Monthly Economy Update

Manchester's Economic Headlines for November 2022

1. For September 2022 **inflation rose to 10.1**%, this is the second time this year that the CPI has risen above 10% and at its highest point since 1982**, a 40 year high.** Despite also dropping last month**, the CPIH also rose from 8.6% to 8.8%,** this is the second time this year that the CPIH has risen as high as 8.8%.

2. Petrol and Diesel prices have seen substantial increases during 2022, however July 2022 the price of both diesel and petrol has been dropping week on week. This trend continued for the first half of October, however second half of October 2022 saw price rises. Petrol prices are 14.41% higher than the they were on the first week of January, diesel saw an increase of 27.44% over the same period.

3. Universal Credit Claimants has continued to increase, with provisional figures for September 2022 indicating that there has been a rise for the sixth successive month. From August to September 2022 there has been a rise of 1.17%. July to August 2022 shows a slower trend upwards with the revised figures for August showing an increase of only 0.38%.

4. Over 99% of eligible households have received the government's £150 core council tax rebate to help with the cost of living. Figures published today show more than 19 million households in England were handed payments by the end of September with many councils reporting that 100% of eligible households in their area have now received their payment. (gov.co.uk)

5. 16 - 17 years old not engaged in education, employment or training (**NEET**) and Not Known are higher than figures for the same period in the previous year, NEET increased from 180 in September 2021 to 224 in September 2022. Against September 2021, Not Known are down from 2,843 in September 2021 to 2,863 in September 2022.

6. Footfall figures for the week commencing 24th October show that in Manchester City Centre footfall is **down 14.54% against the 2019 baseline** and is **down 0.57% against the 2021 baseline**. **District Centre** figures from the same period are **up 5.57% against 2019** weekly figures, and they are **up 19.19% against the 2021 baseline**.

7. Manchester Airport saw a drop in passenger numbers through **September 2022**, with a total of **2.5 million passengers** reported. This was **lower** than the figures reported **in August 2022 by 7.6%** however all major English airports saw a drop in their passenger numbers in September. Only Heathrow airport saw their passenger numbers drop by a smaller percentage, 4.30%. Gatwick saw a decrease of 11.3%. The decrease in the number of airport passengers is directly linked to the end of the school summer holidays.

8. A **215,000 sq ft** office and **600-bed student block** make up the two-part proposal, the latest scheme to come forward within the Manchester district. Two months on, the partners have fleshed out the proposals and are inviting the public to have their say during a consultation that will run until **11 November**. Once complete, the plot 10 office will be able to accommodate around **2,000 workers**. (Place North West).

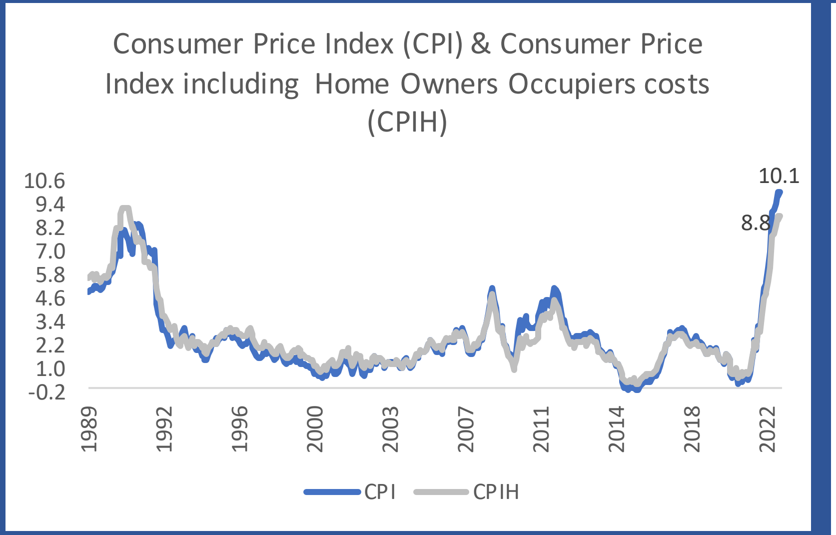
9. Manchester Metropolitan University has started a £10 million Grosvenor West refurbishment. Work to regenerate the grade two-listed building – the historic home of Manchester School of Art – on Oxford Road is scheduled to complete in spring 2024. This is part of a long-term programme to upgrade its city centre campus, demolishing some outdated properties, building new ones, and refurbishing others. (Place North West)

10. **National Geographic magazine** has selected **Manchester** as **one of 25 global must-visit destinations for 2023**. Manchester is the only UK city to be recognised, and joins destinations including New Zealand, Egypt, and San Francisco. The city's post-pandemic revival and major 2023 openings helped secure its place on the list.. Reasons given for the decision included **Manchester Museum**, due to reopen in February 2023 following a £15m transformation; **Factory International**, opening in June 2023 with an ultra-flexible, large-scale performance space; and the newly-opened **Castlefield Viaduct**. (Invest in Manchester).

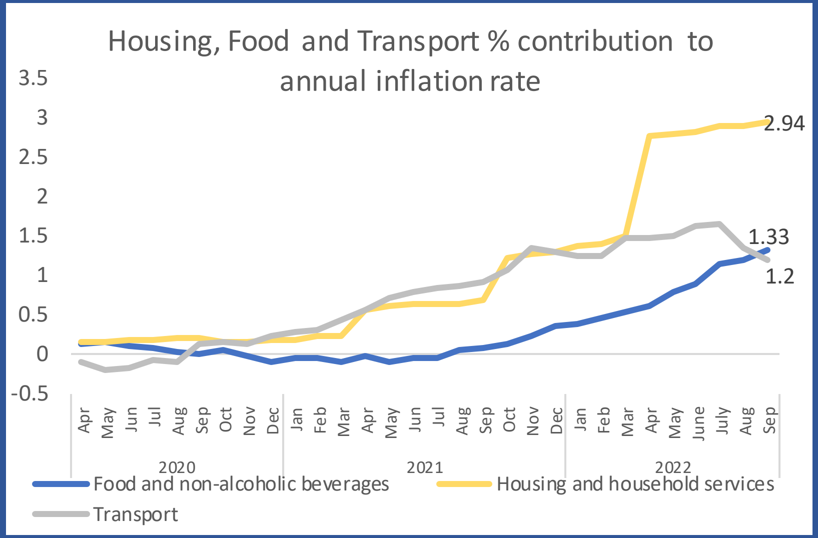
Monthly Economy Update

November 2022 | **Economic Indicators**

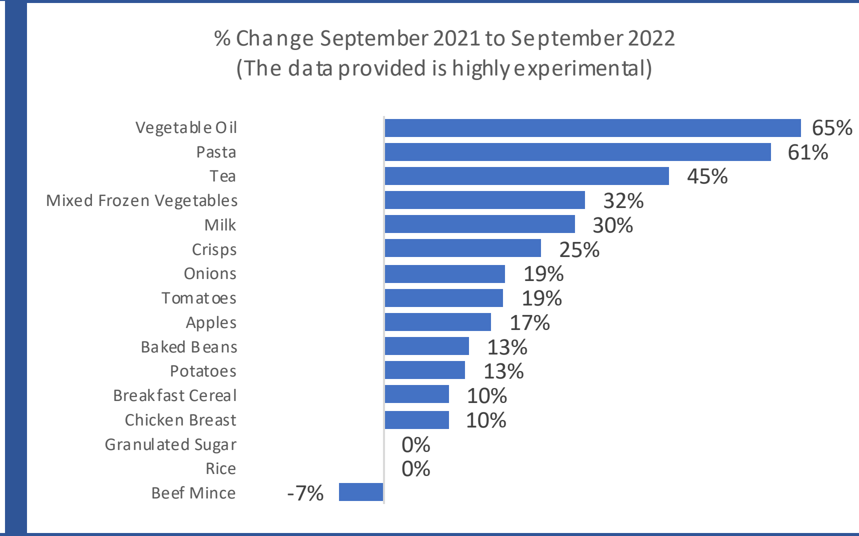
Inflation



Source: ONS, CPI & CPIH
Data released: 19/10/2022 Next Updated: 16/11/2022

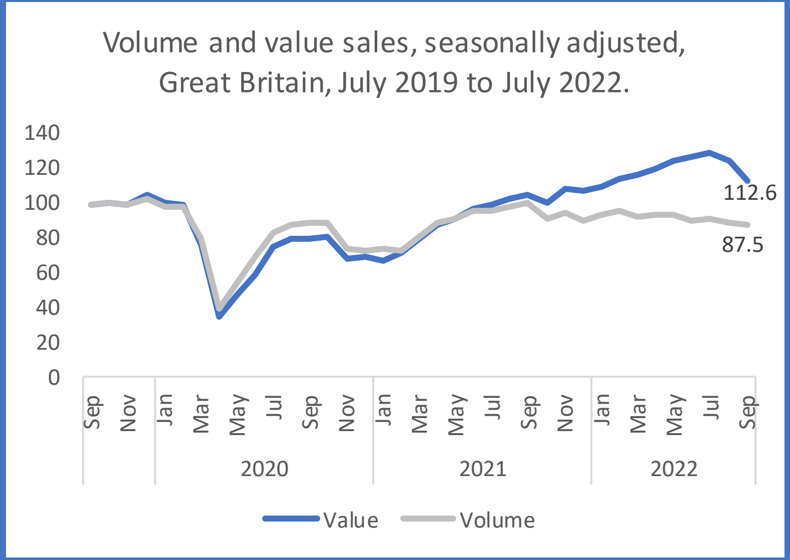


Source: ONS, Contributions to the CPIH 12-month inflation rate
Data released: 19/10/2022 Next Updated: 16/11/2022

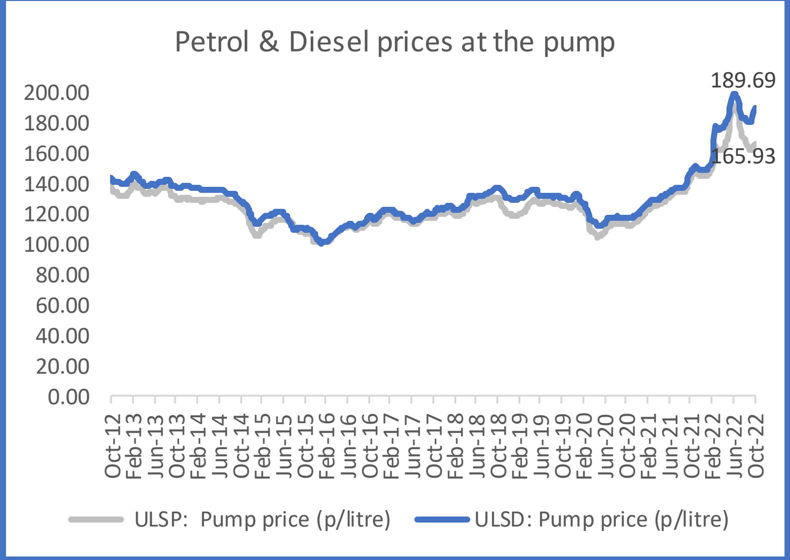


Source: ONS, Inflation and price indices.
Data released: 25/10/2022 Next Updated: Unknown.

