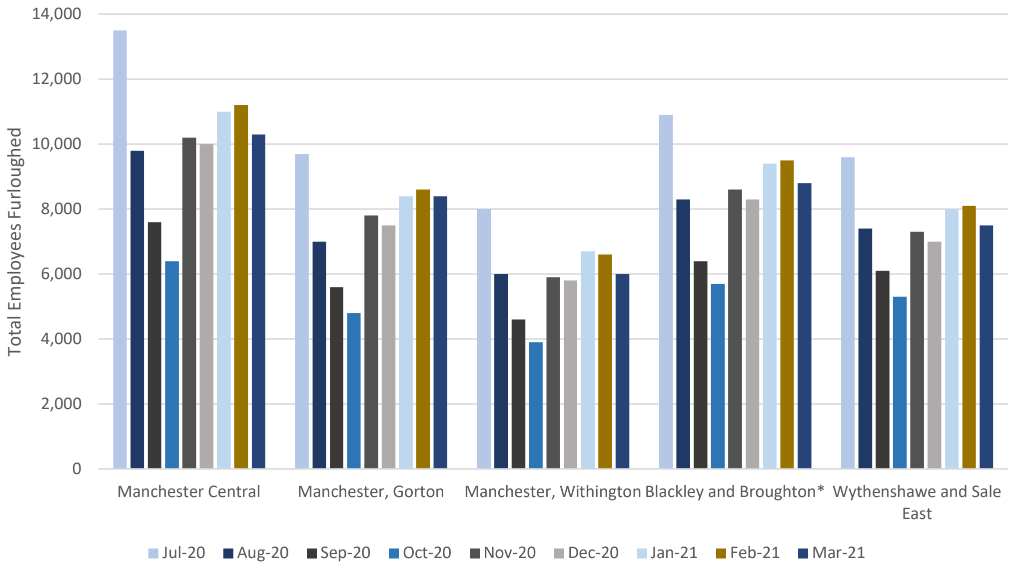
9. **Investec has submitted an application for its redevelopment of the Kendal Milne building on Deansgate, planning to bring over 3,000 new jobs to the city**
   Previously occupied by the House of Fraser, plans include over 52,000m² of office space and 14,000m² for mixed retail and leisure use

10. **UC Covid uplift estimated to have led to an extra £4.816m per month for Manchester residents**
    An extension of the £20 a week uplift to September 2021 was announced as part of the March Budget

Quarterly Economic Dashboard

May 2021 — Work & Welfare

Number of residents on Furlough across Manchester has been decreasing since a winter peak in January



*Parts of Blackley & Broughton and Wythenshawe & Sale East are outside the Manchester boundary

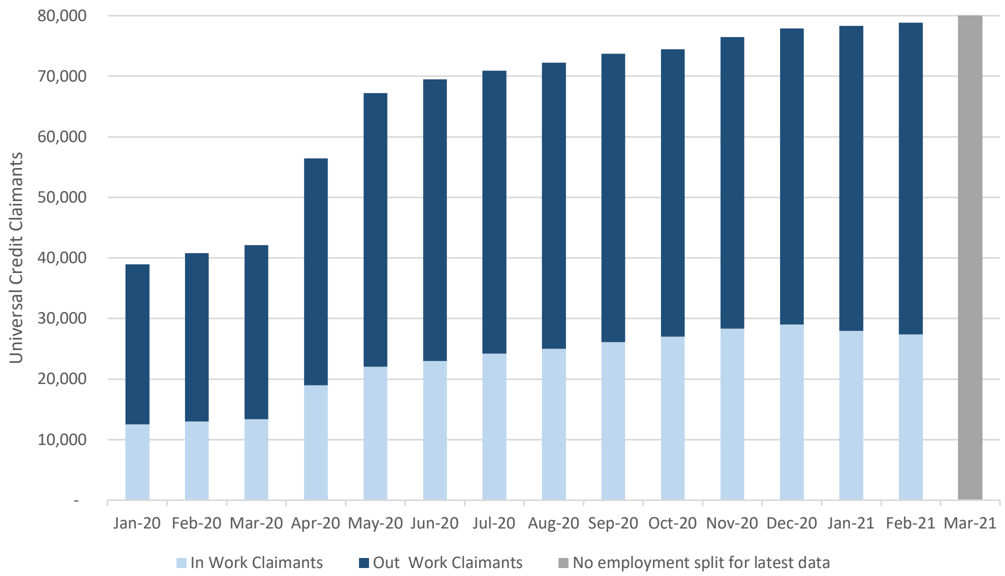
Total Manchester Residents on Furlough (March):

36,100

Total Furlough Take-up (Eligible Jobs – February)

16%

UC claimants continue to grow & now exceed 80,000 (an increase of 90% since the start of the pandemic)



Total Universal Credit Claimants (March):

80,128

Monthly Change (March)

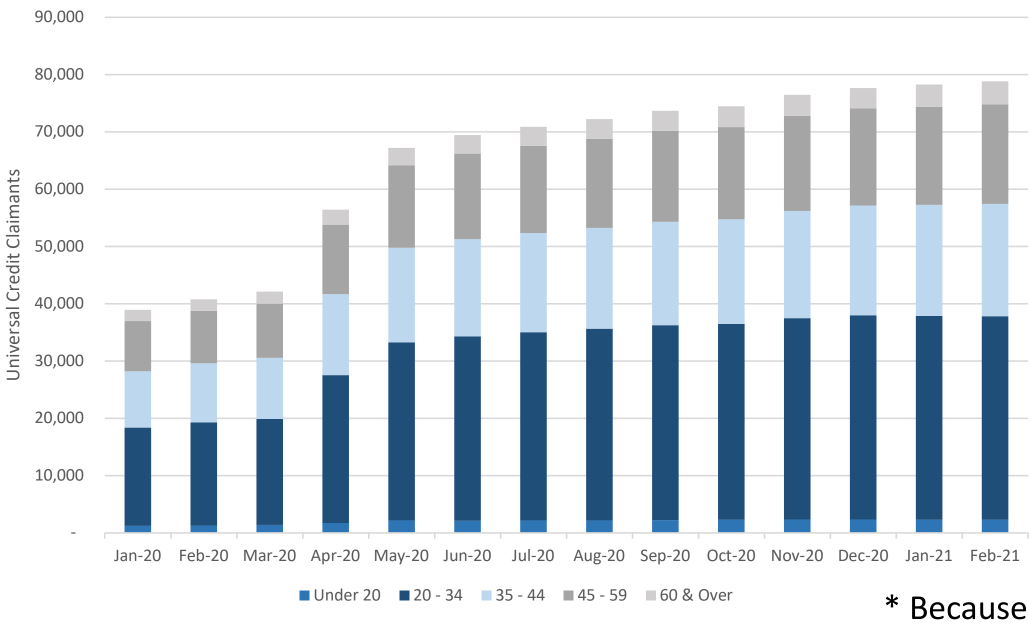
1.6%

Out of Work Claimants (Feb)

51,447 (65%)

13,109 of which are "not expected to work at present*"

UC claimants aged 45+ increased the most between Jan and Feb. Claimants aged 20-34 remained stable



Largest Age Group (Feb)

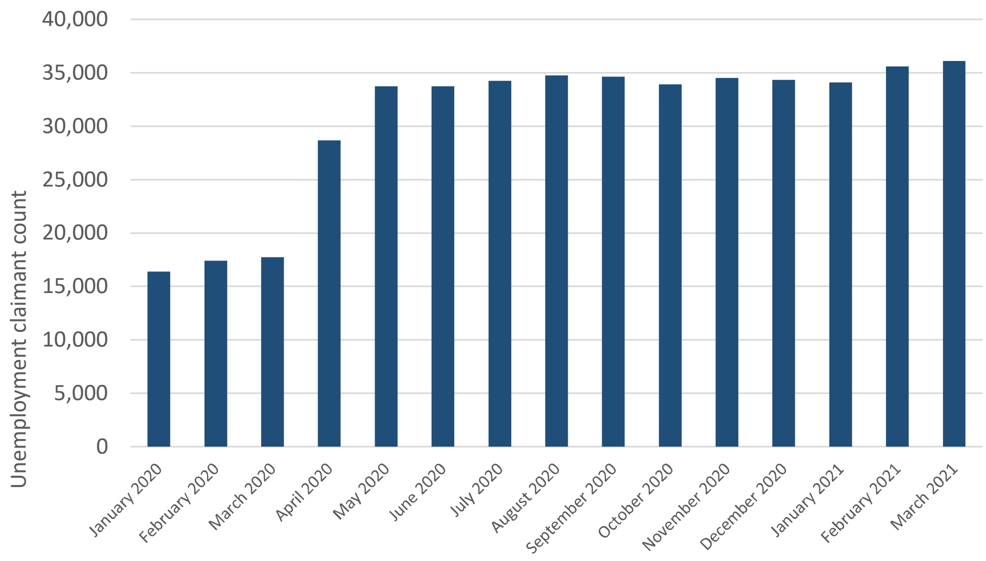
20-34 year olds (35,560)

