STUDENT NEED ASSESSMENT
COLLEGE VIEW, MOSS LANE EAST

Cheshire Homes Group

JANUARY 2025



CUSHMAN & WAKEFIELD

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INTRODUCTION

This Student Need Assessment has been prepared by Cushman & Wakefield on behalf of Cheshire Homes Group (“the Applicant”) in support of a full planning application for the demolition of the existing building on the Site and the construction of a new purpose-built student accommodation (“PBSA”) development at College View, 410 – 418 Moss Lane East, Manchester, M14 4PQ. The report considers the Manchester market environment, particularly the city’s demand-supply dynamics, now and in the future.

Manchester Student Accommodation Need

1	Site Location
2	Demand
3	Investment & Performance
4	Supply
5	Private Rented Sector
6	Development Pipeline
7	Demand & Supply



EXECUTIVE SUMMARY



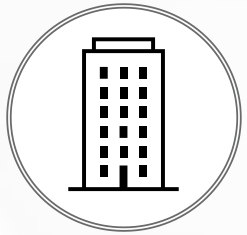
EXECUTIVE **SUMMARY**

Demand



Manchester is the UK's fourth largest student market (by full-time students). The University of Manchester is the UK's largest single institution and attracted 42,260 full-time students in 2021/22, a 14% increase since 2016/17. Growth is being driven by the University's international population, which has increased by 34% over the last five years. Manchester Metropolitan University (MMU) has enjoyed positive growth of 13% over the past five years. The University has performed well in its recruitment of postgraduate students, which have seen strong growth of 49% over the same period. The city's two key institutions are complemented by smaller and specialist institutions, including the Royal Northern College of Music and the growing University Campus of Football Business (UCFB).

Supply



In 2024/25 there are 26,445 purpose-built student accommodation bed spaces available to students in Manchester. The market is currently characterised by a legacy of older bed spaces due to limited development over the last decade. Over the last 10 years, the City has seen the second fewest number of new deliveries of any major market, and the lowest net increase in beds of any major market. Consequently, Manchester is home to a significantly larger percentage of standard, shared bathroom bed spaces than the national average, and a considerably lower percentage of modern en-suite rooms. However, a growing development pipeline is set to increase both the quantity and quality of accommodation available to students.

Development Pipeline



The development pipeline currently stands at 11,705 (gross) beds with 7,035 beds approved (60%) - a small number for a market of this size. Over 3,000 beds form part of the University of Manchester's plans to redevelop the Fallowfield campus, representing a net increase of 1,990-2,025 beds (the outline planning application has been submitted and the number of beds highlighted in the table is subject to change, the mothballing of Owens Park is accounted for in the net increase).

EXECUTIVE **SUMMARY**

Student to Bed Ratio



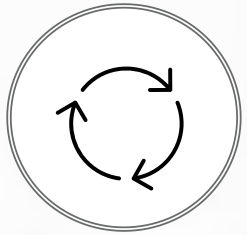
The City-wide student to bed ratio (SBR) stands at 2.07:1, meaning that 28,280 students with a requirement for a bed are currently unable to access one in PBSA. Cushman & Wakefield's scenario modelling shows that without significant additional development, more students will be forced into the private housing market as demand for accommodation continues to grow. Even under the most pessimistic growth scenario, and with 75% of all identified potential bed spaces in the city delivered (pipeline and potential sites), the number of students unable to access PBSA is set to grow. Under the considered "Middle Ground" scenario and that in which the demand pool continues to grow in line with historic trends, the number of students unable to access PBSA will also grow.

Location



The proposed development is located at 410-418 Moss Lane East, Manchester. The site is to the south of the University of Manchester's main campus, in a well-established student residential area. The location is likely to have significant appeal to students, as it sits minutes from numerous bars, restaurants, parks, and shops, including Whitworth park. There is strong demand for PBSA within the area, with its easy commutable proximity to both the City Centre and the university campuses, as well as frequent public transport links and pedestrian/cycle activity to the city and beyond.

Proposed Development



Demolition of 410-418 Moss Lane East and erection of part five, part three storey building for use as Purpose Built Student Accommodation ("PBSA"), associated landscaping, servicing, cycle parking and other associated works.

The proposed development will deliver a total of 132 studio apartments, consisting of 126 studios and 6 accessible studios (95%/5% split). The development will be car free except for 2 disabled parking bays. There will also be 40 cycle parking spaces available to residents.

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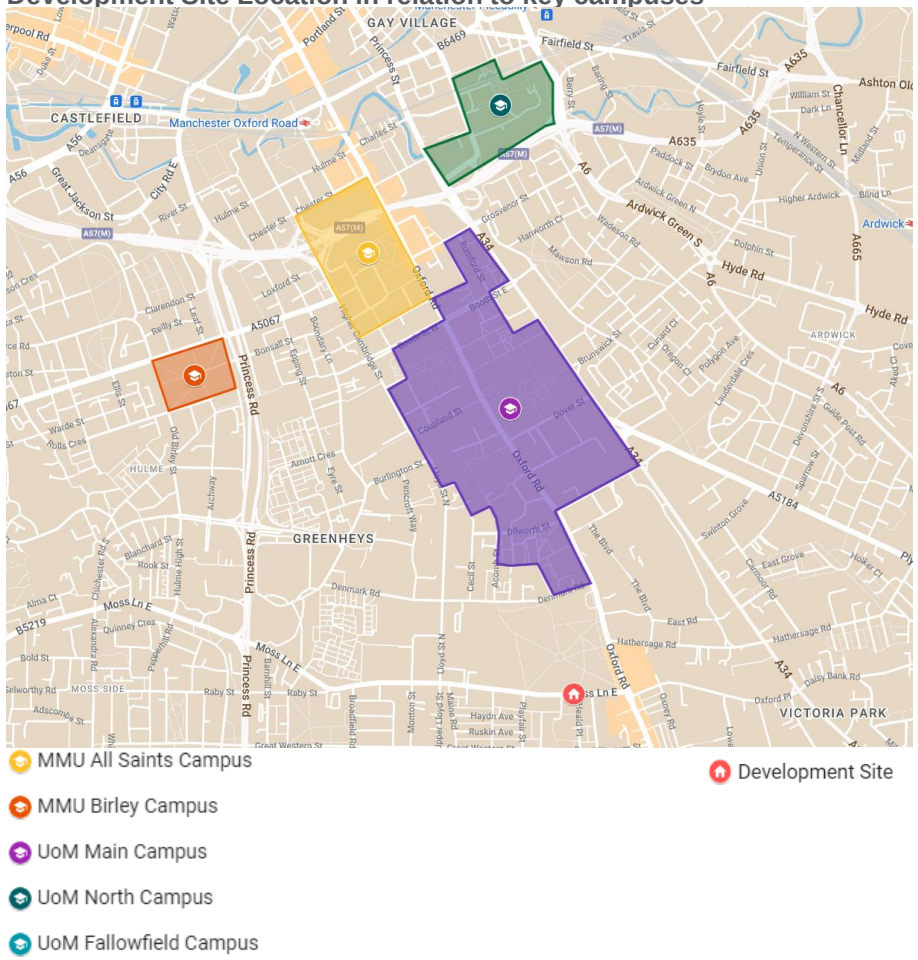
SITE LOCATION

LOCATION & AREA CHARACTERISTICS



SITE LOCATION

Development Site Location in relation to key campuses



The map adjacent highlights the location of the proposed development site in the context of the wider Manchester campus environment. The The proposed development is located at 410-418 Moss Lane East, to the south of the University of Manchester's main campus in an established student area.

As highlighted in the map, the site is more well-located for the University of Manchester's main campus, however, is well-suited for attendance at either institution.

The location is likely to have significant appeal to students, as it sits minutes from numerous bars, restaurants, parks, and shops, including Whitworth park. There is strong demand for PBSA within the area, with its easy commutable proximity to both the City Centre and the university campuses, as well as frequent public transport links and pedestrian/cycle activity to the city and beyond.

Source: Google Maps adapted by Cushman & Wakefield

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Manchester is a globally significant university city with multiple student-friendly amenities throughout the City Centre and these are considered below. The University of Manchester’s main campus is located a 7-minute walk away, whilst Manchester Metropolitan University’s All Saints Campus is located within a 25-minute walk of the site. The commute to MMU can be shortened to 6 minutes by travelling by bicycle. Manchester Piccadilly and Oxford Road railway stations are both accessible offering onward travel to London and Edinburgh (and the rest of the UK). The amenities of the City Centre and the Arndale Shopping Centre (and other City Centre amenities) are also accessible within 35 and 25 minutes on by bus, respectively.

Proposed Development



Source: Todd Architects

Travel Times to Key Amenities

Amenity	Travel time (mins)	Method
MMU All Saints Campus	25/6	Walking / Bike
UoM North Main Campus	38/11	Walking / Bike
Oxford Road Railway station	19/8	Bus / Bike
Manchester Piccadilly Railway station	28/13	Bus/ Bike
Arndale Shopping Centre	26/12	Bus / Bike
City Centre	35/16	Bus / Bus
UoM Main Campus	7/2	Walking/ Bike
Fallowfield Campus	28/15	Walking / Bus

Source: Cushman & Wakefield

02

DEMAND
MANCHESTER ANALYSIS



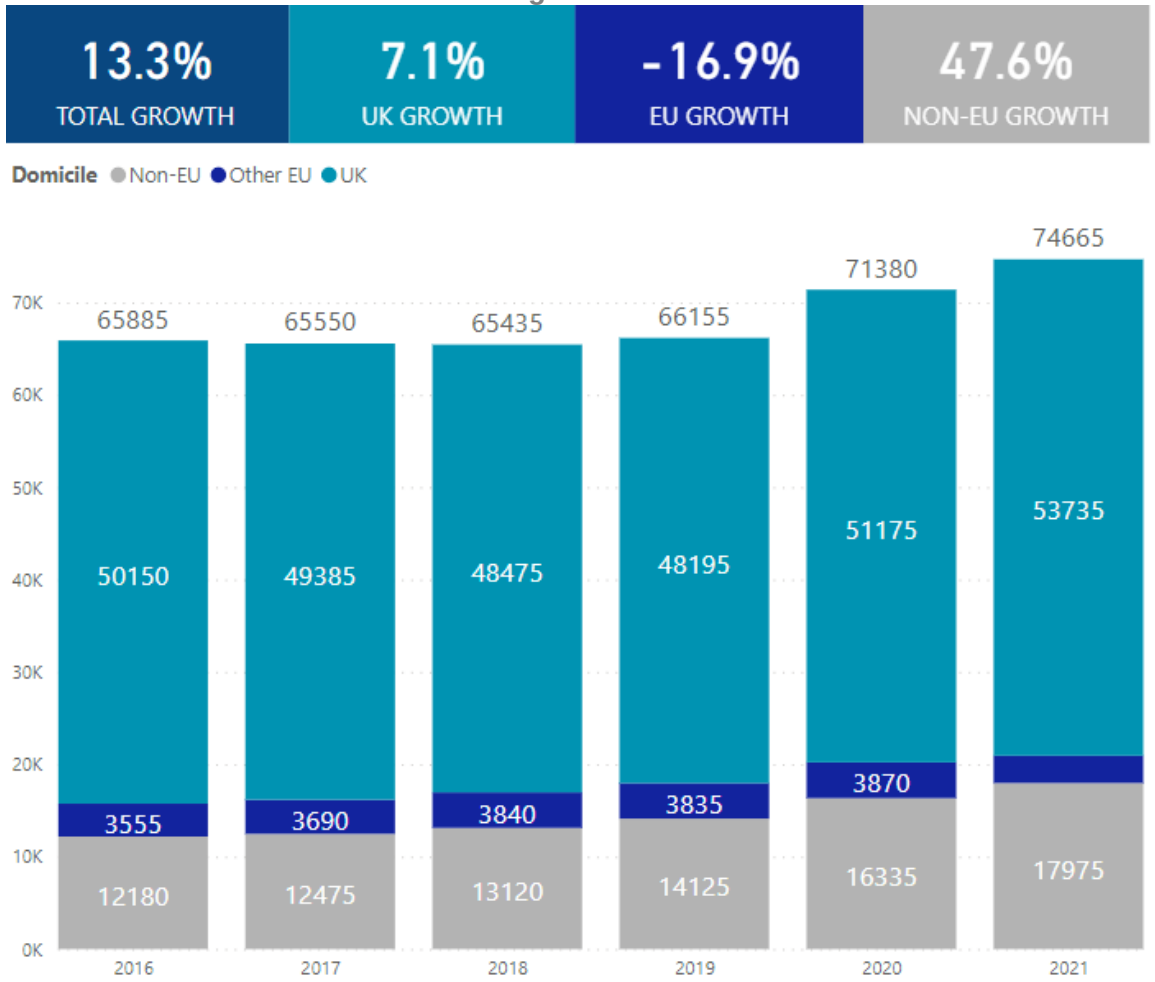
OVERVIEW

Manchester is the UK's fourth largest student market by full-time population after London, Birmingham and Glasgow and was home to 74,665 full-time students in 2021/22 across its three main institutions: The University of Manchester, Manchester Metropolitan University and the Royal Northern College of Music. 100s more students are studying on a full-time basis at the University Campus of Football Business, as well as 395 full-time students University Academy 92 (UA92) Limited, and other smaller institutions such as the BIMM Music Institute.

Student number growth across the city has been significant over recent years, with full-time students growing by 13.3% between 2016/17 and 2021/22. Much growth has come from the non-EU international student population, which has grown by a significant 47.6% over the same period.

There were 8,780 more full-time students studying at the three main Manchester institutions in 2021/22 than was the case in 2016/17. The University of Manchester and Manchester Metropolitan University are explored in more detail overleaf.

Manchester full-time student number growth over time

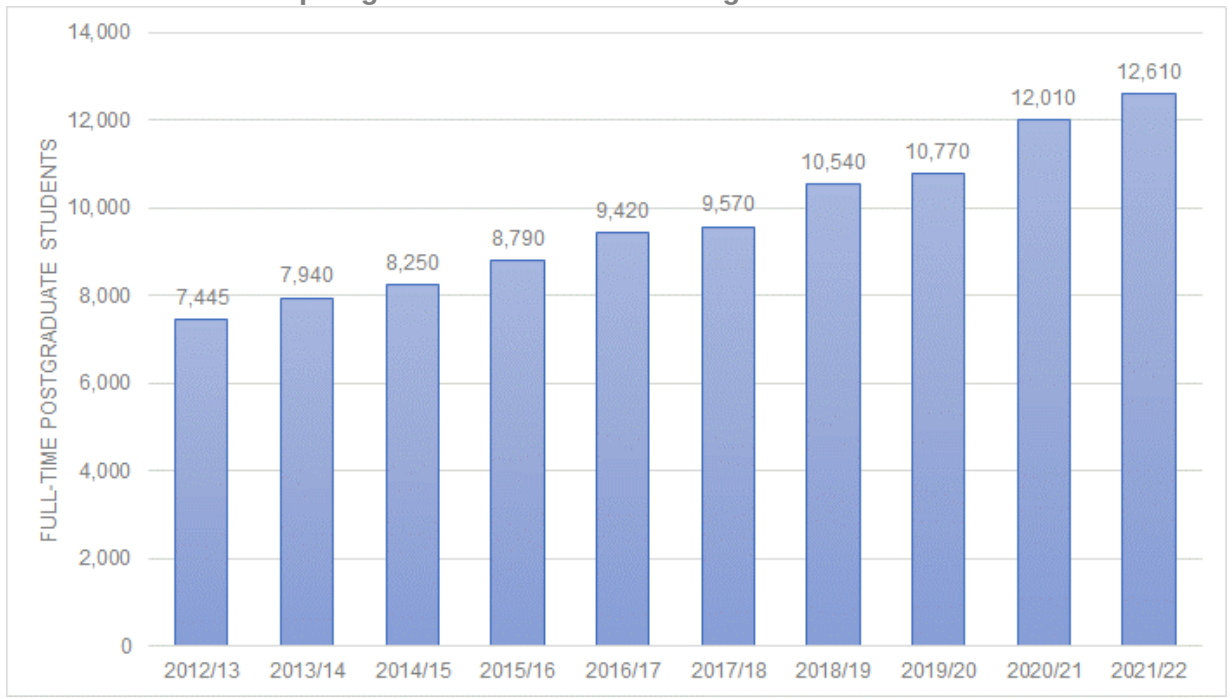


Source: HESA 2016/17 to 2021/22

POSTGRADUATE STUDENTS

The chart below details the number of postgraduate students studying in Manchester from 2012/13 to 2021/22. The postgraduate student population has almost doubled since 2012/13, increasing by 5,165 students. In 2021/22, the overall full-time postgraduate population in Manchester totals 12,610 students – a figure which has increased by 17% in just two years.

