Government Property Agency

AtkinsRéalis



MANCHESTER DIGITAL CAMPUS

Environmental Statement
Volume 2 - Chapter 17: Socio-Economics

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Executive Summary

Socio-economic conditions play a crucial role in shaping the quality of life and economic development of an area. They determine access to essential services such as education, housing, and healthcare, influence employment opportunities, and affect the overall well-being of the local community. Understanding these conditions is vital for sustainable development and will both influence and be influenced by the construction and operation of the Manchester Digital Campus.

The socio-economic chapter of the environmental statement evaluates the existing conditions within the study area, defined as the Piccadilly and Ancoats and Beswick wards or Manchester Local Authority District (LAD). It examines general trends in the local economy, including demographics, deprivation, housing, workforce, economic conditions, and education facilities.

To determine the socio-economic effects of the Manchester Digital Campus, the concept of 'additionality' was used. This involves assessing the net additional impact of the development compared to a baseline scenario, considering how the development affects the area in ways that would not have occurred otherwise. Various socio-economic impacts were considered, including the Gross Value Added (GVA) of the Proposed Development, which measures the value generated by the production of goods and services. The assessment also included consultations with relevant stakeholders.

Several receptors were identified as potentially impacted by the Manchester Digital Campus, including the local economy, labour market, housing market, education facilities, health facilities, local residents, and local businesses and organizations.

Overall, the Manchester Digital Campus is expected to significantly benefit the local economy through job creation and economic growth. During the construction phase, approximately 2,000 net additional full-time equivalent (FTE) jobs will be generated, boosting the economy by £310 million in GVA. Once operational, the development will support around 7,000 FTEs, with 3,550 FTEs net additional to the local economy (including 50 supported by MDCs' retail provision), contributing an estimated £10.3 billion in GVA over its 50-year lifecycle. £5.8 billion is net additional to the baseline scenario. Despite minor adverse impacts such as increased disruption, along with increased demand on housing and public services, the overall positive socio-economic effects, including substantial long-term employment opportunities, will greatly enhance Manchester's economic landscape.

17. Socio-Economic

17.1. Introduction

17.1.1. This chapter of the Environmental Statement (ES) assesses the likely socio-economic effects of the Proposed Development throughout both the construction and operational phases. It outlines the assessment methodology, describes the existing baseline conditions, identifies potential impacts and provides an assessment of effects. The chapter also details the mitigation measures necessary to prevent, reduce, or offset any significant adverse effects, and discusses the likely residual effects after these measures have been implemented.

17.1.2. This chapter reports on two different types of cumulative effects: intra-project cumulative effects, which are the combined effects of individual topic impacts on a particular sensitive receptor; and inter-project cumulative effects, which consider the way in which the Proposed Development may give rise to impacts in combination with other developments the study area, termed RFFPs. The outlined cumulative effects are then used to inform the overall assessment of cross-topic cumulative effects, which is reported in ES (Volume 2) Chapter 22: Cumulative Effects.

17.2. Competent expert evidence

17.2.1. This socio-economic assessment has been undertaken by:

- A Director in Economics who holds full professional membership with the Institute of Economic Development. They have over 30 years of knowledge and experience in national and regional strategic planning and socio-economic appraisal and have used their knowledge and professional judgement to undertake this assessment.
- A Senior Economist who holds full professional membership with the Institute of Economic Development. They have over 8 years of knowledge and experience in socio-economic appraisal and assessment and have used their knowledge and professional judgement to undertake this assessment.
- An Economist who holds full professional membership with the Institute of Economic Development They have over 5 years of knowledge and experience in socio-economic assessment and have used their knowledge and professional judgement to undertake this assessment.