Monthly Change in 20-34 year old claimants

Stable

* Because of health or caring responsibilities

Claimant count has increased for the 2nd month in a row following a stable period in the later half of 2020



Total Manchester Residents Claiming Unemployment related benefits (March 2021):

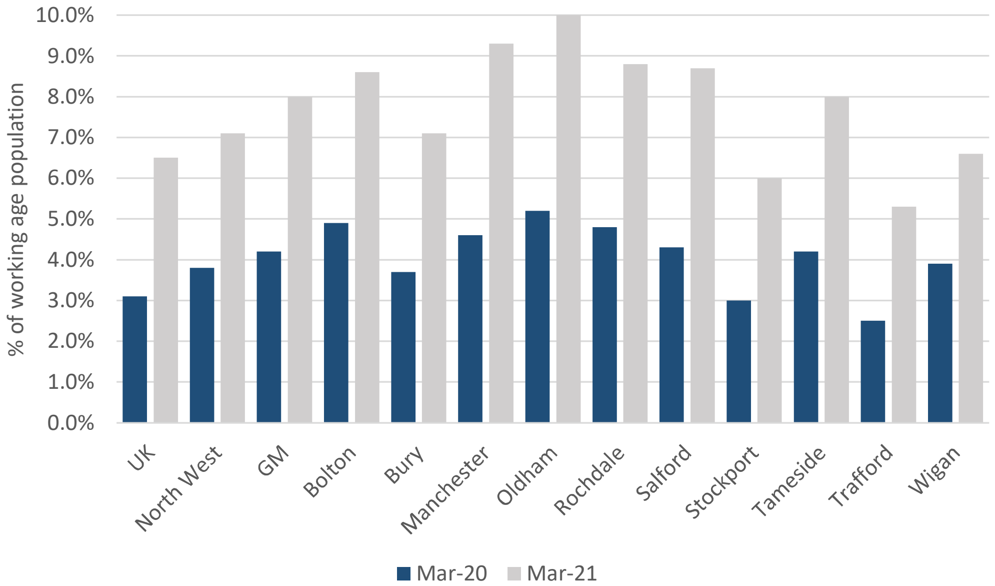
36,100

% change in the claimant count (March 2020 – March 2021)

104%

The claimant count measures JSA and unemployed UC claimants.

A higher % of Manchester residents are claiming unemployment benefits than across GM or the UK



% of working age population claiming unemployment benefits (March 2021):

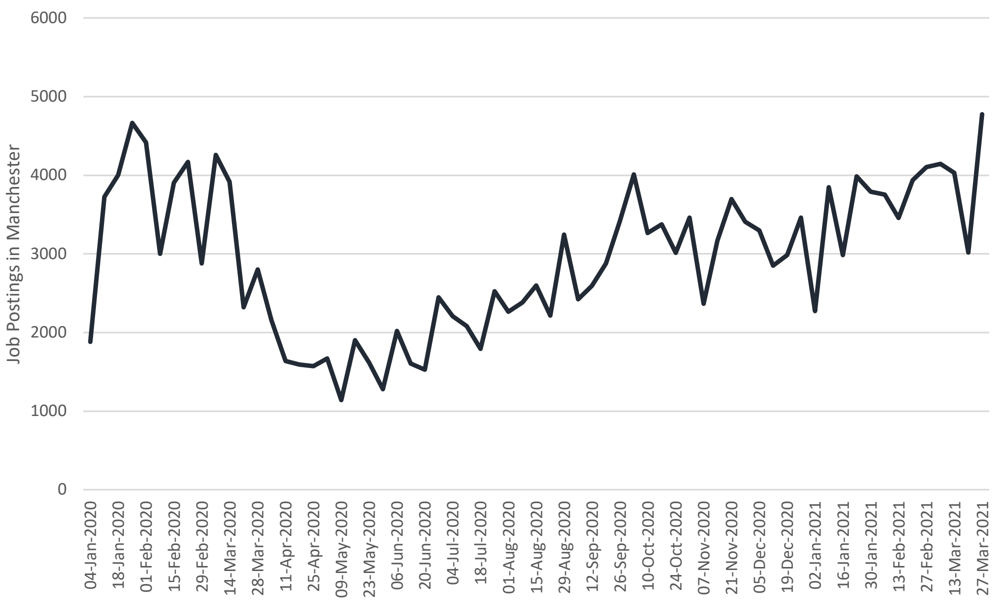
Manchester - 9.3%

GM – 8%

North West - 7.1%

UK – 6.5%

Recruitment activity in Manchester has been increasing & appears to be returning to pre-pandemic levels



Job postings per week February 2020 (4 week average)

3,874

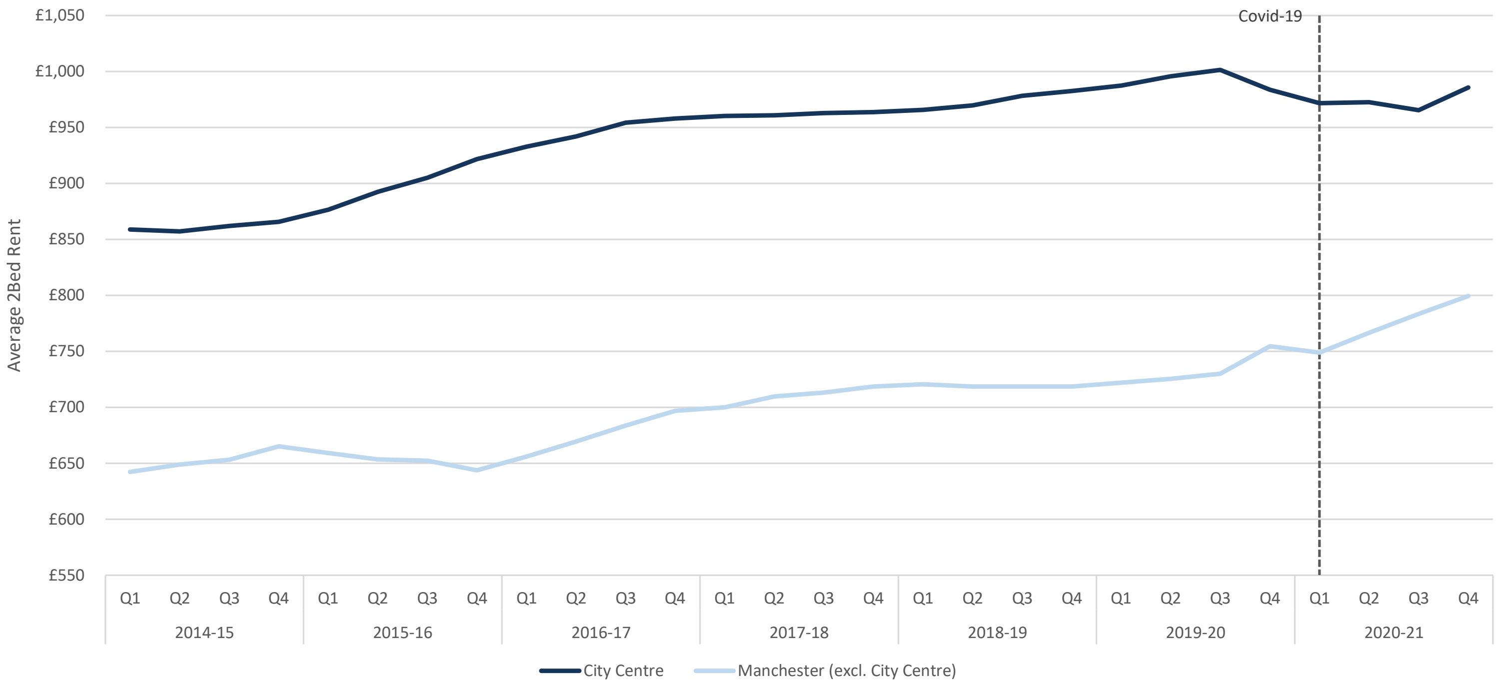
Job postings per week February 2021 (4 week average)