Manchester full-time postgraduate student number growth over time



Source: HESA 2016/17 to 2021/22

UNIVERSITY OF MANCHESTER

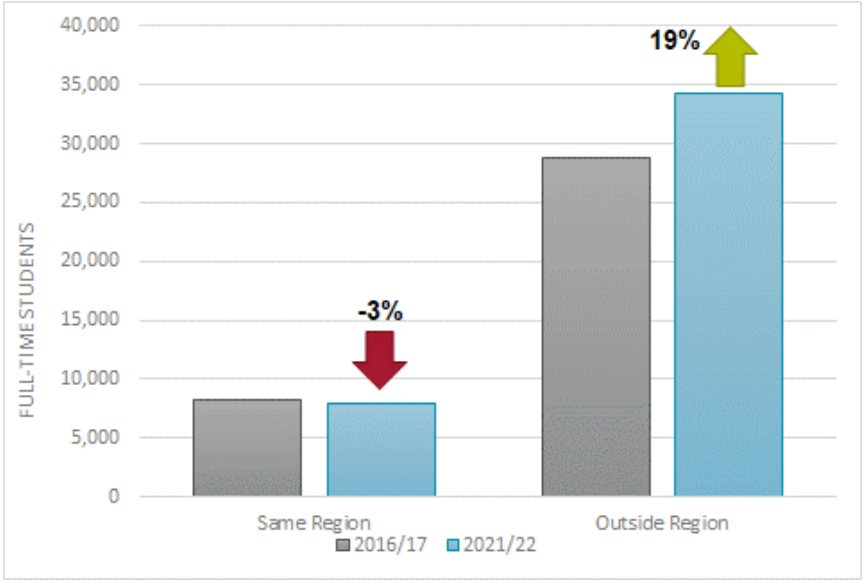
The University of Manchester has grown student numbers gradually since 2016/17, at an overall 14% increase in the student population. Whilst growth has been steady, it has been below the nationally observed average across all levels of study. The largest increase in student numbers comes from the postgraduate population, which has grown by 24% across the five year period. For 2021/22, the University of Manchester attracted a total of 42,260 students, making it the largest single institution in the UK. The postgraduate population accounts for 27% of the student body, slightly above the nationally observed average of 24%.

Full-time student number growth 2016/17 to 2021/22

Level of Study	2021/22			2016/17			Manchester Uni	UK
FT &SW	Student numbers	%	UK Comparator (%)	Student numbers	%	UK Comparator (%)	Growth 2016/17 to 2021/22	Growth 2016/17 to 2021/22
UG	30,735	73%	76%	27,590	75%	82%	11%	12%
PG	11,530	27%	24%	9,320	25%	18%	24%	60%
Total	42,260	100%	100%	36,910	100%	100%	14%	21%

Source: HESA 2016/17-2021/22

Student domicile 2016/17 to 2021/22



Source: HESA 2016/17-2021/22

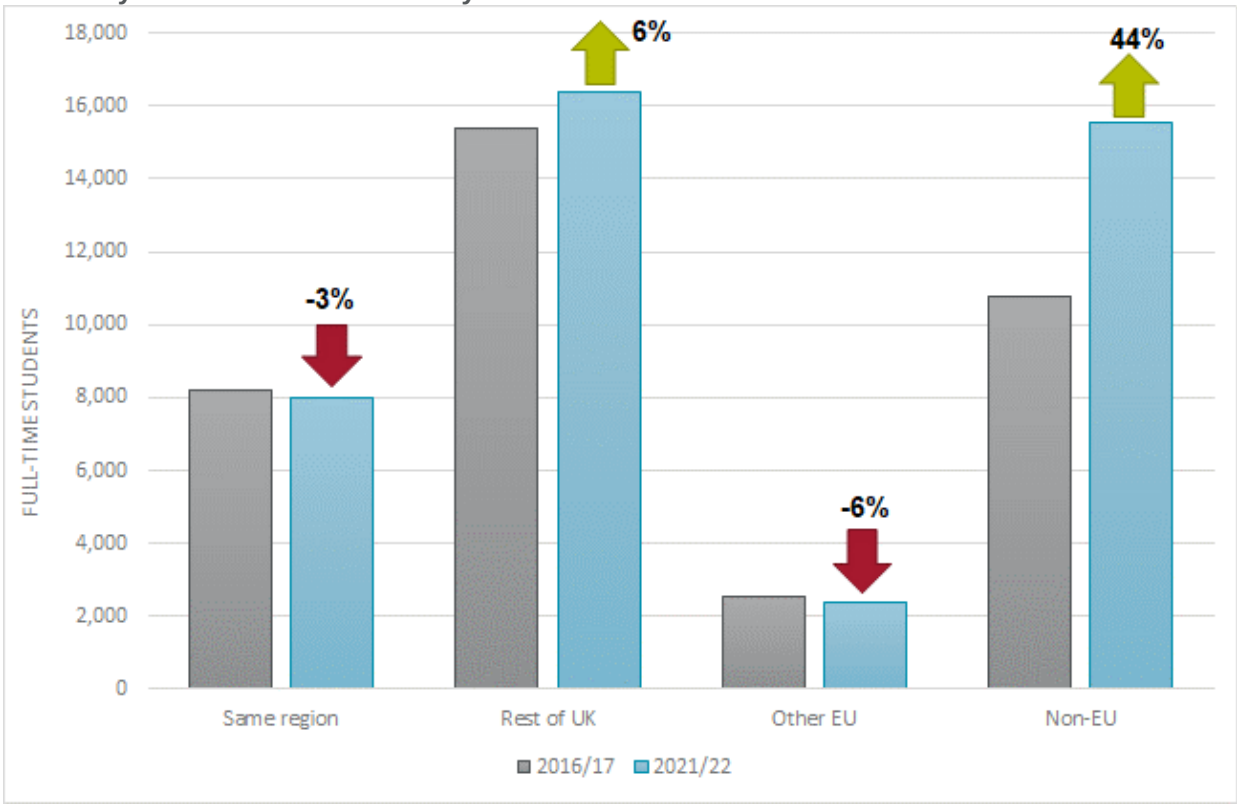
The University of Manchester has seen strong growth in students domiciled outside of the region at 19% since 2016/17 (+5,555). This is testament to the institution's reputation as a global research, international University and a member of the prestigious Russell Group. Conversely, students from the region have fallen by 3% since 2016/17, equivalent to 205 less students. Regional students account for 19% of the student body, a significantly smaller percentage when compared to the UK average of 37%.

UNIVERSITY OF MANCHESTER

The largest growth at the University of Manchester over the last five years has come from students outside of the EU, as this cohort has grown by 44%. This increase in students equates to 4,740 students, bringing the total non-EU population to 15,525 for 2021/22. Students from other EU countries and regional students have fallen by 6% and 3%, respectively. As students from other EU countries accounts for a smaller percentage of the student body, this equates to a small loss of 155 students. Students from the same region have fallen by 205 students. Students from the rest of the UK have grown by 6%, equivalent to an increase of 970 students.

These trends are extremely positive in terms of growing demand for student accommodation which is explored in more detail later in this Assessment.

University of Manchester students by domicile 2016/17 to 2021/22



Source: HESA 2016/17 to 2021/22

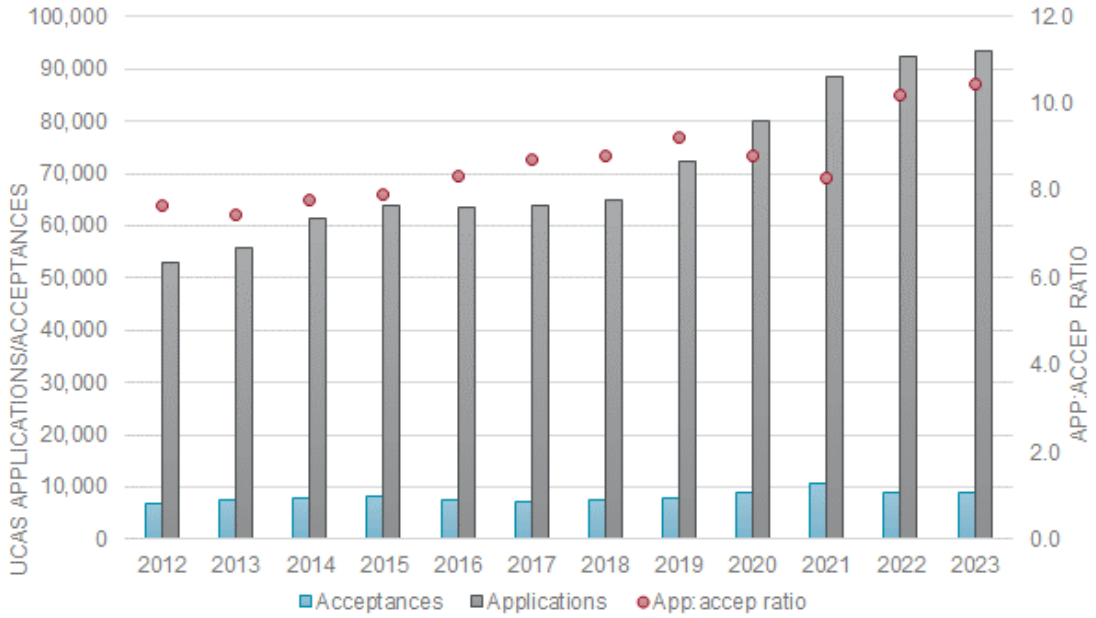
UNIVERSITY OF MANCHESTER

In 2023, the University of Manchester received a total of 93,450 applications. Since 2016, applications have been gradually increasing and grew by a total of 29,880 students by 2023. Following the increase in tuition fees in 2012, unlike many UK institutions, the University of Manchester did not struggle to maintain student numbers as applications increased by 6% in a single year from 2012 to 2013. The number of applications is indicative of huge and growing demand for places at the University.

In 2023, acceptances stood at 8,955 students, a 16% fall since 2021 where the number of acceptances was 10,655. This is in line with the Russell Group trend to reduce undergraduate intakes in the post-COVID environment. The applications to acceptances ratio at the institution has consistently been significantly above the nationally observed UK average, and for 2023 stands at 10.4:1, much higher than the UK average of 7.2:1 for the same year. Between 2021 and 2023, the institution has accepted a small percentage of students through non-main scheme acceptance routes, a 6% on average.

It should be noted that the applications and acceptances outlined above are representative of those who have applied through the UCAS system only – i.e. undergraduate students, and excludes the significant and growing postgraduate population.

Undergraduate applications and acceptances over time (2012-2023)



Source: UCAS 2012-2023

MANCHESTER METROPOLITAN UNIVERSITY

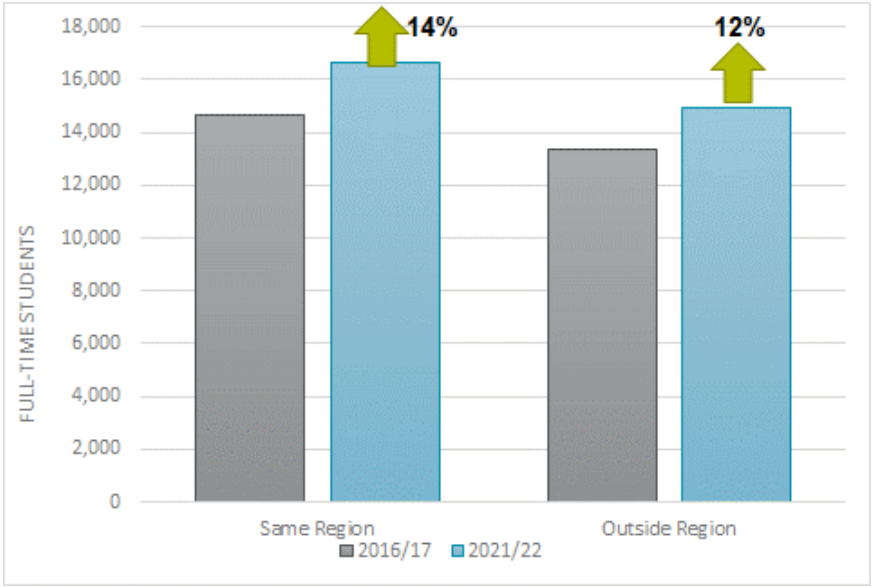
Whilst student numbers at Manchester Metropolitan University have grown since 2016/17, this growth has been at a slower rate than the nationally observed UK average. For 2021/22, overall student numbers at the institution total 31,555, a 13% increase since 2016/17. A huge amount of this growth has come from postgraduates, as this cohort increased by 49%, equating to 1,465 students over the five year period examined. Undergraduate growth has been steady at 8%, and despite this growth being below that of the UK average, this cohort accounts for 86% of the student body, a figure 10% above the nationally observed UK average.