17.3. Relevant legislation and guidance

17.3.1. Table 17-1 below summaries the legislation and regulations applicable to socio-economic topic.

Table 17-1 - Legislation and guidance for the socio-economic topic

Legislation / Regulation	Summary of Requirements
National	
National Planning Policy Framework[1] (NPPF) December 2023	The NPPF favours sustainable development, this includes building a strong, competitive economy and supporting economic growth through the planning system. Effective use of land is encouraged, particularly the re-use of previously developed (brownfield) land of low environmental value. The NPPF highlights the importance of ensuring that sufficient land of the right type is available in the right places, at the right time to facilitate growth and innovation.
Levelling Up and Regeneration Act October 2023	Every local authority will need to produce design requirements that should be met for planning permission for development to be granted. This will be part of the Local Plan or as a new supplementary plan document. The LURA will introduce a new form of locally led urban development corporation, and increased freedoms for New Town Development Corporations. The LURA will replace additional grants or public funding, the Act intends to introduce reforms so that the valuation of land is more akin to a normal market transaction and therefore the costs of Compulsory Purchase Orders (CPOs) are more realistic.
Regional	
The Northern Powerhouse November 2016	The aim of the Northern Powerhouse is to achieve a sustained increase in productivity across the whole of the North. It is at the heart of the government's ambition for an economy that works for everyone. The Northern Powerhouse aims to increase the skills of the workforce in the North. The Northern Powerhouse also aims to create more high-quality workspaces to encourage businesses to locate there.
Greater Manchester Local Enterprise Partnership (LEP) Local Industrial Strategy June 2019	The Strategy ensures that the people in Manchester have the education, skills and employment system allow everyone to reach their potential and employers have access to the skills required to deliver. The LEP is aiming to put in place the integrated 21st Century infrastructure needed for digitally connected, clean and inclusive growth, and to facilitate international trade and investment. The Strategy aims to ensure all parts of Greater Manchester will be supported to realise their full potential, cementing Greater

[1] National Planning Policy Framework - Guidance - GOV.UK (www.gov.uk)

Legislation / Regulation	Summary of Requirements
	Manchester's role in rebalancing the UK's economy and reducing regional disparities.
Greater Manchester Strategy 2021-2031 July 2022	The City has set itself the target of being a carbon-neutral City Region by 2038. The City aims to reduce the disparity between it and the rest of the UK in terms of inequality, health, employment, and air quality. The City aims to lead the economic recovery from the Covid pandemic and intends to do this by furthering the key industries of health innovation, advanced materials and manufacturing, digital, creative and media, and clean growth.
Local	
Manchester Local Plan; Core Strategy July 2012	The Core Strategy aims to provide a network of distinctive, attractive and high-quality centres, strengthening local identity, providing essential services close to homes. An objective of the Strategy is to protect and enhance both the natural and built environment of the City and ensure the sustainable use of natural resources, in order to mitigate and adapt to climate change, support biodiversity and wildlife, improve air, water and land quality, recreational opportunities and provide networks of high-quality green infrastructure, ensuring that the City is inclusive and attractive to residents, workers, investors and visitors.
Places for Everyone Joint Development Plan 2022 to 2039 March 2024	The plan provides a long-term strategy for jobs, new homes, and sustainable growth. The plan sets out the kind of development that takes place across the City Region. It: • Maximises the use of brownfield land and urban spaces. • Protects green belt land from the risk of unplanned development. • Releases some sites for housing and employment in key locations. • Ensures the integration of all new developments into Greater Manchester's transport network.
Ancoats and New Islington Neighbourhood Development Framework November 2016	The City Centre has a significant role in delivering the required number of homes and office space to sustain Manchester's growth over the next 10 years. The Framework outlines that Manchester's success has been built upon its leading professional and business services. Wider strategic objectives need to be channelled into area and site-specific design opportunities. These include: • Ensuring Ancoats and New Islington becomes an integral part of the City Centre. • Improving inter-radial connectivity for pedestrians and cyclists. • Enhancing the canals – key links, leisure and amenity assets and a special setting for new buildings.