3,814

Quarterly Economic Dashboard

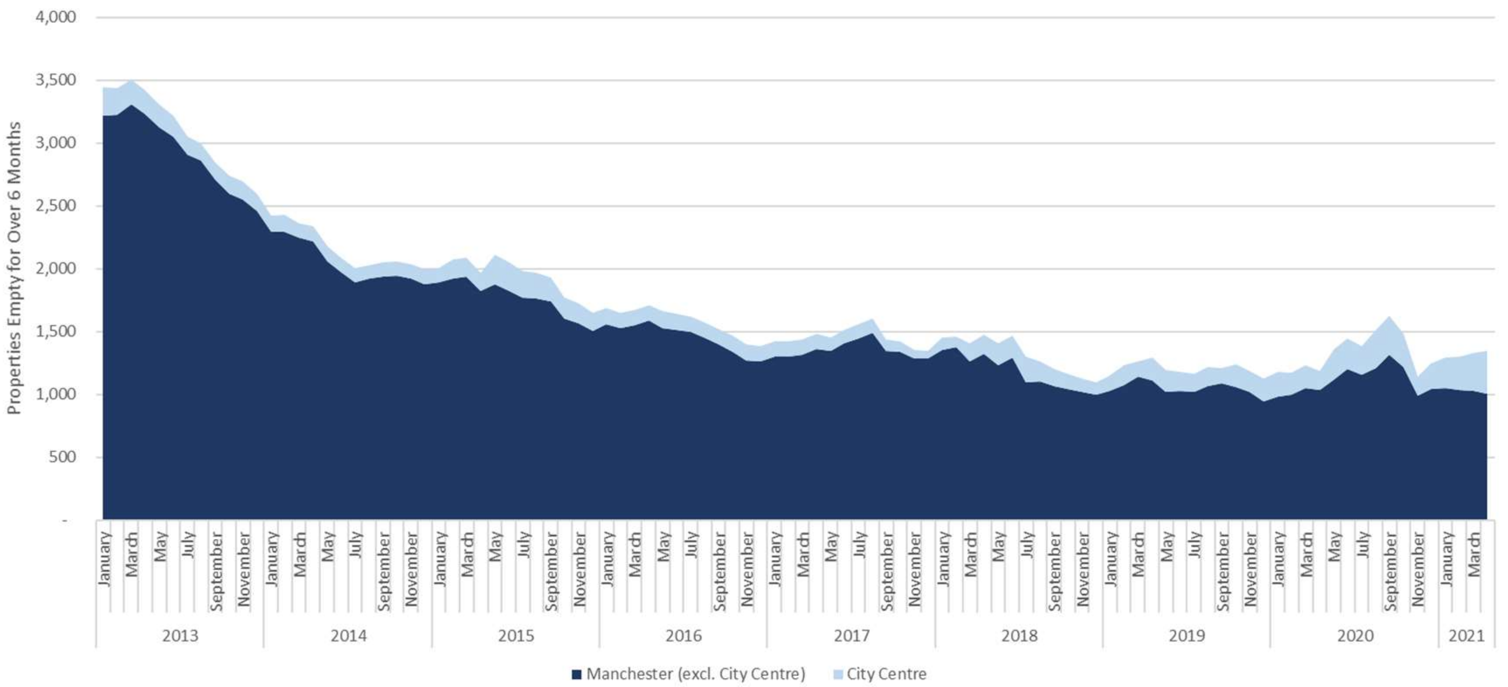
May 2021 — Residential Property - Rents

City centre rents recovering to close to pre-Covid levels



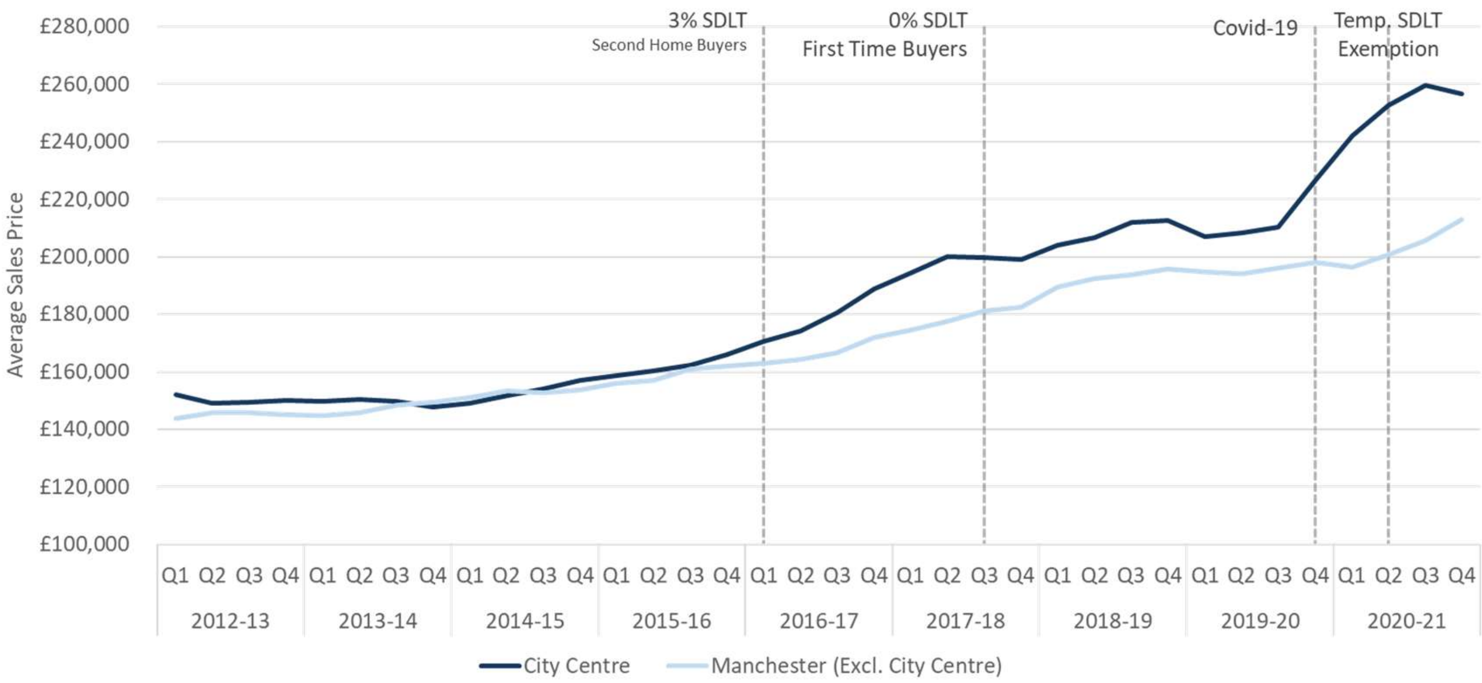
City Centre		Rest of City	
2Bed Rent	Quarterly Change	2Bed Rent	Quarterly Change
£986	**2.1%**	**£800**	**2.0%**

Long term void rate across the city remains around as low as it's ever been



City Centre Long Term Void Rate	Rest of City Long Term Void Rate
1.0%	**0.5%**

City centre new build premium driving prices – city centre secondary market not transacting