Fuel & Energy Pricing

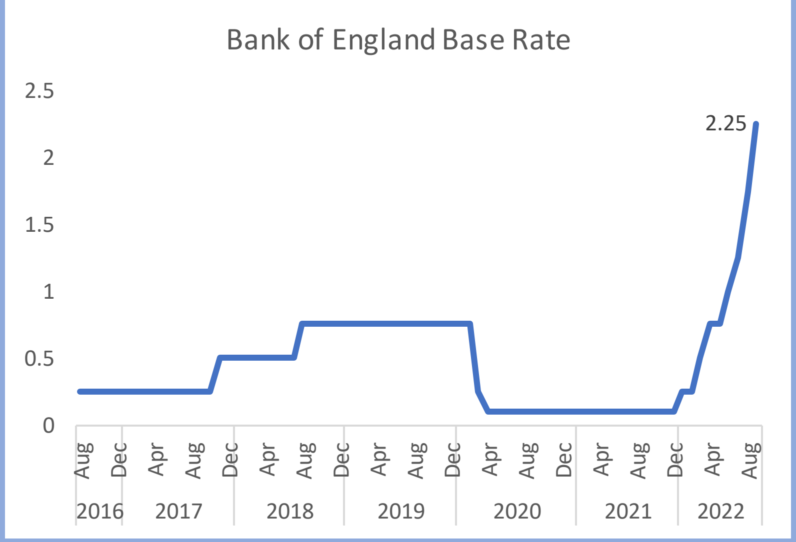


Source: ONS, Retail Sales, Fuel Sales value and Volume
Data released: 21/10/2022 Next Updated: 18/11/2022



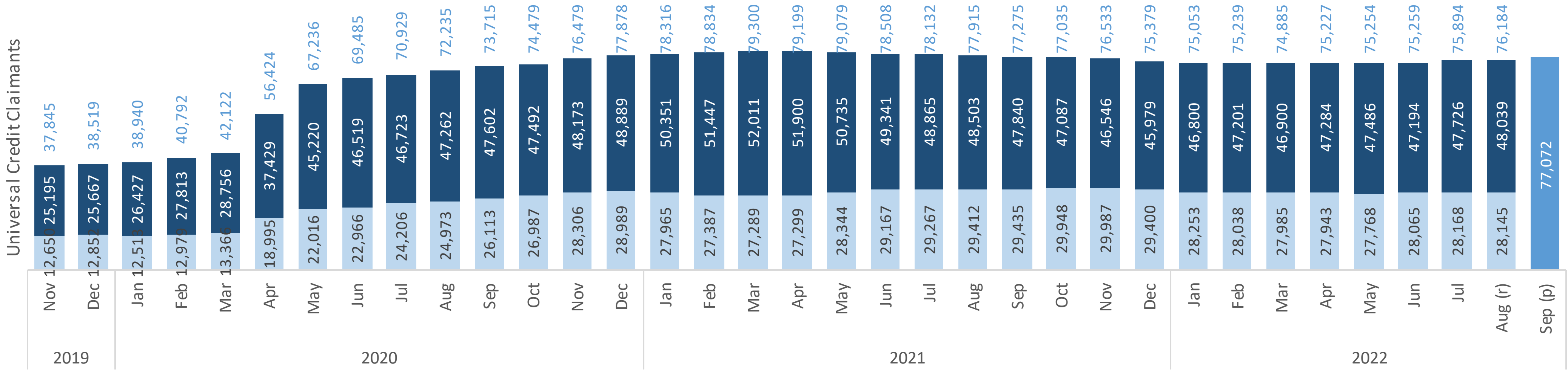
Source: Dep. for Business, Energy & Industrial Strategy
Data released: 01/11/2022 Next Updated: 08/11/2022

Interest Rate



Source: Bank of England
Data released: 22/09/2022 Next Updated: 03/11/2022

The trend of UC Claimants increases continues for the sixth successive month, revised figures for August 2022 show an increase of 0.38% against July 2022.



Source: DWP, via Stat-Xplore

Data released: 11/10/2022 Next Updated: 15/11/2022

In Work Claimants | Out of Work Claimants | Sep (p) | Total Claimants

Total Universal Credit Claimants (September -provisional*):

77,072

Monthly Change (Aug – Sep (p)*)

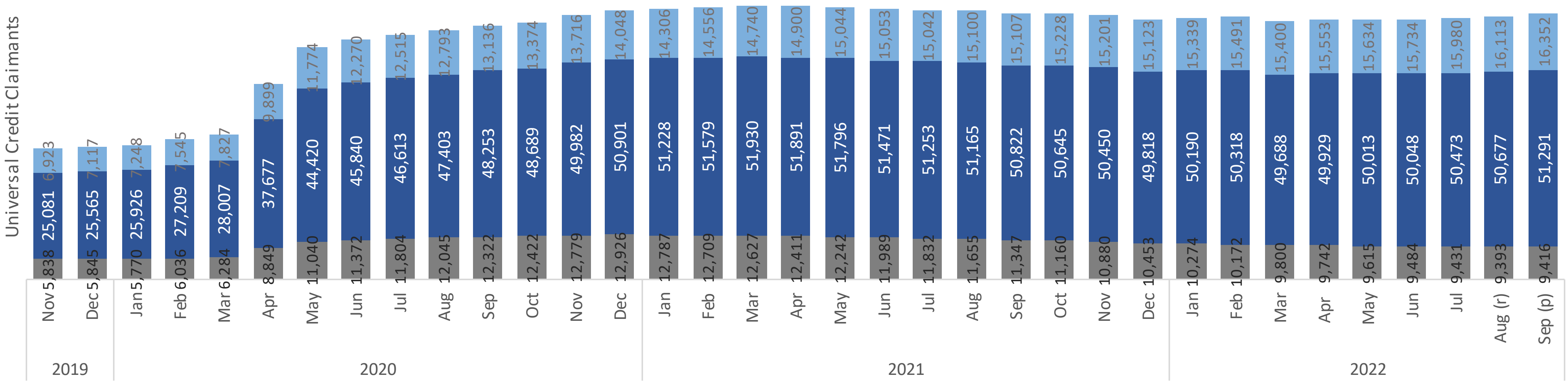
1.17%

Out of Work Claimants (Aug (r))

48,039 (63%)

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

All age bands have seen a rise, 16-24 had an increase of 0.24% from August to September 2022. 50+ saw the biggest monthly change of 1.48% for the same period.



Source: DWP, via Stat-Xplore

Data released: 11/10/2022 Next Updated: 15/11/2022

16-24 | 25 - 49 | 50 +

Largest Age Group (September(p))

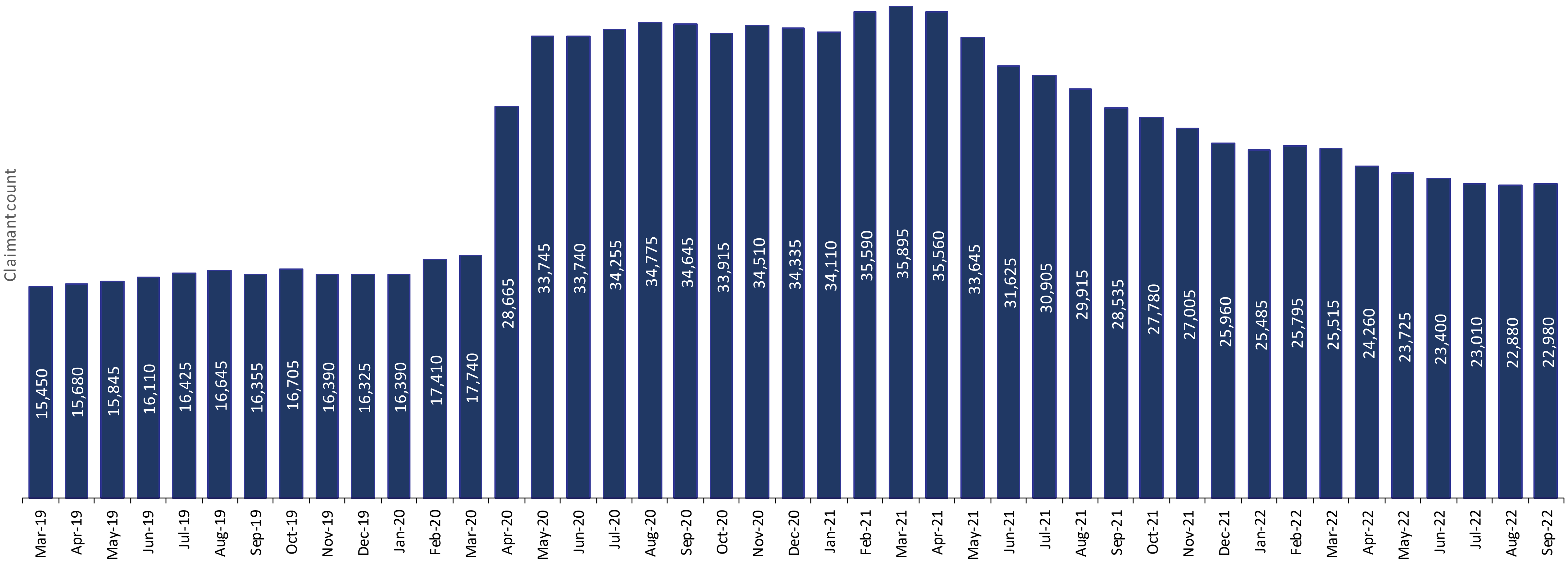
25-49 year olds (51,291)

Monthly Change in 25-49 year old claimants

1.21%

Unemployment claimant count in Manchester shows an increase (0.44%) in September 2022 compared with August 2022.

Current figures show that in the last 12 months, September 2021 to September 2022 there has been a drop in Unemployment claimant count of 19.46%.



Source: DWP, via Stat-Xplore
Data released: 11/10/2022 Next Updated: 15/11/2022

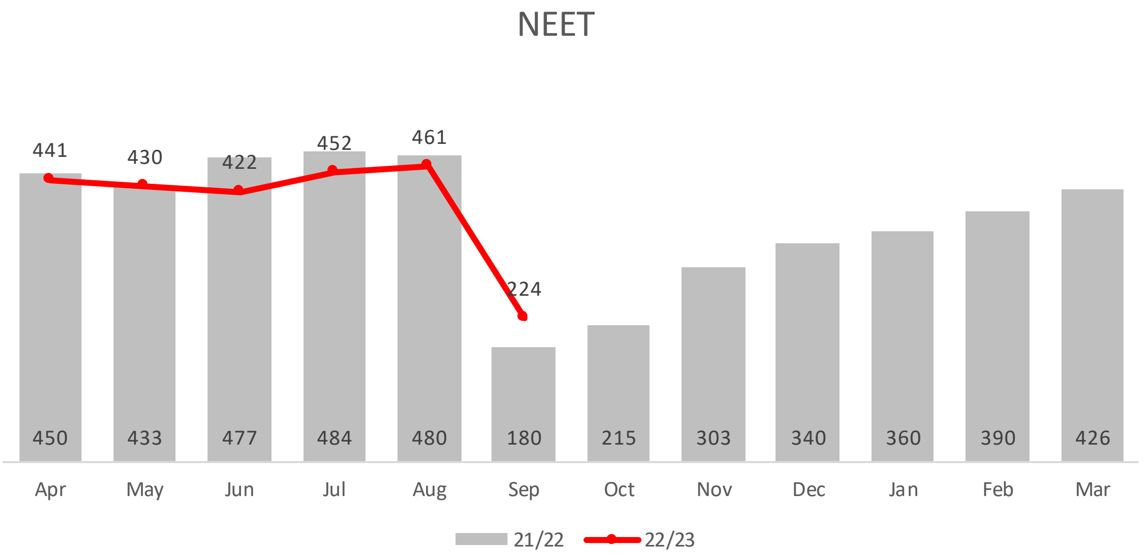
Unemployment Claimant Count
(September 2022)

