Monthly Economy Update

Manchester's Economic Headlines for May 2022

1. **After 10 months of consecutive decreases, the number of Universal Credit claimant increased 0.2% in February and 0.8% when considering the provisional figure for March.** Despite this, March's number of Universal Credit claimants is 4.3% lower than the same month in 2021.

2. **The per population rate of unemployment in Manchester decreased from 6.9% to 6.6% in the three-month period up to December 2021.**

3. **The total number of weekly job vacancies in Manchester has been on an upward trajectory since the start of 2021. Following 4 weeks of low number of job advertisements in late March/early April, there was a significant increase in the number of job advertisements in late April (80%)** The largest number of job advertisements in Manchester in April were for Science, Engineering and Technology jobs (5,252)

4. The number of **16 - 17 years old not engaged in education, employment or training** (NEET) **and individuals within the cohort whose status is unknown are lower than figures for the same period in the previous year, NEET decreased from 457 to 426 and unknown from 443 to 157.**

5. **C.3,800 new homes were completed across Manchester in 2021-22 (including 2,738 in the city centre and 1,003 across the rest of Manchester).** This includes the completion of Capital & Centric / HBD's Kampus development and the final part of Phase 2 of Manchester Life regeneration of Ancoats & New Islington

6. **532 new affordable homes completed in 2021-22 across Manchester – more than in any year since 2011-12.** Around half of which will be available for social rent (incl. 3 Extra Care schemes at Gorton Mill House, Dahlia House and Oaklands)

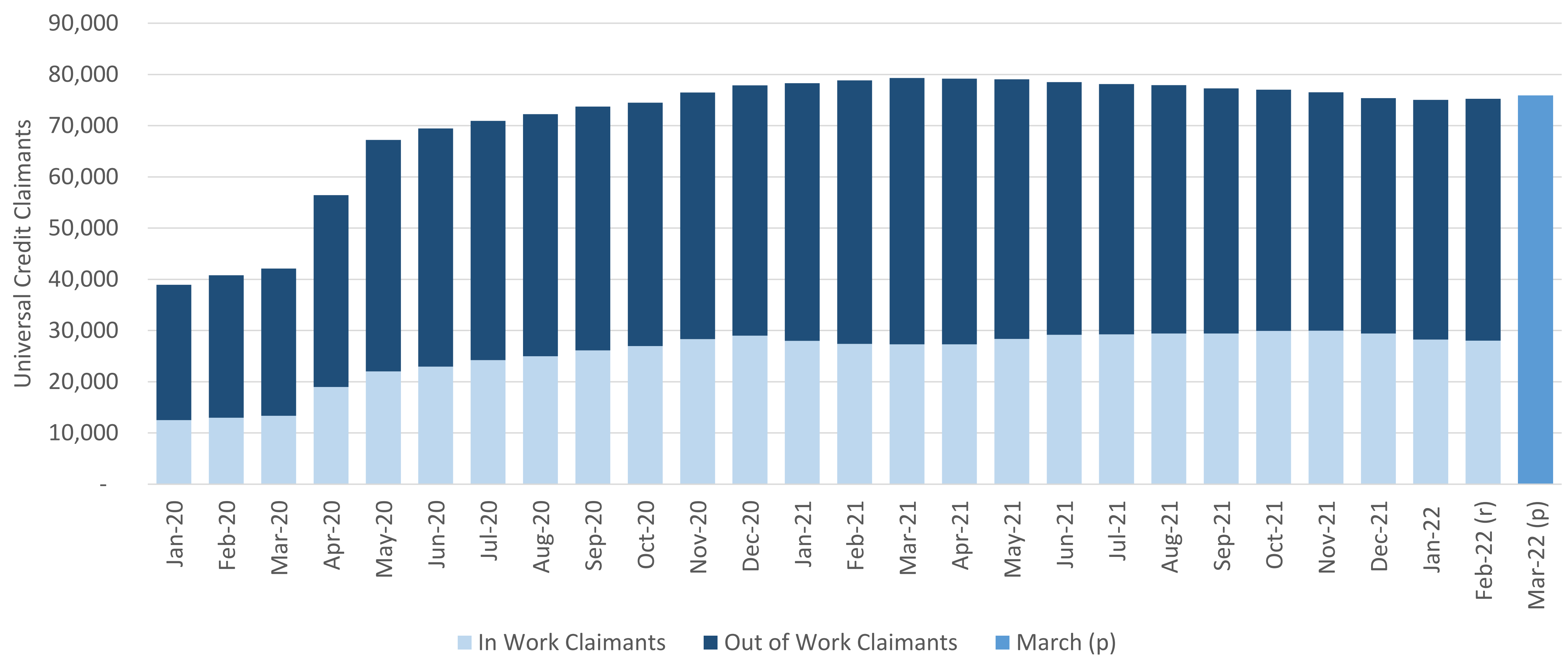
7. **Recovery is gathering pace at Manchester Airport.** Passenger volumes have now grown back to 79% of pre-pandemic levels, whereas in January volumes were just 40% of those seen in the same month in 2019.

8. **MCC continues to support the Manchester Airport with their ongoing recruitment by deploying staff to assist with interviews equating to over 230 staff hours to date.**

9. **Recruitment fairs in place across Manchester including a large Airport City Job Fair at the Wythenshawe forum on 24 May.**

10. **Annual inflation rate in the UK increased to 7% in March of 2022,** the highest since March of 1992, from 6.2% in February. The largest upward pressure on inflation came from motor fuels, with prices mostly collected before the recent cut in fuel duty.

From April 2021 UC claimants continue to decrease (albeit slowly)*



*Provisional results generally over estimate the actual no. of claimants

Total Universal Credit Claimants (March -provisional*):

75,904

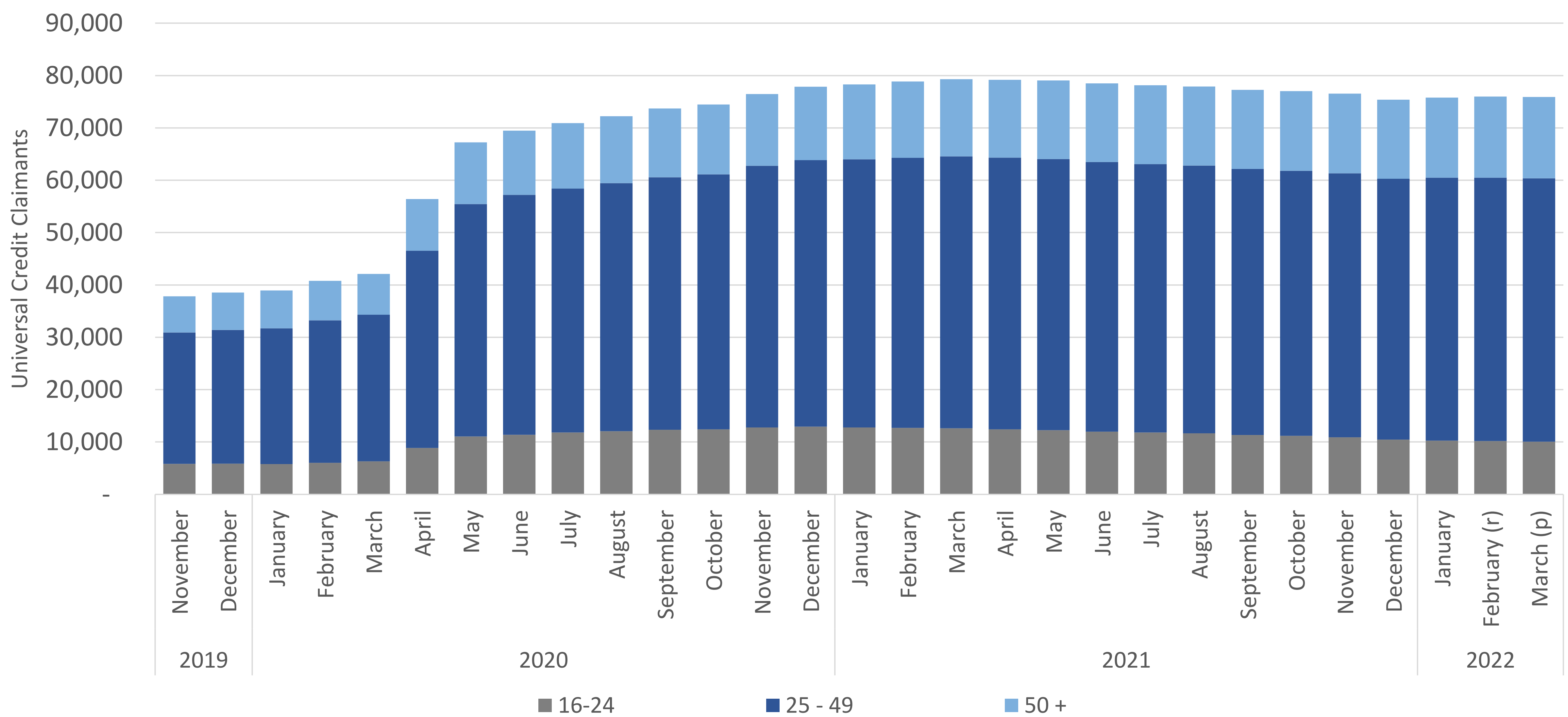
Monthly Change (Feb – Mar (p)*)

0.9%

Out of Work Claimants (Feb)

47,201 (63%)

The UC claimant age split in Manchester continues to remain broadly stable



Largest Age Group (March)

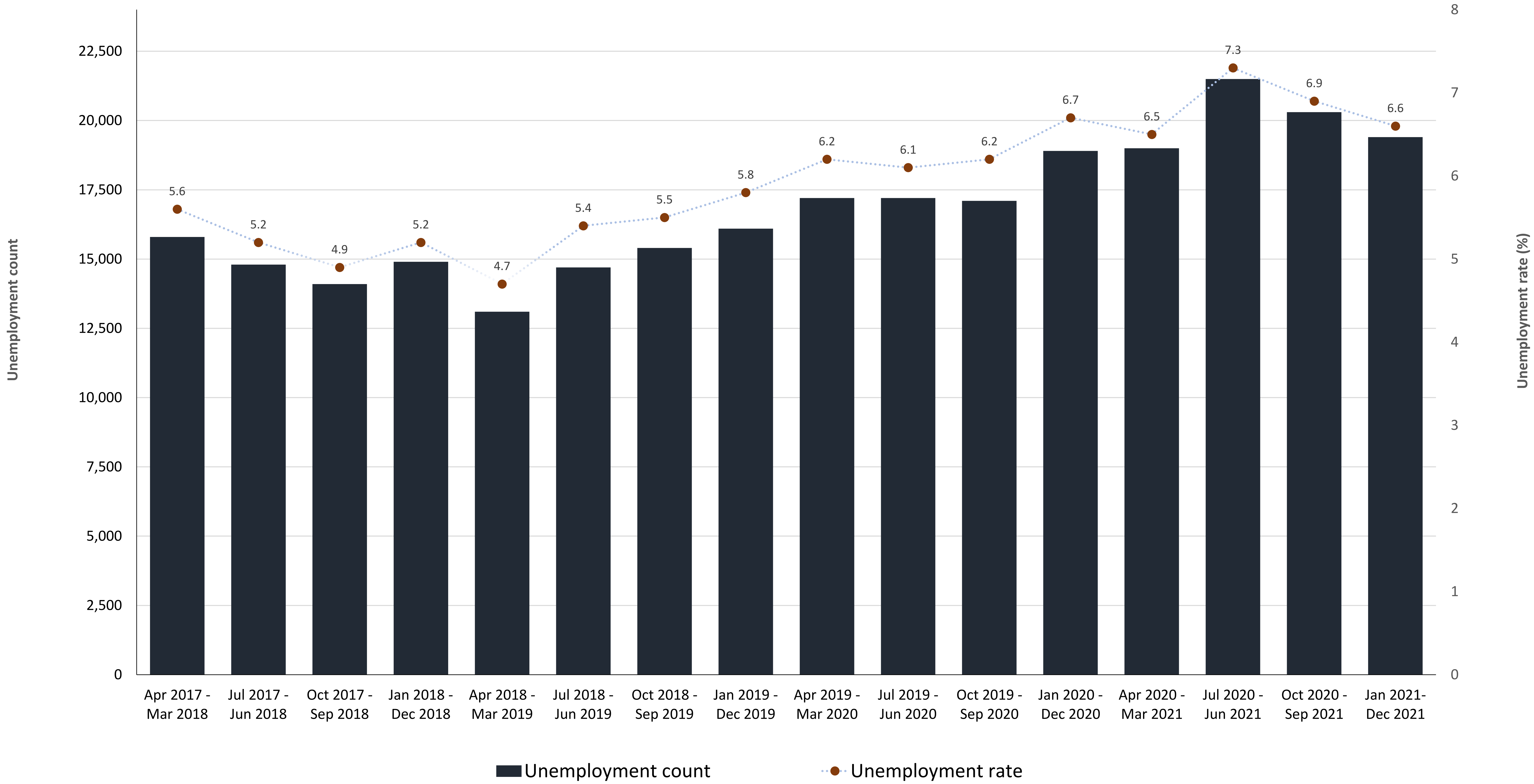
25-49 year olds (50,298)

Monthly Change in 25-49 year old claimants

-0.04%

Unemployment rate in Manchester decreased from 6.9% to 6.6% in the three month period up to Dec 2021
Although it's important to note that when interpreting the data that this change is within the 1.3% confidence interval for the data

Manchester unemployment count and rate (model based)
Source: ONS Labour Force Survey



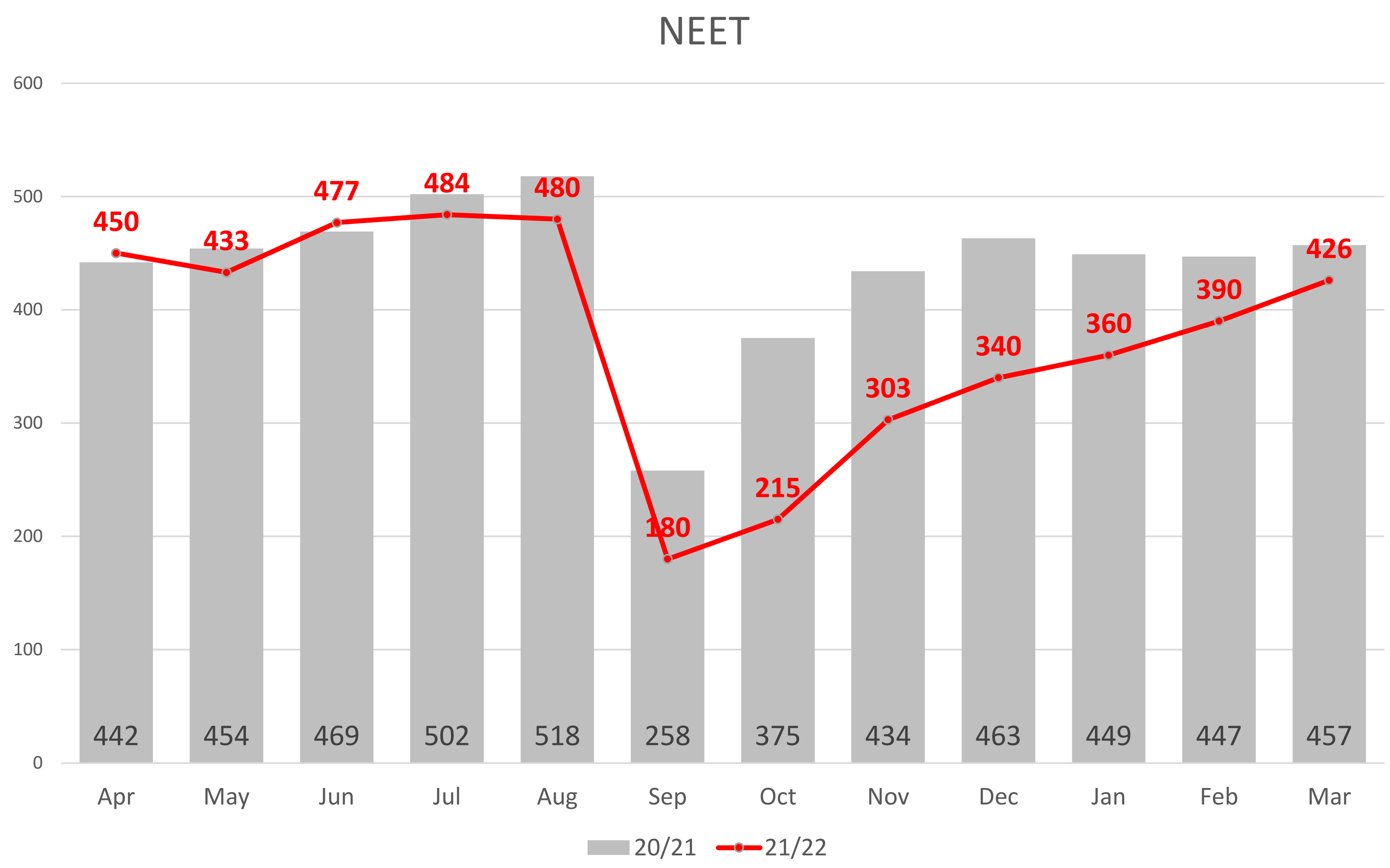
Unemployment count
(January 2021-December 2021):