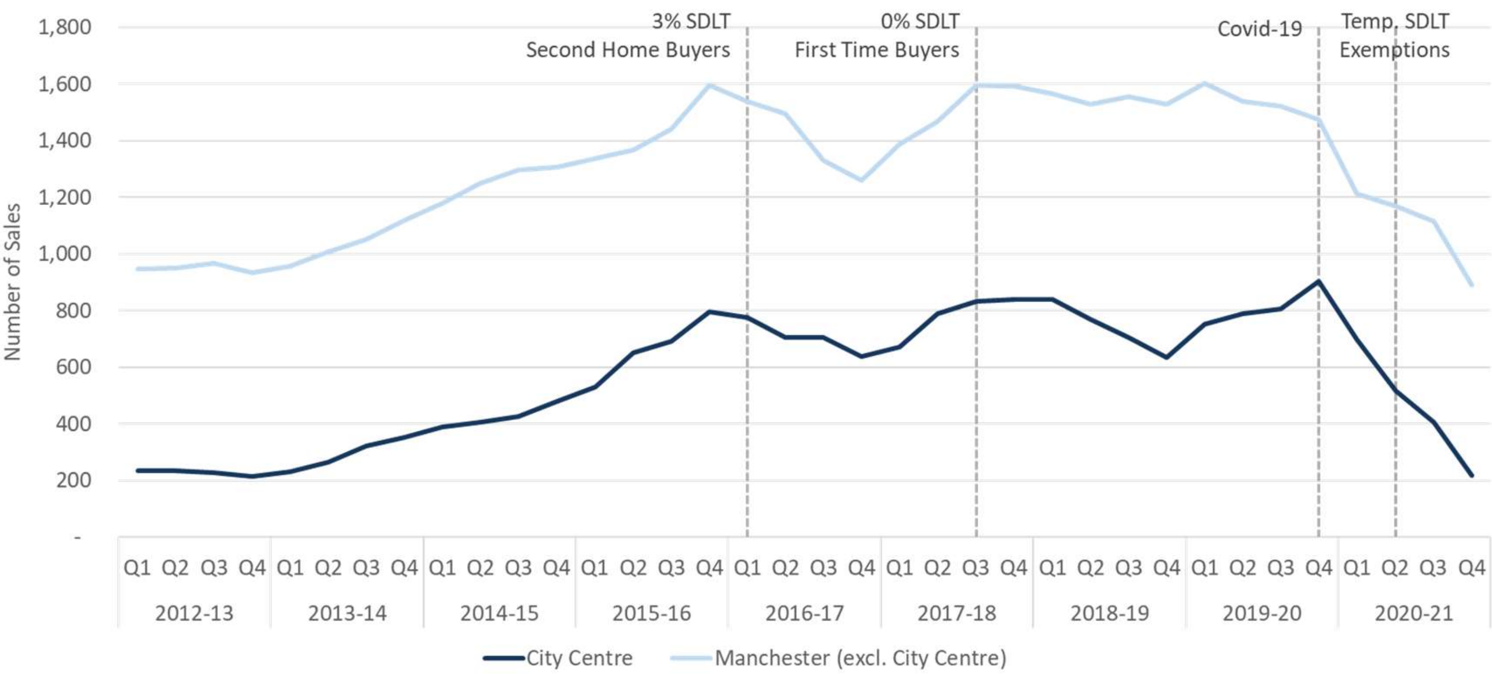
City Centre Average Sales Price

£256,649

Manchester (excl. City Centre) Average Sales Price

£210,090

Temporary SDLT reform not making up for economic uncertainty linked to Covid-19 and fire safety issues in the city centre secondary market



City Centre Quarterly Change*

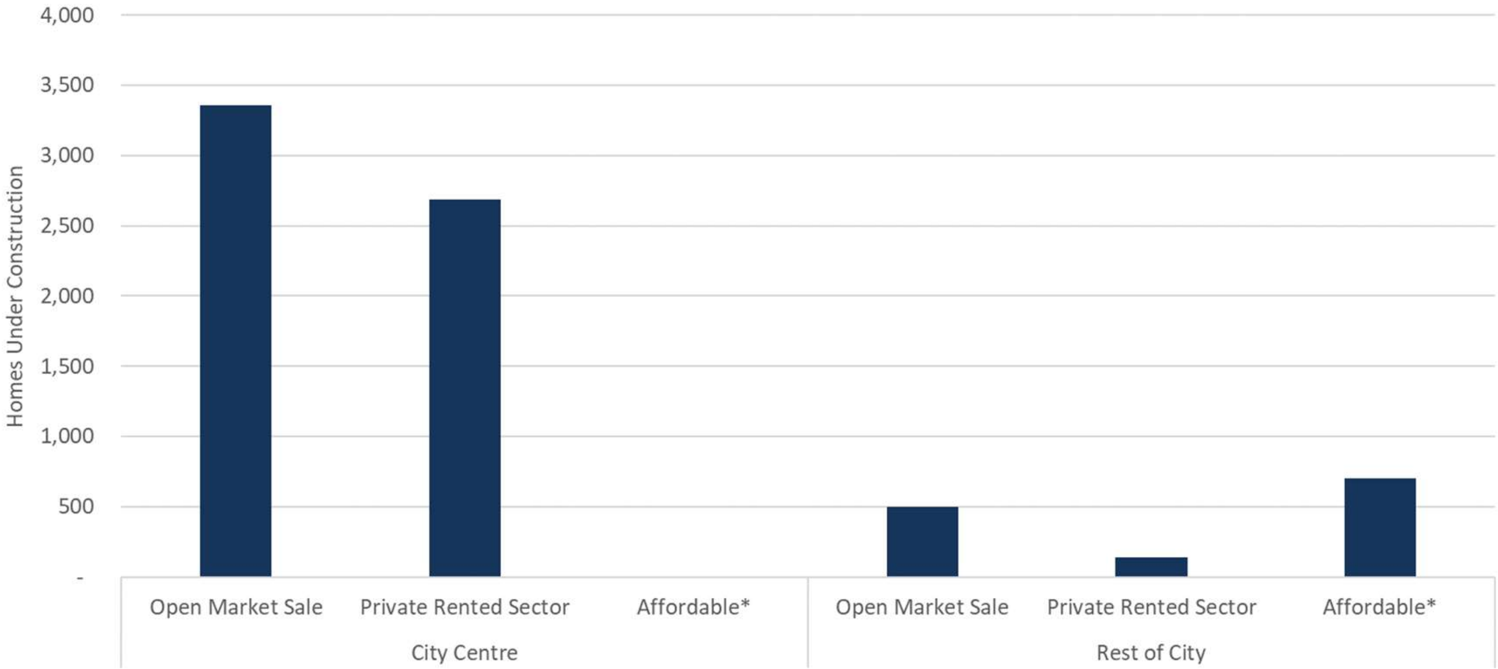
-46.2%

Manchester (excl. City Centre) Quarterly Change*

-20%

* Large numbers of sales are backdated in future releases so this number is expected to change in future updates

Over 7,300 homes on site across the city - including 702 affordable homes



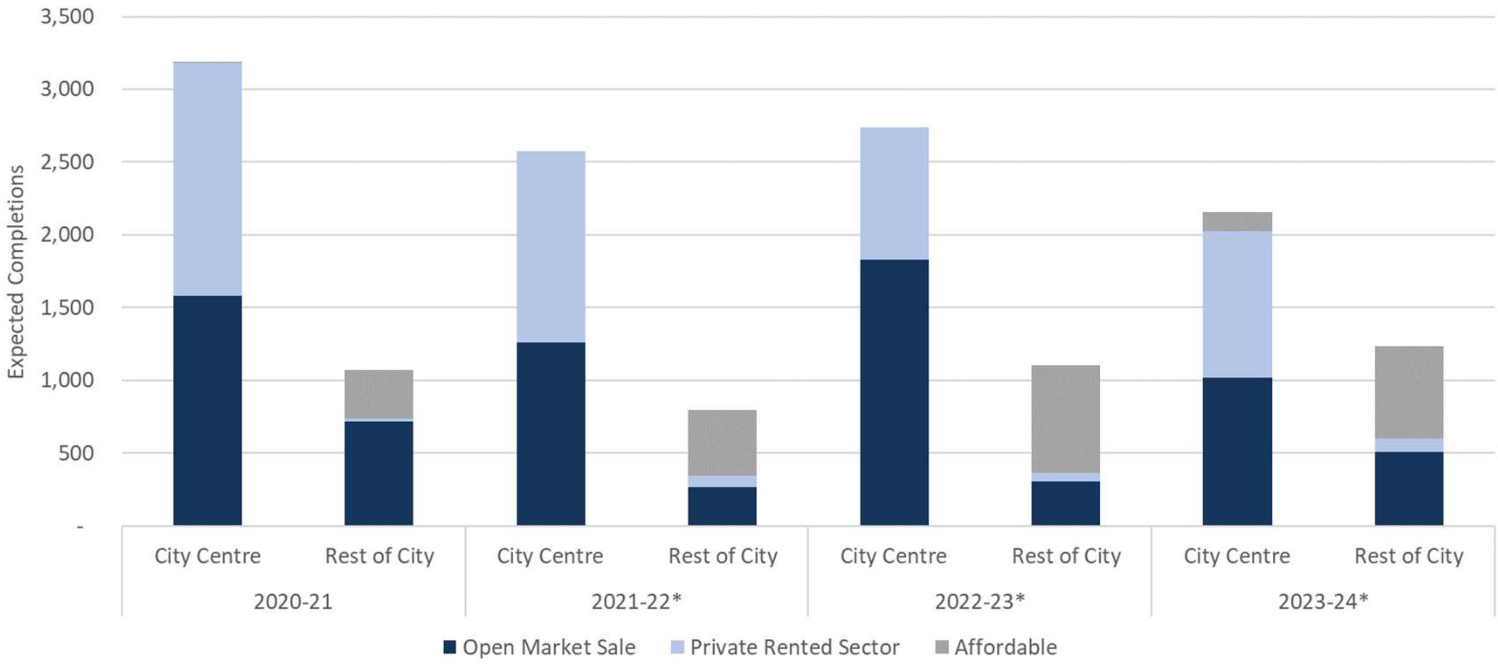
City Centre Homes Under Construction

6,040

Rest of City Homes Under Construction

1,340

More completions in 2020-21 than any year since 2008 – a further 10,000 expected over the next 3 years