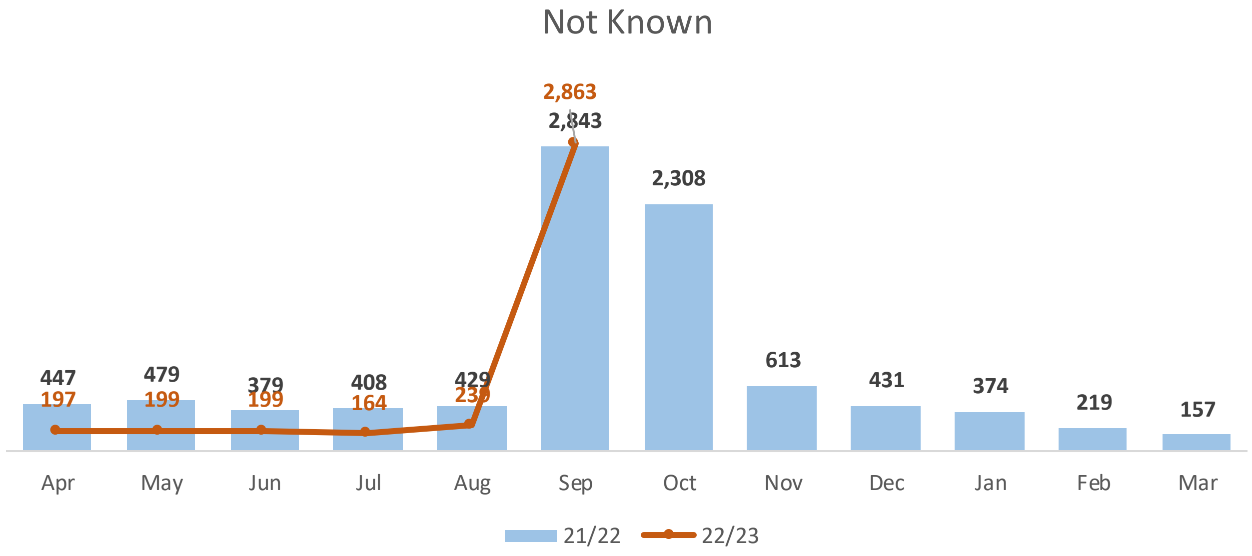
22,980

Unemployment Claimant Count Rate
(September 2022)

c. 5.9%

224 16-17 years old were NEET in September compared to 180 in the same period in 2021/22. There were 2,863 whose status was unknown in September (2,843 in the previous year).

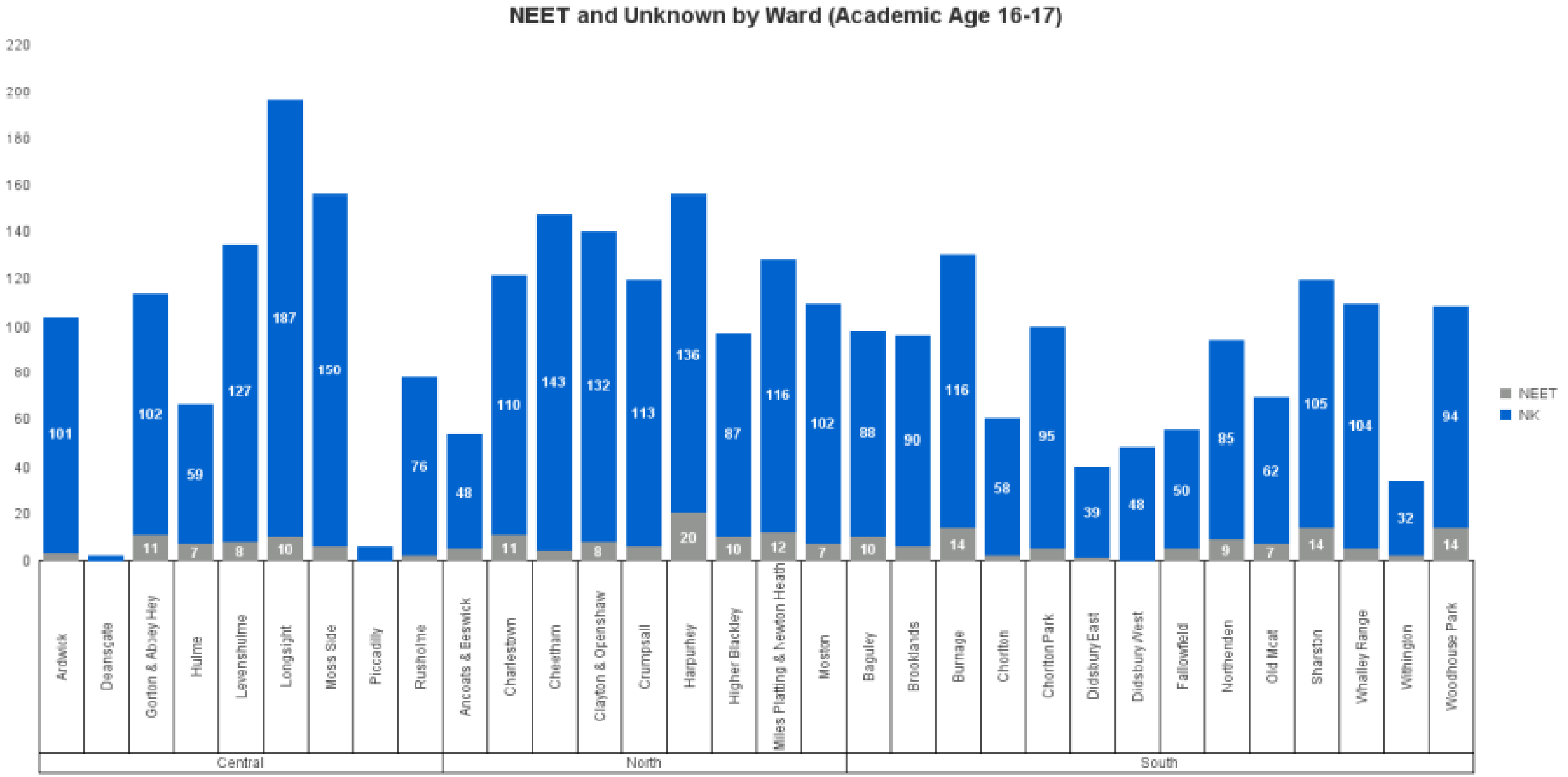




Category	16 Yrs	17 Yrs	Total
Participation in education and training	72.5%	81.5%	76.8%
Meeting the Duty	72.8%	81.8%	77.1%
Participating in RPA compliant education and training	72.5%	81.5%	76.8%
Working towards meeting the duty	0.3%	0.3%	0.3%
Temporary break from Learning	0.1%	0.3%	0.2%
Not Known	1,881	983	2864
Not Known %	26.0%	15.0%	20.8%
In Learning	5,253	5,334	10,587
In Learning %	72.5%	81.5%	76.8%
Actual NEET	74	150	224
Actual NEET %	1.0%	2.3%	1.6%
Combined NEET and Unknown	1,955	1,133	3,088
Combined NEET and Unknown %	27.0%	17.3%	22.4%

Source: EYES, NEET
Data released: 01/11/2022 Next Updated: 01/12/2022

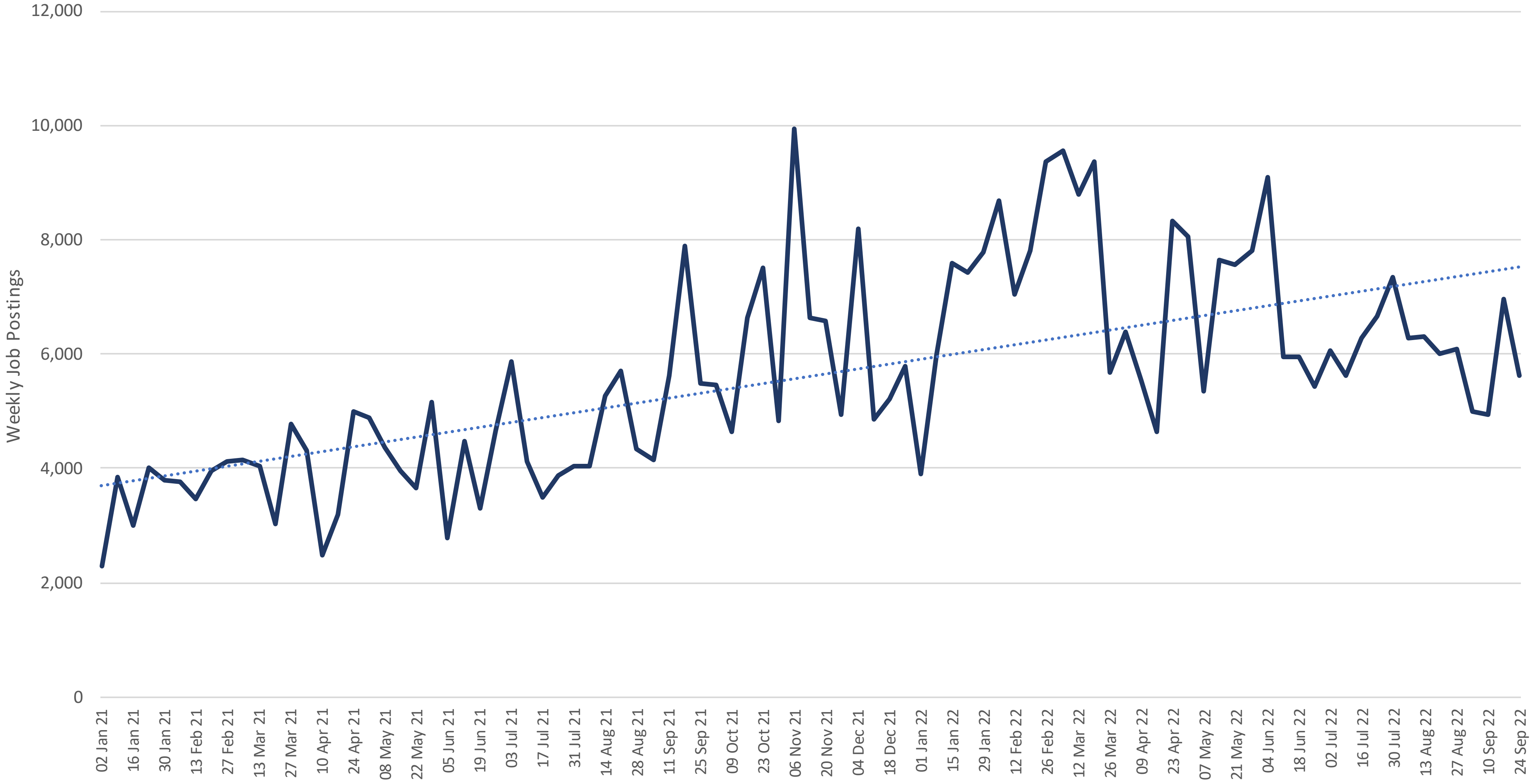
Data for September 2022 shows that the ward with the largest number of NEETs is Harpurhey. Longsight had the largest number of Not Knowns.
Highest proportion of NEET 16-17 year olds are in **Sharston** and **Hulme**, both with 3.1%.



Note: The revised NEET ward breakdown is only available from June 2018, due to the boundary changes that came into force in May 2018

Source: EYES, NEET
Data released: 01/11/2022 Next Updated: 01/12/2022

Revised September's data shows a significant drop in job postings for September 2022, well below the trend for the year but only 3% lower than the weekly average in the same month in the previous year.