Full-time student number growth 2016/17 to 2021/22

Level of Study	2021/22			2016/17			Manchester Met	UK
FT &SW	Student numbers	%	UK Comparator (%)	Student numbers	%	UK Comparator (%)	Growth 2016/17 to 2021/22	Growth 2016/17 to 2021/22
UG	27,075	86%	76%	25,020	89%	82%	8%	12%
PG	4,475	14%	24%	3,010	11%	18%	49%	60%
Total	31,555	100%	100%	28,025	100%	100%	13%	21%

Source: HESA 2016/17-2021/22

Student domicile 2016/17 to 2021/22



Source: HESA 2016/17-2021/22

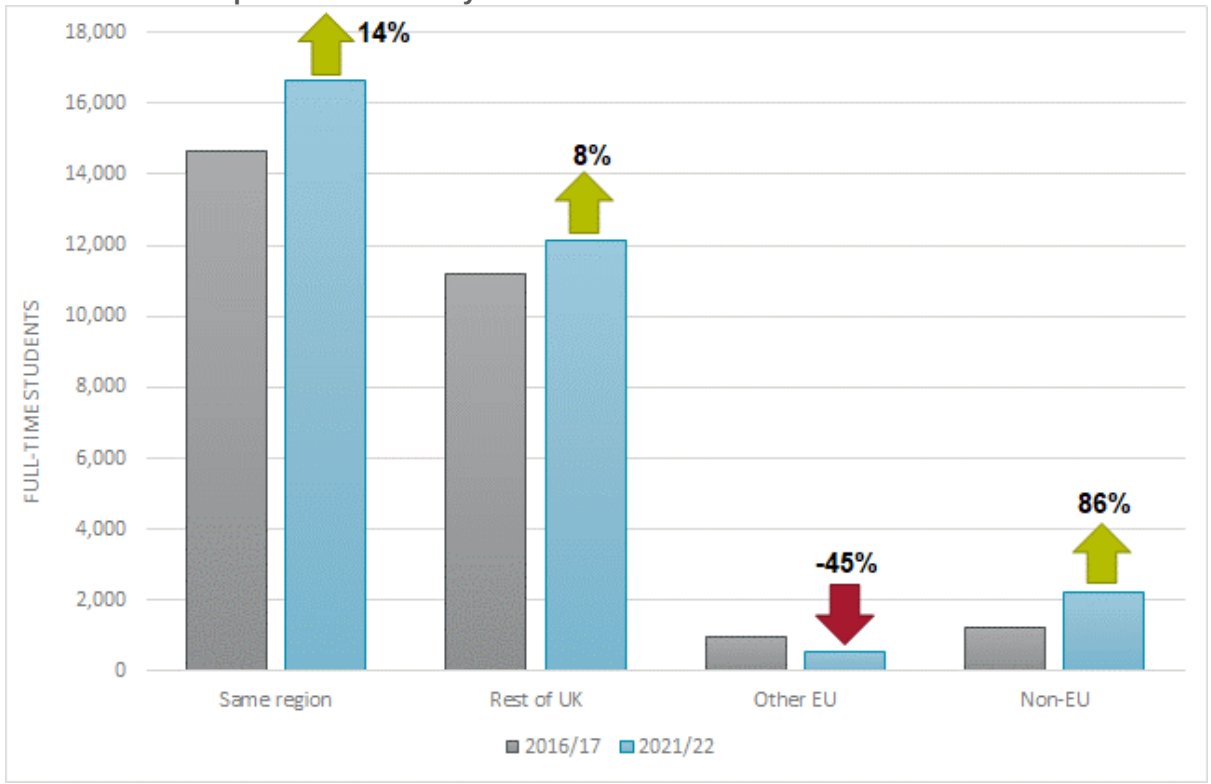
Students from both outside the region and from within the North West have grown steadily since 2016/17, with the largest increase being from regional students at 14%.

Students from outside of the region have increased by 12% across the past five years – a total of 1,545 students. The majority of this growth comes from non-EU students which have increased by 88% since 2016/17, equating to 1,035 students.

MANCHESTER METROPOLITAN UNIVERSITY

Manchester Metropolitan University has increased student numbers in all domiciles except for students from other EU countries. This cohort has fallen by 45% albeit from a smaller base of 430 students since 2016/17. Despite this, the growth in students from outside of the EU has been strong at 86% or 1,035 students. Behind non-EU growth are regional students, which have increased by 14%, totalling 1,980 students. Finally, students from the rest of the UK have increased by 8% and now account for 12,150 students for 2021/22.

Manchester Metropolitan students by domicile 2016/17 to 2021/22



Source: HESA 2016/17 to 2021/22

MANCHESTER METROPOLITAN UNIVERSITY

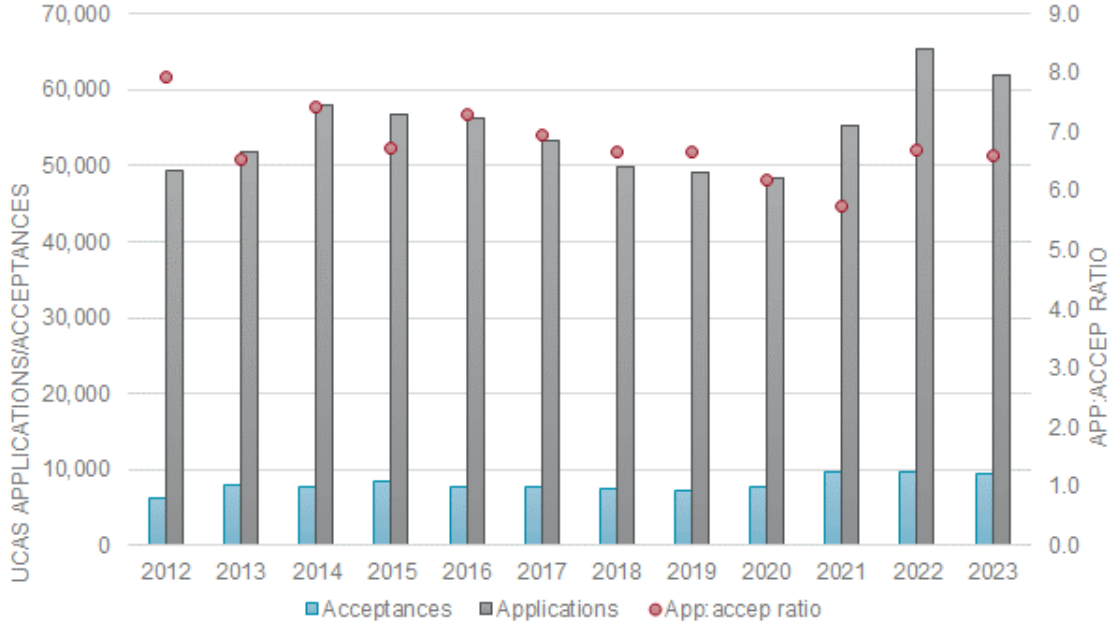
Manchester Metropolitan University received a total of 62,025 applications in 2023. Historically, 2022 was the largest single year increase in applications that the institution had ever seen, increasing by 18% or 10,055 students which, as with the University of Manchester, is indicative of the huge demand for places at MMU. While applications have decreased by 5% (-3,260) in 2023, the overall number of applications remains the second largest on record, with many post-92 institutions also observing a decline in applications this year.

Similarly to the University of Manchester, Manchester Metropolitan University continued to increase the number of applicants following the rise of tuition fees in 2012. From 2012 up until 2014, applications were up by 17%, or 8,525 students.

Acceptances for 2023 totalled 9,395 students, a figure which has increased by 21% since 2020, aligning with the large increase in applications. The applications to acceptances ratio at Manchester Metropolitan has consistently been relatively in line with the nationally observed UK averages, and for 2023 stands at 6.6:1

Again, it should be noted that the applications and acceptances outlined above are representative of those who have applied through the UCAS system only and exclude the large number of postgraduate students now studying at the University.

Undergraduate applications and acceptances over time (2012-2023)



Source: UCAS 2012-2023

03

UNIVERSITIES
INVESTMENT & PERFORMANCE



UNIVERSITY OF MANCHESTER

The following section outlines key University investments which are increasing overall capacity for teaching and research. The Manchester Engineering Campus is the largest single campus investment in Europe.



Manchester Engineering Campus

Completed in 2021, the Manchester engineering campus development (MECD) is a £400+ million investment which houses the faculty of engineering at the University of Manchester. It is now home to almost 7,000 students and 1,300 staff and has a variety of flexible teaching and learning spaces.



Henry Royce Institute Hub

Opened in 2020, the Manchester hub for the Henry Royce Institute, the national body promoting research and applications in advanced materials. The building is a prominent new landmark on the Manchester skyline at 46 meters high.

The Manchester building enables a wide array of ground-breaking research to be undertaken including investigations into biomedical materials which are at the cutting-edge of regenerative medicine and prosthetics and nuclear materials to support the energy sector.



Innovation District

This 50/50 joint venture between the University of Manchester and Bruntwood SciTec will create a £1.5 billion innovation district, which will be home to a global community that will play a vital role in the future of the UK science and technology sector, with the potential to create over 10,000 new jobs in the 10-15 years.

Place design and placemaking will be central to the development of ID Manchester, which when complete will provide over 4 million square feet of new commercial workspace. Public consultation on a draft SRF ended in September 2023.

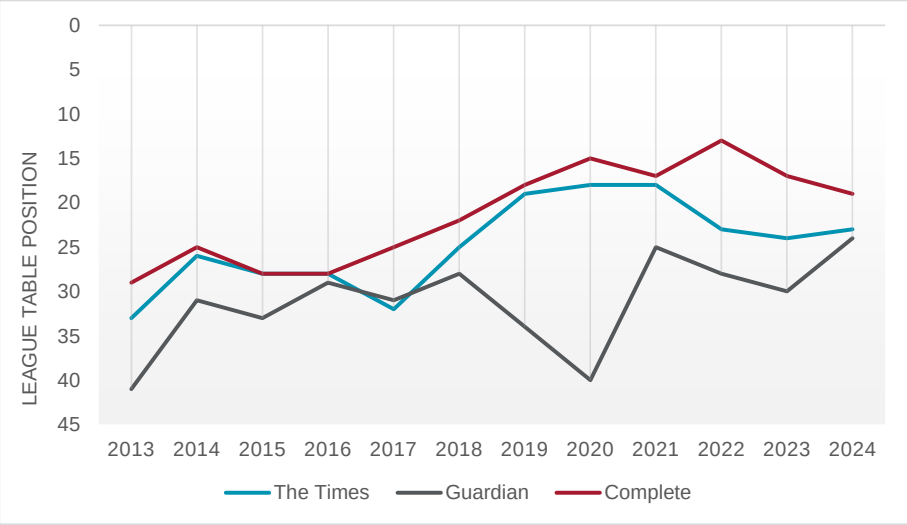
Source: University of Manchester

LEAGUE TABLE PERFORMANCE

The University of Manchester has been consistently ranked in the top 40 UK institutions over the last decade in all three major UK national league tables. In 2024, the University was ranked at a high of 19th place by The Complete University Guide, followed by 23rd place by The Times and 24th place by The Guardian.

The institution was ranked in 8th place in the 2021 Research Excellence Framework, up nine places since the 2014 edition, with 93% of all research classed as world-leading or internationally excellent. The University also received a Silver award in the 2017 Teaching Excellence Framework (TEF). These trends are positive in terms of future postgraduate appeal and recruitment.

National League Table Performance 2013-2024



Source: The Guardian, The Complete University Guide, The Times 2013-2024

MANCHESTER METROPOLITAN UNIVERSITY

The following section outlines key University investments which, as with the University of Manchester, are increasing overall capacity for teaching and research.



Arts & Humanities Building

Completed in 2020, the new flagship Arts & Humanities building offers 12,500sqm of space, and provides an inspirational venue on the Oxford Road corridor for high-quality teaching by award-winning writers, artists and journalists, and further link MMU to the wider city through shared cultural projects.



New Science and Engineering Campus

The University has outlined plans to demolish the John Dalton buildings and replace them with a new-build science and engineering campus. The 1970's built 33,000 sq. ft John Dalton West building and the larger 135,000 sq. ft John Dalton East buildings sit together North of the MMU Campus. The University has now set out its plans for a £65m redevelopment of the site, which will see both buildings demolished and replaced with a new-build home for the faculty. The build is set to contain a range of flexible and adaptable state of the art amenities that respond to both modern teaching and research needs.



School of Digital Arts

Opened in 2021, Fielden Clegg Bradley Studios' £35 million digital arts building at MMU features a 22m-tall vertical LED light wall. The development also includes a five-storey building at MMU's All Saints Campus. The 5,600 sqm building provides a new home for the School of Digital Arts (SODA), the facility has been designed to support Greater Manchester's creative and digital industries and create a 'digital skills powerhouse' in the city.

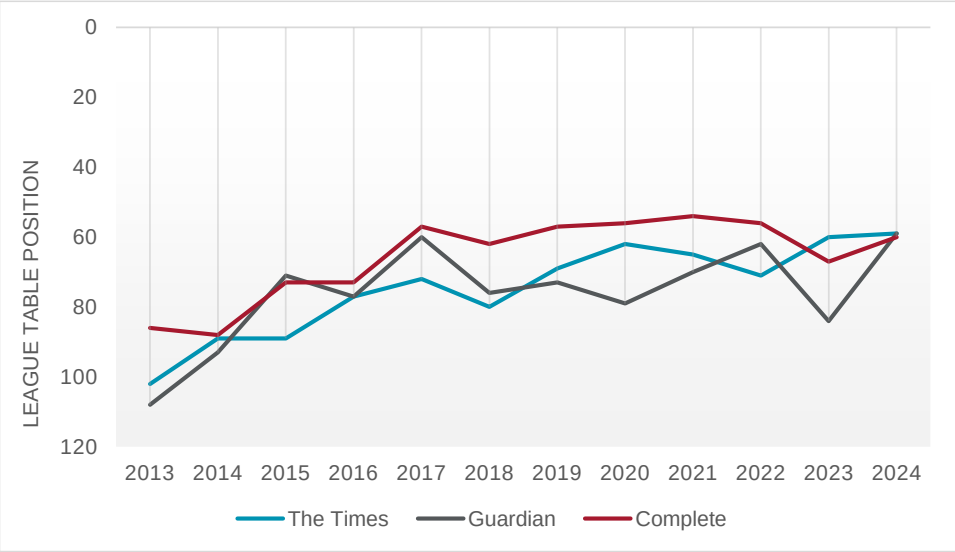
Source: Manchester Metropolitan University

LEAGUE TABLE PERFORMANCE

In 2024 Manchester Metropolitan University (MMU) was ranked in 59th place by both the Times and The Guardian and in 60th place by The Complete University Guide. The University's gradual rise in the main league tables is positive in terms of its appeal and is reflected in recent applications to study at MMU.

MMU was ranked in 51st place in the Research Excellence Framework (REF) 2021, up 15 places snice the 2014 exercise. The University was also awarded Gold in the Teaching Excellence Framework (TEF) 2023, upgrading from Silver attained in 2017.

National League Table Performance 2013-2024



Source: The Guardian, The Complete University Guide, The Times 2013-2024

04

SUPPLY

STUDENT ACCOMMODATION IN MANCHESTER

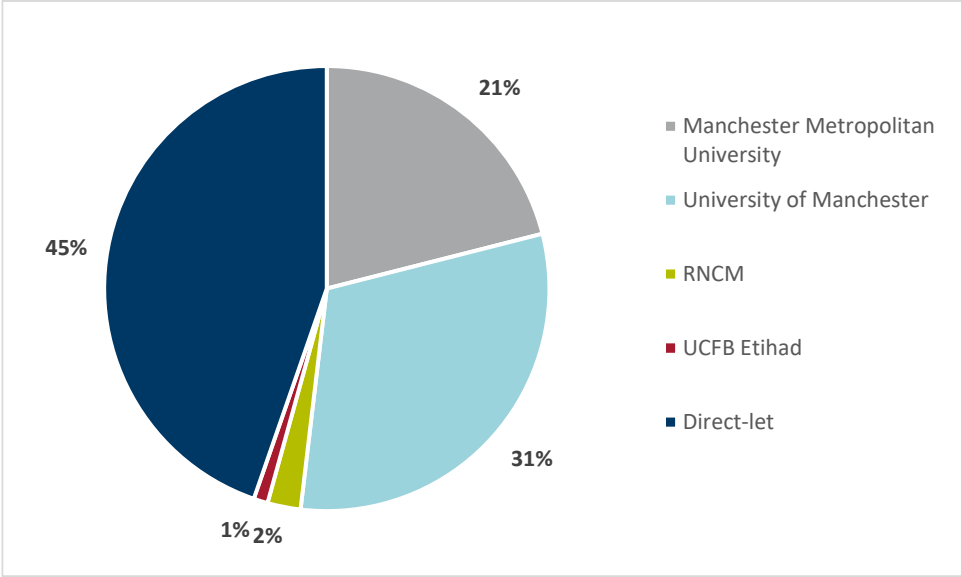


SUPPLY OVERVIEW

In 2024/25, there are 26,445 purpose-built student accommodation bed spaces available to students in the City of Manchester, making it the fourth largest student accommodation market in the UK. Direct let beds make up the largest offering in Manchester (11,956), followed by beds offered by the University of Manchester (8,255), Manchester Metropolitan University (5,629).