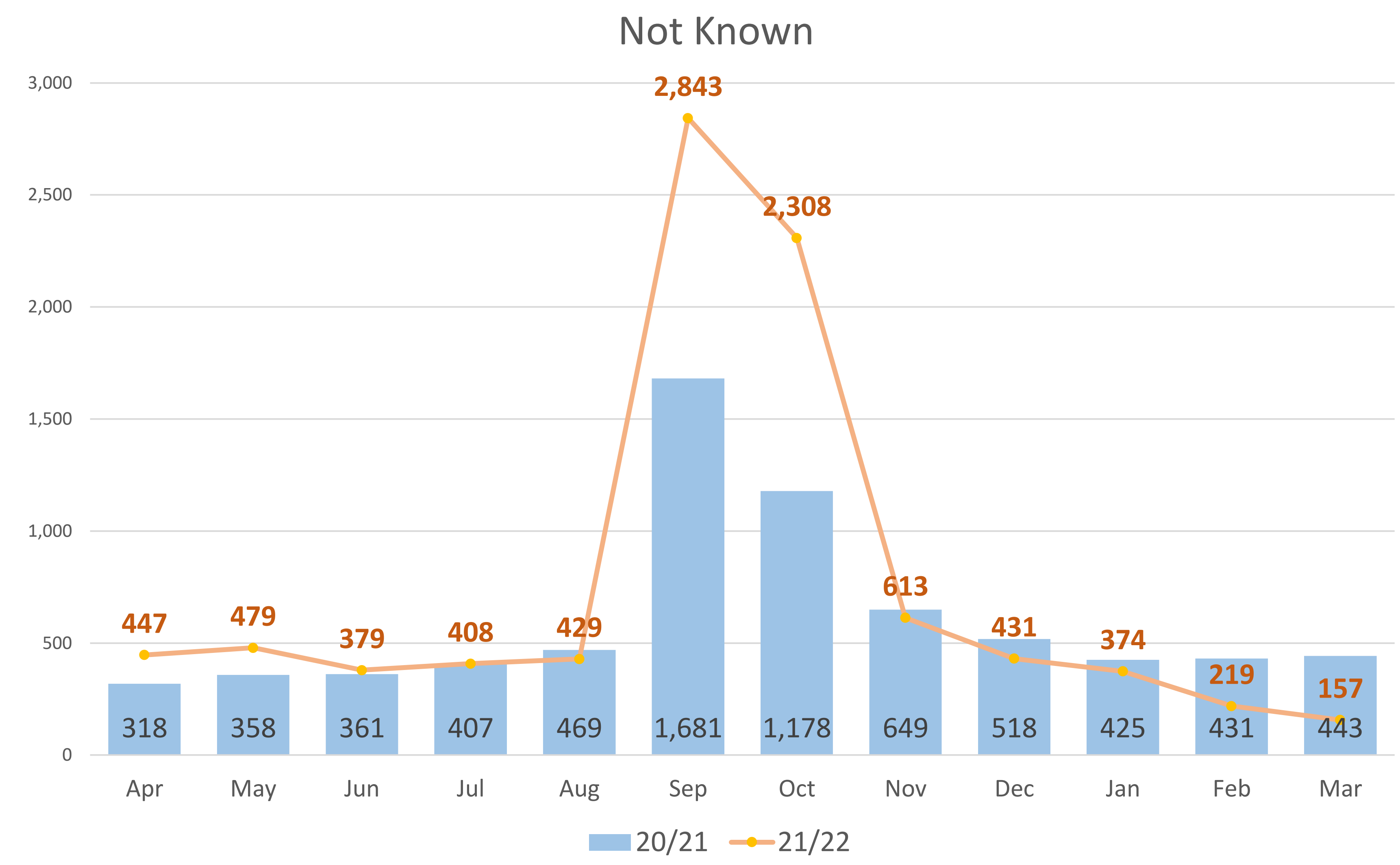
19,400

Unemployment rate
(January 2021-December 2021):

6.6%

426 16 - 17 years old were NEET as of March compared to 457 in the same period in 2021 - although there were 157 YP whose status is unknown in March (443 in the previous year)

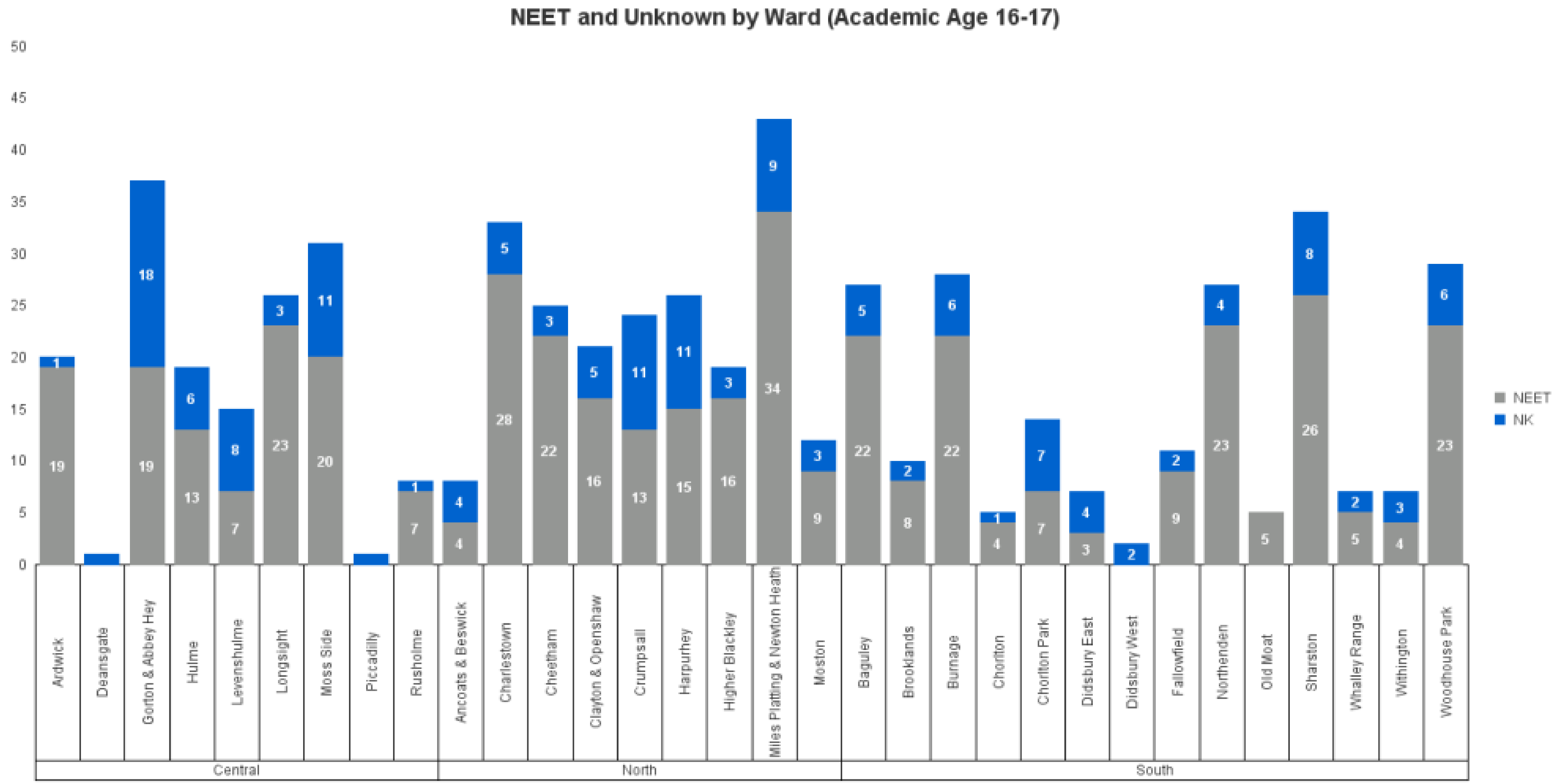




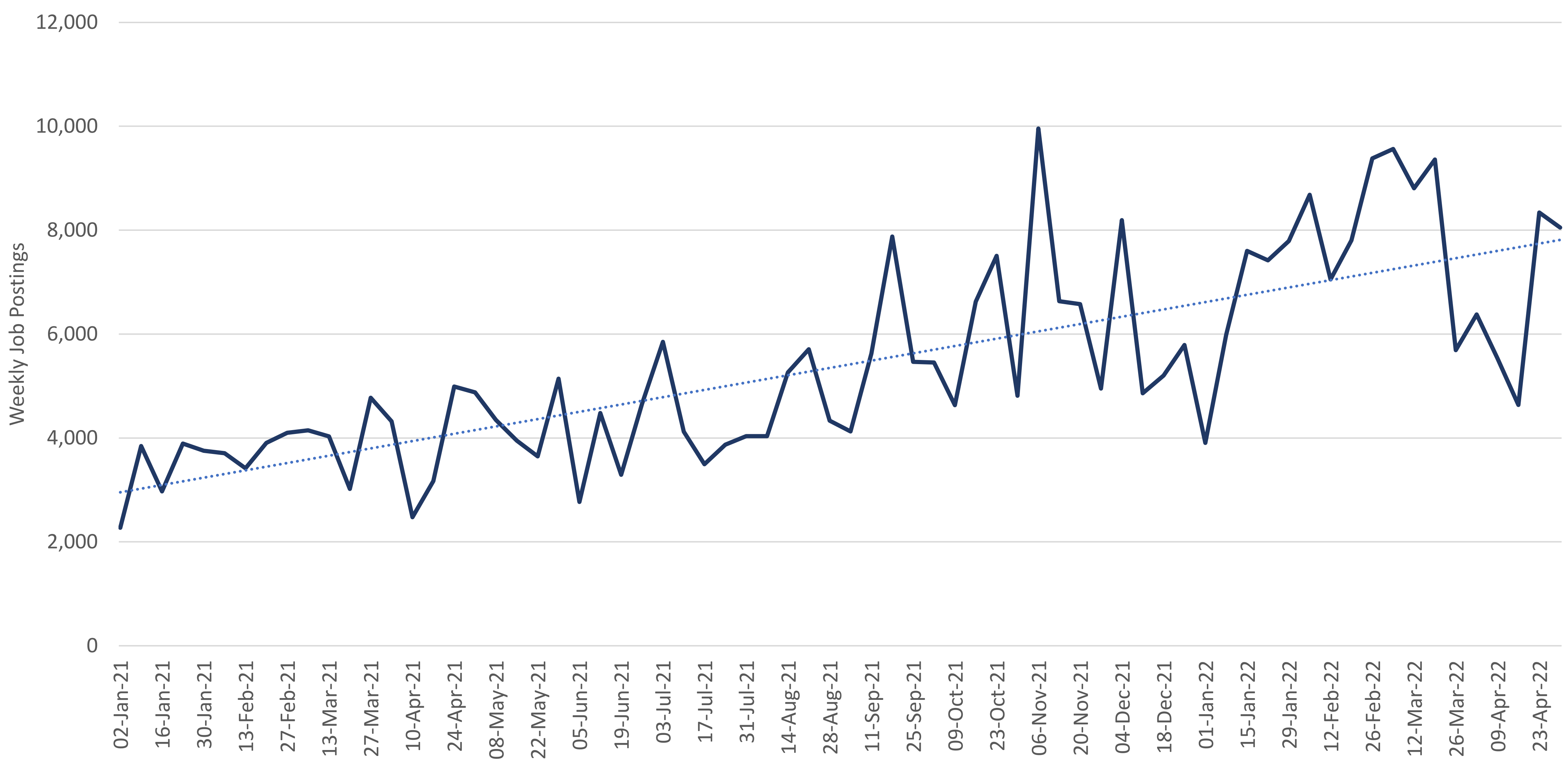
Category	16 Yrs	17 Yrs	Total
Participation in education and training	96.0%	90.3%	93.1%
Meeting the Duty	96.2%	90.3%	93.3%
Participating in RPA compliant education and training	96.0%	90.2%	93.1%
Working towards meeting the duty	0.2%	0.1%	0.1%
Temporary break from Learning	0.2%	0.6%	0.4%
Not Known	39	118	157
Not Known %	0.6%	1.9%	1.2%
In Learning	6,126	5,689	11,815
In Learning %	96.0%	90.3%	93.1%
Actual NEET	150	276	426
Actual NEET %	2.4%	4.4%	3.4%
Combined NEET and Unknown	189	394	583
Combined NEET and Unknown %	3.0%	6.3%	4.6%

The largest numbers of 16-17 year olds who are NEET are in North Manchester

Highest proportion of NEET 16-17 year olds are in Miles Platting & Newton Heath (6.7%) and Hulme (6.7%)



The total number of weekly job vacancies in Manchester has been on an overall upward trajectory since the start of 2021. Following 4 weeks of low number of job postings in late March/early April, there was a significant increase in the number of job vacancies in late April (80%)