Job postings per week in September (4 week average)

5,634

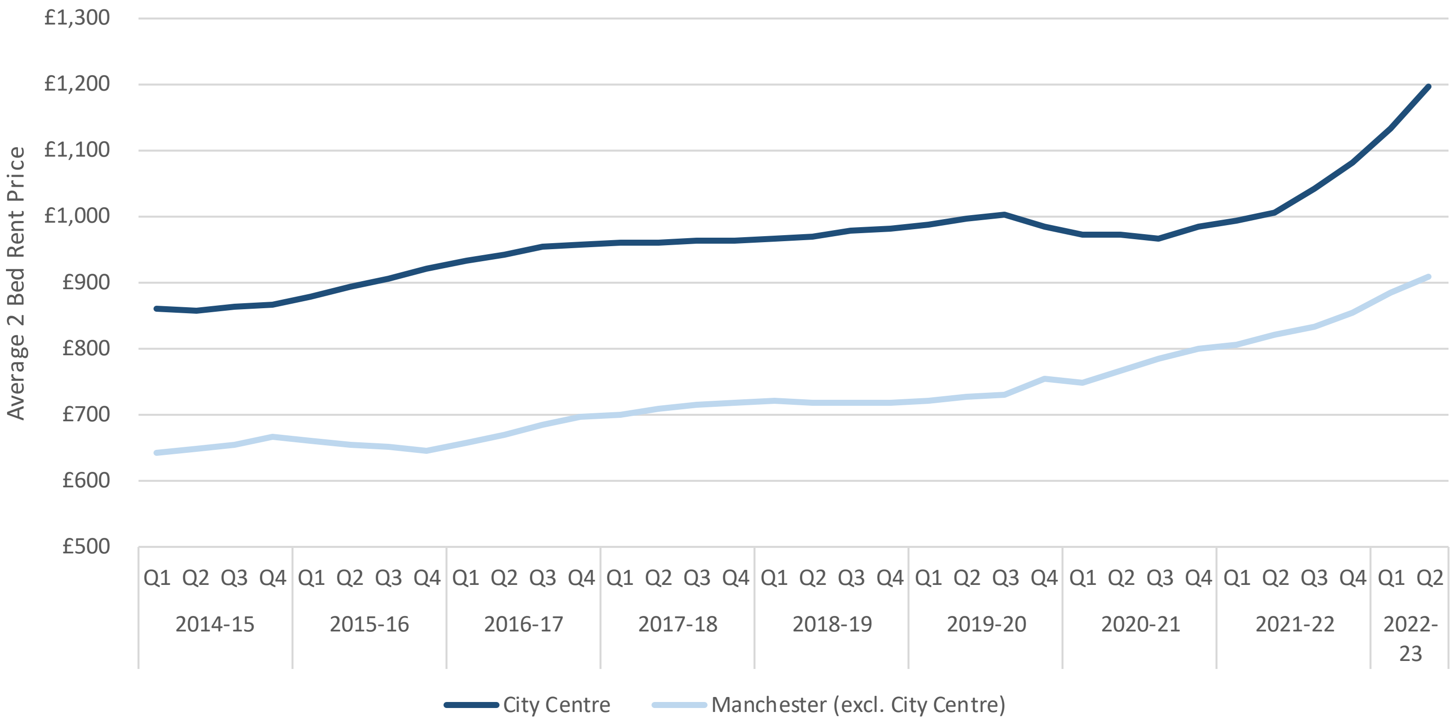
Change in job postings per week August to September (4 week average)

-8.7%

Note: This data is the same as what was included in last month's update. A contract with a new data provider is in the process of being agreed and once completed we will be able to continue reporting on this particular metric.

Source: Burning Glass Technologies - Labour Insights
Data released: 26/09/2022

Sustained demand continuing to increase rents albeit rental inflation uneven across the city centre

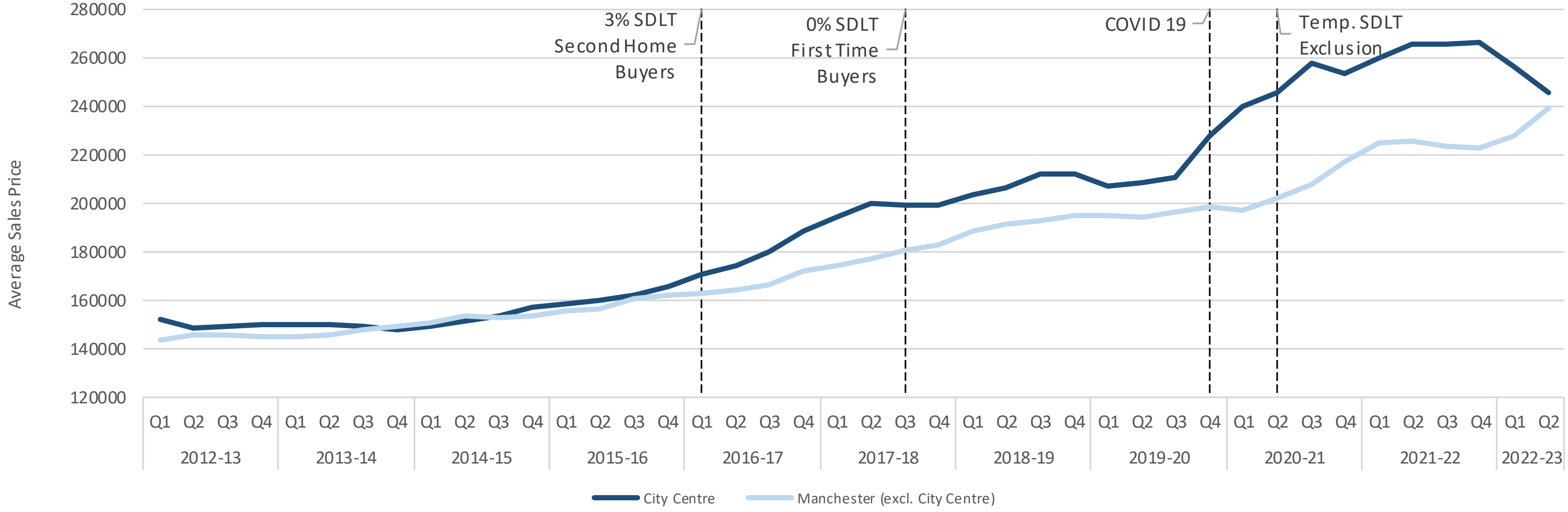


City Centre		Rest of City	
2Bed Rent	Quarterly Change	2Bed Rent	Quarterly Change
£1,195	**6.0%**	**£908**	**2.8%**

City Centre Neighbourhood 2Bed Rents	Q2 2021-22	Q3 2021-22	Q4 2021-22	Q1 2022-23	Q2 2022-23	Quarter Change	Annual Change
Owen Street & First Street	£1,160	£1,183	£1,237	£1,285	£1,386	7.9%	19.4%
Deansgate & Spinningfields	£1,172	£1,244	£1,272	£1,312	£1,376	4.8%	17.4%
Ancoats & New Cross	£1,046	£1,085	£1,138	£1,193	£1,266	6.1%	21.1%
Piccadilly Basin	£1,012	£1,063	£1,117	£1,167	£1,256	7.6%	24.1%
Castlefield	£958	£1,032	£1,069	£1,128	£1,199	6.4%	25.3%
Northern Quarter	£991	£1,028	£1,076	£1,132	£1,187	4.9%	19.8%
Oxford Road North	£1,051	£1,086	£1,077	£1,119	£1,170	4.5%	11.4%
Chapel Street West	£991	£1,023	£1,050	£1,078	£1,150	6.7%	16.1%
Salford Quays & Pomona Island	£1,024	£1,050	£1,074	£1,092	£1,141	4.5%	11.5%
Greengate & Chapel Street	£988	£1,003	£1,027	£1,072	£1,122	4.7%	13.5%
Ordsall Lane & Middlewood	£976	£987	£1,023	£1,060	£1,118	5.4%	14.6%
Castlefield West	£970	£1,003	£1,032	£1,073	£1,111	3.5%	14.6%
City Centre North	£940	£974	£1,006	£1,058	£1,110	4.9%	18.2%
New Islington	£978	£1,011	£1,037	£1,063	£1,106	4.0%	13.0%
Oxford Road South	£883	£905	£923	£920	£961	4.5%	8.9%
Hulme Park & Birley Fields	£773	£800	£852	£892	£926	3.8%	19.8%
City Centre	**£1,007**	**£1,042**	**£1,082**	**£1,123**	**£1,184**	**5.4%**	**17.6%**
Manchester (excl. City Centre)	**£821**	**£838**	**£856**	**£884**	**£910**	**2.9%**	**10.9%**

Source: Rightmove
Data released: 01/11/2022 Next Updated: 01/02/2022

Average sales prices in the city centre correcting after Covid-19 boost – prices outside the city centre continuing to increase



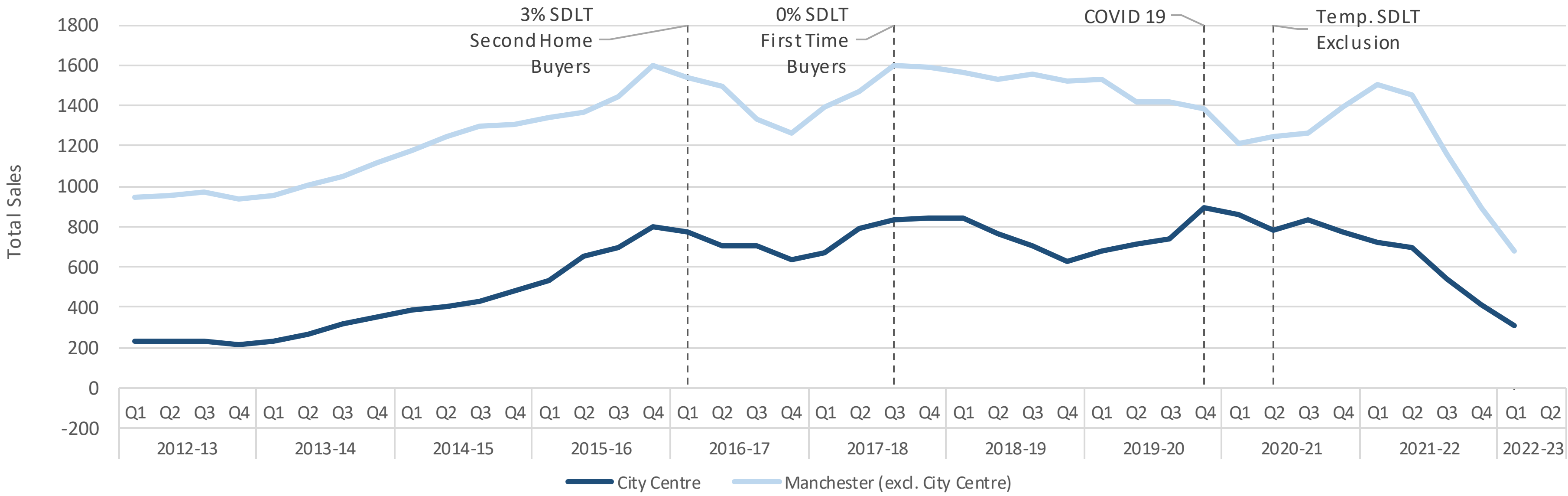
City Centre Average Sales Price

£246,060

Manchester (excl. City Centre) Average Sales Price

£239,481

Sales market activity at it's lowest point at any time in the last decade both in the city centre & across the city