Just over 3,825 new bed spaces have been delivered to the market since 2019 (examined in more detail later in this section), including the 1,184 bed University of Manchester Fallowfield Campus schemes, MMU's 492 bed Archway development, the Canvas Student-operated River Street development (792 beds), Vita Circle Square (384 beds), Unite's Artisan Heights (603 beds, partially nominated by MMU), and Mansion Students' Mansion Point (206 beds). However, over this period a large number of beds have also left the market, including the University of Manchester's 1,075 bed Owens Park development.

Manchester Stock Profile 2024/25

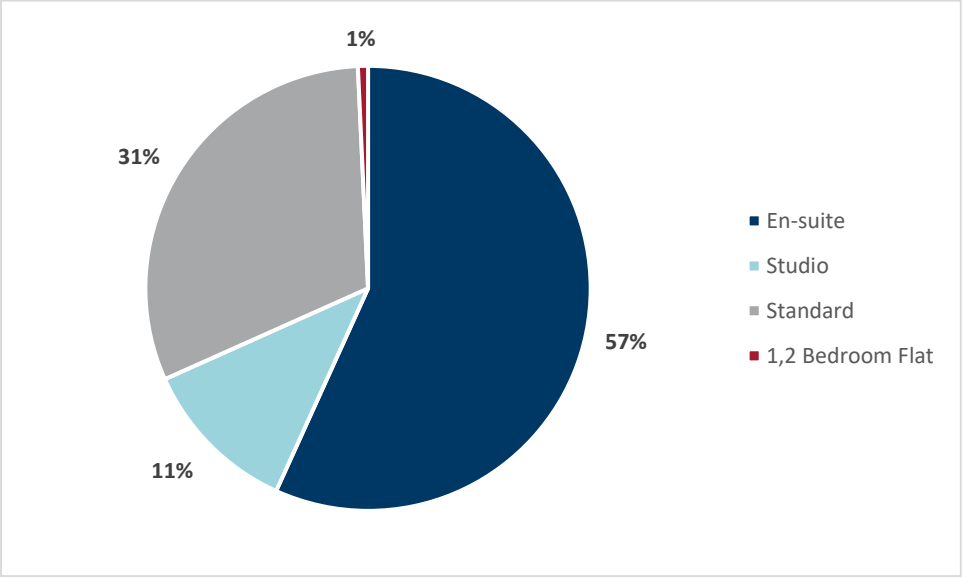


Source: Cushman & Wakefield Student Accommodation Tracker 2024

SUPPLY OVERVIEW

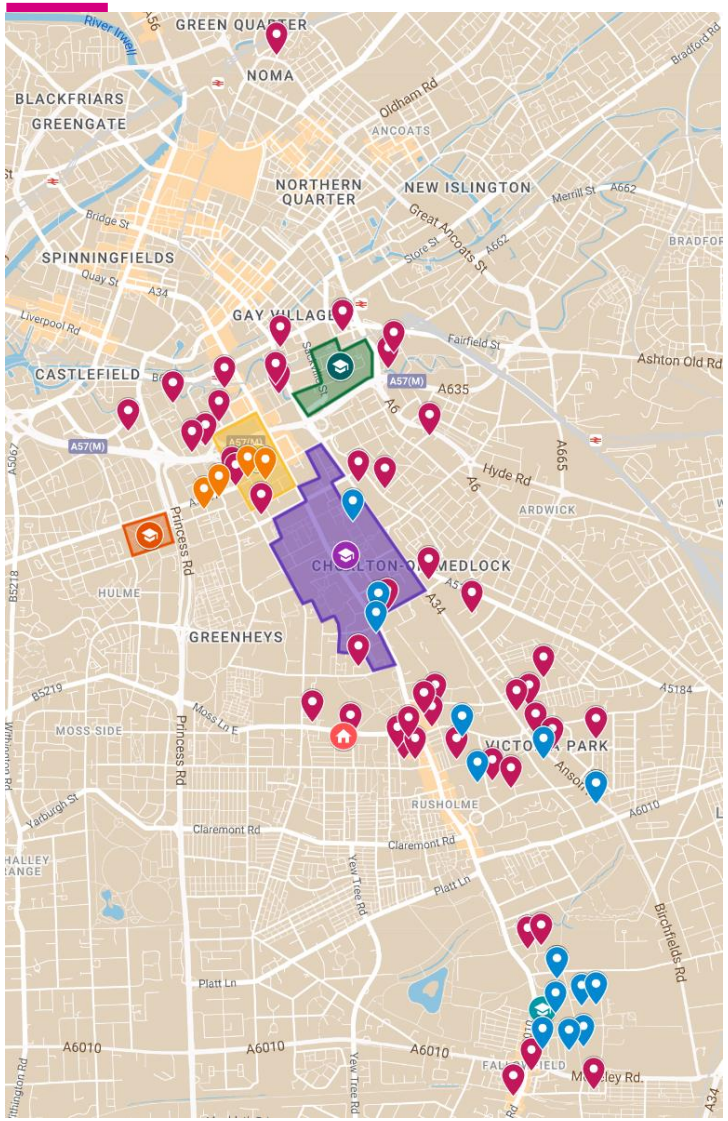
Due to the older nature of much of the University's stock and a large proportion of direct let beds delivered before 2010, standard bed spaces make up just under a third of the market at 8,188 bed spaces. Conversely, studios represent just 11% of beds available, equivalent to 3,050 bed spaces. En-suite is the most common room type, accounting for 57% of all bed spaces in the Manchester market.

Manchester PBSA by Room Type 2024/25



Source: Cushman & Wakefield Student Accommodation Tracker 2024

SUPPLY BY PROVIDER (ALL PROVIDERS)



Moss Lane East

Development Site

PBSA in Manchester is largely located in and around the “Oxford Road Corridor”, an area just to the south of the City Centre which is bisected by Oxford Road and is home to the two major institutions in the city. As a result, much of the Manchester PBSA market is extremely well located for students at both universities. Over 12,300 and 10,500 beds are offered to University of Manchester and Manchester Metropolitan students within a 10-minute walk, respectively.

Some accommodation is based within the City Centre, with roughly 8,000 beds located largely in the south and south east of this area of the city.

Located just under two miles to the south of the two universities, Fallowfield is one of the most populous student areas in the UK with a small number of private sector PBSA schemes, 4,000 university beds and a vast private rented market.

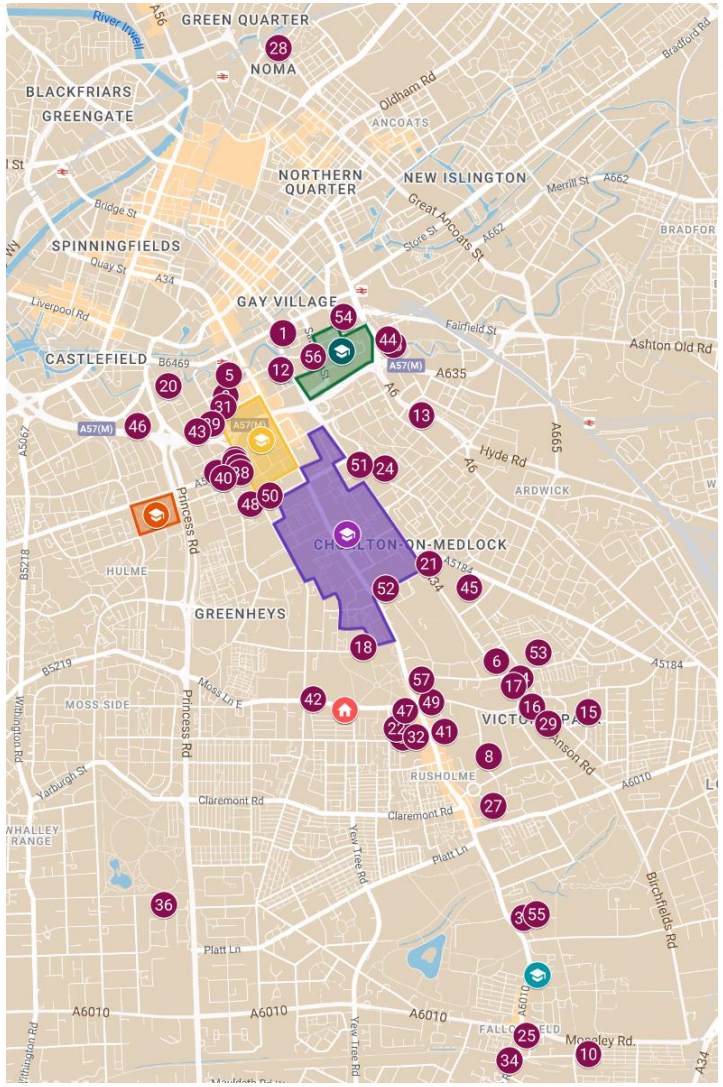
Direct Let Schemes

Manchester Metropolitan University

University of Manchester.

Source: Google Maps adapted by Cushman & Wakefield

PRIVATE SECTOR SUPPLY LOCATIONS



Source: Google Maps adapted by Cushman & Wakefield

- MMU All Saint's Campus
- MMU Birley Campus
- UOM Main Campus
- UOM North Campus
- UoM Fallowfield Campus

Moss Lane East

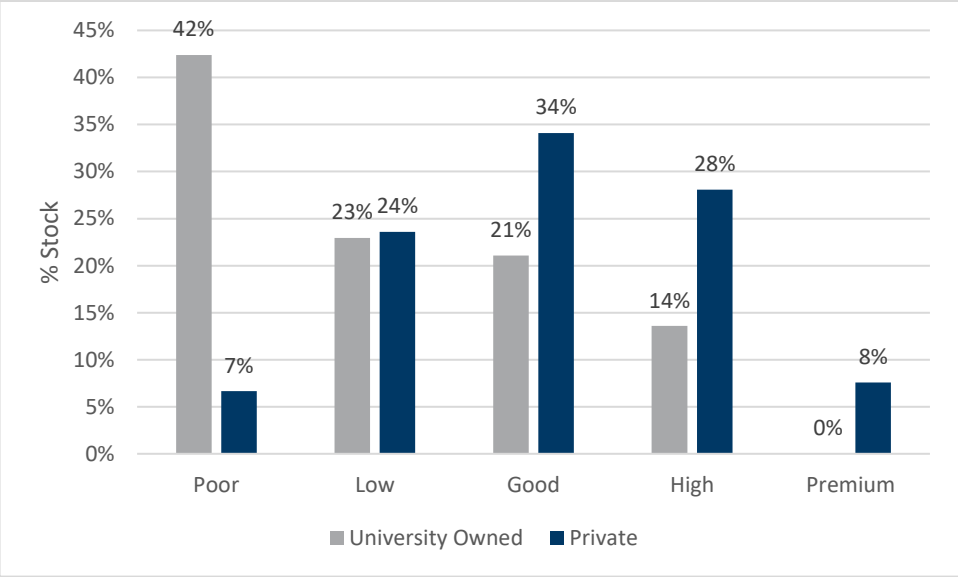
- Development Site

Manchester Private

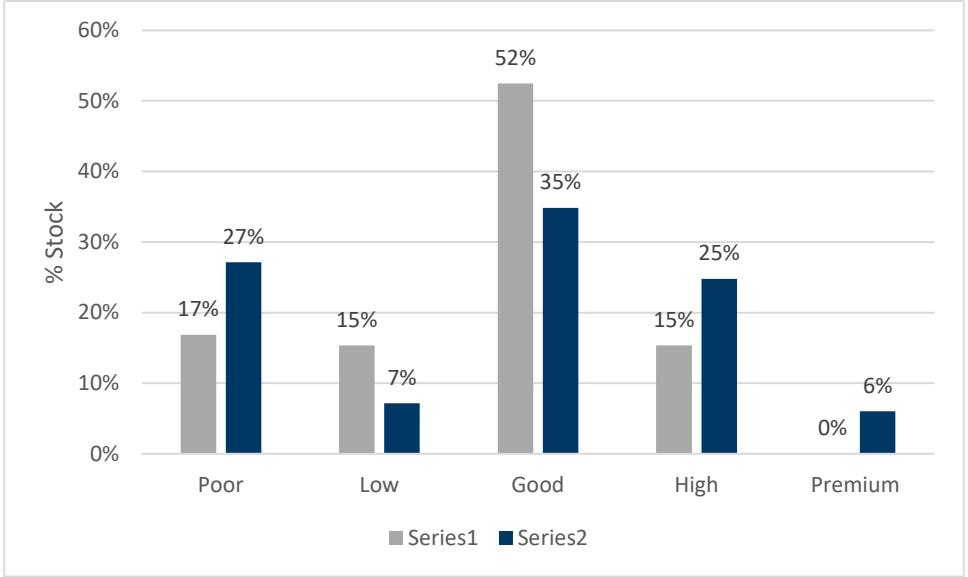
1. 121 Princess Street
2. Atlas Court
3. Artisan Heights
4. Briarfields Hall
5. Bridgewater Heights
6. Brook Hall
7. Cambridge House
8. Carfax Court
9. Cavendish Place
10. Chancellors Court
11. Circle Square (Building 10 & 11)
12. Circle Square (Building 9)
13. City Edge Apartments
14. Coniston Hall
15. Daisy Bank
16. Daisybank Villas
17. Darbishire House
18. Denmark Road
19. Element Manchester
20. First Street
21. Grafton Street
22. Heald Court
23. Kerria Apartments
24. Kincardine Court
25. Ladybarn House
26. Lambert and Fairfield
27. Langdale Hall
28. Manchester Court
29. Manchester Gardens
30. Manchester House
31. Manchester Student Village
32. Manchester Student Village South
33. Mansion Point
34. Mayfair Court
35. Mill Point
36. Montgomery House
37. Moss Court
38. Needham Court
39. New Medlock House
40. Oxford Court
41. Oxney House & Gardens
42. Park View
43. Parkway Gate
44. Piccadilly Point
45. Q3 Apartments
46. River Street Tower
47. Ropemaker Court
48. Rosamond house
49. Rusholme Place
50. Sir Charles Groves Halls
51. The Chapel
52. The Grafton
53. Victoria Point
54. Warehouse One & Two
55. Weston Court
56. Weston Hall

ACCOMMODATION QUALITY

Manchester Room Quality 2024/25



Manchester Amenity Quality 2024/25



The quality of the accommodation on offer is a key factor for students deciding where they want to live (explored in more detail in the appendices). Lack of recent development in Manchester has meant that there are relatively few high-quality schemes available to students in the city. The majority of university owned bed spaces are of a poor quality, due to the older nature of the University of Manchester accommodation portfolio. Recent developments in the city have delivered higher quality private sector schemes, but there is still a clear gap for high quality schemes which deliver both high quality rooms and amenities. The Moss Lane East development will be well placed to draw demand from students seeking a well located high quality purpose-built student accommodation product.