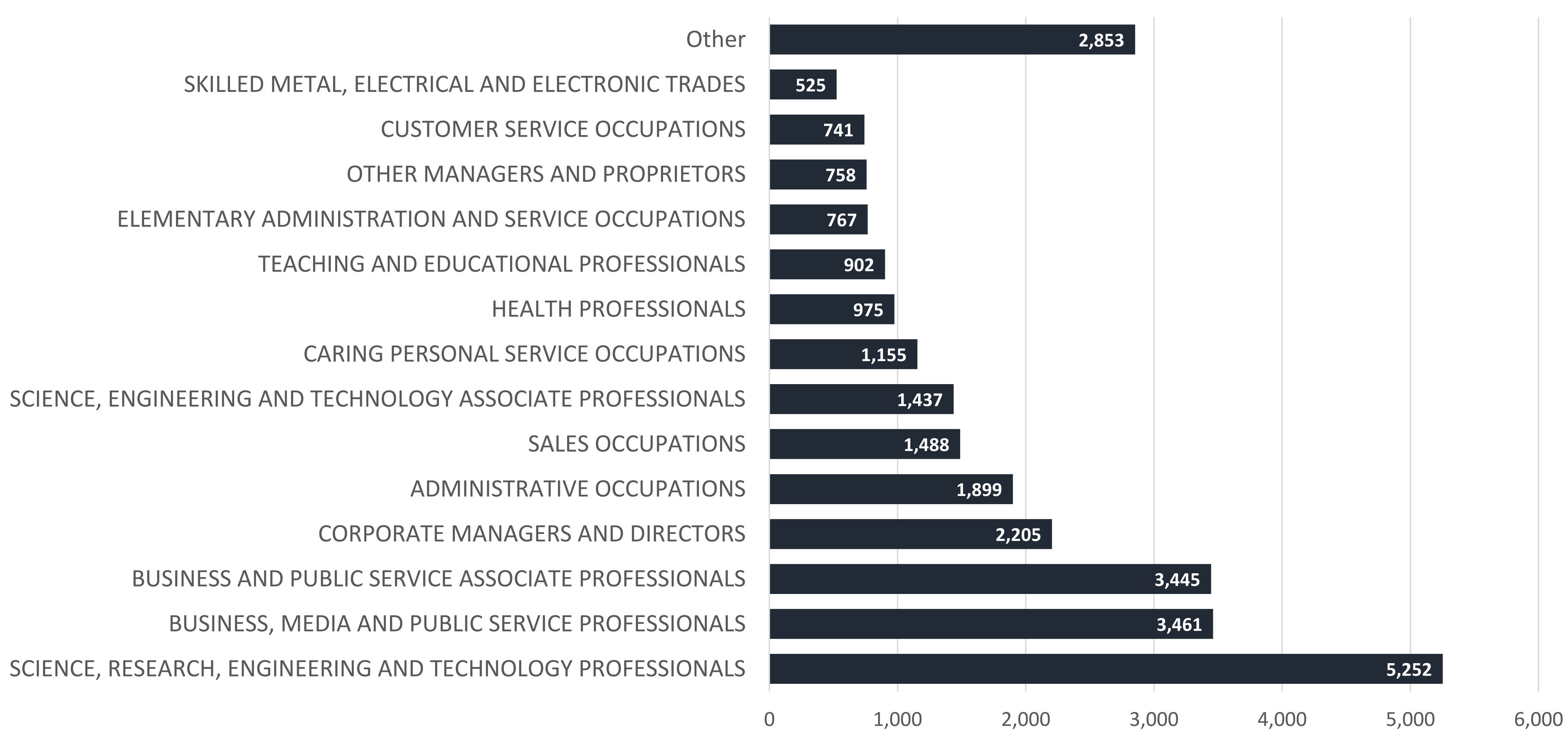
Job vacancies per week in April (4 week average)

6,586

Change in job vacancies per week March to April (4 week average)

-21.2%

The largest number of job vacancies in Manchester in April 2022 were Science, Research, Engineering and Technology jobs



Business, Media & Public Service Job Vacancies

3,461

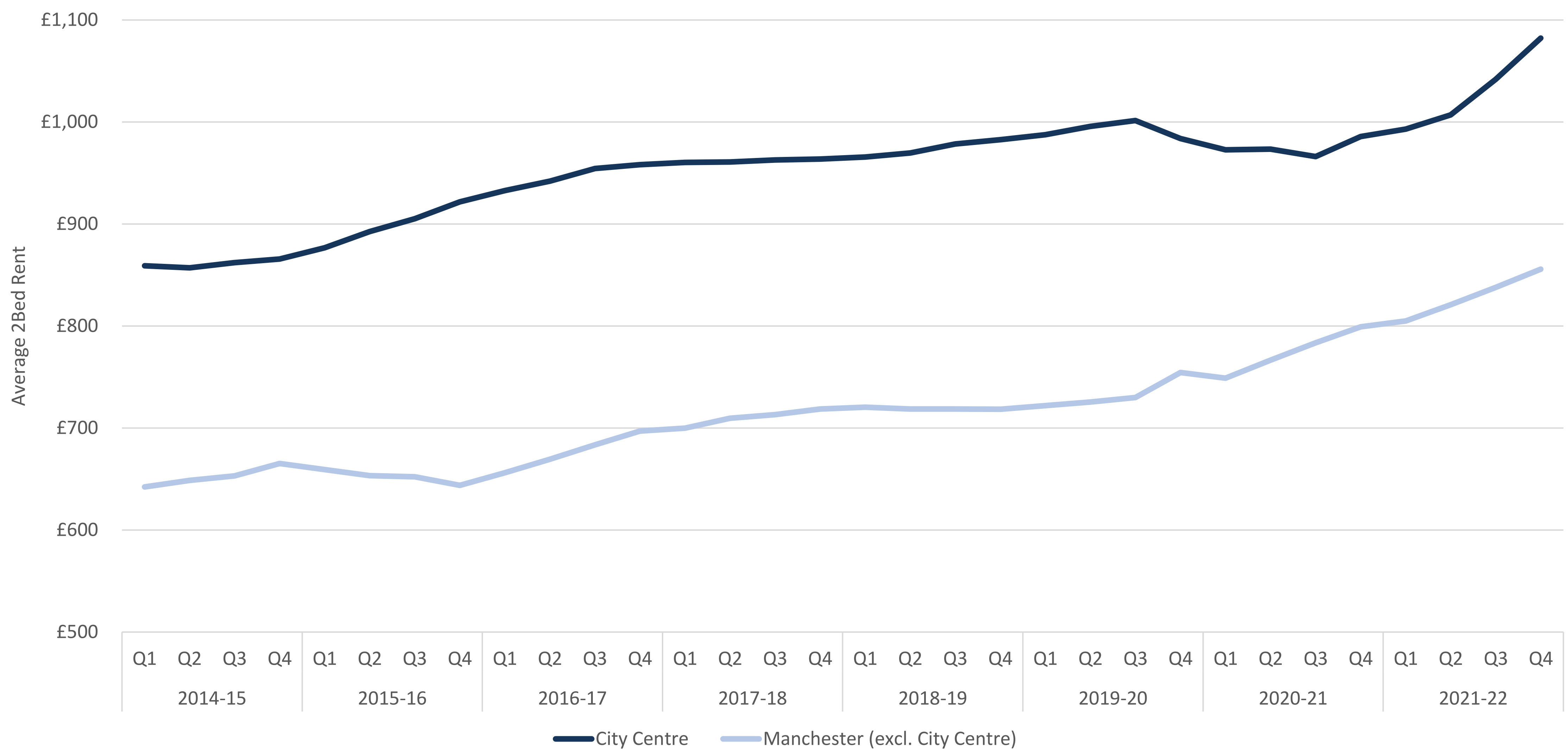
Science, Research, Engineering & Technology Job Vacancies

5,252

Business and Public and Public Service Associate Professionals Job Vacancies

3,445

Rents continuing to increase as demand for accommodation to rent across all price points is sustained



City Centre

2Bed Rent | Quarterly Change

£1,082 | **3.9%**

Rest of City

2Bed Rent | Quarterly Change

£856 | **2.1%**

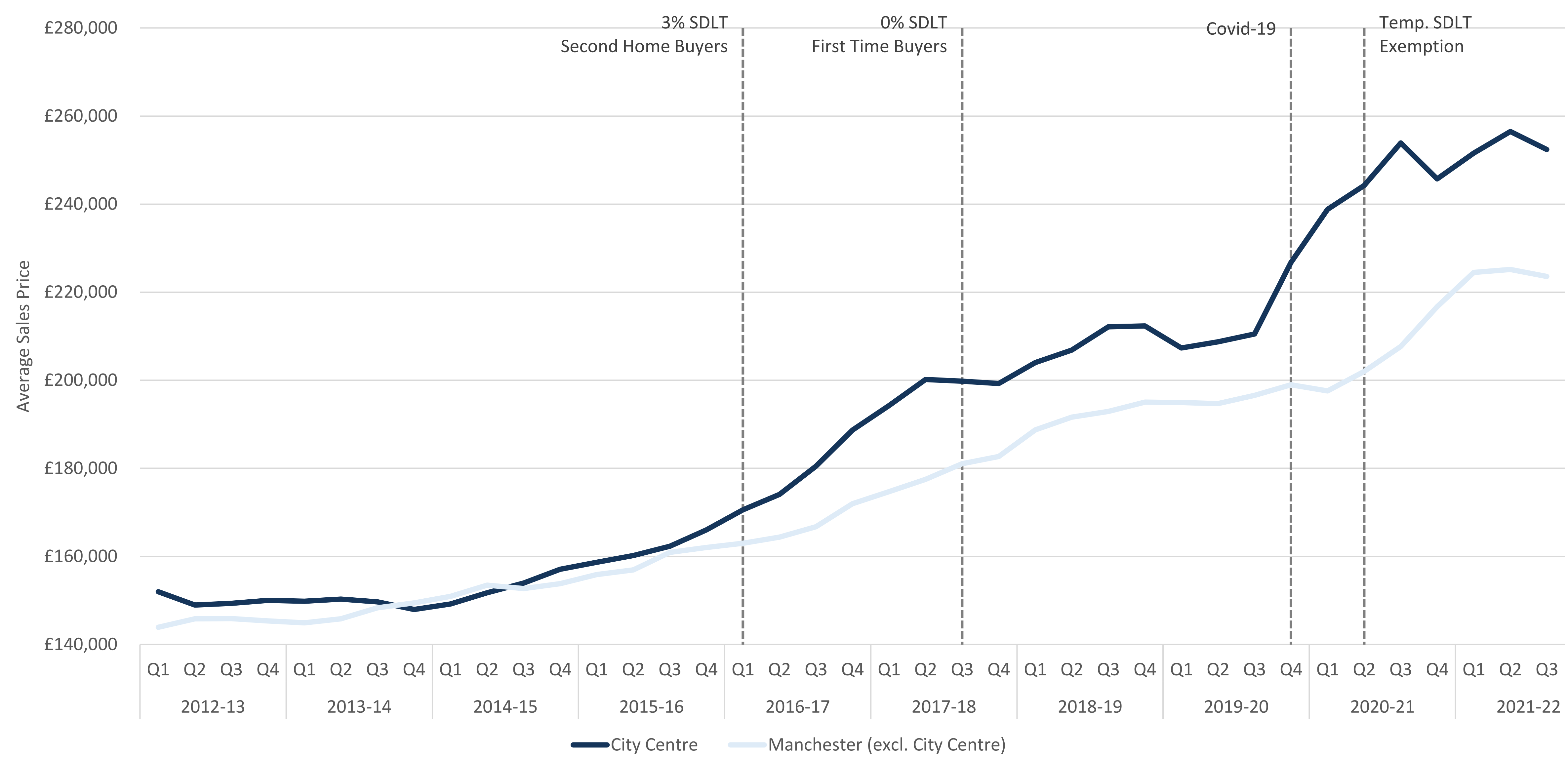
City Centre Neighbourhood 2Bed Rents	Q4 2020-21	Q1 2021-22	Q2 2021-22	Q3 2021-22	Q4 2021-22	Quarter Change	Annual Change
Deansgate & Spinningfields	£1,145	£1,166	£1,172	£1,244	£1,272	2.3%	11.1%
Owen Street & First Street	£1,078	£1,162	£1,160	£1,183	£1,237	4.6%	14.7%
Ancoats & New Cross	£1,010	£1,022	£1,046	£1,085	£1,138	4.8%	12.6%
Piccadilly Basin	£960	£1,005	£1,012	£1,063	£1,117	5.0%	16.3%
Oxford Road North	£1,038	£1,032	£1,051	£1,086	£1,077	-0.8%	3.7%
Northern Quarter	£945	£986	£991	£1,028	£1,076	4.6%	13.9%
Salford Quays & Pomona Island	£949	£1,004	£1,024	£1,050	£1,074	2.3%	13.2%
Castlefield	£957	£958	£958	£1,032	£1,069	3.6%	11.7%
Chapel Street West	£895	£967	£991	£1,023	£1,050	2.6%	17.3%
New Islington	£975	£961	£978	£1,011	£1,037	2.6%	6.3%
Castlefield West	£921	£948	£970	£1,003	£1,032	2.9%	12.0%
Greengate & Chapel Street	£961	£977	£988	£1,003	£1,027	2.4%	6.8%
Ordsall Lane & Middlewood	£970	£970	£976	£987	£1,023	3.7%	5.5%
City Centre North	£925	£919	£940	£974	£1,009	3.6%	9.1%
Oxford Road South	£787	£858	£883	£905	£923	2.0%	17.3%
Hulme Park & Birley Fields	£757	£754	£773	£800	£852	6.5%	12.6%
City Centre	**£986**	**£993**	**£1,007**	**£1,042**	**£1,082**	**3.9%**	**9.8%**
Manchester (excl. City Centre)	**£800**	**£805**	**£821**	**£838**	**£856**	**2.1%**	**7.0%**

Ward	HB Claimants in PRS	Average Rent (1bed)	Difference from LHA	Average Rent (2bed)	Difference from LHA	% Within LHA
Gorton & Abbey Hey	1,430	£600	£2	£703	£55	12.9%
Levenshulme	1,334	£608	£10	£777	£129	12.3%
Moss Side	1,150	£703	£105	£827	£179	6.6%
Harpurhey	1,079	£525	-£73	£665	£17	42.0%
Longsight	1,024	£552	-£46	£695	£47	31.6%
Crumpsall	1,017	£543	-£55	£696	£48	28.1%
Clayton & Openshaw	950	£647	£49	£754	£106	9.7%
Whalley Range	932	£623	£25	£795	£147	16.6%
Moston	908	£525	-£73	£726	£78	8.3%
Cheetham	905	£714	£116	£741	£93	14.0%
Rusholme	805	£659	£61	£815	£167	12.0%
Miles Platting & Newton Heath	702	£646	£48	£819	£171	8.1%
City Centre	644	£841	£243	£1,082	£434	0.3%
Hulme	567	£730	£132	£823	£175	4.1%
Ardwick	528	£655	£57	£847	£199	2.6%
Higher Blackley	522	£604	£6	£696	£48	21.2%
Withington	504	£648	£50	£825	£177	11.5%
Old Moat	477	£679	£81	£929	£281	4.3%
Ancoats & Beswick	457	£663	£65	£858	£210	2.1%
Charlestown	456	£538	-£61	£688	£40	20.0%
Burnage	423	£682	£84	£736	£88	2.3%
Chorlton Park	411	£771	£173	£883	£235	1.9%
Fallowfield	404	£601	£3	£783	£135	21.1%
Woodhouse Park	390	£658	£134	£790	£142	3.9%
Sharston	323	£688	£164	£790	£142	1.9%
Northenden	319	£638	£114	£793	£145	1.9%
Baguley	315	£534	£10	£801	£153	8.7%
Didsbury West	299	£732	£134	£998	£350	5.0%
Chorlton	290	£710	£112	£960	£312	4.0%
Brooklands	290	£661	£137	£812	£164	1.4%
Didsbury East	250	£737	£139	£965	£317	0.0%