City Centre Quarterly Change*

-43.6%

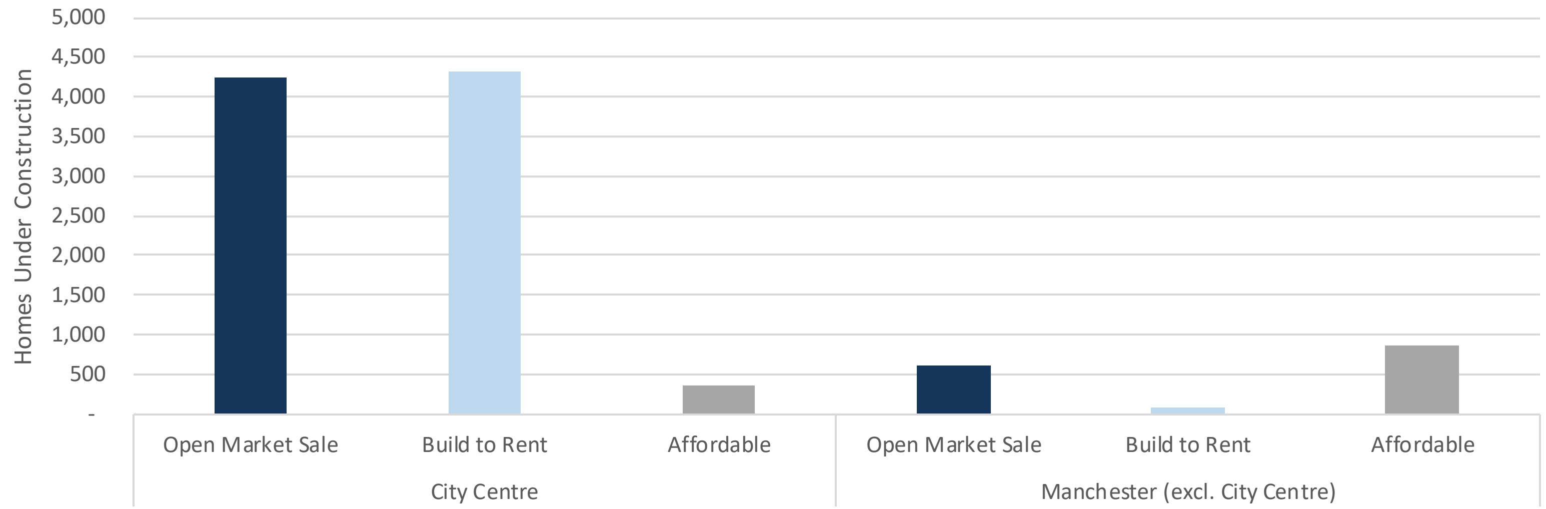
Manchester (excl. City Centre) Quarterly Change*

-33.5%

Source: HM Land Registry
Data released: 01/11/2022 Next Updated: 01/12/2022

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

Over 10,000 homes under construction across the city – including over 1,200 affordable homes (*)



City Centre Homes Under Construction

8,907

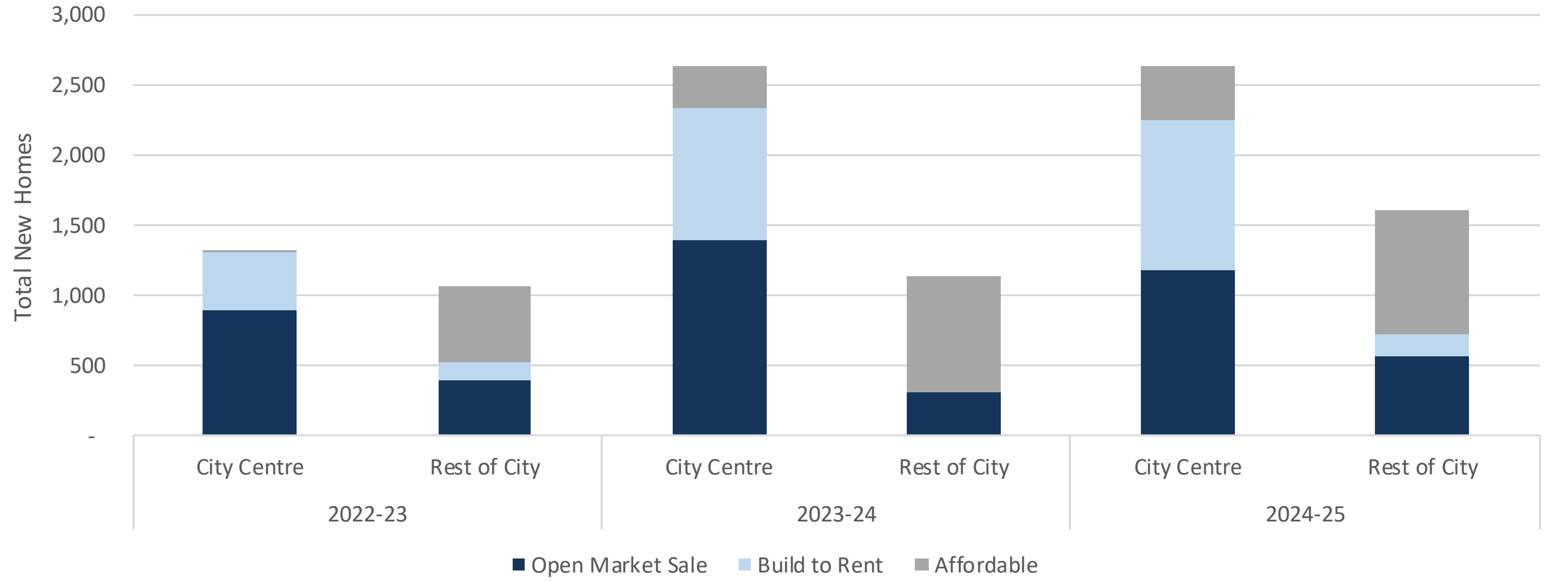
Rest of City Homes Under Construction

1,584

Affordable Homes Under Construction

1,234

c.2,300 new homes expected to complete this year before pipeline recovering from 2023-24 onwards



Expected Completions – 2022-23

2,365

Expected Completions – 2023-24

3,731

Expected Completions – 2024-25

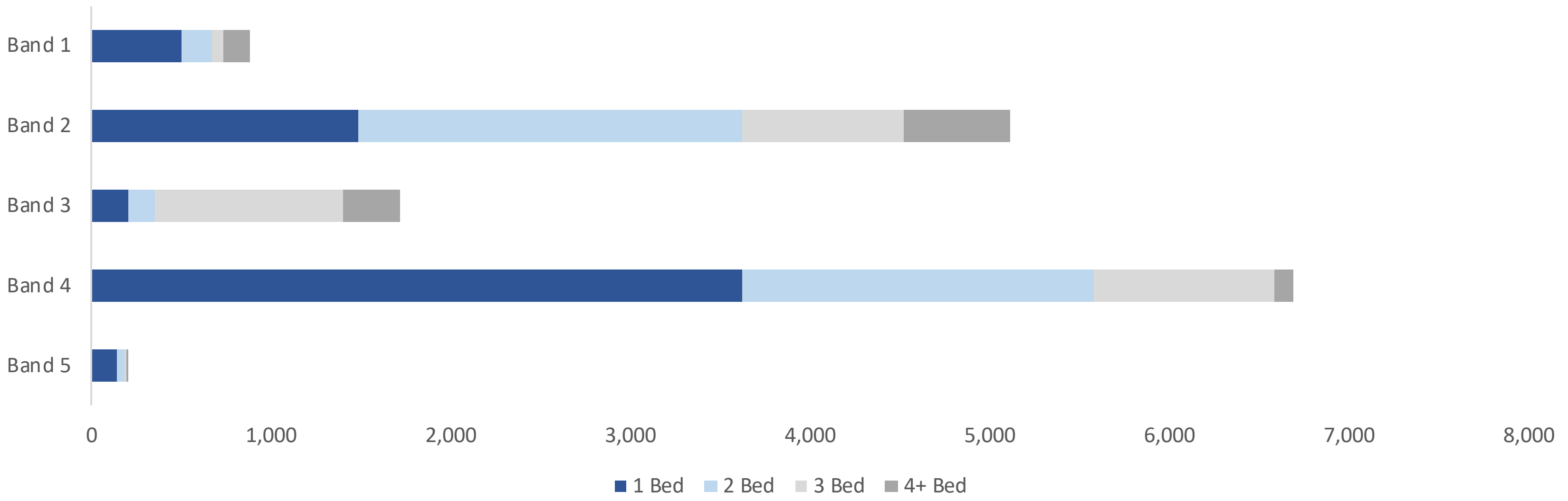
4,194

Source: MCC Residential Development Tracker

Data released: 01/11/2022 Next Updated: 01/12/2022

(*) **Affordable homes:** all homes sold or let for below market value - this includes social rent, affordable rent, shared ownership, rent to buy and homes let at the newly launched Manchester Living Rent

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



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

7,713

Proportion of Applicants in Housing Need Requiring 2+ Beds

69%

Source: Manchester Move
Data produced: 01/11/2022 Next Updated: 01/12/2022

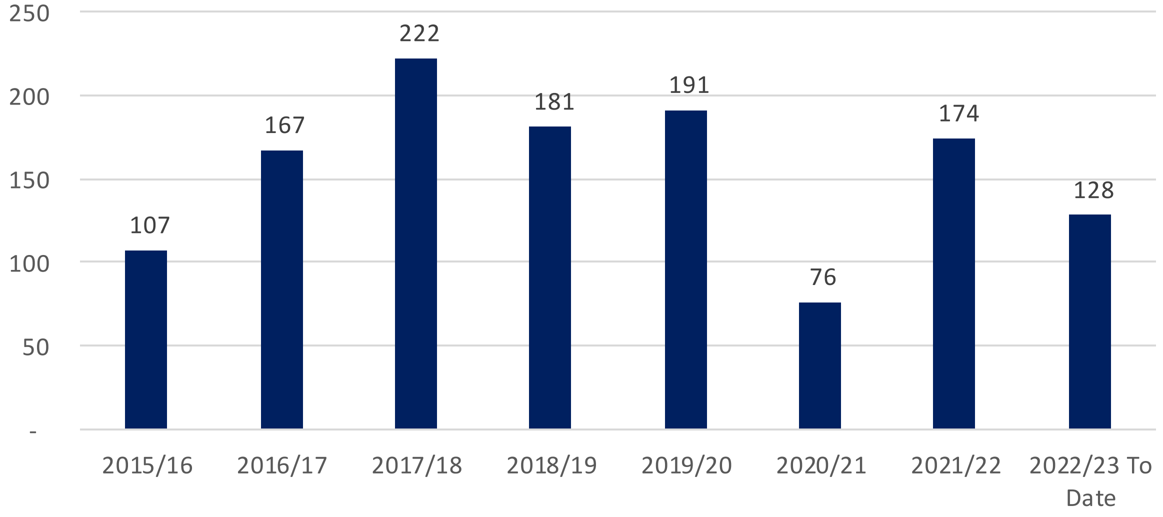
Total Right to Buys (2022-23 to Date)