Completions - 2020-21	Expected Completions – 2021-22	Expected Completions – 2022-23	Expected Completions – 2023-24
4,260	**3,371**	**3,843**	**3,391**

Quarterly Economic Dashboard

May 2021 — Affordable Housing Development

A minimum of 6,400 affordable to be delivered by 2025 – over 1,900 completed since April 2015 (c.30% of target)

Manchester Affordable Pipeline (2015-2025)	Social Rent	Affordable Rent	Shared Ownership	Other*	Total
- Affordable Completions - 2015-16	34	87	34	0	155
- Affordable Completions - 2016-17	14	156	84	0	254
- Affordable Completions - 2017-18	20	180	97	0	297
- Affordable Completions - 2018-19	56	136	141	5	338
- Affordable Completions - 2019-20	27	88	131	191	437
- Affordable Completions - 2020-21	141	100	164	41	446
Total Completions - 2015-16 - 2020-21	**292**	**747**	**651**	**237**	**1,927**
- Under Construction - Expected Completion 2021-22	229	97	64	2	392
- Under Construction - Expected Completion 2022-23	98	44	81	131	354
- Under Construction - Expected Completion 2023-24	20	3	10	0	33
- Under Construction - Expected Completion 2023-24	49	7	9	0	65
Total Under Construction - Dec 2020-21 - 2022-23	**327**	**141**	**145**	**133**	**844**
Total Registered Provider Pipeline - 2020-21 - 2024-25**	**951**	**1,104**	**901**	**112**	**3,068**
Remaining Pipeline***	**198**	**867**	**736**	**0**	**1,801**
Total	**1,768**	**2,859**	**2,433**	**482**	**7,640**

* Includes all Rent to Buy & Discounted Market Rent schemes

** Includes all schemes where a planning application has been submitted / a site identified

*** Includes all current Phase 1 & Phase 2 Local Development Vehicle sites

Affordable Homes Under Construction

856

Affordable Completions 2020-21

446

Affordable Completions - 2020-21

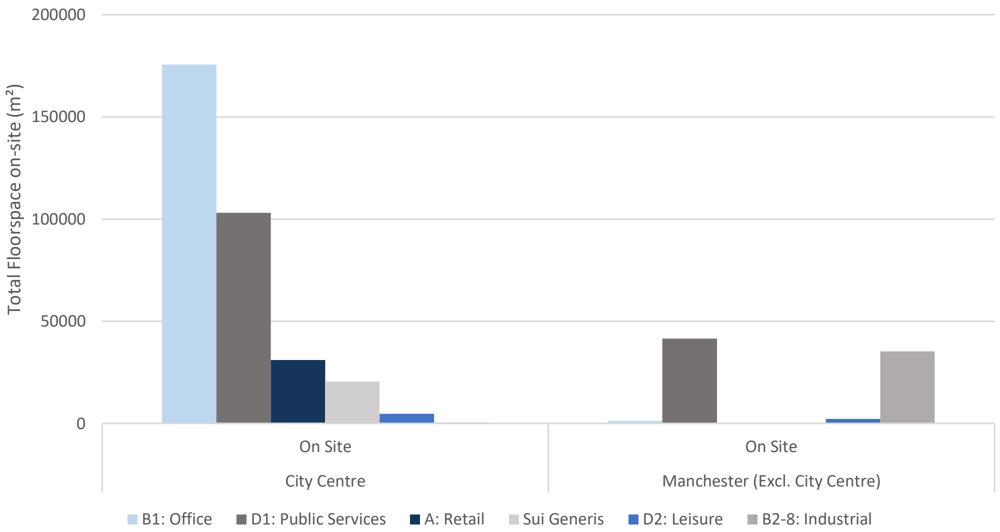
Site	Ward	Registered Provider	Funding	Product: Social Rent	Product: Affordable Rent	Product: Shared Ownership	Product: Other*	Total
MEA School Fields	Woodhouse Park	WCHG	SOAHP 16-21			84	38	122
Former Stagecoach Bus Depot	Whalley Range	Mosscare St Vincents	SOAHP 16-21	72		30		102
Brunswick PFI	Ardwick	S4B	PFI	60				60
Dermot Murphy Close	Old Moat	Southway	SOAHP 16-21		33	21		54
Monsall Rd / Emmett St	Harpurhey	Adactus	SOAHP 16-21		18			18
St John Fisher & Thomas More Church Site	Sharston	WCHG	SOAHP 16-21		18			18
Amberley Drive	Baguley	YHG				16		16
69 Palatine Road	Didsbury West	DePaul Housing	SOAHP 16-21		11			11
Dalbeattie Street	Harpurhey	Mosscare St Vincents	SOAHP 16-21		10			10
Atlas Place	Levenshulme	One Manchester				3	3	6
Gathurst Street	Gorton	One Manchester		6				6
West Gorton Masterplan	Ardwick	Haylo Housing	SOAHP 16-21			5		5
Goodwood Lodge	Whalley Range	Johnnie Johnson			5			5
Carruthers St / Piercy St	Ancoats & Beswick	Great Places				4		4
Tarnside House	Crumpsall	Guinness NC	SOAHP 16-21	2				2
Western Street	Gorton & Abbey Hey	One Manchester	SOAHP 16-21		2			2
Shillingford Road	Gorton & Abbey Hey	One Manchester	SOAHP 16-21			1		1
Burford Road	Whalley Range	One Manchester	SOAHP 16-21		1			1
15 Constable Street	Gorton & Abbey Hey	One Manchester	SOAHP 16-21		1			1
St George's Court	Hulme	One Manchester			1			1
Chigwell Close	Northenden	WCHG	SOAHP 16-21	1				1
				141	**100**	**164**	**41**	**446**

* Includes all Rent to Buy / Discounted Market Rent schemes

Quarterly Economic Dashboard

May 2021 — Commercial Property Development

175,000m² of office space is currently on-site in the city centre



Total Office Space Under Construction

177,000m²

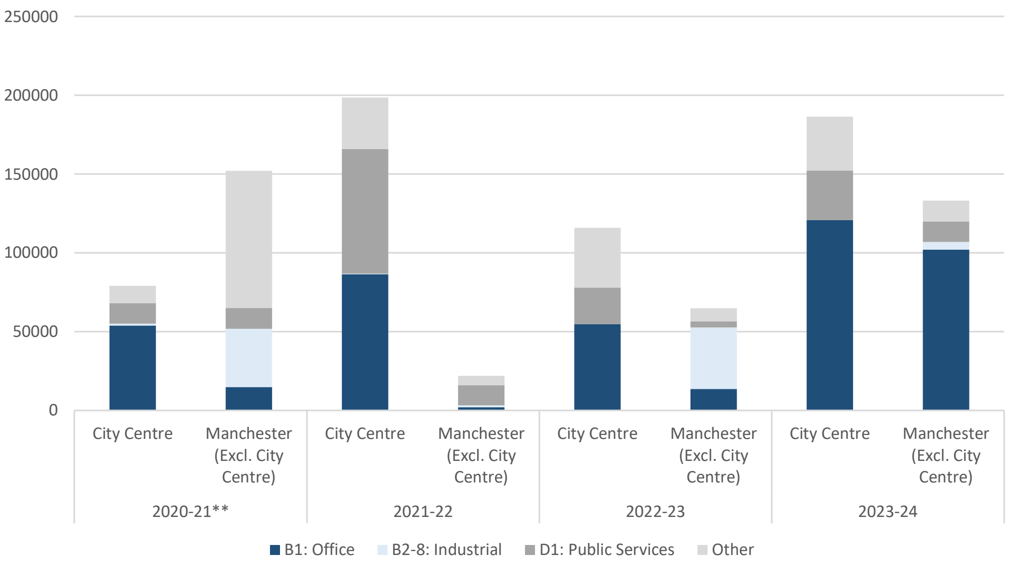
Expected City Centre Office Space Completions 2021-22 – 2023-24