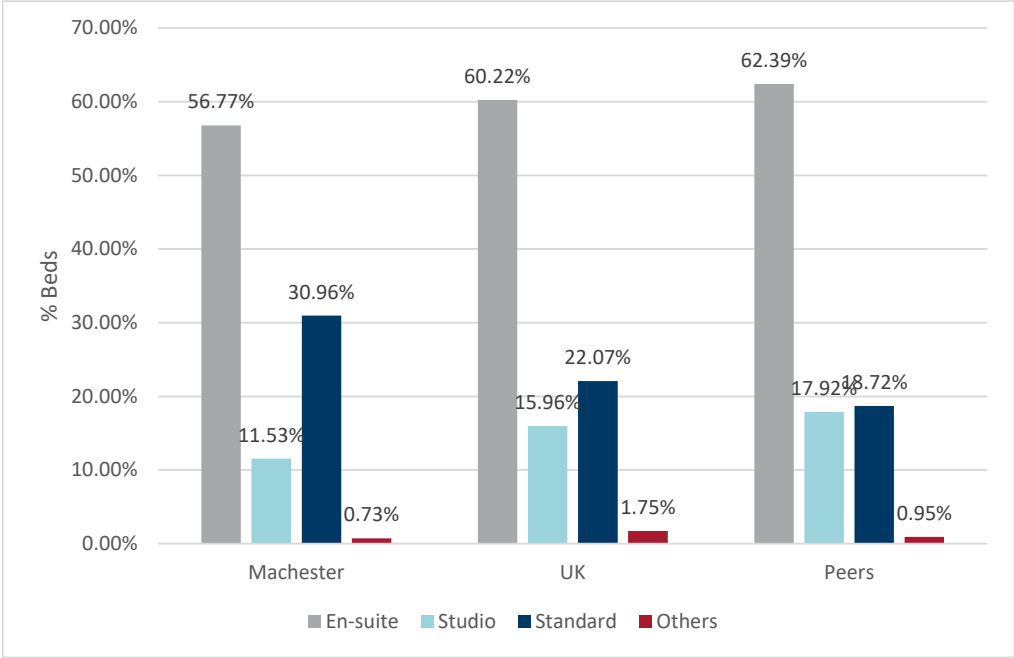
Source: Cushman & Wakefield Accommodation Tracker 2024. Note: the Cushman & Wakefield Student Accommodation Tracker ranks every bed space in the UK from 1-5 in terms of room quality and 1-5 in terms of the quality of social and amenity spaces.

QUALITY AND RENEWAL

As can be seen, Manchester's supply of en-suite beds is lower than the national and peer group average, with a large number of standard shared bathroom bed spaces available. Studios also account for a significantly less proportion of stock in Manchester compared to peer markets (11.53% vs. 17.92%).

However, the Manchester's profile of room type is generally not reflected in pricing (explored in more detail in this report). Arguably, the lower availability of en-suite and studio stock compared to growing demand has driven among the highest rents in the UK.

Bed Space Supply by Room Type, Manchester vs Peers vs UK



Source: Cushman & Wakefield Student Accommodation Tracker 2024

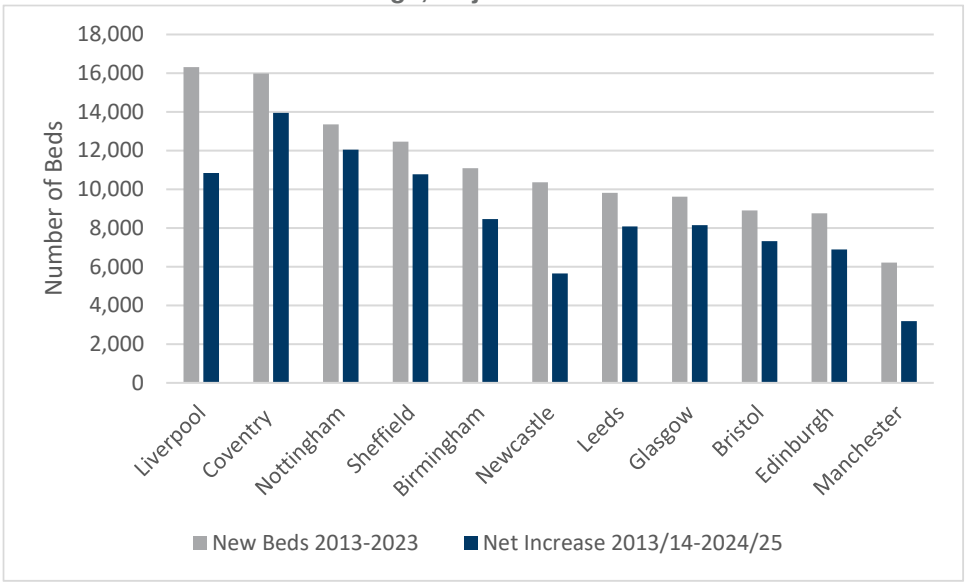
QUALITY AND RENEWAL

The chart opposite shows the scale of new PBSA bed spaces delivery over time in Manchester (total and net excluding beds that have left the market over the same period).

As can be seen from the chart, Manchester has seen the lowest net increase in PBSA beds delivered between 2013 and 2024 (3,189) compared to the comparator average of 9,003, and the second fewest number of new bed spaces delivered over this period after Edinburgh.

A lack of change and renewal in the market is arguably impacting the student experience of those living in PBSA as highlighted by Manchester's larger share of older bed spaces.

New PBSA Beds and Net Change, Major UK Locations 2013/14-2024/25



Source: Cushman & Wakefield Student Accommodation Tracker 2024/25

05

RENTAL ANALYSIS
MANCHESTER

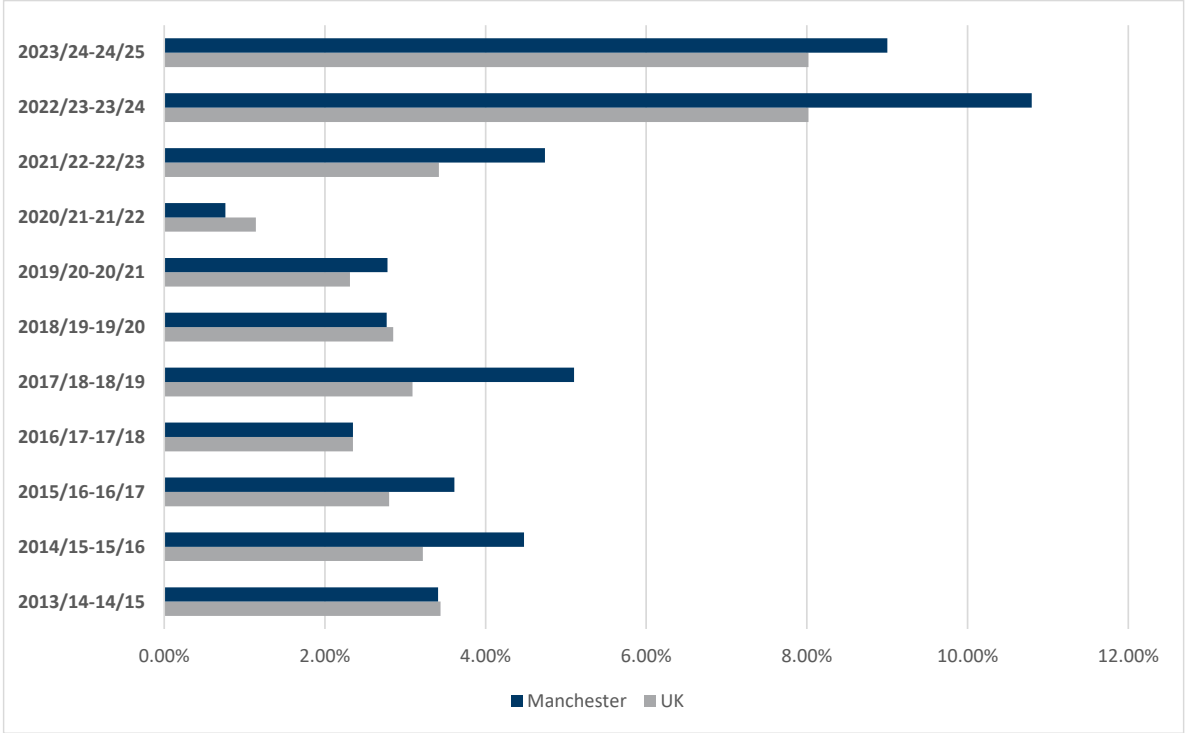


RENTAL GROWTH (ALL)

As can be seen from the chart, between 2013/14 and 2024/25, rents in Manchester have increased by 60.25%, compared to the national average of 48.7% over the same period. This is indicative of the strength of demand in the market and competition for bed spaces from the city's large demand pool for accommodation.

Rental growth for 2024/25 has been particularly high in Manchester at 9.00% since 2023/24. It is important to note that strong rental increases have been reported nationally by private providers as well as universities for the 2024/25 academic year, particularly in markets facing demand and supply pressures.

Rental Growth Over Time vs UK (all beds) 2013-2024/25



Source: Cushman & Wakefield Student Accommodation Tracker 2024/25

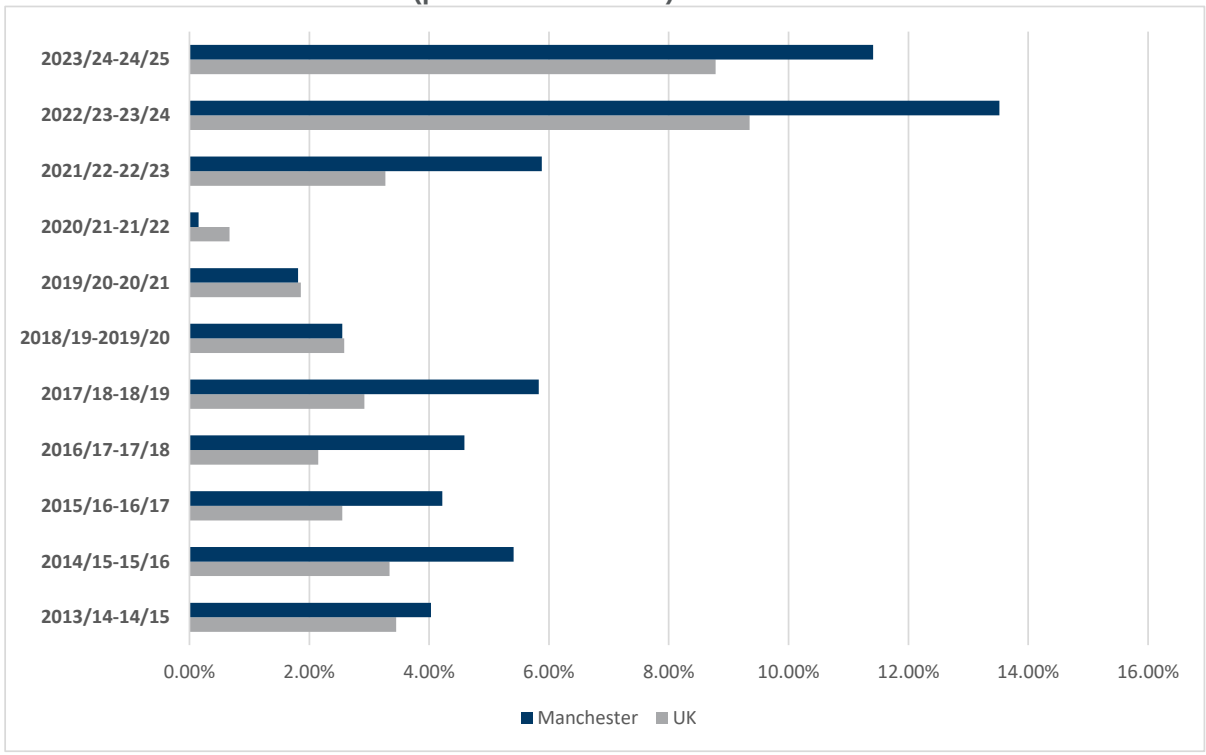
RENTAL GROWTH (PRIVATE)

Private rental growth in Manchester has outstripped national averages over time, with rents across the private sector growing by 82.23% since 2013/14. This is higher than the national average of 50.36% over the same period and is again indicative of the strength of demand in the market.

Growth between 2023/24 and 2024/25, has mirrored growth of the previous year, at 11.41%, as UK inflation remains high.

Whilst 11.41% is lower than the rental growth figure 13.5% between 2022/23 and 2023/24, it is still considerably above historic rental growth in Manchester, the rising demand for accommodation and acute supply pressures have led to rental increases exceeding national average rental growth.