Legislation / Regulation	Summary of Requirements
Strategic Regeneration Framework, Former Central Retail Park	The Strategic Regeneration Framework has been formally endorsed by Manchester City Council (MCC) and is intended to form a Supplementary Planning Document, providing detailed guidance on development of the Site. Key principles for development of the Former Central Retail Park relate to place making, high quality development connectivity, sustainability, scale and mass, form and layout, and use. Key principles relating to socio-economics are: • Placemaking; the proposals will create a mix of spaces including the public realm and retail facilities. This will help create a high-quality integrated development which will be a key driver on future growth and job creation. • Use; the Proposed Development is focused on delivering a significant amount of new office space to meet recognised market demand, primarily through the commercial office led proposal.

17.3.2. Table 17-2 highlights the technical guidance and documents behind the methodology of this socio-economic chapter.

Table 17-2 - Technical Guidance for socio-economic topic

Technical Document	Summary of guidance
The Green Book, Her Majesty's Treasury 2024	The Green Book is guidance issued by HM Treasury on how to appraise policies, programmes and projects. The role of appraisal and evaluation is to provide objective analysis to support decision making. The Green Book provides approved thinking models and methods to support the provision of advice to clarify the social – or public – welfare costs, benefits, and trade-offs of alternative implementation options for the delivery of policy objectives.
Homes and Communities Agency's (HCA's) Additionality Guide, 2014	The HCA Additionality Guide explains how to assess the additional impact or additionality of local economic growth and housing interventions. Additionality is the extent to which something happens as a result of an intervention that would not have occurred in the absence of the intervention. Additionality assessment includes assumptions regarding leakage, displacement and substitution. Central to robust appraisal is the need to assess whether the intervention concerned will bring additional benefits over and above what would have happened anyway in its absence.
HCA Employment Densities Guide, 2015	Employment density refers to the average floorspace (in m²) per full-time equivalent (FTE) member of staff. It is used as a measure of intensity of building use and an indicator of how much space each person occupies within the workplace. Calculating the jobs generated by a particular use or building using employment densities relies upon a consistent understanding of floorspace.

Technical Document	Summary of guidance
DLUHC Appraisal Guide, 2023	This guide sets out specific appraisal issues that arise in DLUHC policy areas and is focused on the economic dimension of the business case, providing specific guidance on the quantification of impacts in the economic dimension. The appraisal approaches set out are also applicable to the assessment of options in Impact Assessments. Effective economic appraisal involves estimating costs and benefits in a consistent manner. It will also assess which demographic groups and places are likely to be impacted by options and support the development of the Equalities Impact Assessment.
HCA's Calculating Cost Per Job Best Practice Note, 2015	This note provides guidance on the methodology and underlying principles of cost per job calculations. It also provides guidance on how to calculate and assess cost per job figures for the purposes of ex-ante project and programme appraisals. Cost per job is most relevant where one of the project objectives is about creation of floorspace and/or employment generation. Where the rationale for a project is to create jobs (including projects which create floorspace for office, industrial, retail, hotel or other commercial use) the cost per job calculation outlined below must be included in the appraisal. Employment impacts may sometimes alternatively or additionally be taken into account in a cost benefit approach as the flow of income or Gross Value Added (GVA) benefits generated by the intervention involved where this overcomes an identified 'supply side' failure.

17.4. Assessment Methodology

Study Area

17.4.1. Socio-economic impacts can be assessed with reference to a spectrum of spatial scales, ranging from the immediate local catchment through to the wider, sub-regional scale. The study area is also influenced by the availability of baseline data which may not always be available down to a local catchment area level.

17.4.2. The study area has been defined as a spatial area which will be impacted by the Proposed Development dependent on data. This will either be the Site's anticipated immediate local catchment; Piccadilly and Ancoats and Beswick wards, or the Local Authority District of Manchester.

17.4.3. Where possible when assessing the baseline socio-economic conditions, ward-level spatial data has been used instead of Manchester LAD as this involves a smaller administrative area. Therefore, when baseline conditions consider Manchester LAD, differences in the size of the study area should be considered. The wider spatial area will cover the administrative area of Greater Manchester Combined Authority (GMCA) to recognise the real-life employment linkages between the City Centre and its surroundings.