262,000m²

Expected Rest of City Office Completions 2021-22 – 2023-24

118,000m²

Commercial Developments – Completions (2020-21) & Expected Completions (2021-22 – 2023-24)*



Total Completions* (2020-21)

240,000m²

Expected City Centre Completions (2021-22 – 2023-24)

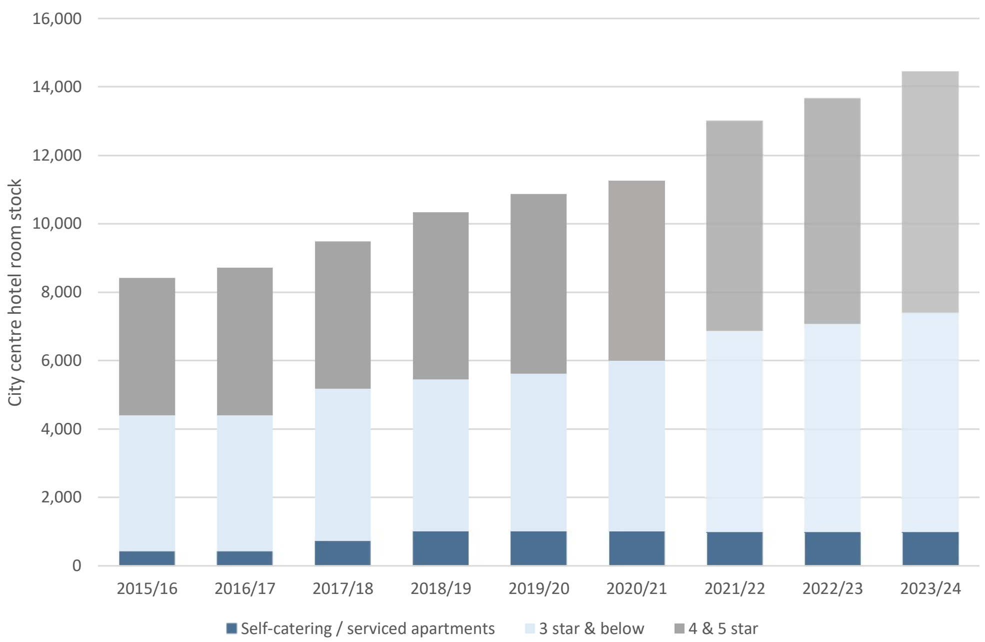
503,000m²

Expected Rest of City Completions (2021-22 – 2023-24)

221,000m²

3,192 new hotel rooms in the city centre by 2023/24

Creating significant challenges for occupancy rates to recover



City Centre Hotel Room Completions (2020-21)

379

COVID-19 significantly delayed the completion of a number of hotels over the last 12 months - now expected to complete in 2021-22

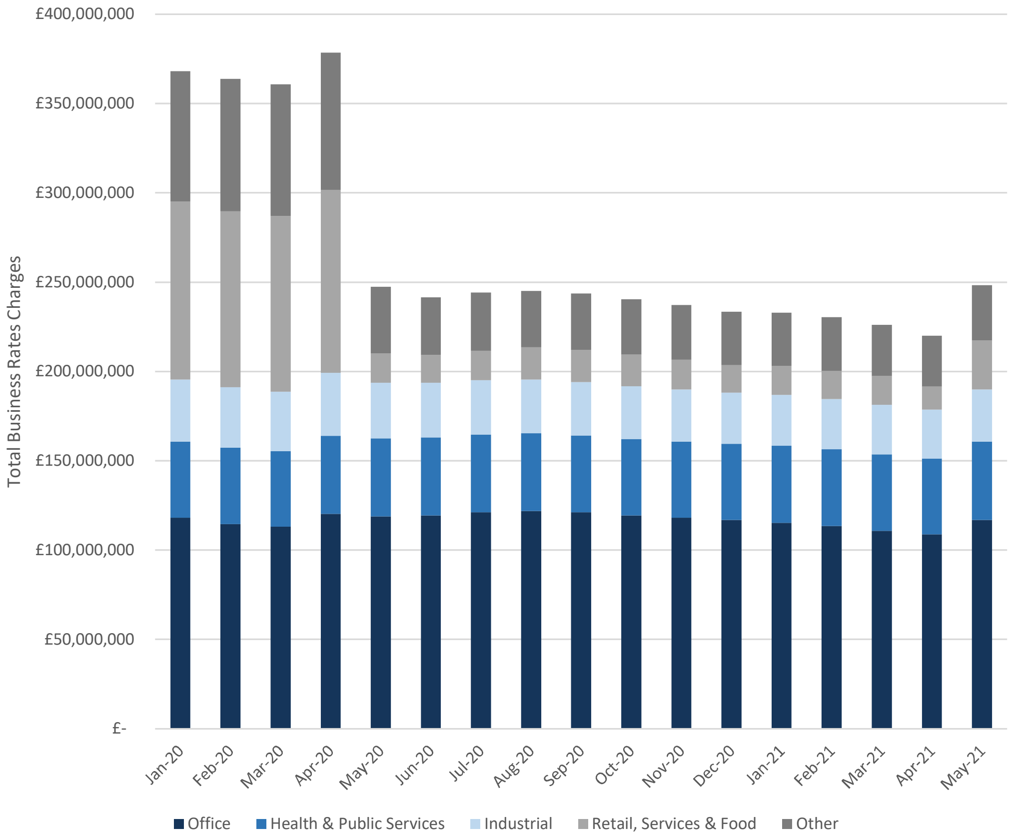
City Centre Hotel Rooms Under Construction

2,397

*Data does not include hotel developments

**2020-21 = confirmed completions

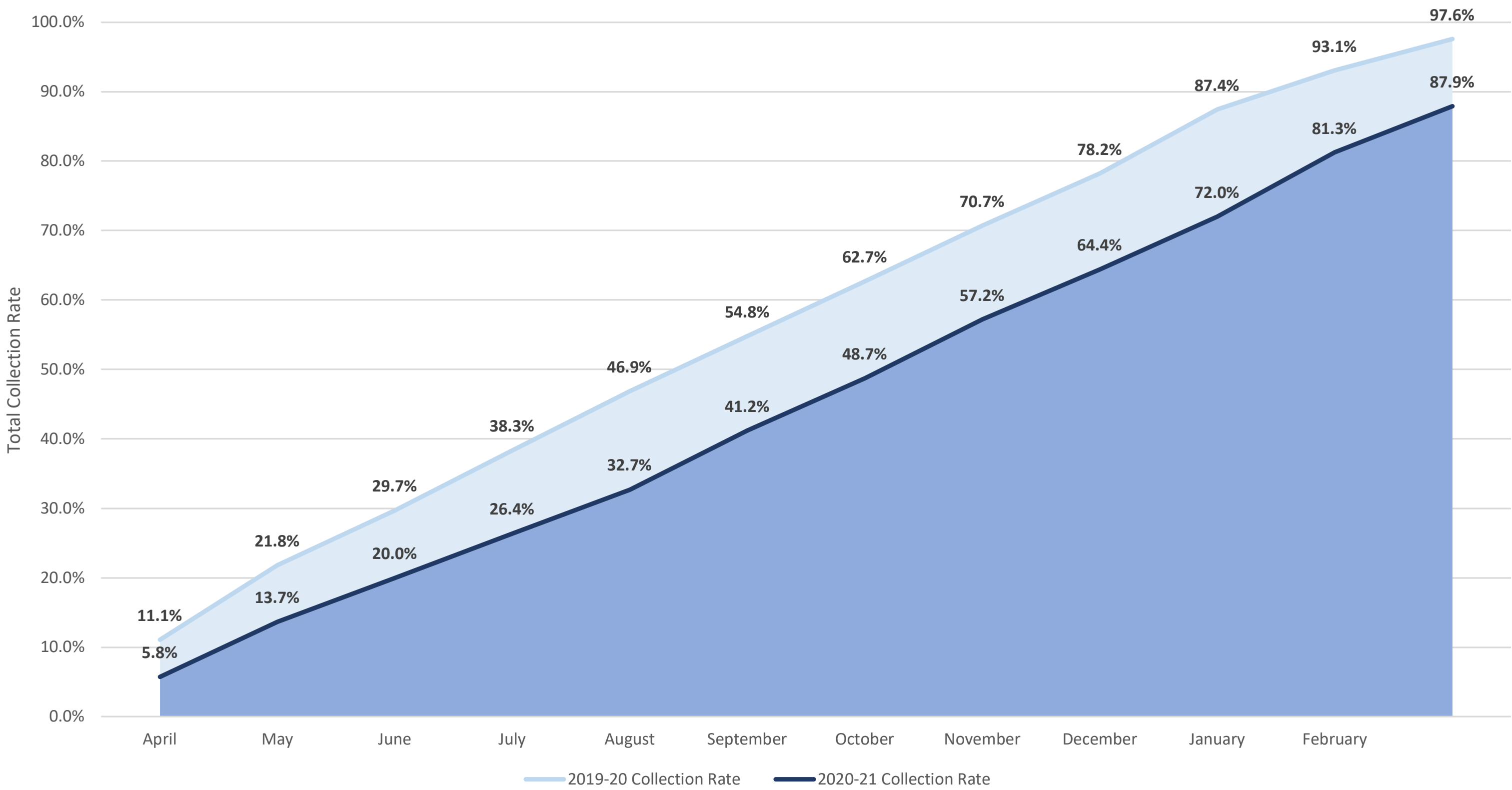
Total business rates charged increased by £28m between April & May – however this is still well below pre-COVID levels