128

Amount in the Housing Affordability Fund

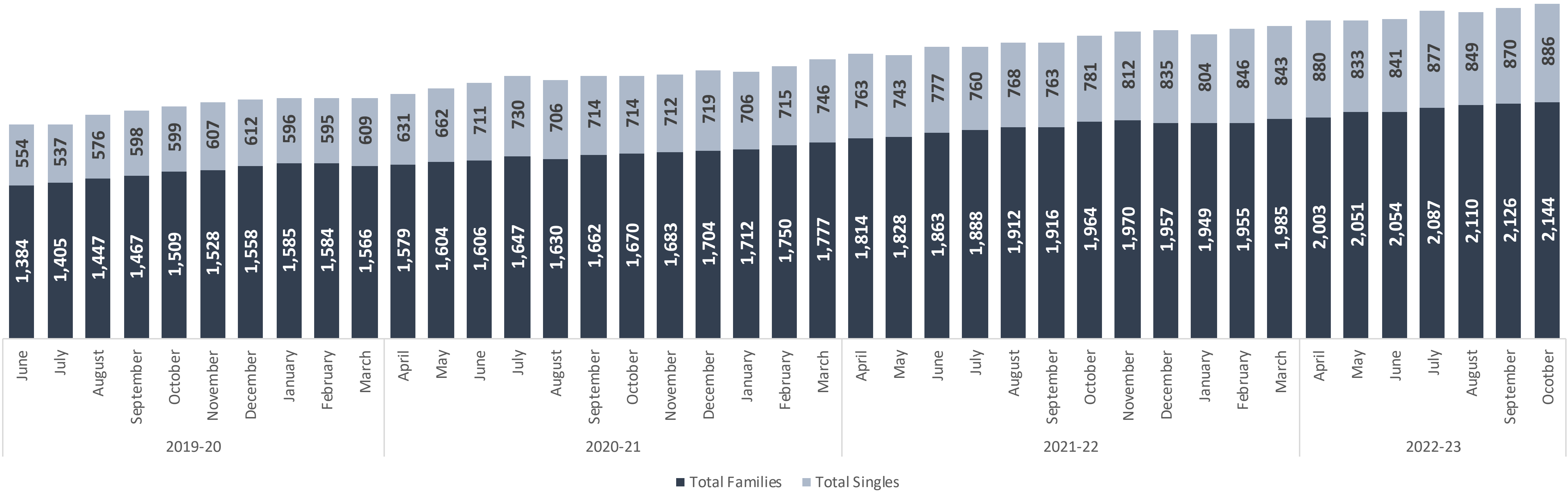
£9.31m

Demand for RTBs is continuing to increase. When this was last reported on in June, June the number of RTBs was 71.



Source: MCC Housing Operations
Data produced: 01/11/2022 Next Updated: November 2022

October 2022 saw a slight increase of families in Temporary Accommodation of 0.85% when compared with September 2022. Singles in Temporary Accommodation increased at a rate of 1.84%.



Families in TA (October 22)

2,144

(9% annual growth)

Single Person Households in TA (October 22)

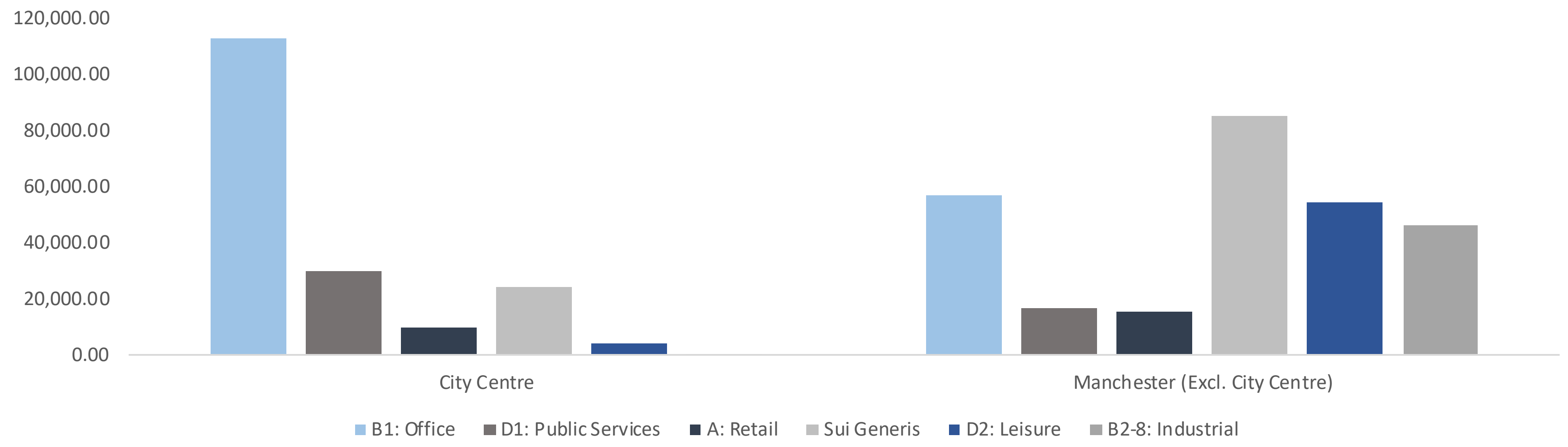
886

(13% annual growth)

Source: Homeless TA Monthly Figures
Data released: 01/11/2022 Next Updated: 01/12/2022

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

113,000m² of office space is currently on-site in the city centre



Total Office Space Under Construction

112,748m²

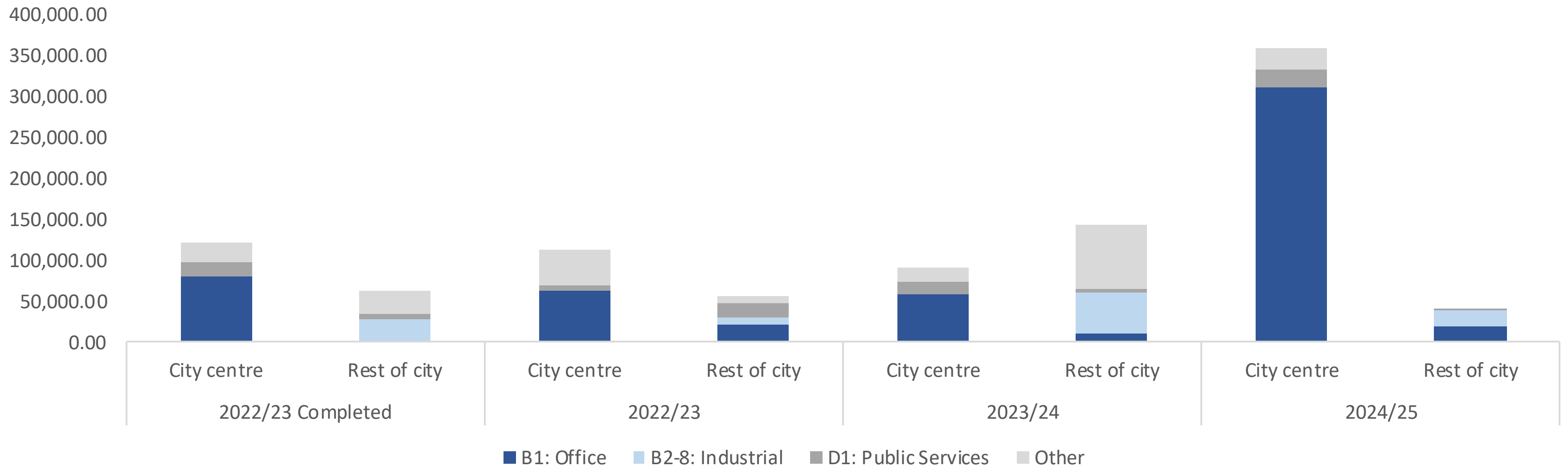
Expected City Centre Office Space Completions
2022-22 – 2024-25

510,610m²

Expected Rest of City Office Completions
2022-23 – 2024-25

54,167m²

Commercial Developments – Completions & Expected Completions (2022-23 – 2024-25)



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

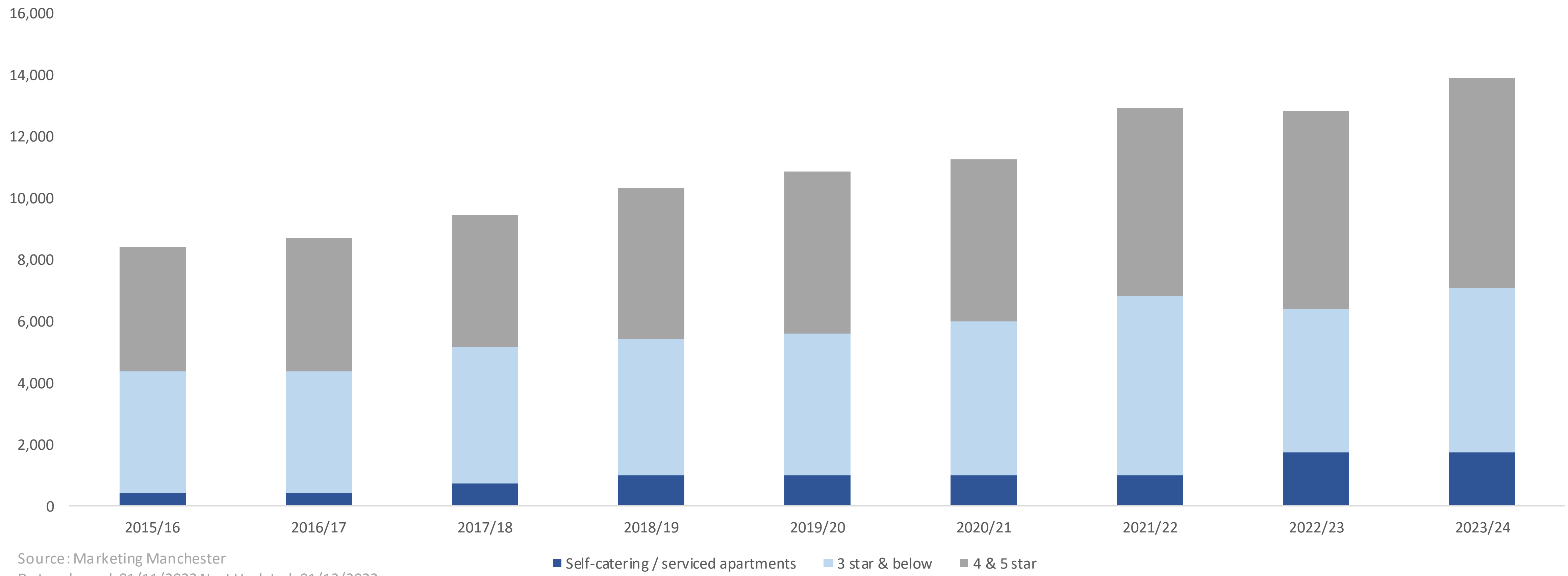
772,943m²

Expected Rest of City Completions
(2022-23 – 2023-24)

337,961m²

Source: EGI and MCC Planning Application Portal
Data Released: October 2022 Next Update: November 2022

There are 6,432 hotel rooms in the City Centre that are 4 and 5 stars, with the majority being 4 stars. In 2022 alone, Manchester has seen an increase of 1,466 hotel room in the city centre.