1Bed LHA Rate – Central GM BRMA - £598 / 1Bed LHA Rate – Southern GM BRMA - £524
2Bed LHA Rate – Central GM BRMA / Southern GM BRMA - £648
NB – All of Manchester is in the Central GM BRMA with the exception of Wythenshawe which is in the Southern GM BRMA

	Unaffordable
	Within £50
	Affordable

Sales price growth across Manchester beginning to slow



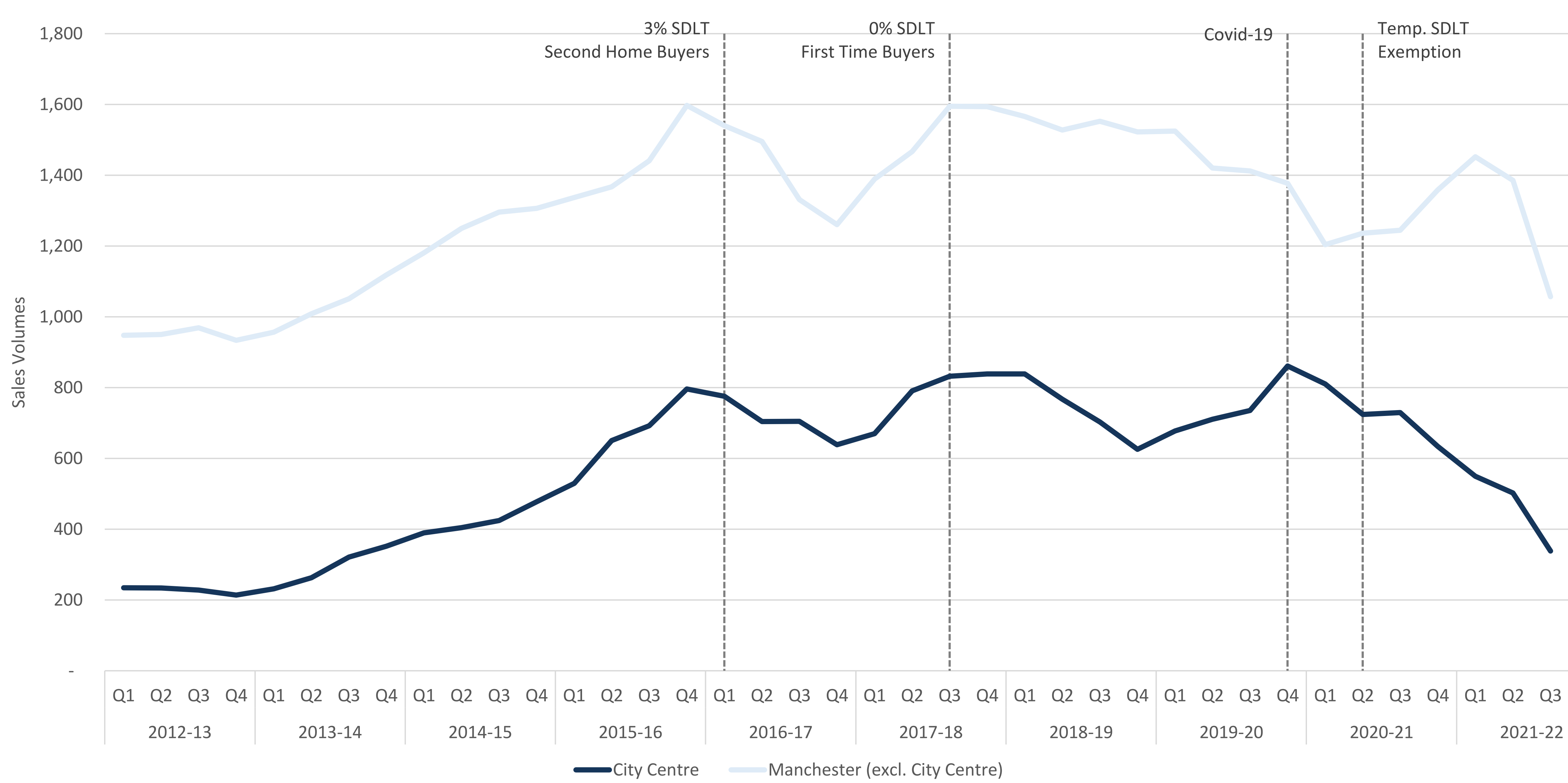
City Centre Average Sales Price

£252,430

Manchester (excl. City Centre) Average Sales Price

£223,599

Sales market activity remaining subdued in the city centre & falling across the rest of the city



City Centre Quarterly Change*

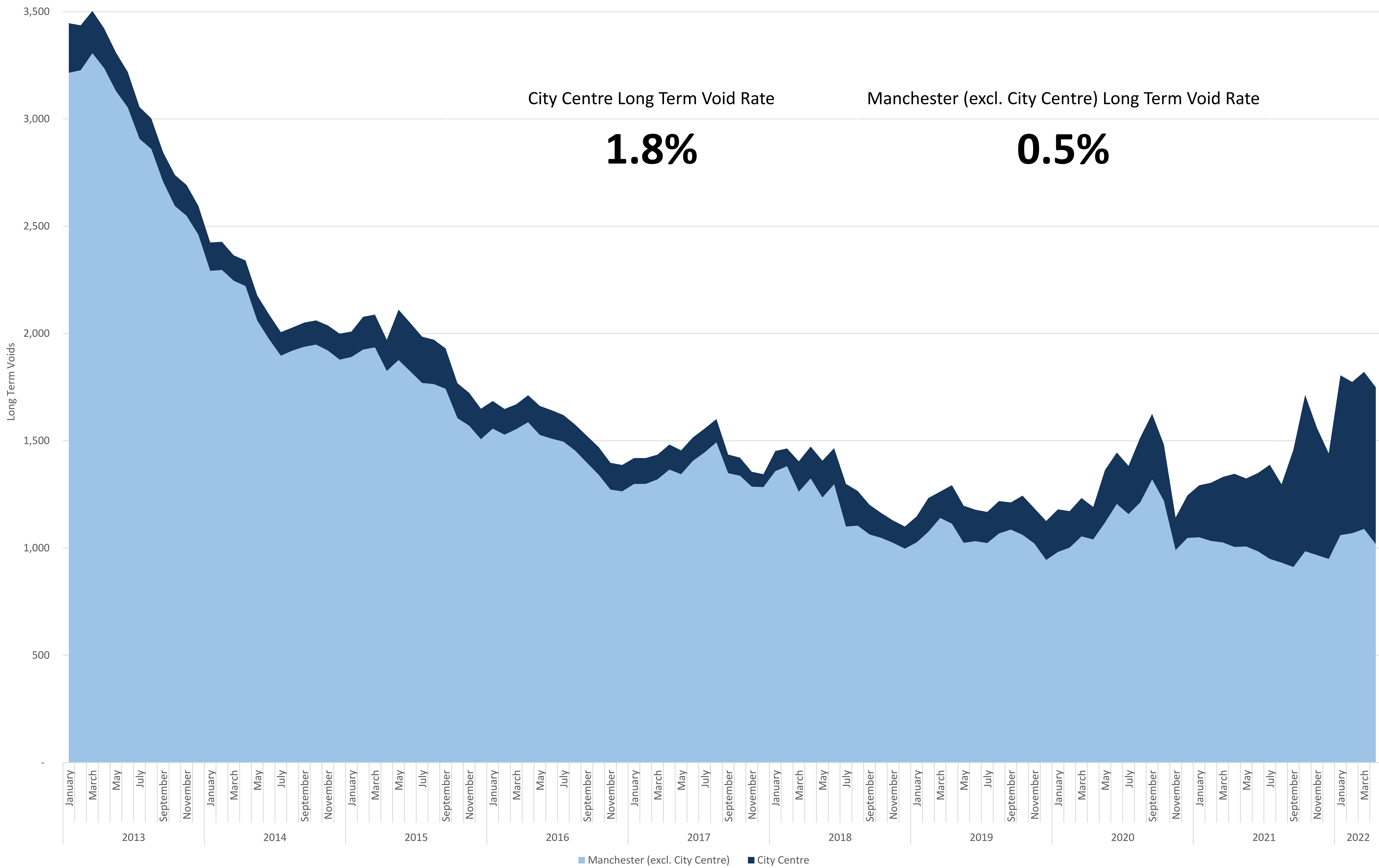
-32.6%

Manchester (excl. City Centre) Quarterly Change*

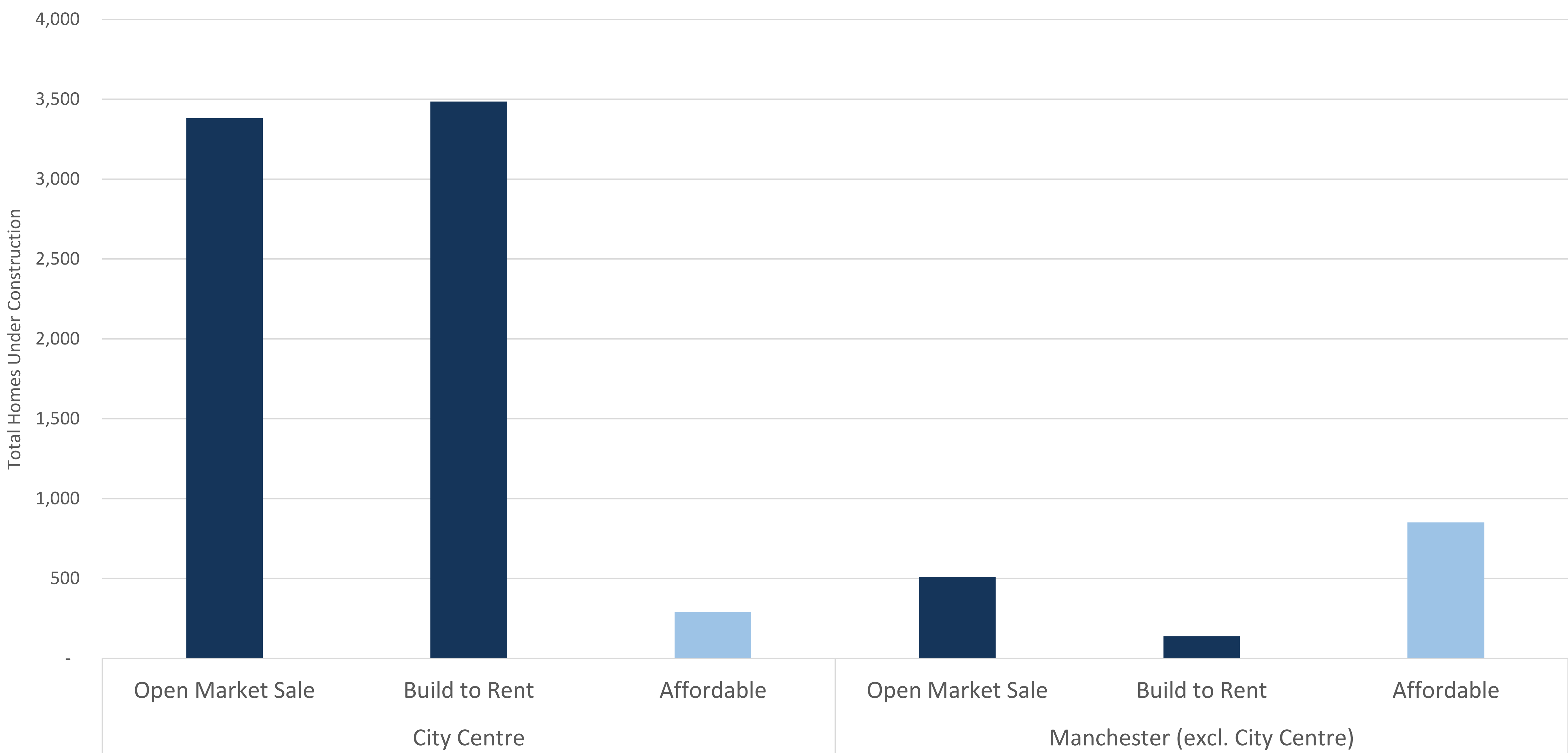
-23.7%

* Large numbers of sales are backdated in future releases so these figures are expected to increase in future updates

Long term void rate outside the city centre remains around the lowest it's ever been



Over 8,600 homes on site across the city – including over 1,100 affordable homes



City Centre Homes Under Construction

7,158

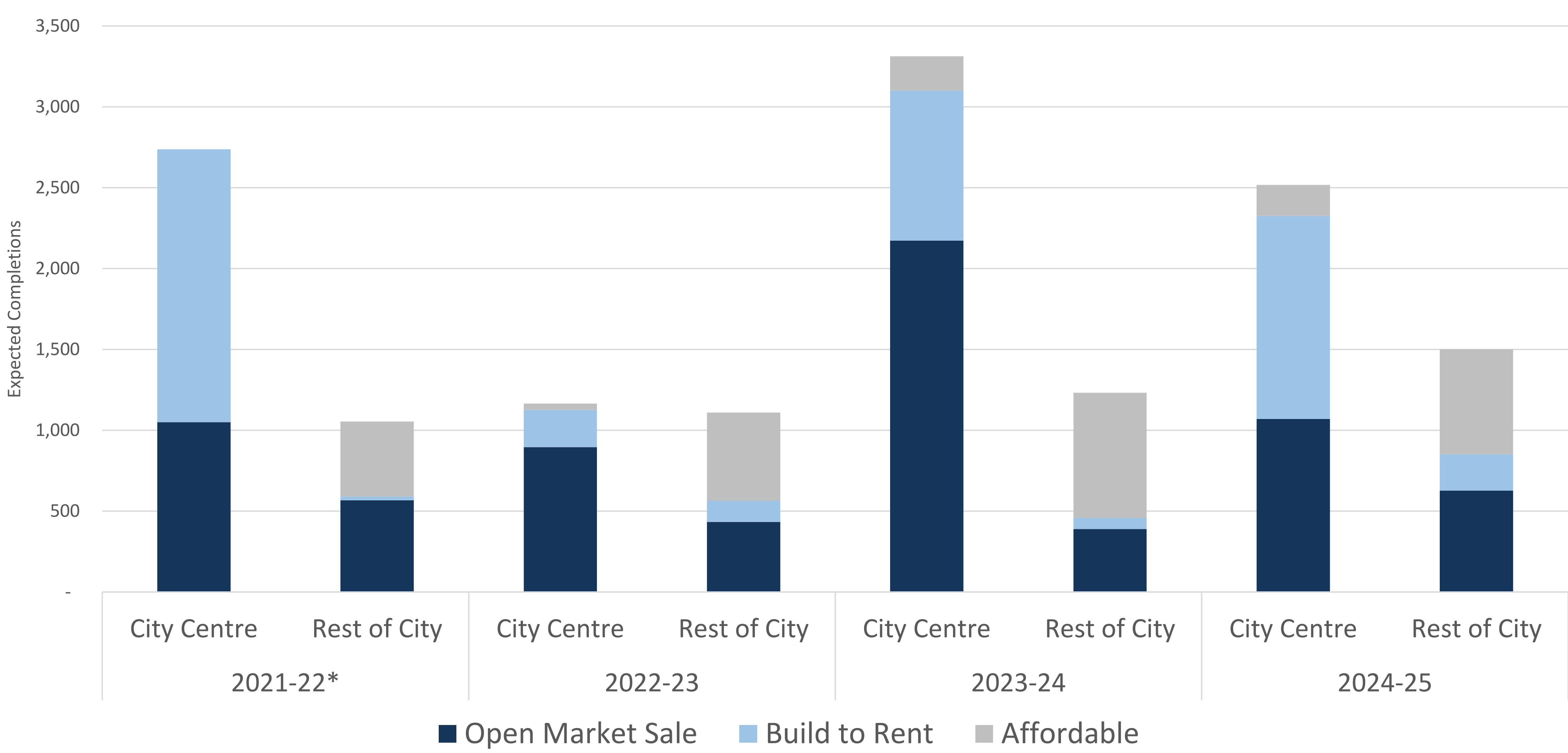
Rest of City Homes Under Construction

1,497

Affordable Homes Under Construction

1,139

c.3,800 new homes completed in Manchester in 2021-22 including 532 affordable homes (more than any year since 2011-12)