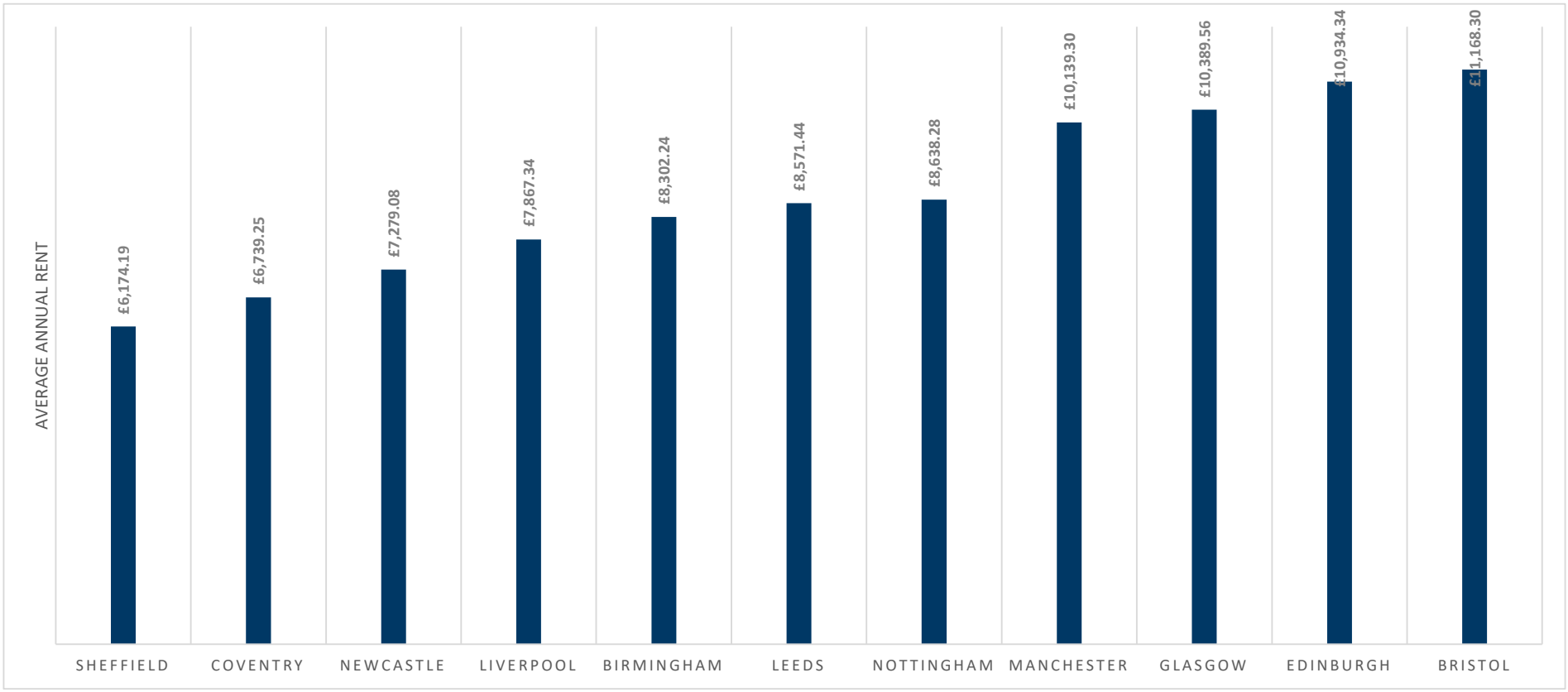
Rental Growth Over Time vs UK (private sector beds) 2013-2024



Source: Cushman & Wakefield Student Accommodation Tracker 2024/25

MANCHESTER VS THE MARKET

Average Private Sector En-suite Rents vs Peers (2024/25)



Source: Cushman & Wakefield Accommodation Tracker 2024/25

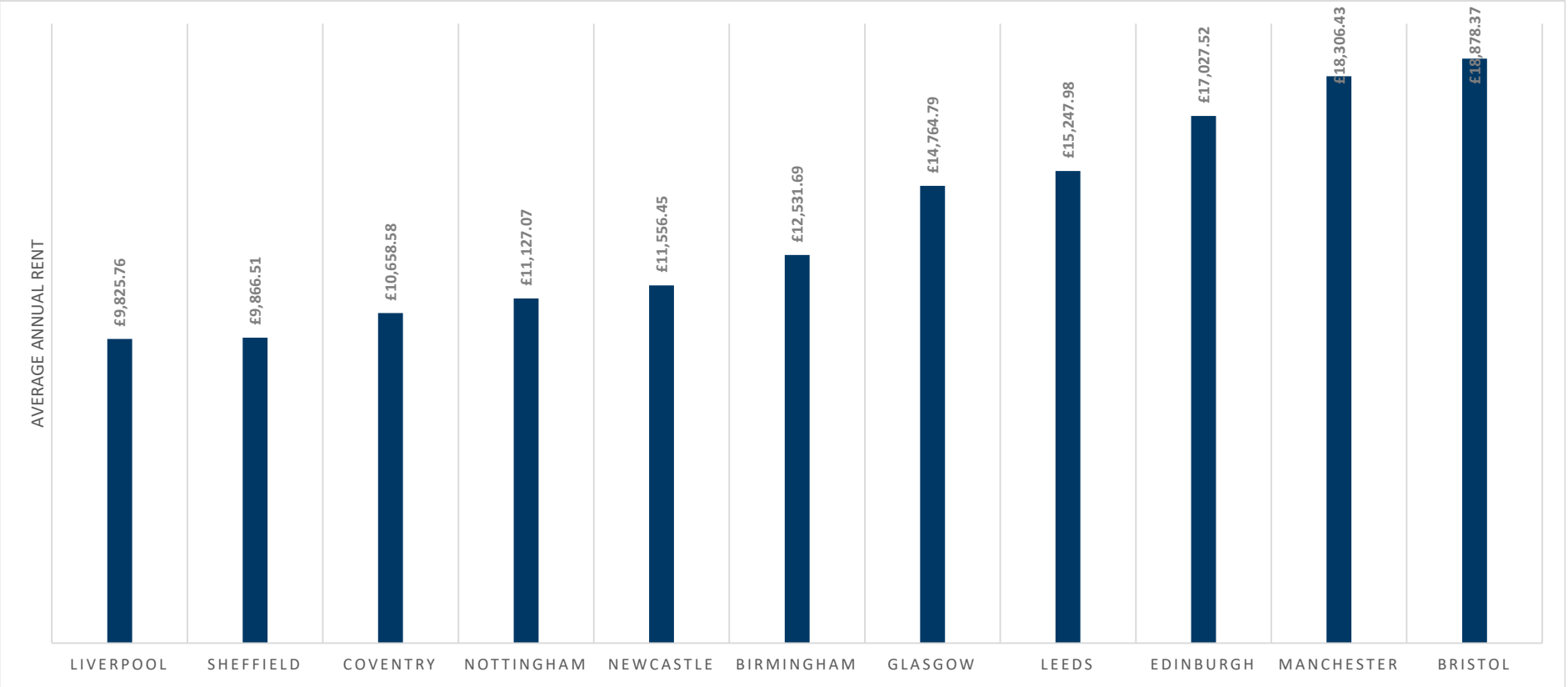
The average price of a private sector en-suite bed in Manchester is £10,139.30 annually (2024/25), making Manchester one of the most expensive major markets in the UK, behind Glasgow, Edinburgh and Bristol.

This average price is 64% higher than in Sheffield, which benefits from a considerably higher standard of overall product than Manchester based on Cushman & Wakefield's quality analysis.

Arguably, restricted competition and lack of innovation through new products has meant that strong rental growth could be maintained without major investment in communal facilities and amenities on site.

MANCHESTER VS THE MARKET

Average Private Sector Studio Rents vs Peers (2024/25)



Source: Cushman & Wakefield Accommodation Tracker 2024/25

The average price of a private sector studio bed in Manchester is £18,306.43 (2024/25), among the most expensive annual studio rents in the UK.

This average price is 86% higher than in Liverpool.

Although studios in Manchester are of a higher quality than those available in Liverpool, the quality differential is not significant (based on Cushman & Wakefield's quality analysis).

06

PRIVATE RENTED SECTOR

MANCHESTER

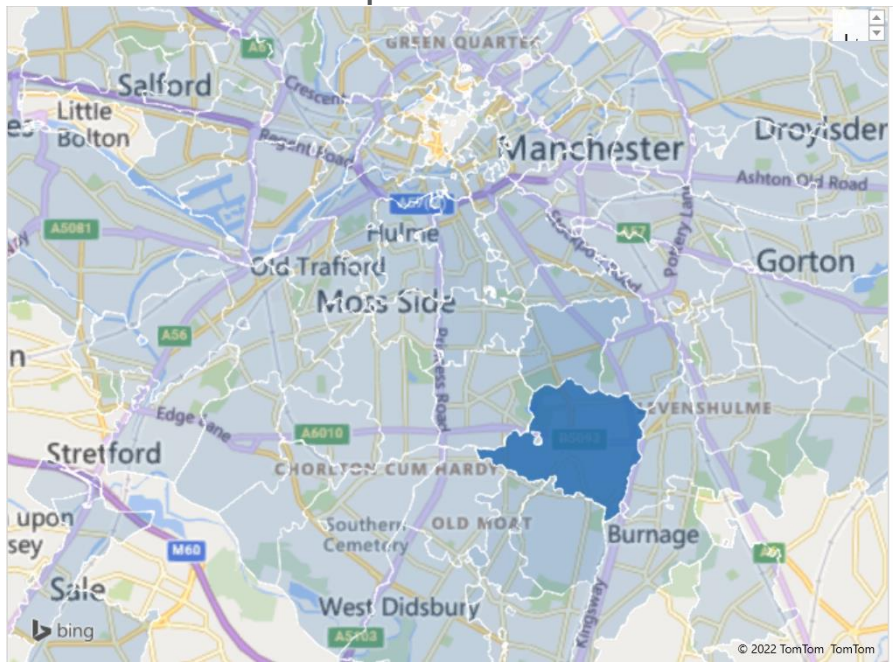


PRIVATE RENTED SECTOR

Cushman & Wakefield has analysed students living in the private rented sector in Manchester according to 2021/22 HESA data. This is the most recent data which has been released since 2020/21, data which was not used due to differences in the collection of data during the COVID-19 pandemic.

In 2021/22, there were 25,940 students living in HMOs across Manchester. Just over 10,000 students live in the four postcode areas highlighted in the table below. A large proportion of students live in South Manchester, with over 6,000 students in the popular student area of Fallowfield.

Manchester HMO Heat Map 2021/22



Source: HESA 2021/22

Key postcode areas 2021/22

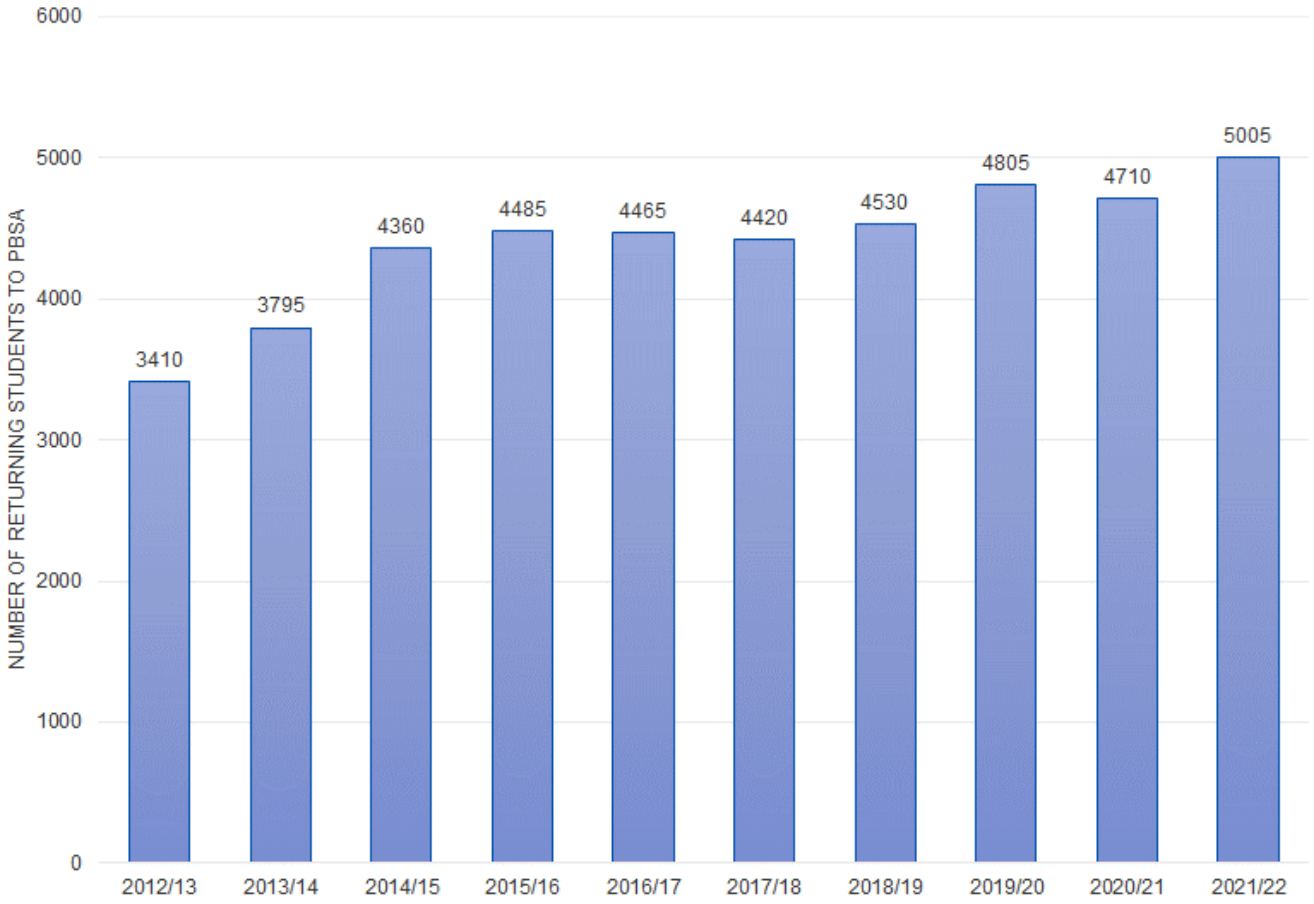
Area	Postcode	Number of Students
City Centre	M1 5	1,105
Withington	M20 4	1,215
Rusholme/Victoria Park	M14 5	1,930
Fallowfield	M14 6	6,640

Source: HESA 2021/22

Fallowfield is the most populous HMO area of Manchester and is home to over 4,700 more students than the next most popular area. This postcode area is over 30 minutes walk to the University of Manchester's South Campus but is usually reached by bus, due to the extensive services available on Wilmslow Road/Oxford Road.

RETURNING STUDENTS, PBSA

Returning Students in PBSA, 2012-2021



Source: HESA 2021/22

Cushman & Wakefield has analysed the number of returning students living in the PBSA sector in Manchester according to 2021/22 HESA data.

In 2021/22, there were 5,005 students living in PBSA across Manchester – a figure which has increased by 46.8% since 2012/13, when just 3,410 returning students decided to live in PBSA.

The development on Moss Lane East has the opportunity to also appeal to returning students, following changing trends of second and third year students returning to PBSA, which is indicative of HMOs being released back to traditional housing.

LOCATIONAL TRENDS

Our Manchester - the Manchester strategy, notes that “freeing up former student lets and, therefore increasing the supply of good quality homes for sale and rent will provide the opportunity for Manchester residents to raise their individual and collective aspirations”. Our analysis shows that more students are likely to be forced into HMO accommodation as the demand pool for beds in Manchester grows.

Further, MCC executive PBSA in Manchester report May 2023 noted that students are exempt from paying council tax and “in 2022/23 Manchester’s income from Council tax was reduced by over £18m due to exemptions… the proposed developments may help to reduce student exemptions in the City Centre and South Manchester by directing students to PBSA rather than other dwellings”.

It is clear that students are increasingly looking to live in central areas of Manchester where a higher quality of housing is available. MCC Executive PBSA in Manchester Report May 2023 refers to the 2019 report which stated that “the number of student exemptions reduced by 32% between 2010 and 2019. In the City Centre, the number of student exemptions has increased by 24% over the same period”.

This reflects Cushman & Wakefield's own analysis of HESA data between 2017/18 and 2021/22 which shows clear evidence of a movement of students from south Manchester to the City Centre, and a growing number of students in central private rented housing, preventing occupation by the wider population. The development of PBSA would allow a movement of students out of such housing and into purpose-built stock that would better support the student experience.