17.4.4. The geographical scale of the assessment varies by topic, and at which scale the effect would most significantly be felt is based on professional judgement. The likely significant effects have therefore been assessed at the Site and local authority levels where appropriate i.e. demography at the local authority

level, employment at Site, local authority and Combined Authority-wide levels, and public facilities (education and health) in the local area surrounding the Site.

Proposed Development Narrative

17.4.5. The Proposed Development is approximately 2.8 ha and currently compromises vacant brownfield land, with the Site formerly a retail park which was demolished and has been left vacant.

17.4.6. The Proposed Development includes the development of a new civil service campus across two office buildings. There will also be ground floor commercial space (circa 1,000 m^2) to compliment the workspace functions and provide amenity to staff and the public.

17.4.7. The Proposed Development, once complete, will be part of the United Kingdom Governments' Civil Service estate. Therefore, the office space in the two buildings will be filled with civil servants from a number of sources. The expectation is that 50% of the roles to fill the Proposed Development will be recruited and the remaining 50% will be a consolidation of civil servants already based in buildings which form part of the existing Government estate in Greater Manchester Combined Authority (GMCA).

17.4.8. The above narrative can be used to inform the Reference Case (see explanation in the Methodology: Additionality Section below and Figure 17-1) which is crucial to understanding the full socio-economic impact of the Proposed Development. This determines how much of each socio-economic impact (e.g. job creation) would have occurred without the Proposed Development intervention. For example, 50% of the jobs in the Proposed Development are consolidated from other Government buildings within Manchester, and therefore, would already exist without the intervention.

17.4.9. It should be noted that in anticipation of the Proposed Development being delivered there has been ongoing civil servant recruitment, with staff being employed to work out of the existing offices in Greater Manchester Combined Authority until the Proposed Development is complete. The plan is to continue recruiting as the Proposed Development is delivered, with a significant number of jobs having been already filled.

Methodology

17.4.10. This section provides the assessment criteria applied to the socio-economic assessment of the Proposed Development and a summary of the general approach to provide appropriate context in establishing the baseline socio-economic conditions.

17.4.11. The Green Book establishes a methodology for undertaking analysis of the socio-economic effects of Manchester Digital Campus across the construction and operational phases. The effects outlined in this chapter use Her Majesty Treasury compliant guidance to generate robust socio-economic effects.

17.4.12. The scope of the assessment considers the impacts of construction and operational phases of the Proposed Development.

17.4.13. There is no specific guidance available which establishes a methodology for undertaking an Environmental Impact Assessment (EIA) of the socio-economic effects of a Proposed Development. Accordingly, the approach adopted for this assessment is based upon professional experience and best practice, with a consideration of the following technical guidance (an overview of this guidance is included in Section 17.3):

- The Green Book (HM Treasury), 2024 (updated)
- Homes and Communities Agency's (HCA's) Additionality Guide, 2014
- HCA Employment Densities Guide, 2015

- Department of Levelling Up, Housing and Communities (DLUHC) Appraisal Guide, 2023
- HCA's Calculating Cost Per Job Best Practice Note, 2015.

Determining the Baseline

17.4.14. The baseline conditions have been identified by considering the socio-economic conditions of the Manchester Local Authority District (LAD) and by determining the employment, housing and economic climate of the area, as set out in Section 17.5. This baseline is important in setting the context to the scale and significance of any estimated effects, as discussed in this Methodology section (i.e. for the significance assessment and receptor sensitivity).

17.4.15. The socio-economic data discussed in Section 17.5 has been obtained from several reliable sources, consisting of ONS, Nomis and the 2021 Census.

- Nomis was used as a source for the following data sets: Population Estimates and Forecasts, Population Survey, Census, Business Register and Employment Survey, Business Counts and Survey of Hours and Earnings.
- ONS was used as a source for the following data sets: Population and Community and Regional Gross Value Added (GVA).
- Government official documents were used to attain the following data sets: Household Projections and English Indices of Deprivation.

Additionality

17.4.16. The key to determining the socio-economic effects of the Proposed Development will be establishing its net additional impact or 'additionality' compared to the Reference Case. This is the extent to which activity takes place at all, on a larger scale, earlier or within a specific designated area or target group as a result of the intervention.