Expected Completions – 2021-22

3,792

Expected Completions – 2022-23

2,274

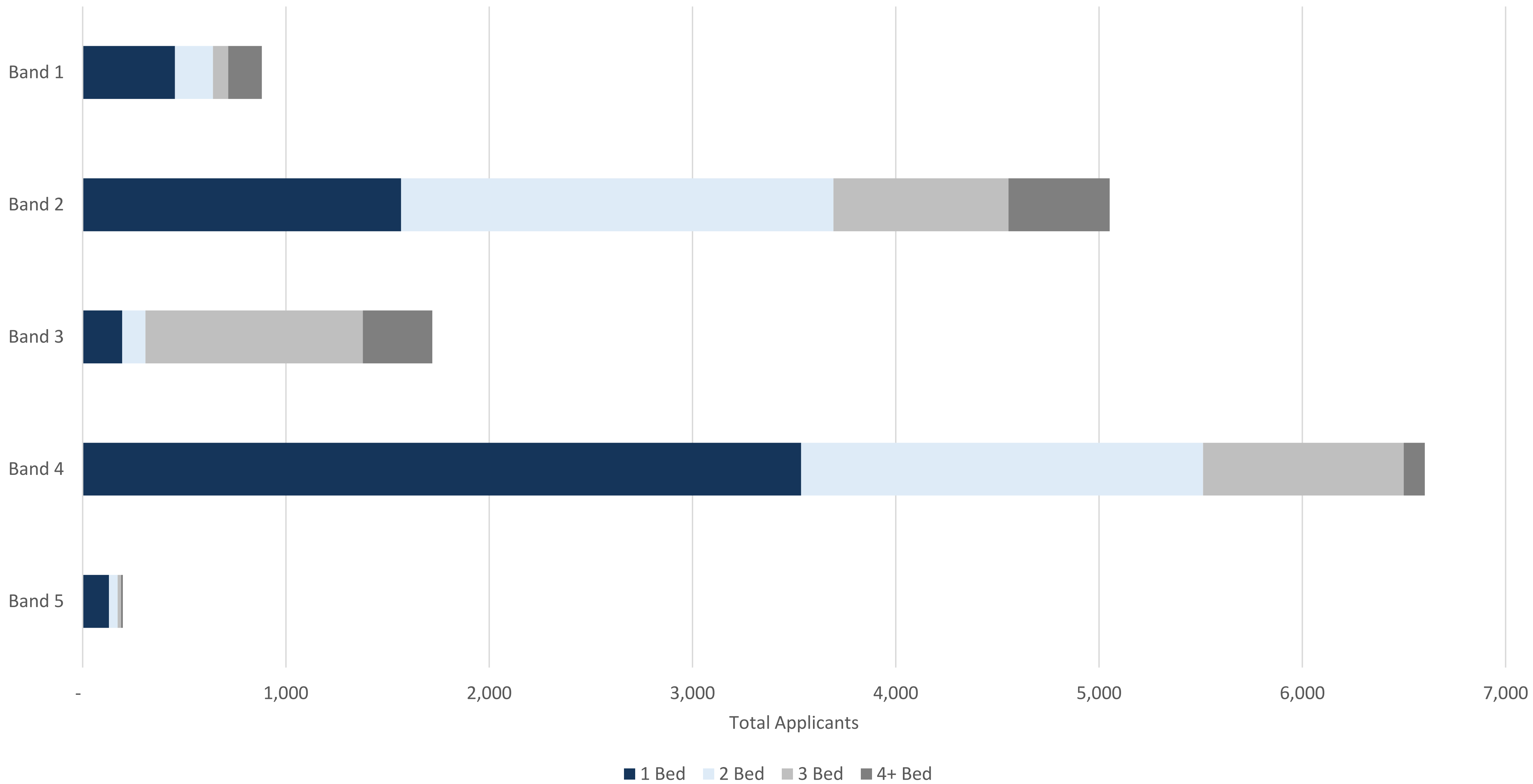
Expected Completions – 2023-24

4,545

Expected Completions – 2024-25

4,016

Majority of households in Housing Need require 2 or more bedrooms (November)



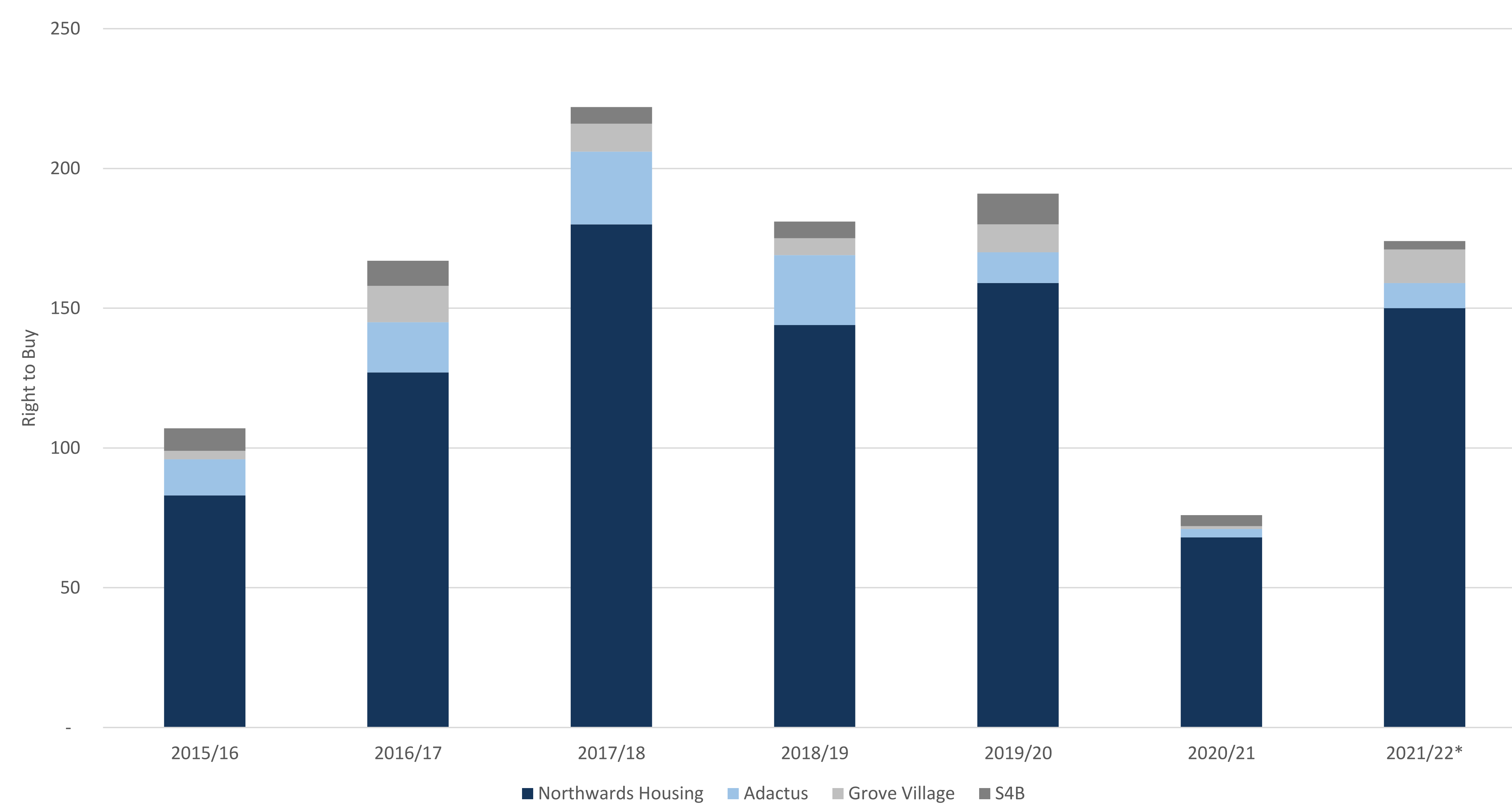
Applicants in Priority Bands 1-3 (In Housing Need)

7,837

Proportion of Applicants in Housing Need Requiring 2+ Beds

71%

Right to Buy sales in MCC Owned stock recovering to pre-Covid levels



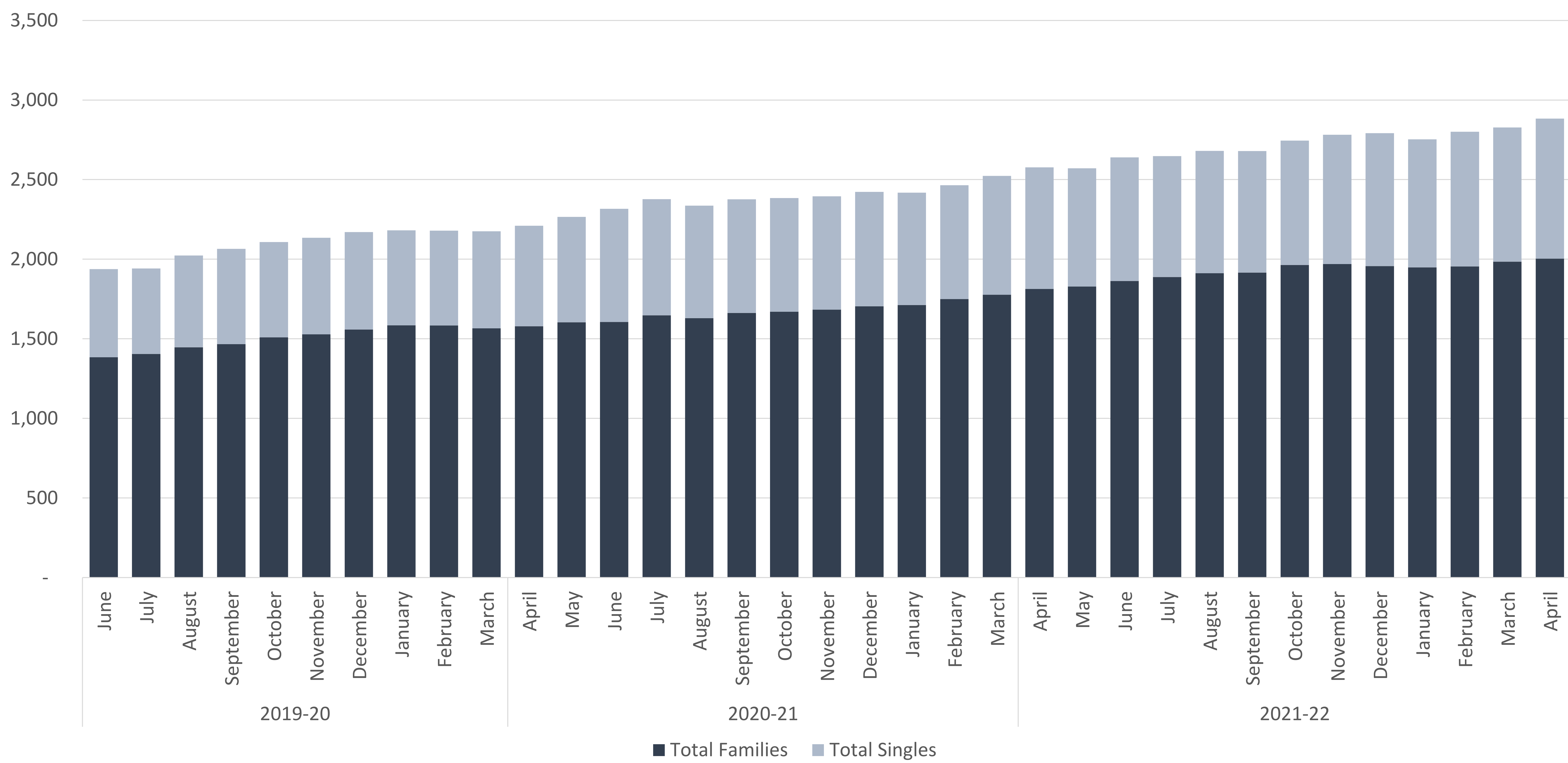
Total Right to Buys (2021-22)

174

Amount in the Housing Affordability Fund

£14.4m

Growing numbers of families in Temporary Accommodation*



Families in TA (April 22)

2,003

(10% annual growth)

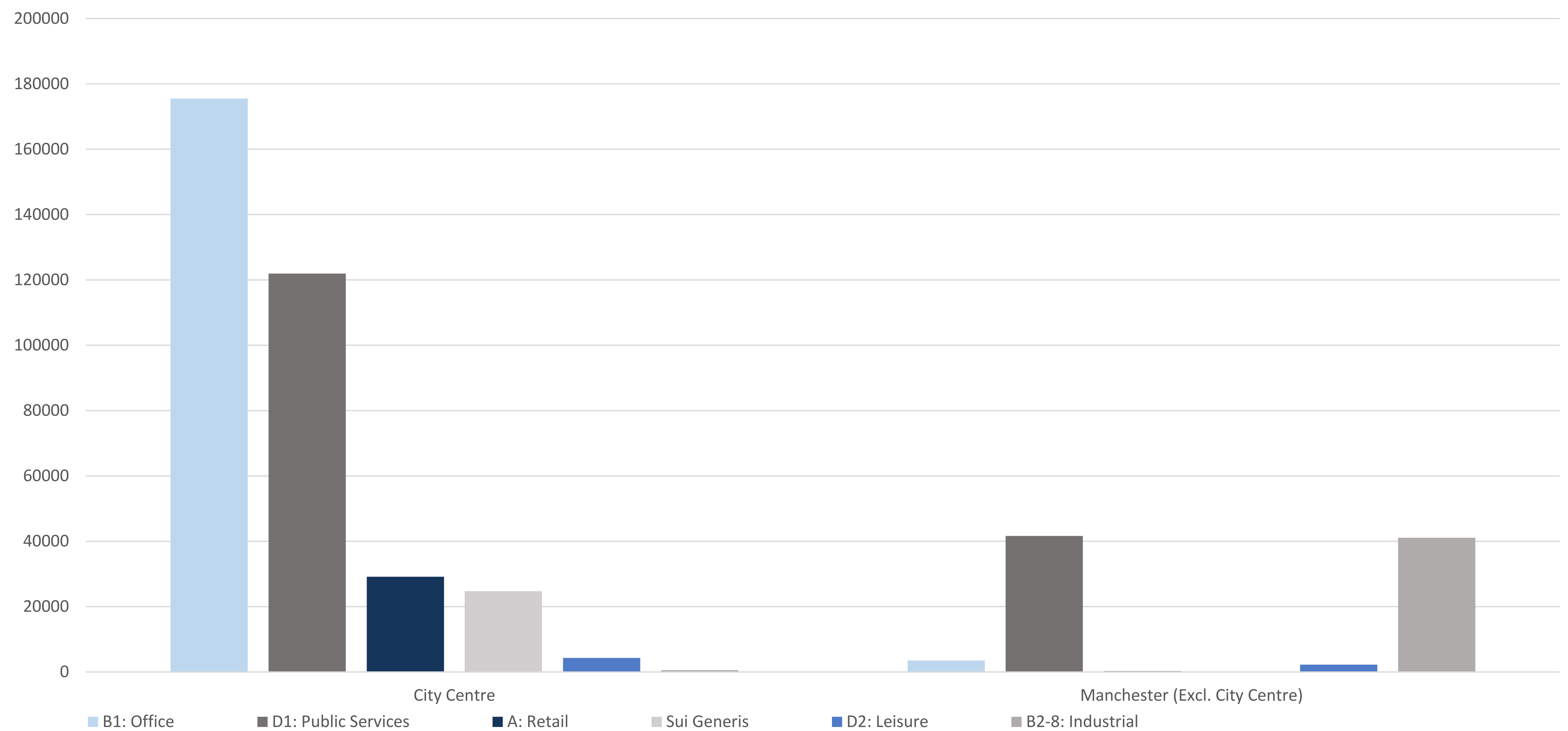
Single Person Households in TA (April 22)