Largest Changes/Reductions in Student Numbers

Largest Reduction			Highest Increase		
Postcode 2021	Change in Students in 2017/18 to 2021/22	Location	Postcode 2021	Change in Students in 2017/18 to 2021/22	Location
M14 6	-735	Fallowfield	M15 4	525	Central/MMU
M14 5	-450	Victoria Park	M1 3	485	Central/MMU
M20 4	-245	Withington	M15 6	450	Central/MMU
M20 3	-185	Withington	M3 5	380	North City Centre
M14 7	-170	Fallowfield	M1 7	270	Central/MMU
M13 0	-160	Victoria Park	M3 7	185	North City Centre
M3 6	-50	Salford	M5 4	160	Salford
M15 5	-45	Central/MMU	M4 4	135	NOMA
M14 4	-40	Victoria Park	M1 2	125	Central/MMU
M16 8	-40	Whalley Range	M50 3	110	Salford Quays

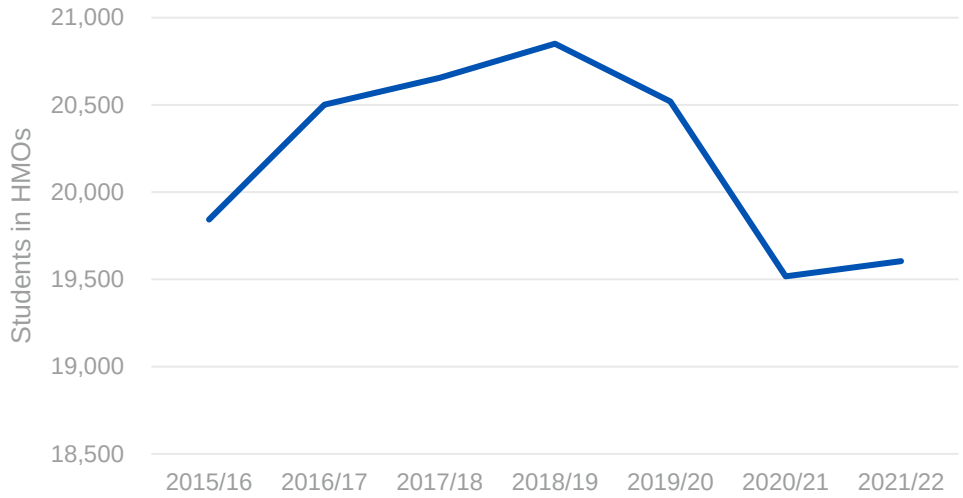
Source: HESA 2017/18 – 2021/22

CASE STUDY: SHEFFIELD

According to HESA 2021/22, 19,065 students studying in Sheffield resided in 'other accommodation', largely private rented Houses in Multiple Occupation (HMOs). Over time this figure has grown in line with the increasing demand pool but started to decline in 2019/20 (HESA). This figure has marginally increased in 2021/22 thanks to an influx of students at Sheffield Hallam, as well as the slowing rate of development. The most popular area for students studying at the University of Sheffield has traditionally been towards the north-west of the City Centre in Crookes, where many returning students traditionally move due to the proximity of the main campus, although this location has seen the largest reduction in students living in HMOs as highlighted in the table.

Anecdotal evidence suggests there has been a change in the type and size of properties students are choosing to rent. A trend Cushman & Wakefield has observed in other cities is a move away from traditional HMO products in favour of modern City Centre apartments, with these products particularly attractive to international students.

Students living in HMOs, Sheffield



Source: HESA 2015/16 – 2021/22

Largest Changes/Reductions in Student Numbers

Largest Reduction			Highest Increase		
Postcode 2021	Change in Students in 2015/16 to 2021/22	Location	Postcode 2021	Change in Students in 2015/16 to 2021/22	Location
S10 1	-965	Crookes	S1 4	1,125	University of Sheffield
S11 8	-330	Sharrow & Highfield	S3 7	595	University of Sheffield
S10 2	-320	Broomhall	S2 4	360	Sharrow & Highfield
S6 3	-265	North City Centre	S3 8	240	West Bar
S10 5	-145	Endcliffe	S1 2	165	West Bar
S7 1	-100	South (Abbeydale Road)	S1 3	85	University of Sheffield
S10 3	-70	Endcliffe	S2 5	30	Castlegate
S6 2	-70	North (Owlerton)	S35 1	5	North (Rainstorth)
S1 1	-55	City Centre	S13 9	5	East (Woodhouse Mill)
S2 3	-40	Park Hill	S65 1	5	Rotherham

Source: HESA 2015/16 – 2021/22

07

DEVELOPMENT PIPELINE

PLANNED BEDS



DEVELOPMENT PIPELINE

Manchester PBSA Development Pipeline, May 2024

Address	Postcode	Planning Reference	Application date	Status	Number of beds	Studios	Clusters	Applicant	Anticipated opening
Hulme Street	M1 5GL	121252/FO/2018	Sep-18	Approved	853	853	0	Student Castle	Jul-26
Land At Chester Road(A56), Deansgate /Bridgewater Viaduct	M3 4LB	129406/FO/2021	Feb-21	Approved	509	344	165	Fusion Students	Jun-26
The Gamecock, Boundary Lane	M15 6GE	130387/FO/2021	May-21	Submitted	197	98	99	Curlew Capital Ltd	Apr-27
88 - 90 Carmoor Road	M13 0FB	135576/FO/2022	Nov-22	Approved	172	35	137	Tiger Developments	Jun-27
St. Gabriels Hall, 1 Oxford Place	M14 5RP	135278/FO/2022	Nov-22	Approved	319	199	120	Mclaren Property	Apr-25
Medlock Street/River Street &, Mancunian Way	M15 5FJ	135419/FO/2022	Nov-22	Approved	1,014	272	742	Dominus Group	Sep-27
466 - 472 Moss Lane East	M14 4PJ	135544/FO/2022	Nov-22	Approved	261	36	225	CS Moss Lane East Ltd	Jan-26
The River Medlock, Cambridge Street, To The East, Hulme Street	M1 5GG	136170/FO/2023	Mar-23	Approved	576	476	100	VIta Student	Apr-25
Echo Street	M1 3QJ	136874/FO/2023	May-23	Approved	1,224	589	635	IQ Student	Jul-26
Park Hall, Thurloe Street	M14 5SG	136746/FO/2023	May-23	Approved	31	1	30	VSHF - Manchester	May-25
Upper Brook Street, Ardwick	M13 0HB	137401/FO/2023	Jun-23	Approved	1,100	486	614	Moda Living	Nov-29
Upper Brook Street, Ardwick	M13 9TD	137399/FO/2023	Jun-23	Approved	737	288	449	Mclaren Property	May-27
Wilmslow Road (Fallowfield Campus Redevlopment)	M14 6HD	138126/OO/2023	Jun-23	Outline Approved	3,300	0	3,300	University of Manchester	Jun-30
Plymouth Grove	M13	138294/FO/2023	Nov-23	Approved	239	239	0	WUKPG	Nov-25
Charles Street And York Street	M1 7BD	138808/FO/2023	Dec-23	Submitted	107	107	0	Jadebricks	Oct-27
Hotspur Press, 2 Gloucester Street	M1 5QR	138805/FO/2023	Dec-23	Submitted	511	279	232	Manner/Fresh Student Living	Oct-27
Block C, Plot 11, First Street South	M15 6JE	138831/FO/2023	Dec-23	Submitted	555	314	241	Downing Group	Jan-26

Source: Manchester City Council, May 2024

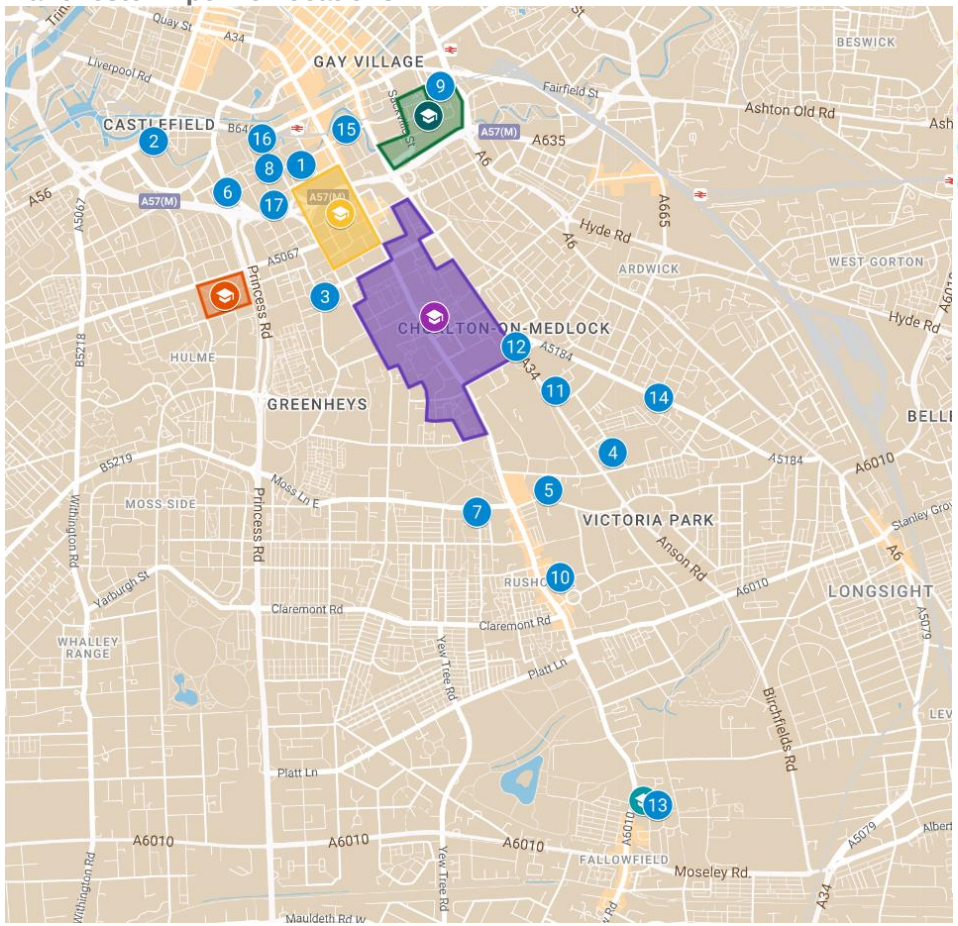
The development pipeline currently stands at 11,705 (gross) beds with 7,035 beds approved (60%) - a small number for a market of this size. Over 3,000 beds form part of the University of Manchester's plans to redevelop the Fallowfield campus, representing a net increase of 1,990-2,025 beds (the outline planning application has been submitted and the number of beds highlighted in the table is subject to change, the mothballing of Owens Park is accounted for in the net increase).

The private sector accounts for the remaining beds. Student Castle, Fusion, Vita and iQ all have proposed schemes in the city, due approximately for delivery between April 2025 and July 2026. The majority of the developments are located to the north of the Oxford Corridor, near Manchester Metropolitan University and 5-10 minutes from the northern end of the University of Manchester's main campus. It should be noted that not all schemes may be delivered to the market.

A map of proposed developments can be seen overleaf.

DEVELOPMENT PIPELINE (LOCATION)

Manchester Pipeline Locations



- MMU All Saint's Campus
- MMU Birley Campus
- UOM Main Campus
- UOM North Campus
- UoM Fallowfield Campus

Development Pipeline

1. Student Castle
2. Fusion Students
3. Curlew Capital Ltd
4. Tiger Developments
5. Mclaren Property
6. Dominus Group
7. CS Moss Lane East Ltd
8. VIta Student
9. IQ Student
10. VSHF - Manchester
11. Moda Living
12. Mclaren Property
13. University of Manchester
14. WUKPG
15. Jadebricks
16. Manner/Fresh Student Living
17. Downing Group

Source: Manchester City Council May 2024, Google Mpaps adapted by Cushman & Wakefield

08

DEMAND & SUPPLY

STUDENT TO BED RATIO



DEMAND AND SUPPLY

The pool calculation below sets out our assumptions of demand for student accommodation in Manchester taking into account students studying at the University of Manchester and Manchester Metropolitan University, and the Royal Northern College of Music. It excludes private institutions and can therefore be considered a conservative analysis of overall demand. In arriving at our demand pool, Cushman & Wakefield have excluded a number of students who are unlikely to demand a bed in the city. This includes a number of students from nearby counties which are in commuting distance of the institutions. Note that the table includes latest demand information (2021/22) and latest supply data (2024/25).

The student to bed ratio in Manchester currently stands at 2.07:1, with 28,280 students unable to access a PBSA bed space in the city. The demand-supply imbalance in Manchester and the implications of future development are examined in more detail overleaf.

Demand-Supply Dynamics, Manchester

MANCHESTER CITY-WIDE	2021/22
Total Full-time & Sandwich Students	**73,200**
From which:	
Deductions from the pool of students	
Students from the region who do not require accommodation	**17,195**
Sandwich students currently on a placement year and unlikely to demand a room	**1,280**
TOTAL POOL	**54,725**
Number of beds (university & private)	**26,445**
Student:Bed ratio	**2.07**

Source: HESA 2021/22, Cushman & Wakefield Student Accommodation Tracker 2024/25

DEMAND AND SUPPLY (IN-DEPTH)

As part of our analysis, we have modelled the impact of development on the Manchester market over time. For completeness, two different scenarios have been considered, along with a range of sensitivities. These are outlined below.

- **Scenario 1** The first model considers a scenario where the demand pool for accommodation in Manchester grows at a rate of 1.5% per annum from 2022/23 – i.e. a level considerably below recent market performance: **The Conservative Scenario.** It should be noted that this growth rate is in line with that modelled by Manchester City Council in its Report for Resolution in relation to PBSA of 31st May 2023.
- The Scenario assumes that all bed spaces in the development pipeline are delivered, based on our currently assumed year of delivery to the market for each, with an assumption that the University of Manchester's major redevelopment is phased. The scenario considers the following:

  - The student to bed ratio over time
  - The number of students unable to access PBSA over time
  - The number of beds required in the market each year to maintain the current number of students unable to access PBSA (i.e. to avoid pressures on the housing market worsening)
  - The difference between anticipated deliveries and the number of beds needed to avoid pressure increasing on the housing market

- **Scenario 2** The second model considers a **Middle Ground** scenario where the demand pool for accommodation in Manchester grows at 2.5% per annum from 2022/23 – i.e. the mid level between Manchester City Council's own modelling and how the market has performed historically (the Realistic Scenario 3 considered below).
- **Scenario 3** The second model considers a scenario where the demand pool for accommodation in Manchester grows at a rate of 3.5% per annum from 2022/23 – i.e. a level consistent with performance over recent years: **The Realistic Scenario.** Given the strong appeal of the City's universities and the growing non-local demographic – combined with a Higher Education funding model that encourages growth – this scenario can currently be considered realistic. The Realistic Scenario also considers the four key analysis areas above.

Both scenarios also consider an environment where an additional 500 bed spaces are delivered per annum over and above bed spaces in the development pipeline – i.e. 3,500 additional beds to 2029/30.

In addition, the analysis also considers the pipeline of sites identified in the Report for Resolution. It should be noted that a number of these sites (Church Inn, Deansgate South, First Street (plot 10b), Great Marlborough Street, Echo Street, St Gabriel's, Upper Brook Street, One Medlock, Carmoor Road, Gamecock Pub, Moss Lane East and the proposed University of Manchester redevelopment) are already included in the pipeline analysis noted above as these sites are already in the planning system. The number of beds comprising these developments (excluding the delivered Church Inn which is included in existing supply) is in line with current planning applications (with an assumed net 1,990 increase at the University of Manchester) at 8,952 beds, and is higher than the City Council's own assessment of these sites at 6,615 beds.