Total Annual Business Rates Charged (May):

£248m

Business rates collection rate c.10pp below last year



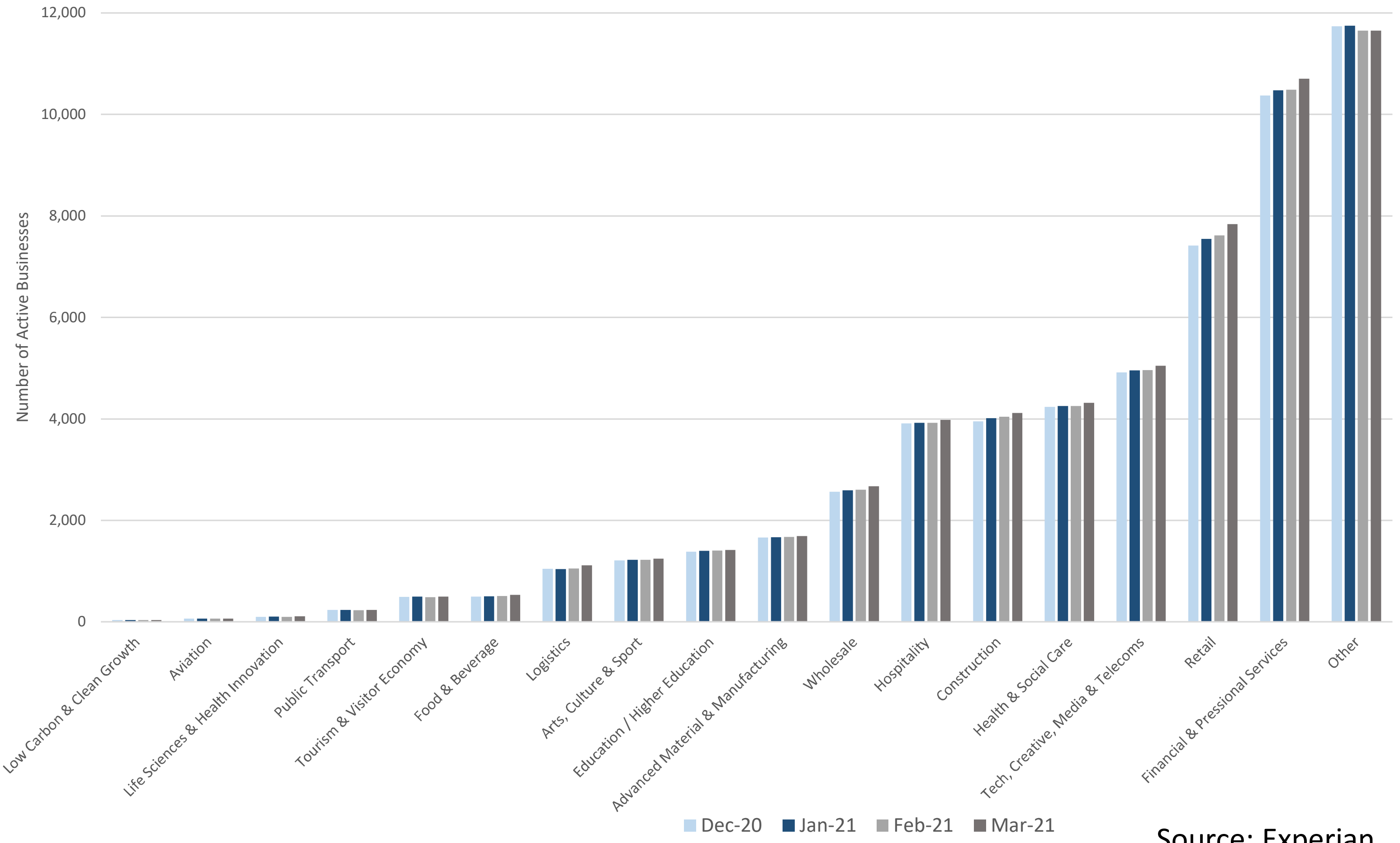
Total Collection Rate 2020-21 (March):

87.9%

Quarterly Economic Dashboard

May 2021 — Business & Business Rates

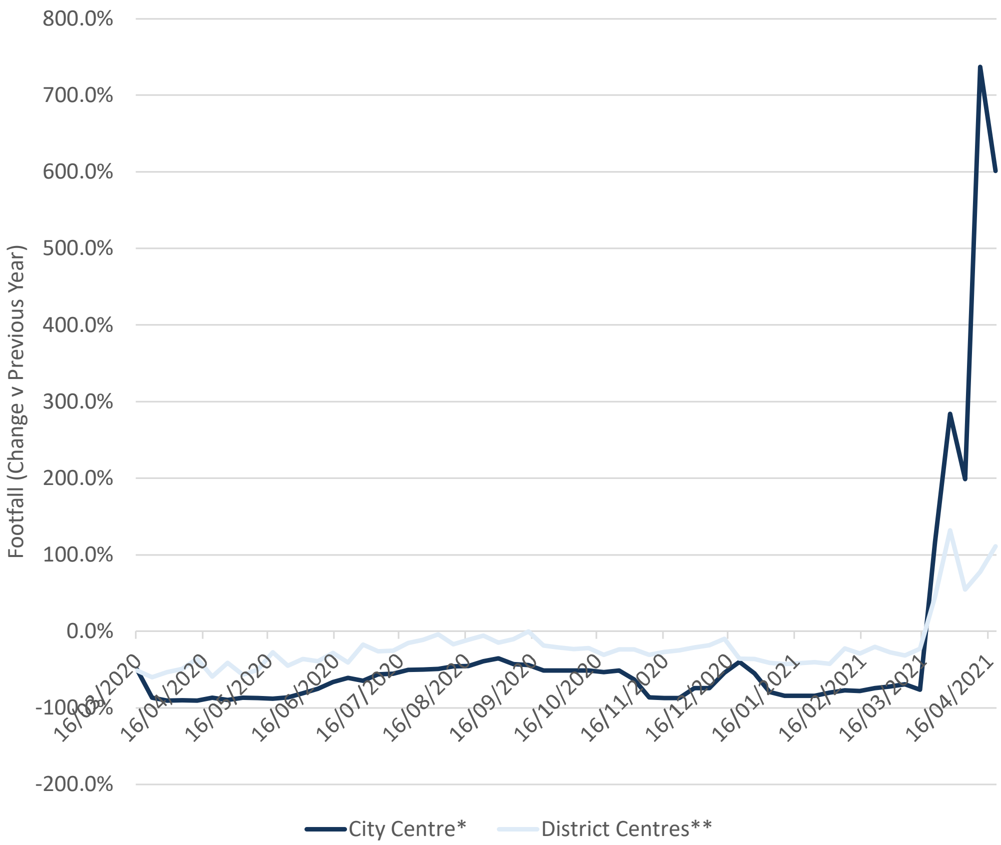
Number of active businesses in the city continues to increase with a monthly rise of 1.7%