880

(15% annual growth)

* MCC have recently announced the intention to end the use of B&Bs to house families

175,500m² of office space is currently on-site in the city centre



Total Office Space Under Construction

179,000m²

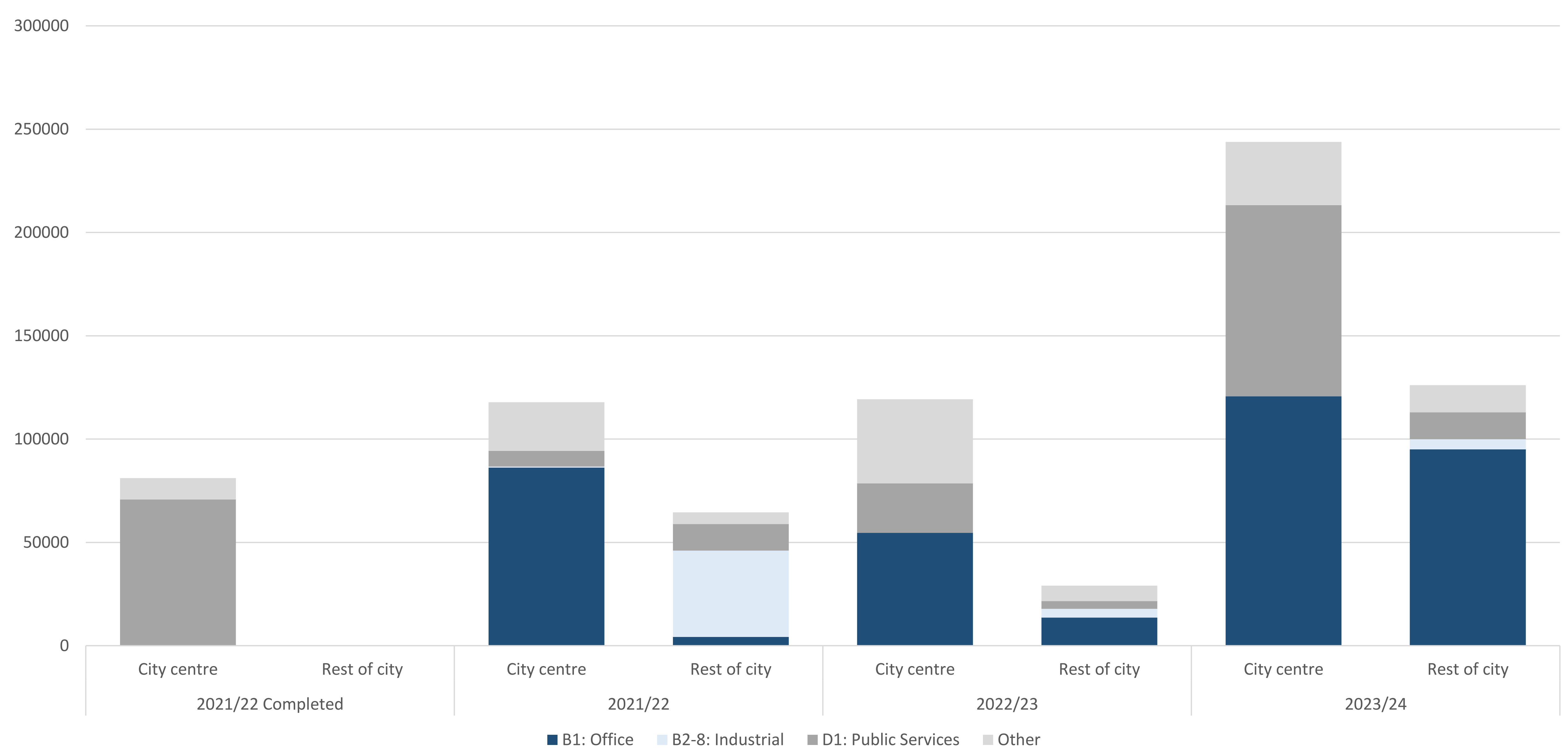
Expected City Centre Office Space Completions 2021-22 – 2023-24

262,000m²

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

113,000m²

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



*Data does not include hotel developments

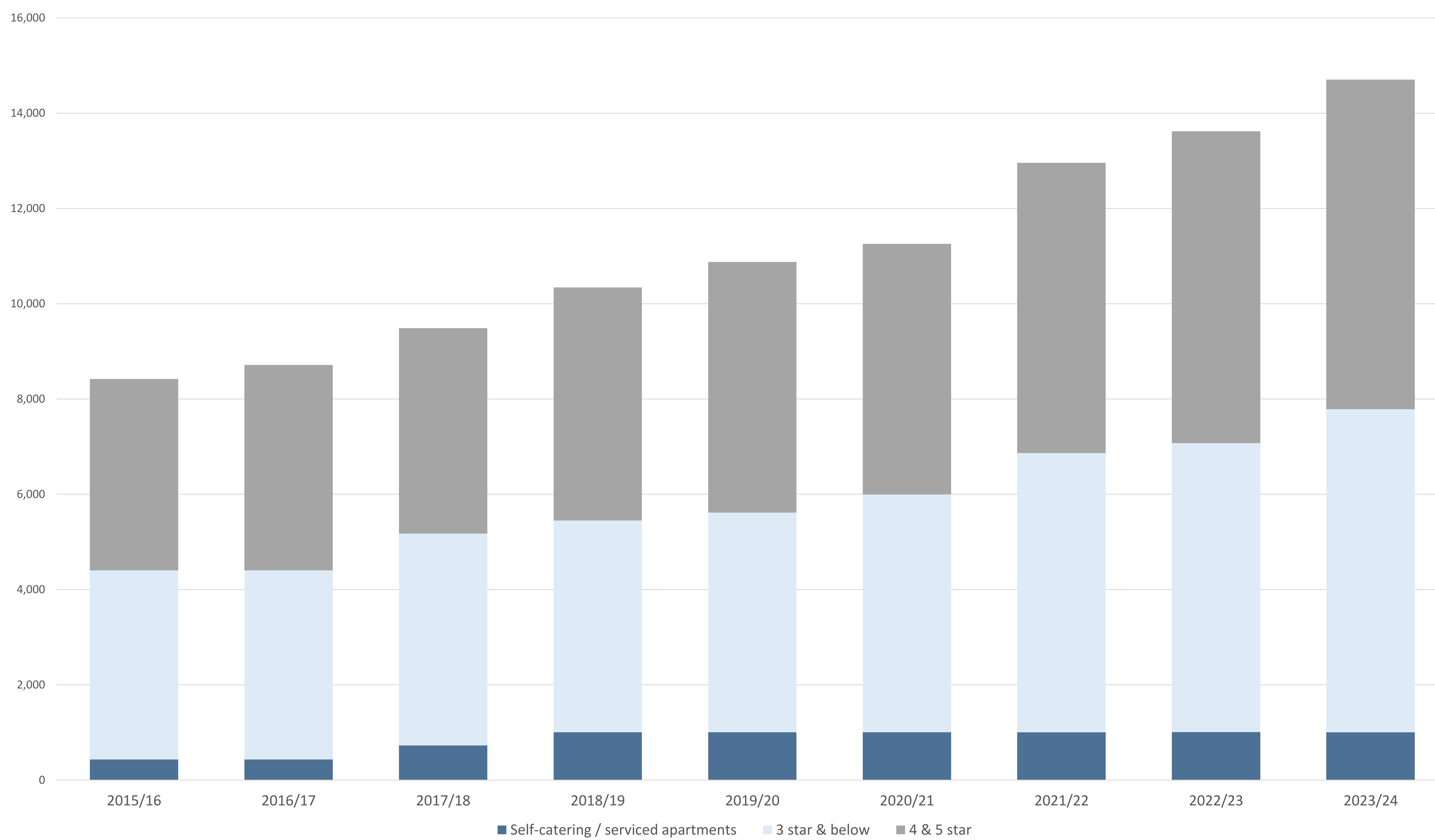
Expected City Centre Completions (2021-22 – 2023-24)

562,000m²

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

220,000m²

1,549 hotel rooms are on-site in the city centre – including most recently the Treehouse Hotel refurb of the Renaissance Hotel on Deansgate



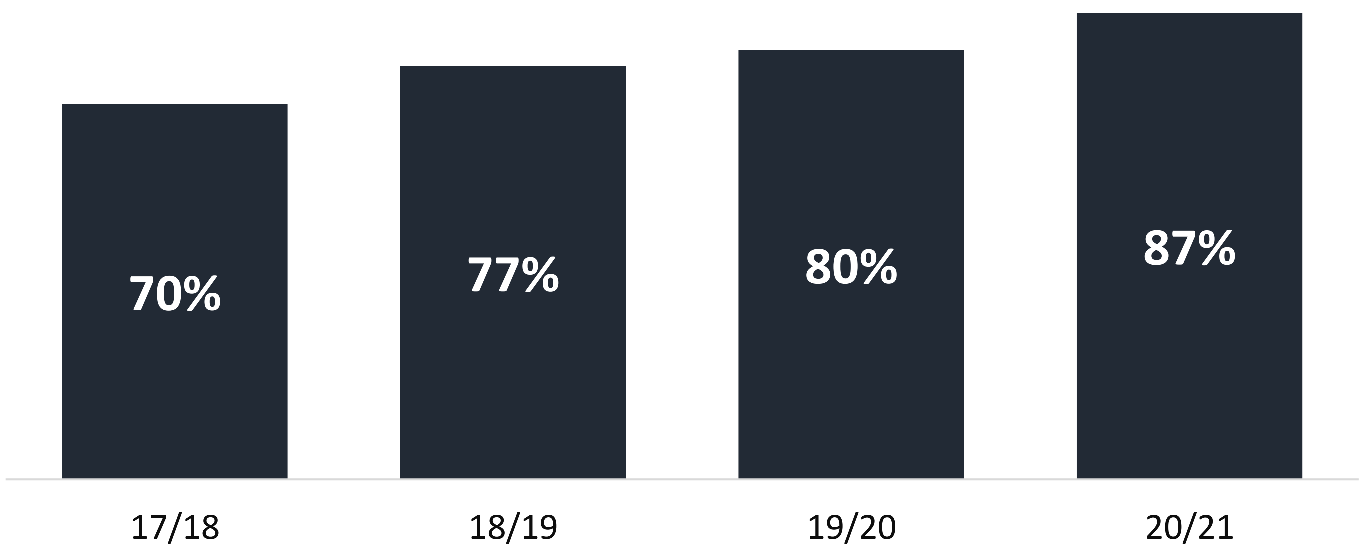
City Centre Hotel Rooms Under Construction

1,549

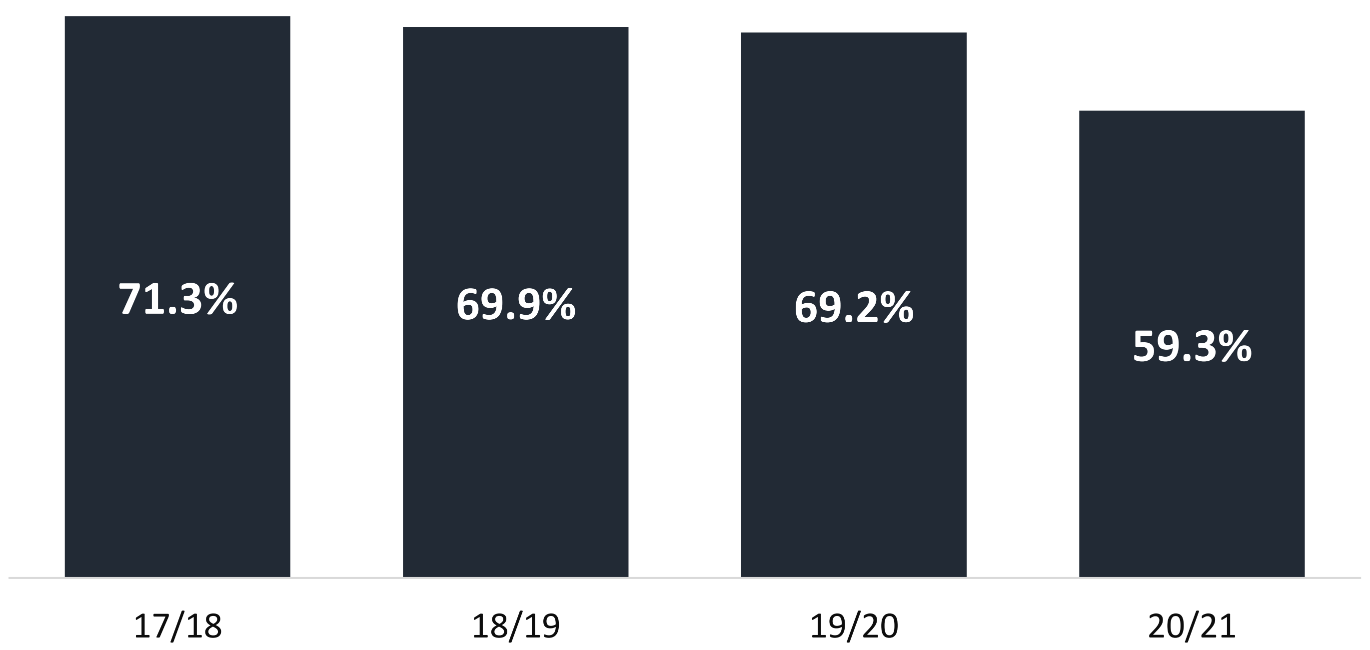
City Centre Expected Completions 2021-22 to 2023-24

3,451

The percentage top 300 Council suppliers responding to survey that had created new jobs in last year increased 7 percentage points from 80% in 19/20 to 87% in 20/21