DEMAND AND SUPPLY (IN-DEPTH)

In addition to those sites identified by the City Council that are already in the planning system (or in the case of Church Inn, have already been delivered), an additional potential 5,930 beds have also been identified, noting “some may not be brought forward”. The addition of these bed spaces has also been considered at the end of this section of the report for completeness.

DEMAND AND SUPPLY (CONSERVATIVE SCENARIO)

Modelled Demand Supply Dynamics Over Time (modelled Conservative 1.5% demand pool growth)

	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
Conservative Demand Pool Growth (1.5% growth p/a post 2021/22)	42,765	43,365	46,025	46,200	46,915	47,495	47,405	51,220	54,725	55,545	56,380	57,225	58,085	58,955	59,840	60,740	61,650	62,575
Number of Beds (all pipeline post-2023/24)	22,893	23,256	23,119	23,180	23,975	24,113	25,740	26,800	27,118	26,782	26,841	26,841	28,094	30,112	35,465	37,302	37,302	37,302
Student to bed ratio	**1.87**	**1.86**	**1.99**	**1.99**	**1.96**	**1.97**	**1.84**	**1.91**	**2.02**	**2.07**	**2.10**	**2.13**	**2.07**	**1.96**	**1.69**	**1.63**	**1.65**	**1.68**
Students unable to access PBSA	**19,872**	**20,109**	**22,906**	**23,020**	**22,940**	**23,382**	**21,665**	**24,420**	**27,607**	**28,763**	**29,539**	**30,384**	**29,991**	**28,843**	**24,375**	**23,438**	**24,348**	**25,273**
Beds Needed to Maintain 2021/22 HMO numbers										27,938	28,773	29,618	30,478	31,348	32,233	33,133	34,043	34,968
Difference between maintaining 2021/22 HMO numbers and bed delivery										-1,156	-1,932	-2,777	-2,384	-1,236	3,232	4,169	3,259	2,334
Additional delivery scenario = all pipeline + 500 additional										*27,282*	*27,341*	*27,341*	*28,594*	*30,612*	*35,965*	*37,802*	*37,802*	*37,802*
SBR										*2.04*	*2.06*	*2.09*	*2.03*	*1.93*	*1.66*	*1.61*	*1.63*	*1.66*
Students unable to access PBSA										*28,263*	*29,039*	*29,884*	*29,491*	*28,343*	*23,875*	*22,938*	*23,848*	*24,773*
Beds Needed to Maintain 2021/22 HMO numbers										*27,938*	*28,773*	*29,618*	*30,478*	*31,348*	*32,233*	*33,133*	*34,043*	*34,968*
Difference between maintaining 2021/22 HMO numbers and bed delivery										*-656*	*-1,432*	*-2,277*	*-1,884*	*-736*	*3,732*	*4,669*	*3,759*	*2,834*

Source: HESA/Cushman & Wakefield/Cushman & Wakefield Student Accommodation Tracker/Manchester City Council Planning

DEMAND AND SUPPLY (CONSERVATIVE SCENARIO)

Under The Conservative Scenario the demand pool for accommodation in Manchester grows from 54,725 in 2021/22 to 62,575 by 2030/31. The number of bed spaces rises from 26,841 in 2023/24 to 37,302 in 2030/31 (assuming no beds leave the market over this period and every pipeline bed is delivered).

- **Student to bed ratio –** under this scenario, the student to bed ratio moves from 2.02:1 in 2021/22 to 1.68:1 in 2030/31
- **Students unable to access PBSA –** the number of students unable to access PBSA moves from 27,607 in 2021/22 to 25,273 in 2030/31
- **Implications for the housing market –** under this scenario, an additional 2,334 students would now be able to be housed in PBSA and leave the private rented sector.
- **Additional sensitivity –** considering an additional 500 beds delivered to the market, the student to bed ratio would move from 2.02:1 in 2021/22 to 1.66:1 in 2030/31.

As can be seen, under a Conservative Scenario, and given the growing development pipeline, the delivery of every planned bed would lower the Manchester student to bed ratio. Should the demand pool in the market grow at this level, then the total pipeline could be deemed sufficient. However, as with all markets historically, it is unlikely all planned beds will be delivered to the market, and currently, only 48.4% of the development pipeline has full planning approval.

Additionally, given recent levels of growth, the "Middle Ground" and "Realistic Scenarios" considered overleaf should also be considered, alongside the Report for Resolution's statement that "other schemes may also be progressed that are not on the list but nevertheless comply with Policy H12".

These Scenarios are considered overleaf.

DEMAND AND SUPPLY (MIDDLE GROUND SCENARIO)

Modelled Demand Supply Dynamics Over Time (modelled Conservative 2.5% demand pool growth)

	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
Conservative Demand Pool Growth (1.5% growth p/a post 2021/22)	42,765	43,365	46,025	46,200	46,915	47,495	47,405	51,220	54,725	56,095	57,495	58,930	60,405	61,915	63,465	65,050	66,675	68,340
Number of Beds (all pipeline post-2023/24)	22,893	23,256	23,119	23,180	23,975	24,113	25,740	26,800	27,118	26,782	26,841	26,841	28,094	30,112	35,465	37,302	37,302	37,302
Student to bed ratio	**1.87**	**1.86**	**1.99**	**1.99**	**1.96**	**1.97**	**1.84**	**1.91**	**2.02**	**2.09**	**2.14**	**2.20**	**2.15**	**2.06**	**1.79**	**1.74**	**1.79**	**1.83**
Students unable to access PBSA	**19,872**	**20,109**	**22,906**	**23,020**	**22,940**	**23,382**	**21,665**	**24,420**	**27,607**	**29,313**	**30,654**	**32,089**	**32,311**	**31,803**	**28,000**	**27,748**	**29,373**	**31,038**
Beds Needed to Maintain 2021/22 HMO numbers										28,488	29,888	31,323	32,798	34,308	35,858	37,443	39,068	40,733
Difference between maintaining 2021/22 HMO numbers and bed delivery										-1,706	-3,047	-4,482	-4,704	-4,196	-393	-141	-1,766	-3,431
Additional delivery scenario = all pipeline + 500 additional										*27,282*	*27,341*	*27,341*	*28,594*	*30,612*	*35,965*	*37,802*	*37,802*	*37,802*
SBR										*2.06*	*2.10*	*2.16*	*2.11*	*2.02*	*1.76*	*1.72*	*1.76*	*1.81*
Students unable to access PBSA										*28,813*	*30,154*	*31,589*	*31,811*	*31,303*	*27,500*	*27,248*	*28,873*	*30,538*
Beds Needed to Maintain 2021/22 HMO numbers										*28,488*	*29,888*	*31,323*	*32,798*	*34,308*	*35,858*	*37,443*	*39,068*	*40,733*
Difference between maintaining 2021/22 HMO numbers and bed delivery										*-1,206*	*-2,547*	*-3,982*	*-4,204*	*-3,696*	*107*	*359*	*-1,266*	*-2,931*

Source: HESA/Cushman & Wakefield/Cushman & Wakefield Student Accommodation Tracker/Manchester City Council Planning

DEMAND AND SUPPLY (MIDDLE GROUND SCENARIO)

Under The Conservative Scenario the demand pool for accommodation in Manchester grows from 54,725 in 2021/22 to 62,575 by 2030/31. The number of bed spaces rises from 26,841 in 2023/24 to 37,105 in 2030/31 (assuming no beds leave the market over this period and every pipeline bed is delivered).

- **Student to bed ratio –** under this scenario, the student to bed ratio moves from 2.02:1 in 2021/22 to 1.83:1 in 2030/31
- **Students unable to access PBSA –** the number of students unable to access PBSA moves from 27,607 in 2021/22 to 31,038 in 2030/31
- **Implications for the housing market –** under this scenario, an additional 3,431 students would be unable to secure accommodation in PBSA.
- **Additional sensitivity –** considering an additional 500 beds delivered to the market, the student to bed ratio would move from 2.02:1 in 2021/22 to 1.81:1 in 2030/31.

As can be seen, under the "Middle Ground Scenario", the delivery of every planned bed would lower the Manchester student to bed ratio, although the number of students unable to access PBSA would still continue to rise on the figure recorded in 2021/22.

Additionally, given recent levels of growth, the "Realistic Scenario" considered overleaf should also be considered, alongside the Report for Resolution's statement that "other schemes may also be progressed that are not on the list but nevertheless comply with Policy H12".

The Realistic Scenario is considered overleaf.

DEMAND AND SUPPLY (REALISTIC SCENARIO)

Modelled Demand Supply Dynamics Over Time (modelled Realistic 3.5% demand pool growth)

	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
Consistent Demand Pool Growth (pool continues to grow at 3.5% p/a in line with performance 2013/14 to 2021/22)	42,765	43,365	46,025	46,200	46,915	47,495	47,405	51,220	54,725	56,640	58,623	60,675	62,798	64,996	67,271	69,625	72,062	74,585
Student to bed ratio	**1.87**	**1.86**	**1.99**	**1.99**	**1.96**	**1.97**	**1.84**	**1.91**	**2.02**	**2.11**	**2.18**	**2.26**	**2.24**	**2.16**	**1.90**	**1.87**	**1.93**	**2.00**
Students unable to access PBSA	**19,872**	**20,109**	**22,906**	**23,020**	**22,940**	**23,382**	**21,665**	**24,420**	**27,607**	**29,858**	**31,782**	**33,834**	**34,704**	**34,884**	**31,806**	**32,323**	**34,760**	**37,283**
Beds Needed to Maintain 2021/22 HMO numbers										*29,033*	*31,016*	*33,068*	*35,191*	*37,389*	*39,664*	*42,018*	*44,455*	*46,978*
Difference to bed delivery										*-2,251*	*-4,175*	*-6,227*	*-7,097*	*-7,277*	*-4,199*	*-4,716*	*-7,153*	*-9,676*
Additional delivery scenario = all pipeline + 500 additional										*27,282*	*27,341*	*27,341*	*28,594*	*30,612*	*35,965*	*37,802*	*37,802*	*37,802*
SBR										*2.08*	*2.14*	*2.22*	*2.20*	*2.12*	*1.87*	*1.84*	*1.91*	*1.97*
Students unable to access PBSA										*29,358*	*31,282*	*33,334*	*34,204*	*34,384*	*31,306*	*31,823*	*34,260*	*36,783*
Beds Needed to Maintain 20/21 HMO numbers										*29,033*	*31,016*	*33,068*	*35,191*	*37,389*	*39,664*	*42,018*	*44,455*	*46,978*
Difference between maintaining 20/21 HMO numbers and bed delivery										*-1,751*	*-3,675*	*-5,727*	*-6,597*	*-6,777*	*-3,699*	*-4,216*	*-6,653*	*-9,176*

Source: HESA/Cushman & Wakefield/Cushman & Wakefield Student Accommodation Tracker/Manchester City Council Planning

DEMAND AND SUPPLY (REALISTIC SCENARIO)

Under The Realistic Scenario the demand pool for accommodation in Manchester grows from 54,725 in 2021/22 to 74,585 by 2030/31. The number of bed spaces rises from 26,841 in 2023/24 to 37,105 in 2030/31 (assuming no beds leave the market over this period and every pipeline bed is delivered).

- **Student to bed ratio –** under this scenario, the student to bed ratio moves from 2.02:1 in 2021/22 to 2.00:1 in 2030/31
- **Students unable to access PBSA –** the number of students unable to access PBSA moves from 27,607 in 2021/22 to 37,283 in 2030/31
- **Implications for the housing market –** under this scenario, 9,676 additional beds would be required over and above all bed spaces currently in the development pipeline just to maintain to the number of students currently living in the private rented sector
- **Additional sensitivity –** considering an additional 500 beds delivered to the market to 2030/31, the student to bed ratio would move from 2.02:1 in 2021/22 to 1.97:1 in 2030/31. However, the number of students unable to access PBSA would continue to rise.

As can be seen, under the Realistic Scenario, a significant number of additional bed spaces are required to meet demand. Without significant additional development, a growing number of students will be forced into the private rented sector, placing additional pressure on the housing market, with a large number of students potentially living in unsuitable accommodation.

The impact of potential additional sites identified by the City Council (totalling 5,930 beds) is considered overleaf. As part of this analysis, three demand pool growth scenarios have been considered: 1.5% (the conservative scenario and one in line with the mid-point of the City Council's assessment); 2.5% (the middle ground assessment); and 3.5% (the modelled realistic scenario).

Analysis models the delivery of: all of the current development pipeline (in line with previous analysis); the current development pipeline and all of the City Council's additional identified beds not already in the development pipeline; and a scenario where 75% of the additional identified beds are delivered.

DEMAND AND SUPPLY (ADDITIONAL CONSIDERATIONS)

Additional demand and supply analysis

Growth scenario	1.50%	2.50%	3.50%
Demand pool	62,575	68,340	74,585
Pipeline	37,302	37,302	37,302
All MCC identified	43,242	43,242	43,242
75% MCC identified	32,432	32,432	32,432
Student to bed ratio (pipeline)	1.68	1.83	2.00
Student to bed ratio (all MCC identified)	1.45	1.58	1.72
Student to bed ratio (75% MMC identified)	1.93	2.11	2.30
Pipeline unable to access PBSA	25,273	31,038	37,283
All MCC identified unable to access PBSA	19,333	25,098	31,343
75% MCC identified unable to access PBSA	30,144	35,909	42,154

As previously identified, under the current development pipeline (assuming every bed in the pipeline is delivered), at all growth scenarios it is clear that there is a need for additional development, with between 25,273 and 37,283 students unable to access PBSA. The latter figure is considerably higher than that recorded in 2021/22.

The scenario where all identified City Council sites are delivered may be considered unlikely given the fact there are very few cases nationally of all bed spaces in a development pipeline in a city being delivered. Under this scenario, between 19,333 and 31,343 students would be unable to access PBSA.

Under a more realistic longer term but likely still optimistic scenario where 75% of the additional beds not already in the pipeline are delivered, between 30,144 and 42,154 students would be unable to access PBSA.

Analysis shows that the Manchester development pipeline is extensive and continues to grow. However, even under the most pessimistic growth scenario of 1.50% and is 75% of all identified pipeline and potential pipeline beds are delivered, the number of students unable to access PBSA would still rise.

It therefore appears prudent for more deliverable schemes that comply with Policy H12 to be delivered to allow for a future reduction in pressure on the Manchester housing market.

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CONCLUSION



CONCLUSION

The Manchester market is one of the largest in the UK and is **growing quickly**, driven by a **large increase in the international student** population, and aided by the **growing appeal and capacity available at both of the city's main institutions**. A lack of supply in the market is leading to negative impacts on the student population, including **rental increases far above national averages** and a **growing number of students living in private rented accommodation in central locations.**

The **market is currently characterised by a legacy of older bed spaces**, although a fast-growing development pipeline will increase the quality of PBSA in Manchester markedly over the coming years. However, large scale delivery of new beds to address issues of undersupply and quality is not imminent, and the **proposed development at Moss Lane East will help to address these acute issues through a wide range of room types in an established PBSA location.**

The development will deliver a high-quality, well-located scheme which will likely have **strong appeal to a wide range of the diverse Manchester student population.**

The modelling throughout this Assessment considers a number of scenarios in relation to future demand pool and bed space growth. **Under a "Middle Ground" assessment and one where the demand pool grows in line with historic trends, the number of students unable to access PBSA is set to grow further by 2030/31.**



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