Source: Marketing Manchester
Data released: 01/11/2022 Next Updated: 01/12/2022

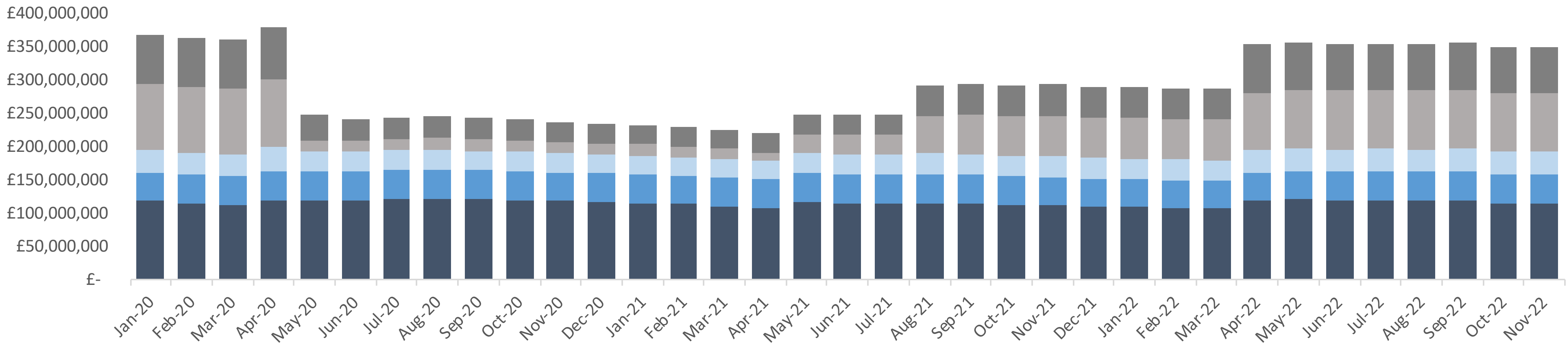
City Centre Hotel Rooms
Constructed 2022

1,466

City Centre Expected Completions
2022-23 to 2024-25

1,763

Total business rates charged decreased by £1.6m between October and November, and November is £55.4m higher than November 2021*



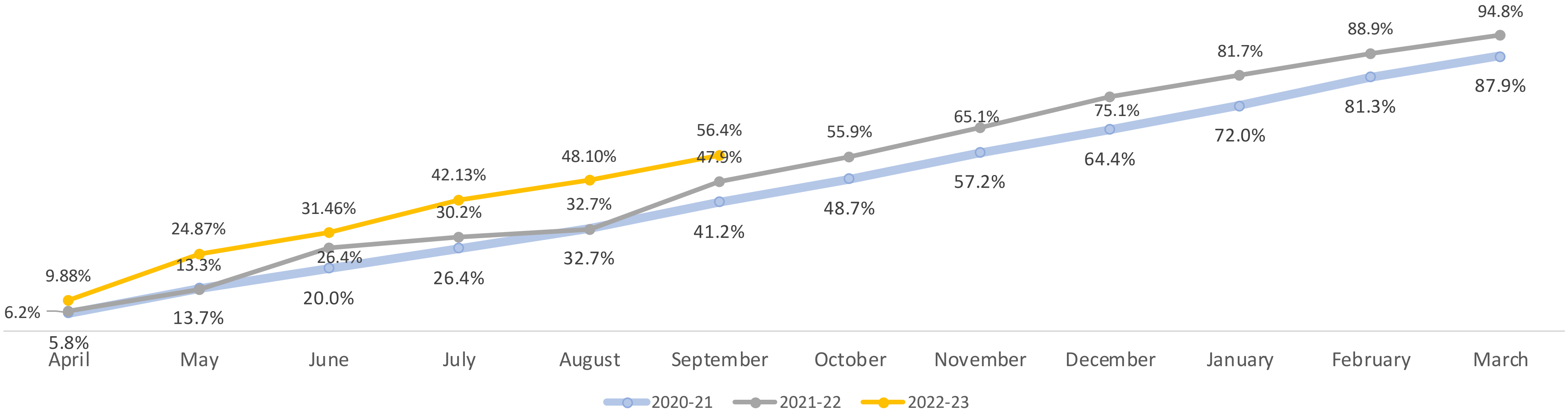
Source: Academy NDR live properties
Data released: 01/11/2022 Next Updated: 01/12/2022

Total Annual Business Rates Charged (November):

£348.8m

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

Business rates collection continues to increase. Total collection rate 2022-23 currently stands at 56.38%. Collection rates are above where they were at this stage for both 2020/21 and 2021/22.

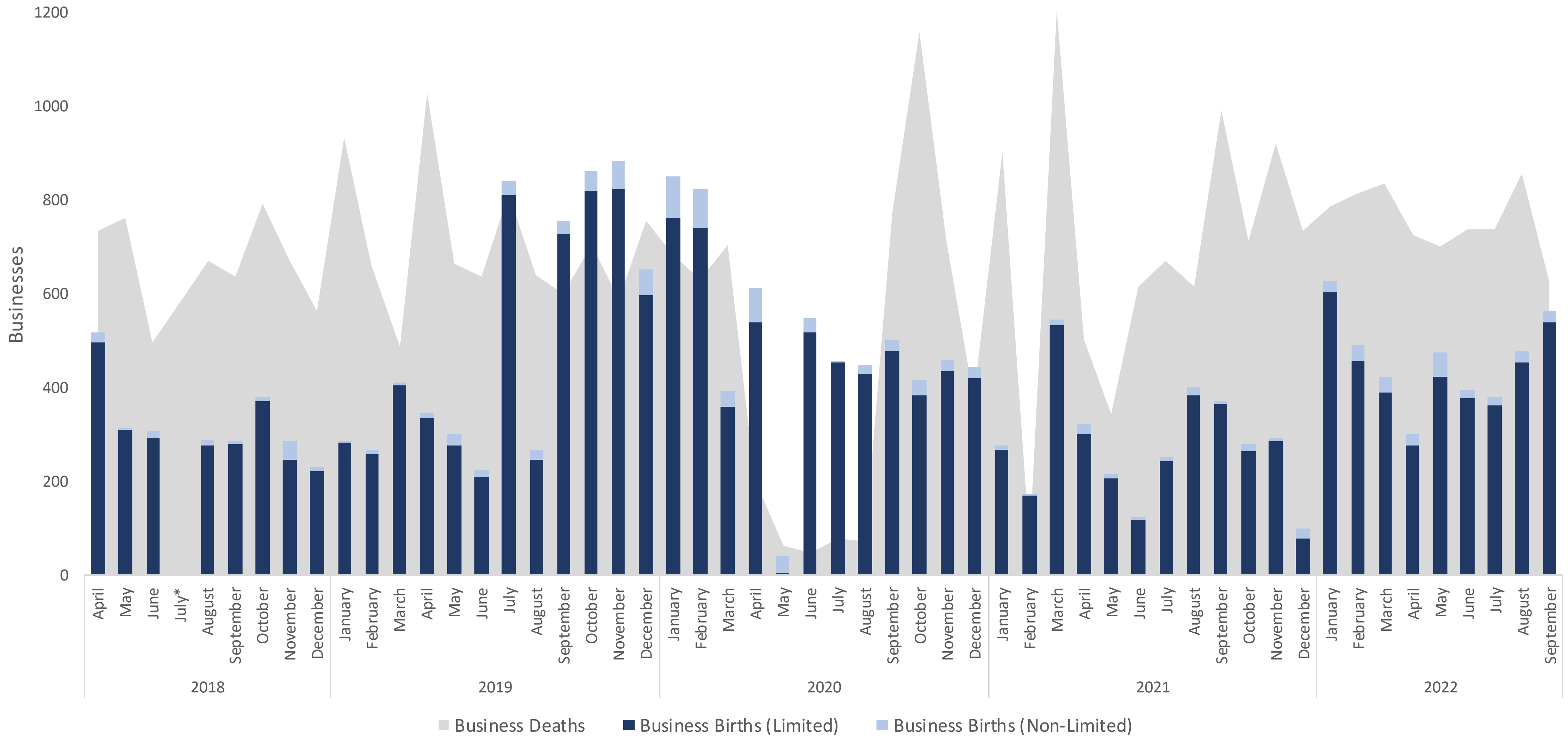


Source: Academy NDR live properties
Data released: 01/10/2022 Next Updated: 01/12/2022

Total Collection Rate 2022-23 (September):

56.38%

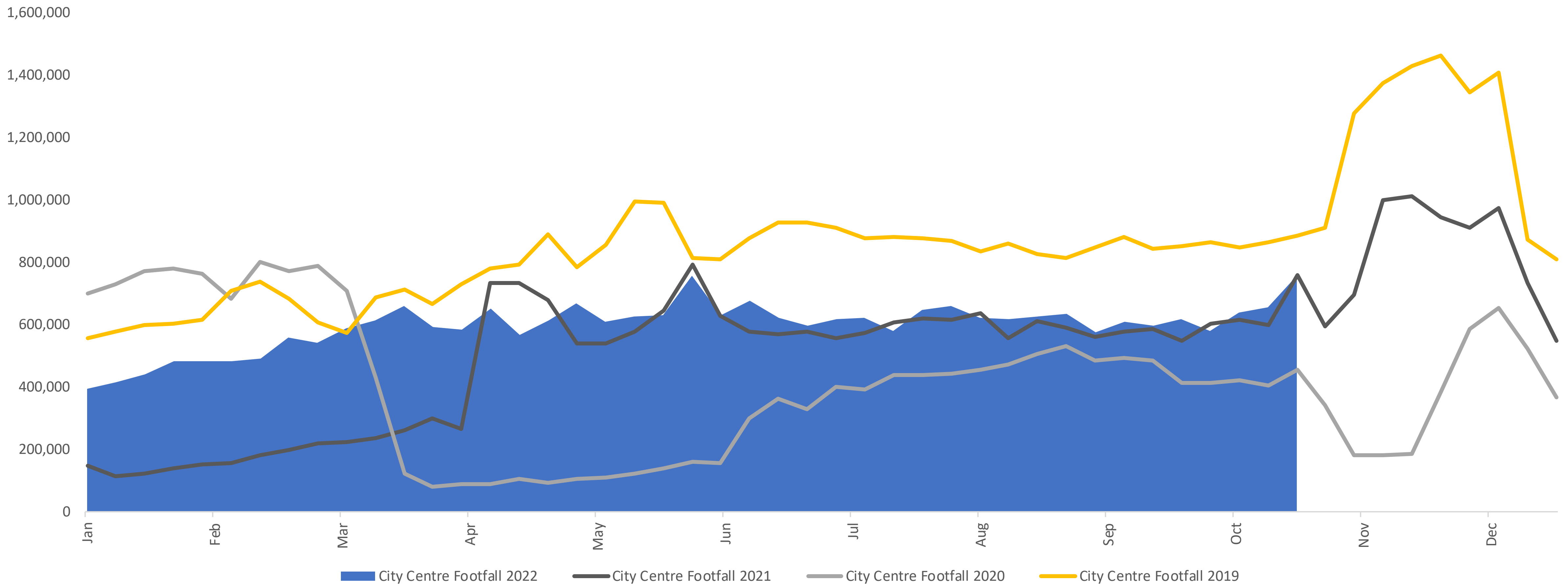
Business deaths in September 2022 have continued to exceed business births in Manchester; 628 deaths vs 563 births in September.



Source: Experian
Data released: 04/10/2022 Next Updated: 02/11/2022

*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

Footfall in the City Centre up to the fourth week of October 2022 was below where is had been compared to the same point in 2 021. The fourth week of October 2022 saw the highest recorded footfall in 22 weeks. Despite this significant rise footfall is still well below where it was at the same po int in 2019.