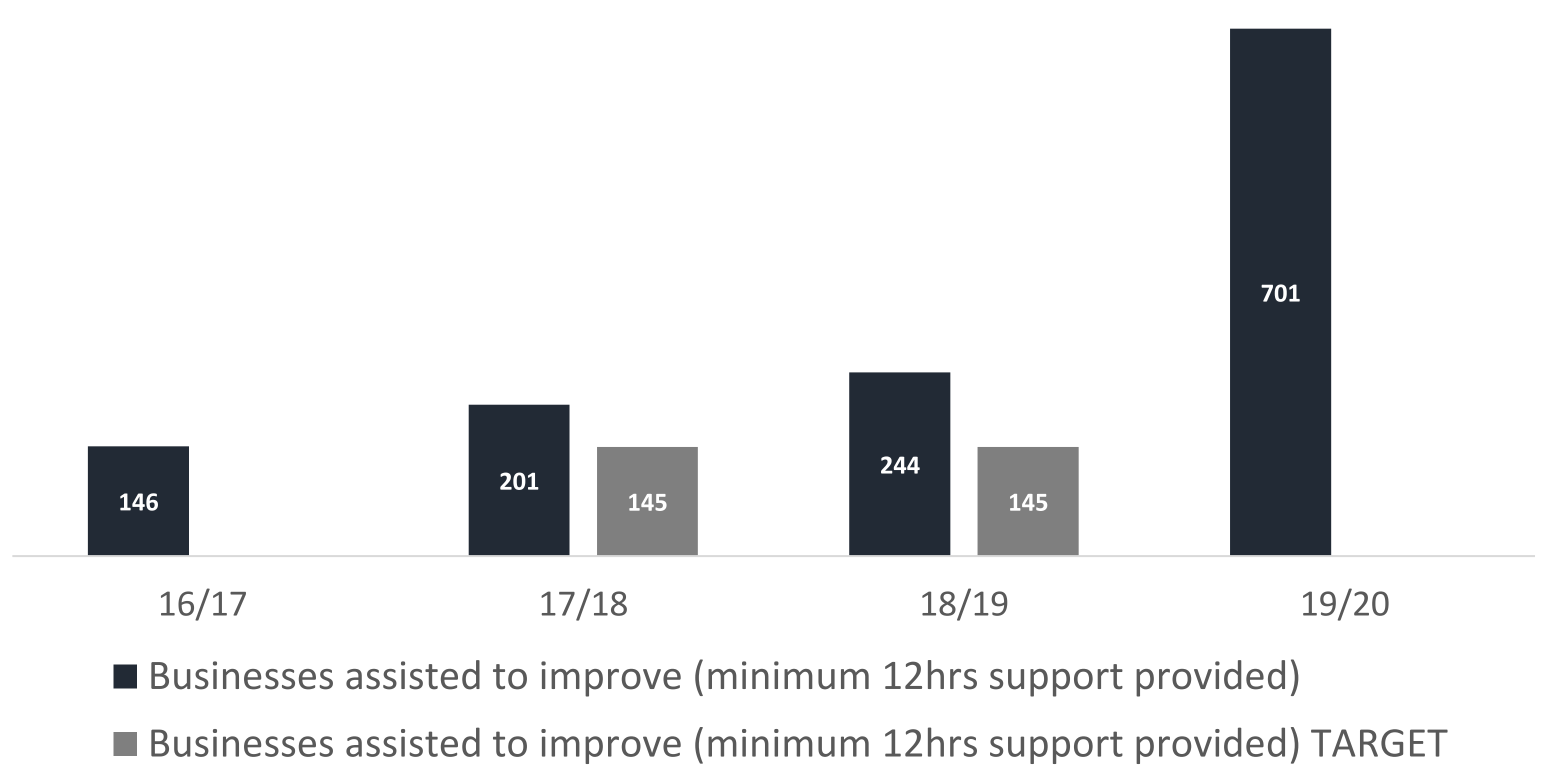
Source: CLES Survey



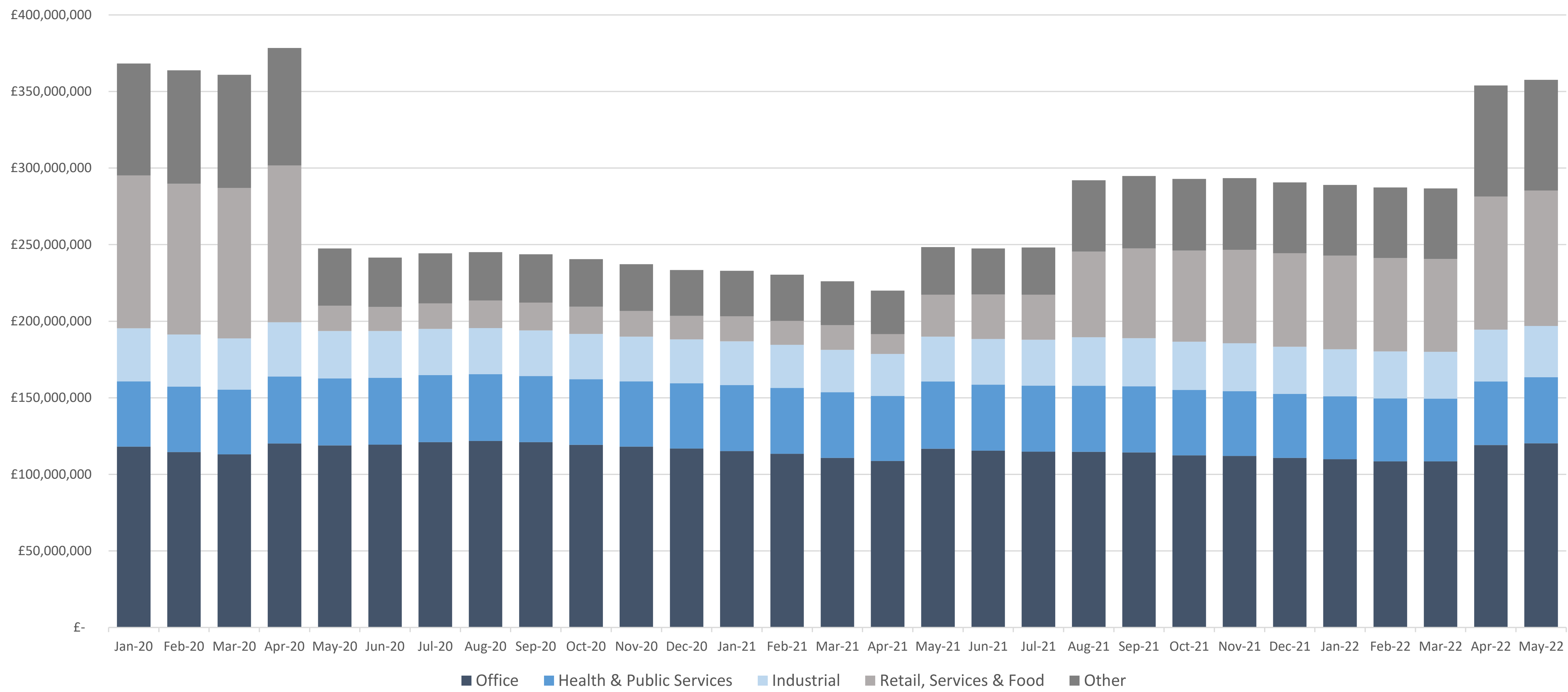
Source: CLES Survey

The percentage of MCC spend from top 300 suppliers being with organisations located in Manchester decreased 9.9 percentage points from 69.2% in 19/20 to 59.3% in 20/21. This drop is balanced with an increase in the proportion of spend with suppliers outside Manchester but within Greater Manchester.

Businesses assisted to improve: 2020/21 data to be updated when available



Total business rates charged increased by £4m between Apr and May and is £109.2m higher than 12 months ago*

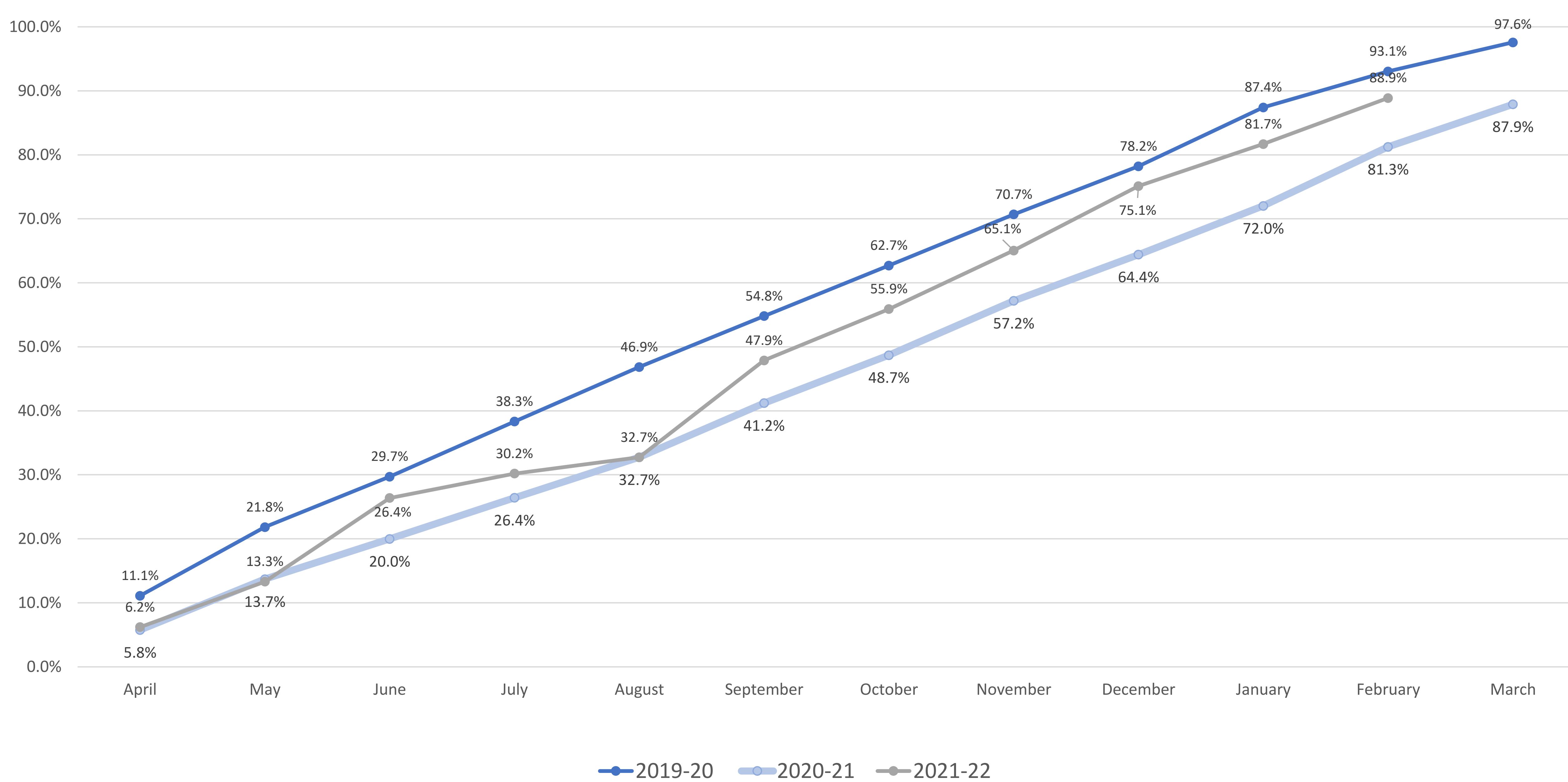


Total Annual Business Rates Charged (May):

£357.6m

* This increase reflects businesses re-opening following COVID and business rates relief slowly being wound down

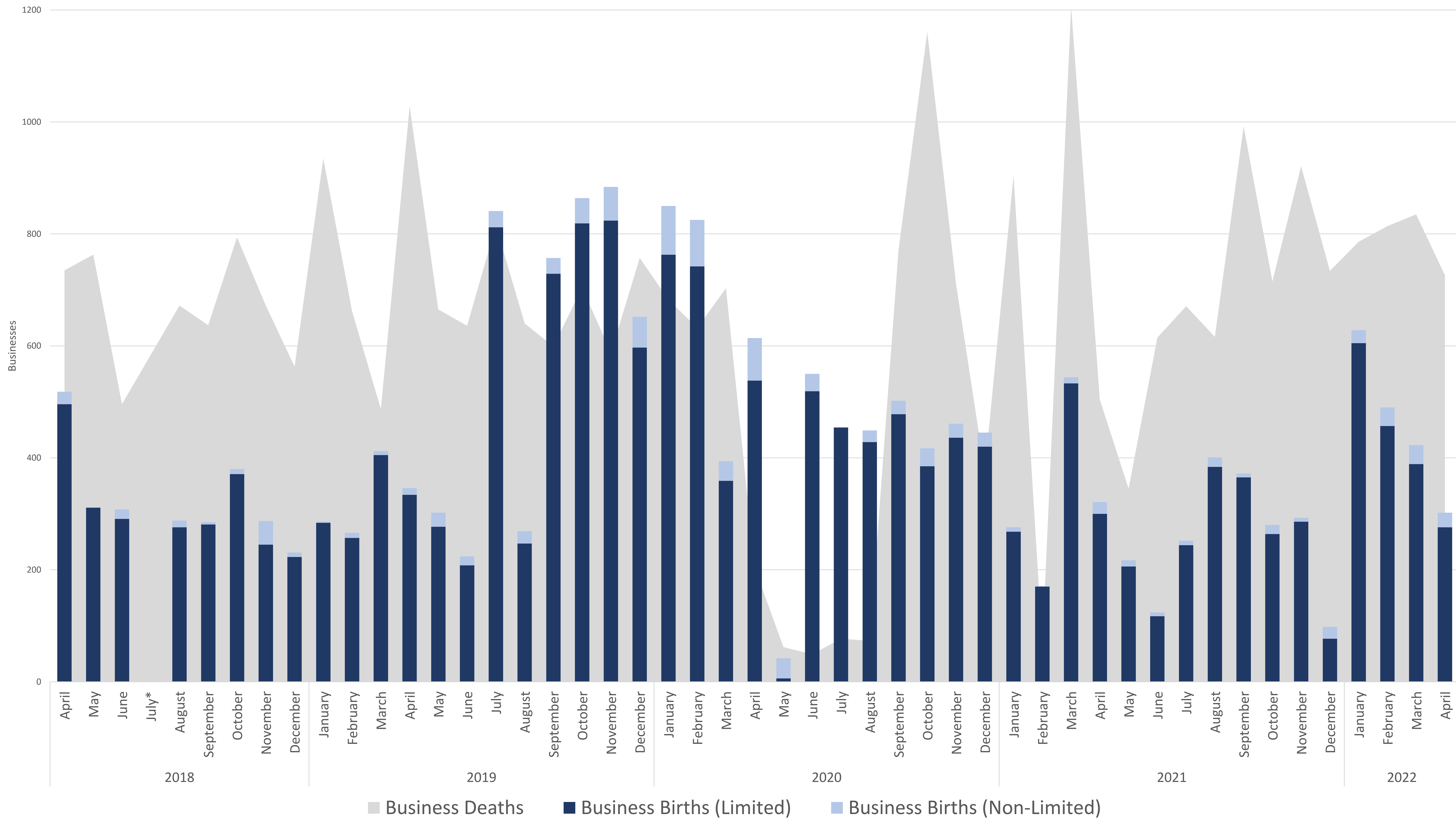
The business rates collection rate in February is 8 ppt. above to the same month in 2020/21



Total Collection Rate 2021-22 (Feb):