Source: Experian

*Work is underway to improve sectoral breakdown (and reduce the number of businesses categorised as "other")

Footfall has increased radically since re-opening of hospitality & non-essential retail



City Centre Footfall – Change v 2020 (w/s 19 April):

601%

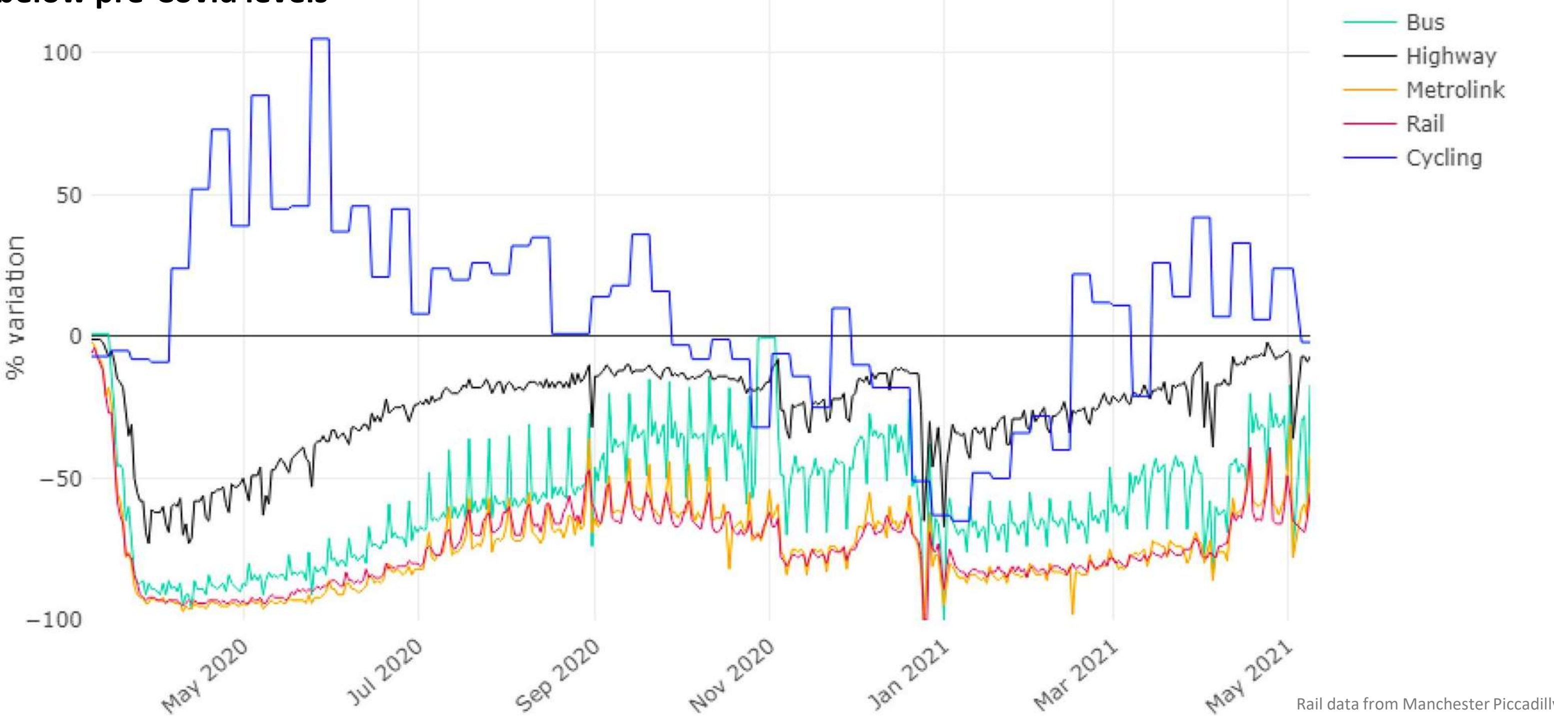
District Centres Footfall – Change v 2020 (w/s 19 April)

111%

* City Centre data on Market St, Exchange Square, St Ann's Square & King St

** District Centres data on Blackley, Cheetham Hill, Chorlton, Fallowfield, Gorton, Harpurhey, Levenshulme, Northenden, Rusholme & Withington

Public transport use is showing signs of recovering following the re-opening of economy but remains below pre-Covid levels



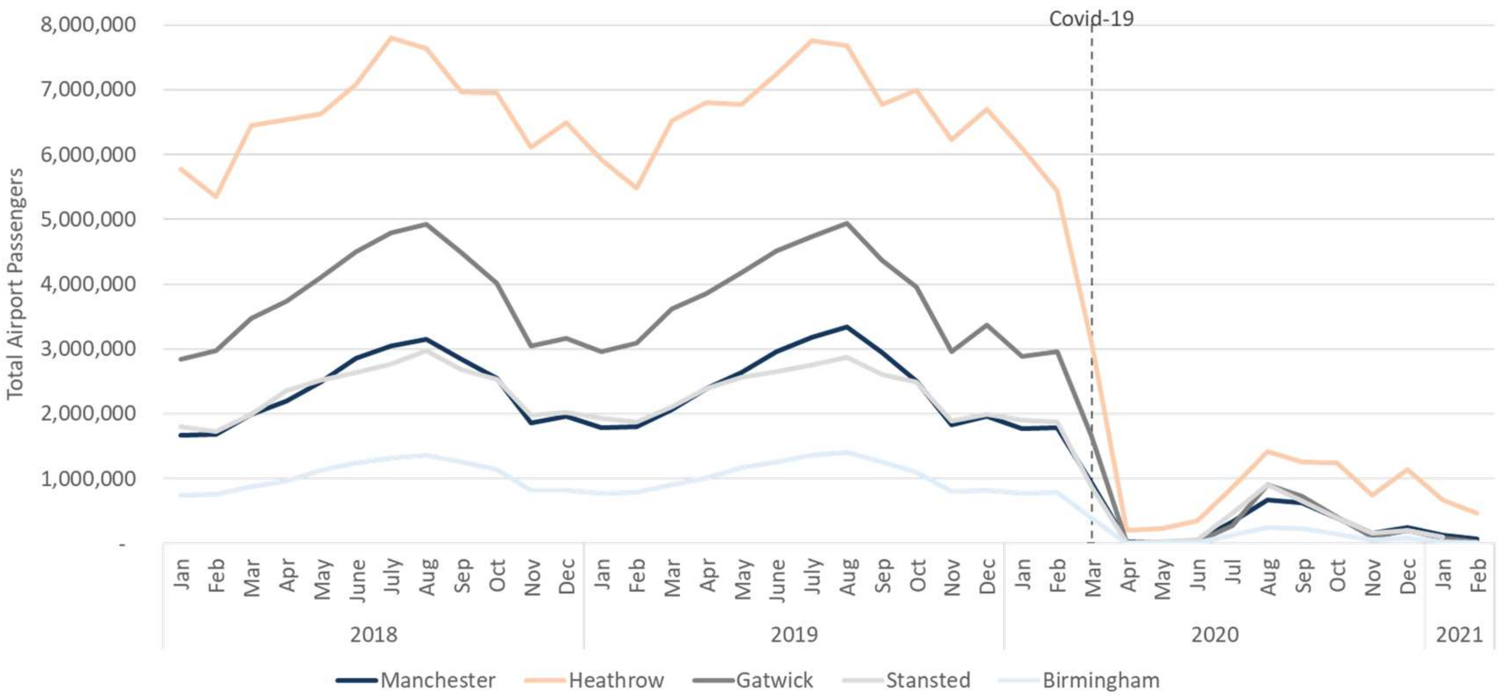
Rail data from Manchester Piccadilly

Current Position Compared to Pre-Lockdown Baseline

Cycling (25 April)	Highways (25 April)	Bus (25 April)	Metrolink (25 April)	Rail (25 April)
6%	**-4%**	**-20%**	**-40%**	**-39%**

Airport passenger numbers showing no signs of recovery

Impact of 3rd lockdown evident but marginally less severe than the 1st lockdown



Manchester Airport Passengers (March)	Monthly Change
94,577	**21.1%**