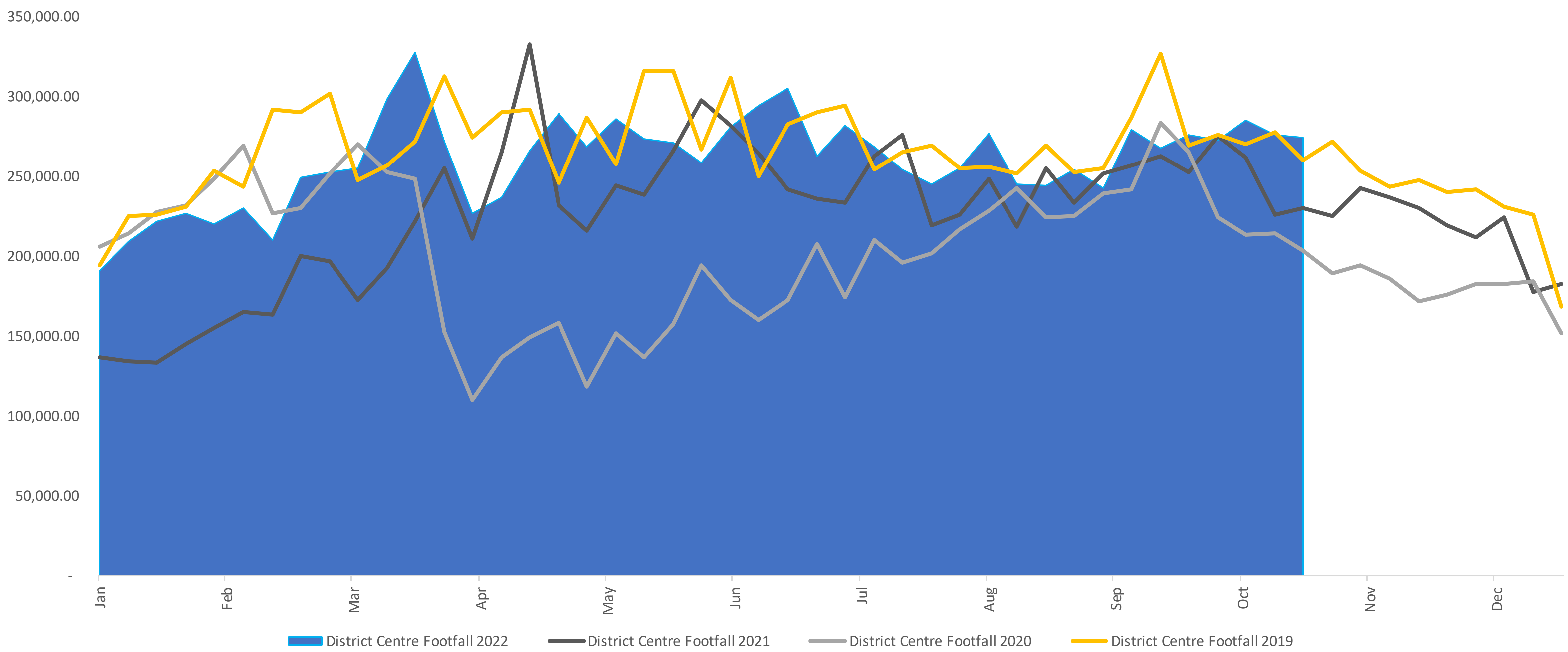
Source: Springboard /CityCo
Data released: 01/11/2022 Next Updated: 01/12/2022

City Centre* Footfall
(w/s 24th October):

Change v 2021	**Change v 2019**
-0.57%	**-14.54%**

* 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

District Centre up to the fourth week of October 2022 is above where it was at the same point in 2021, and slightly above the same point in 2019. The second week of October saw a high of 285,068 which is the highest district footfall recorded since the third week of June 2022.



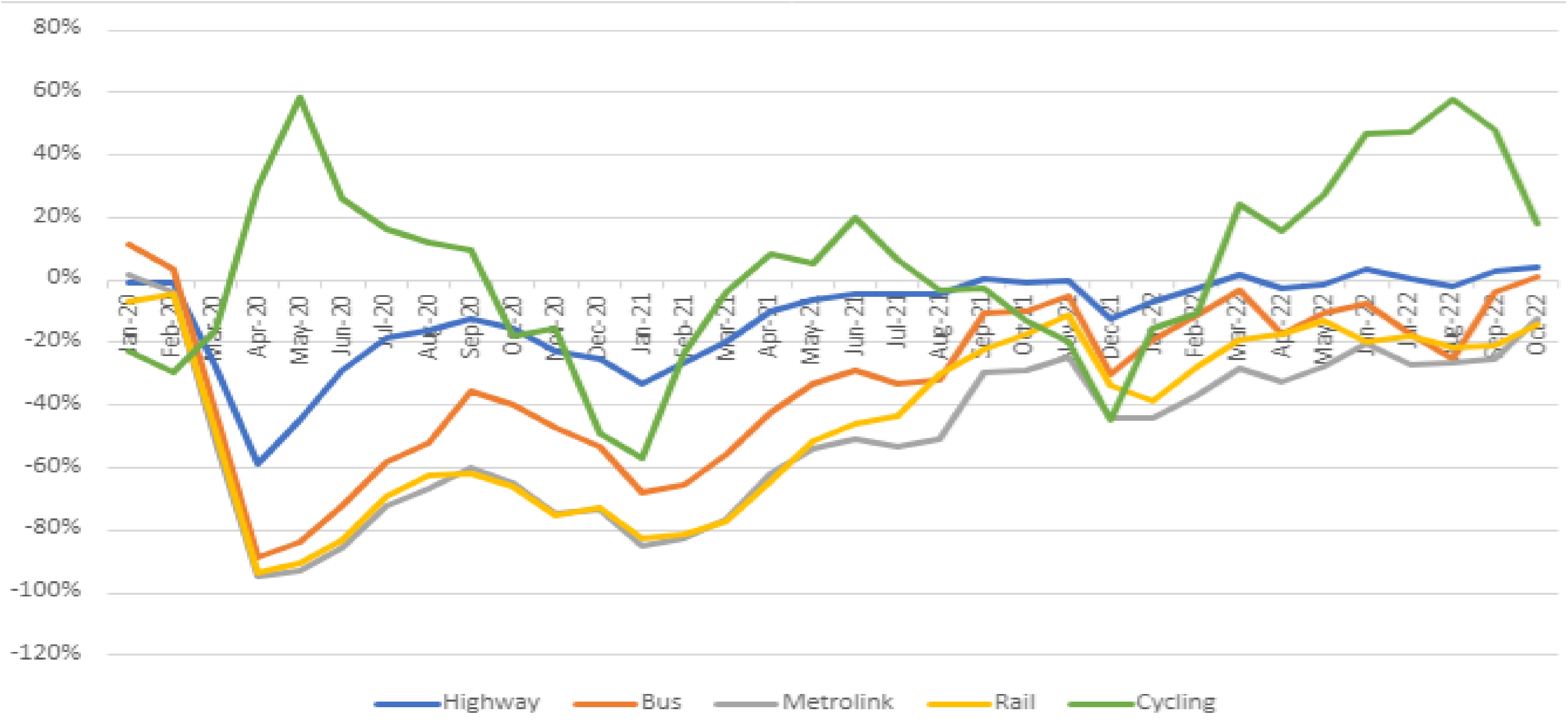
Source: Springboard /CityCo
Data released: 01/11/2022 Next Updated: 01/12/2022

District Centres Footfall**
(w/s 24th October):

Change v 2021	Change v 2019
19.19%	**5.57%**

* 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 increased across all forms of transport, except for cycling. The cycling monthly average usage in October was 18% higher than the baseline (2019), highways usage was 4% higher than the baseline (2019), rail usage was 14% lower, bus usage was 1% higher than the baseline and Metrolink was 12% lower than the baseline (2019).



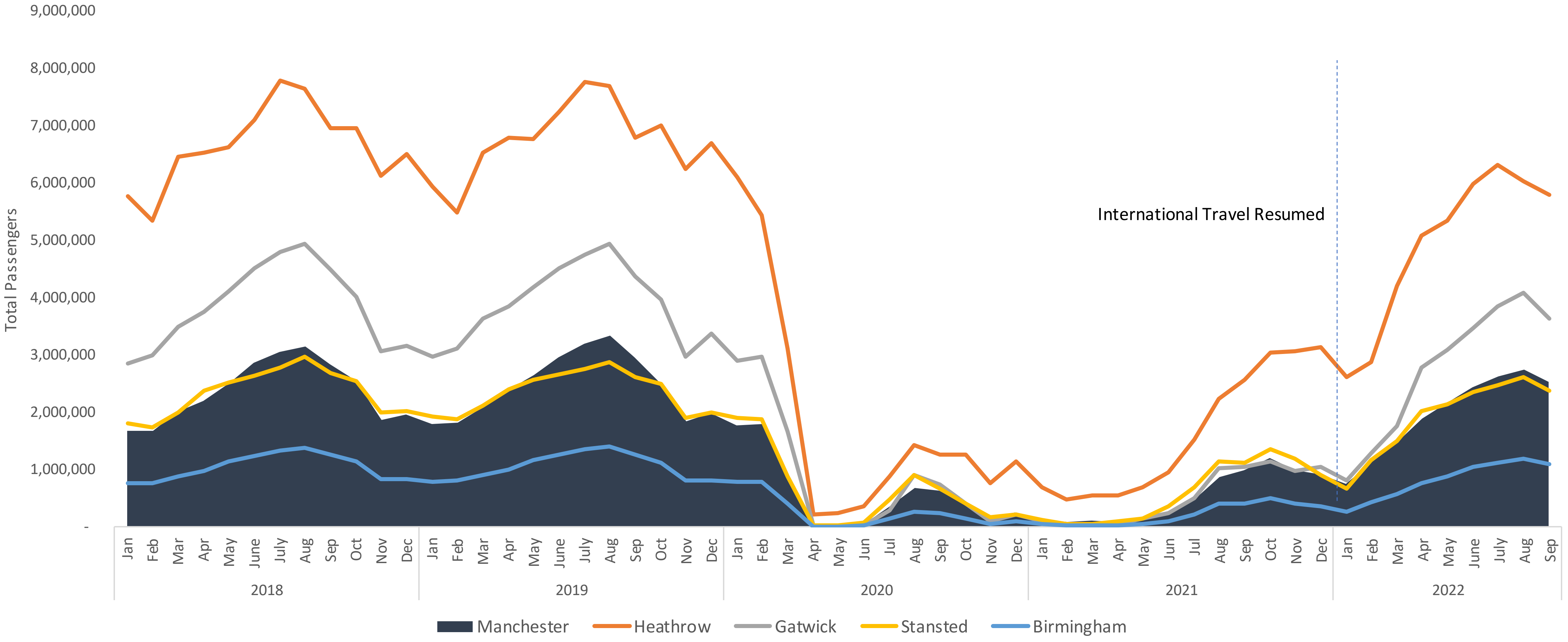
* Rail data from Manchester Piccadilly

Source: Transport for Greater Manchester
Data released: 04/10/2022 Next Updated: 02/11/2022

October Compared to Pre-Lockdown Baseline

Cycling	Highways	Bus	Metrolink	Rail
18%	**4%**	**1%**	**-12%**	**-14%**

Data for September 2022 shows the number of passengers declining at all major airports across England, however only Heathrow, with 4.3% decline, saw a smaller drop in passenger numbers than Manchester Airport. The reduction in airport passengers is a direct link between the end of the summer holidays and full time education returning.



Source: Civil Aviation Authority, UK Airport Data
Data released: Oct 2022 Next Updated: Nov 2022

Manchester Airport Passengers
(September)

2,523,947

Monthly Change
(August - September)

-7.6%