88.9%

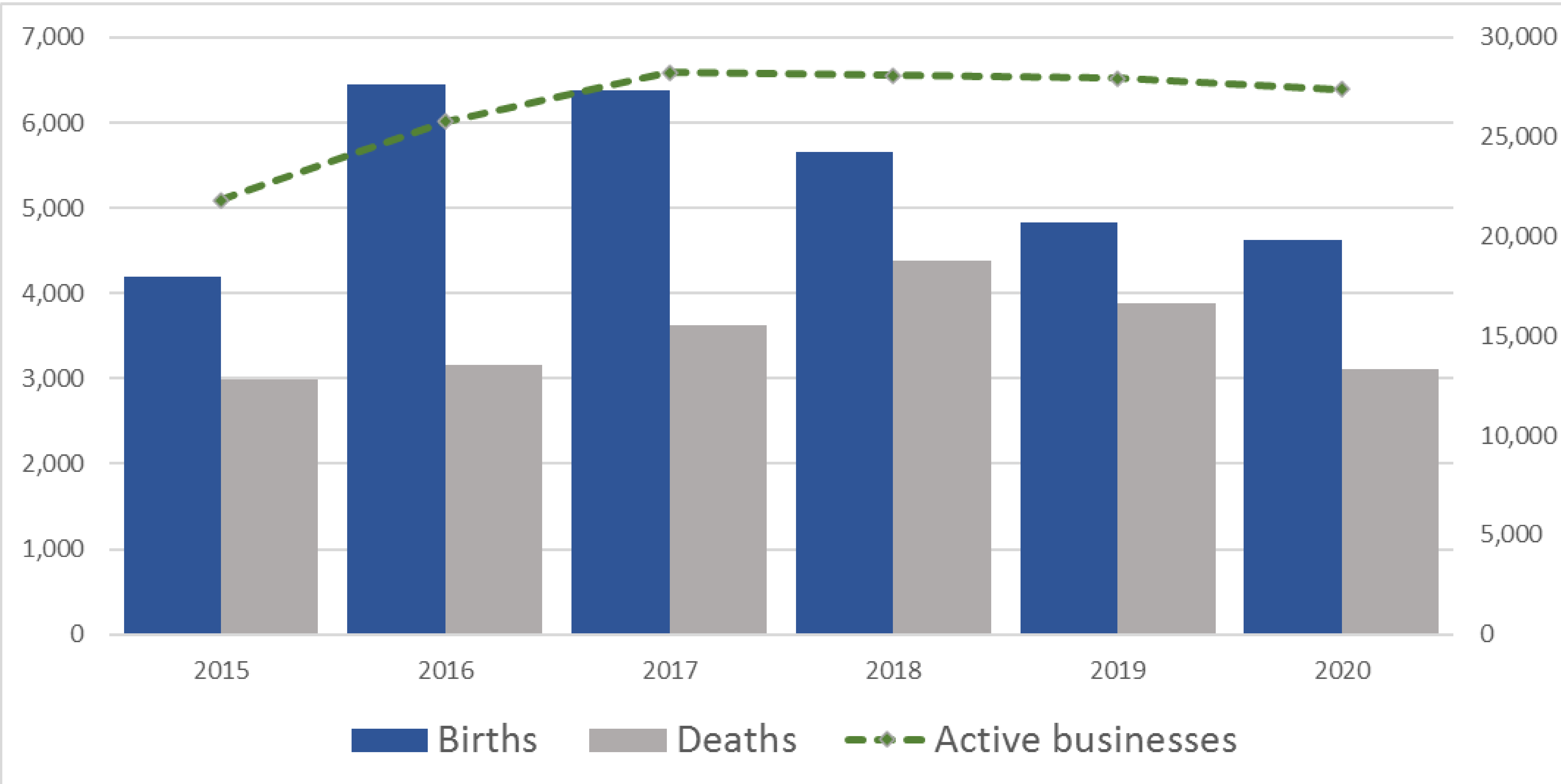
Business deaths continuing to exceed business births in Manchester; 726 deaths vs 302 births in April, a 6% decrease in the number of businesses birth in comparison to the same period in the previous year and a 44% increase in the number of businesses deaths in comparison to the same period in the previous year.



Source: Experian

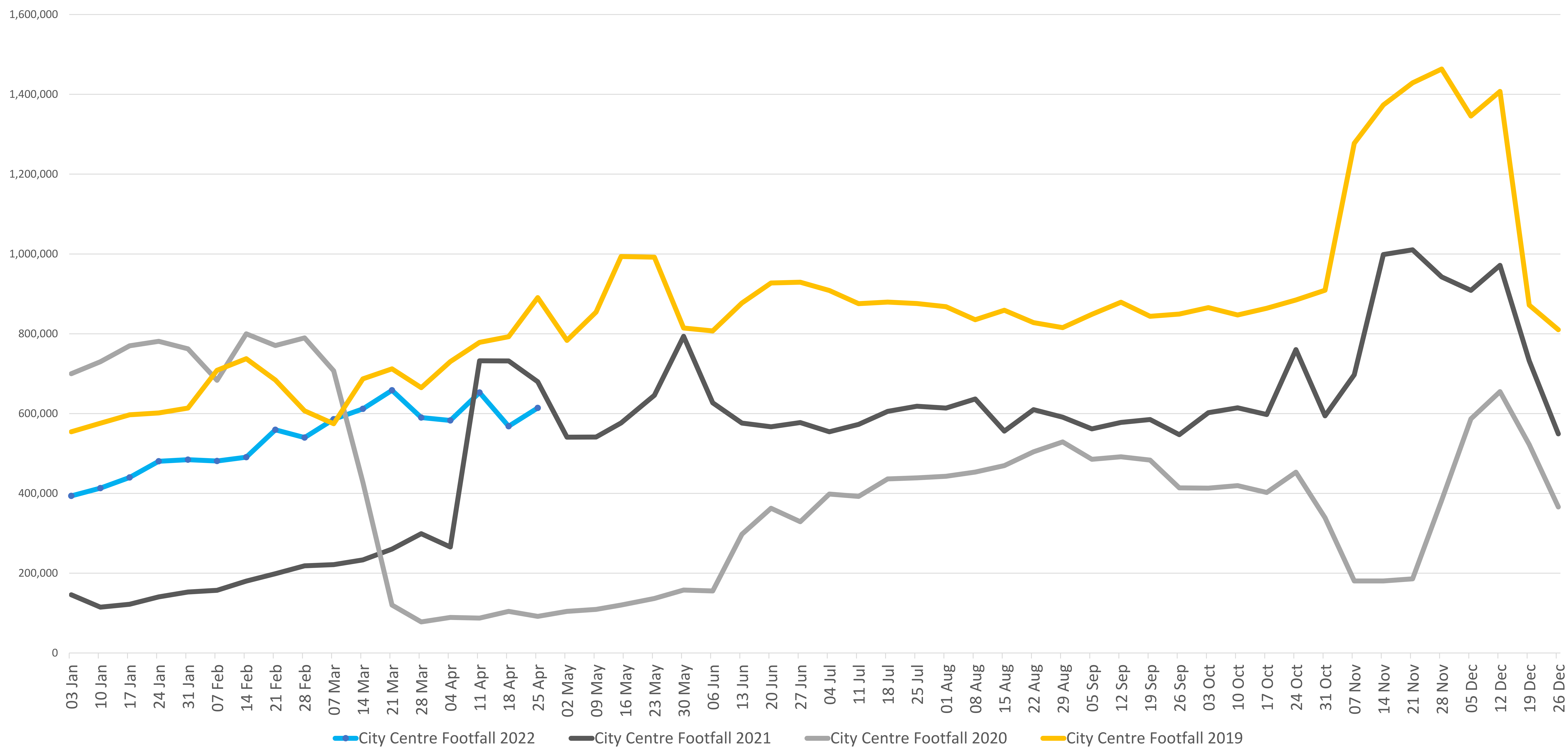
*Automatic strike-off and company obligations were suspended from April to June during lockdown by Companies House – resulting in an administrative lag in recording business deaths which manifested in a large spike towards the end of 2020

ONS figures suggest that the overall total of active businesses showed a slight decline between 2017 and 2020 (28,245 in 2017, 27,375 in 2020 a percentage change of -3.08%) whilst business events – the creation of new businesses / deaths of businesses showed a more marked decrease (a percentage change of -14.34% for births and -27.32% for deaths



Source: ONS Business Demography
Data updated on an annual basis

Footfall in the city centre has had an overall upward trend in 2022 but levelling off in the last month where the footfall has been lower than 2019 and 2021.



City Centre* Footfall
(w/s 25th Apr):

Change v 2021
-9.68%

Change v 2019
-31.1%

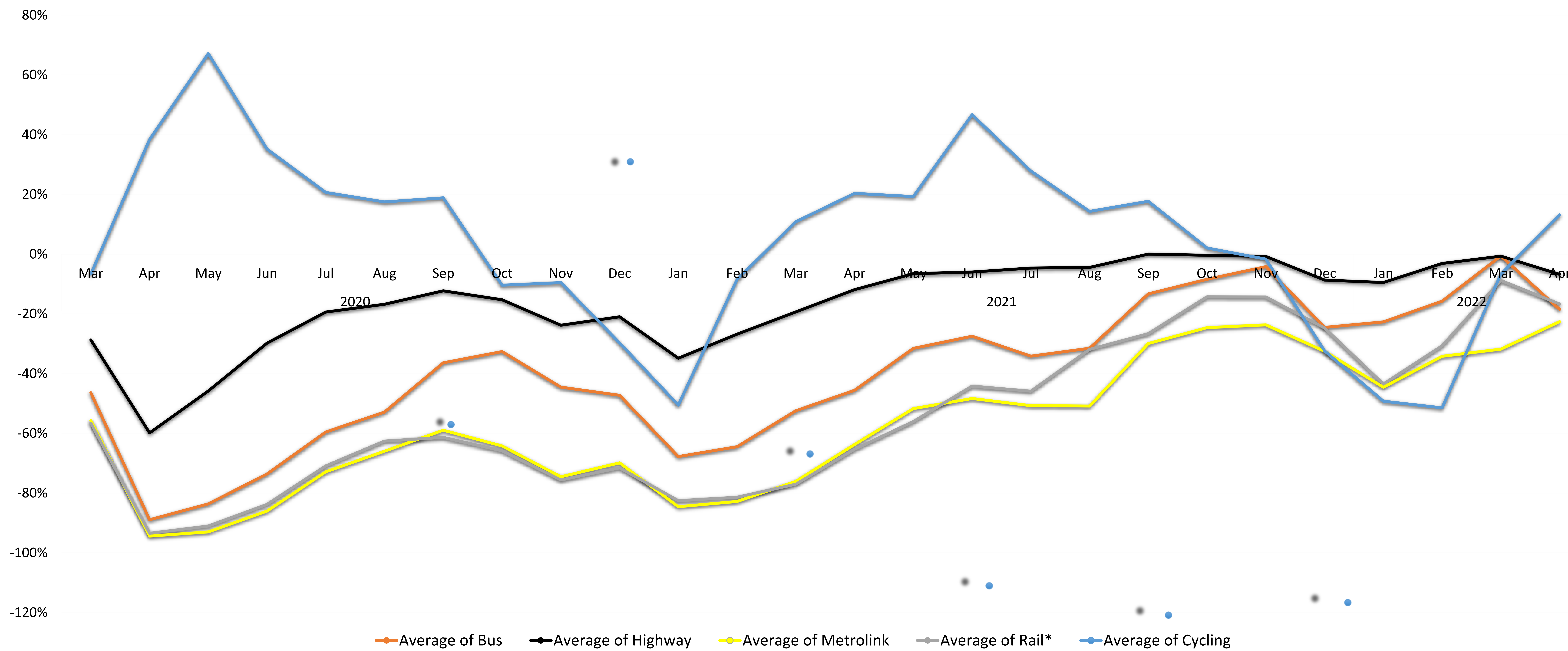
District Centres Footfall**
(w/s 25th Apr):

Change v 2021
+24.6%

Change v 2019
+17.7%

* 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

Transport usage has increased for cycling and Metrolink use, but decreased for Highways, Bus and Rail in the last month; cycling monthly average usage in April was 13% higher than the baseline (2019), highway usage was 7% lower than the baseline (2019), rail and bus usage were less than 17% lower than the baseline and Metrolink was 23% lower than the baseline (2019)

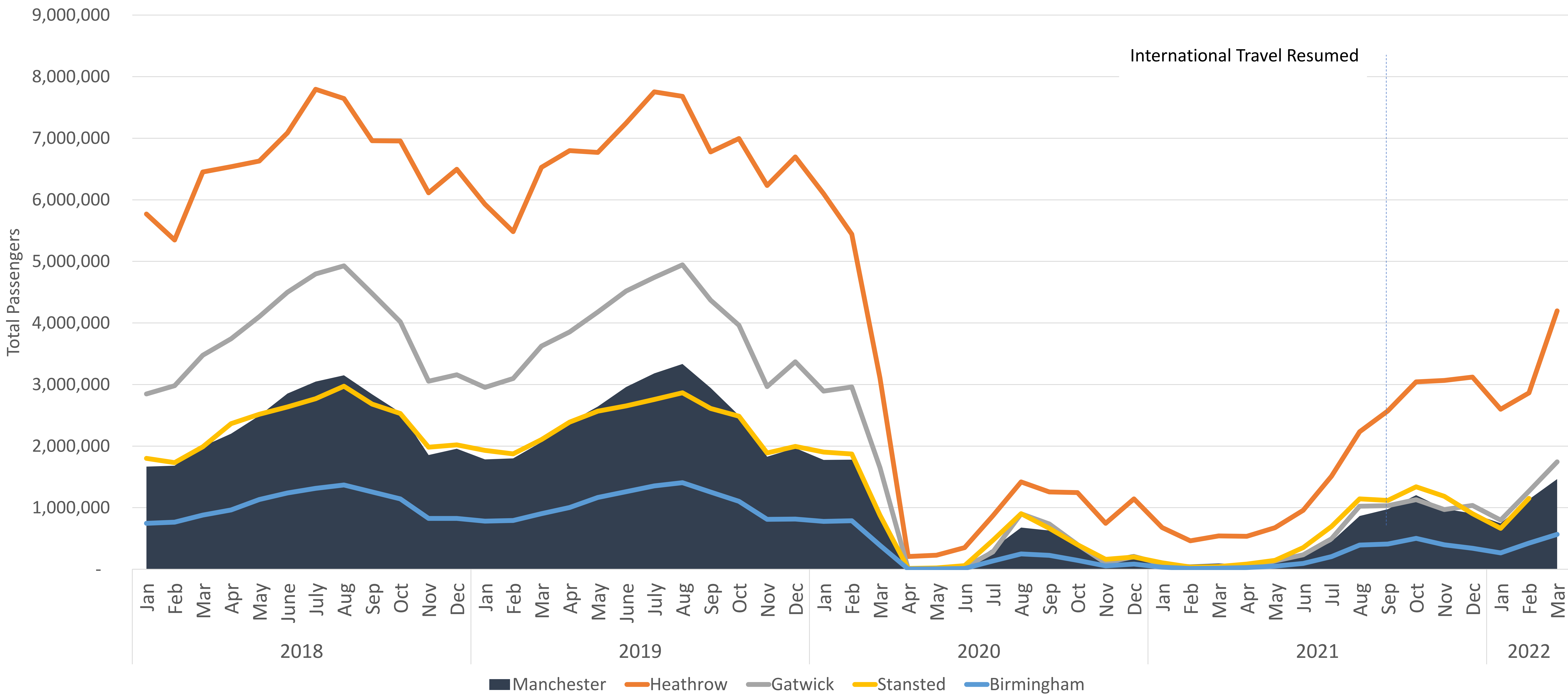


* Rail data from Manchester Piccadilly

Current Position (24th April) Compared to Pre-Lockdown Baseline

Cycling	Highways	Bus	Metrolink	Rail
35%	**2%**	**24%**	**-12%**	**0%**

Airport passenger numbers increasing from a low base and are above 2020



Manchester Airport Passengers
(March)

1,465,390

Monthly Change
(February - March)

+29%