17.4.17. The construction and operation phases for the Proposed Development will see the creation of a number of jobs in the study area (defined as Manchester LAD). The net additional impact of MDC will consider the number of jobs which may be lost in the rest of GMCA to work on the construction or operation of MDC, along with the number of jobs which will only benefit the rest of GMCA rather than Manchester LAD through their creation.

17.4.18. An overview of the narrative surrounding the Proposed Development can be found above in the section titled 'Proposed Development Narrative'.

17.4.19. In order to assess the additionality of the Proposed Development, the following steps outlined in Figure 17-1 below will be followed.

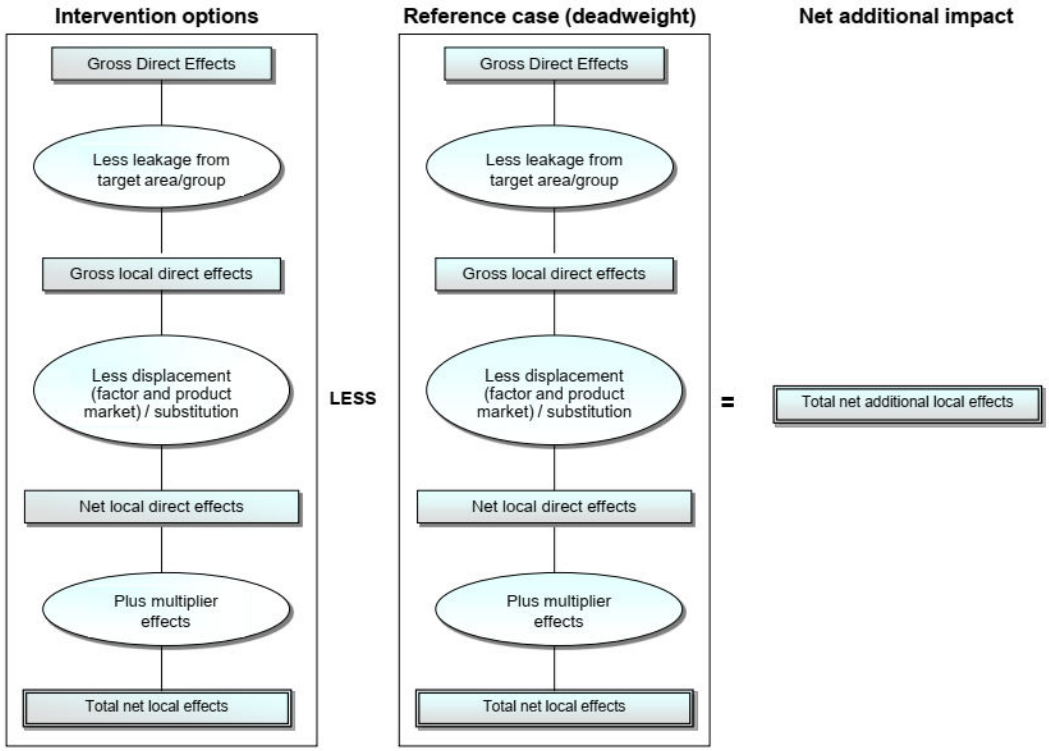


Figure 17-1 – Net additionality impact steps[2]

17.4.20. The gross direct impacts have been assessed, such as employment during the construction phase, and then the total net impacts have been generated by accounting for additionality. Additionality covers

- Three different types, including local leakage, displacement and substitution levels (defined below), to capture the net impact to the local economy (e.g. jobs created), rather than gross; and,
- Economic multipliers to capture the indirect and induced impacts, following UK additionality guidance[3]. For example, these multipliers highlight the number of indirect jobs that are created for each net job directly created by an intervention.

17.4.21. **Leakage** is the proportion of outputs that benefit those outside the defined intervention area or group. In this case, leakage is considered to be that which is beyond the observed local authority (Manchester) and then GMCA as a whole. For example, employees in the construction who are residents from outside the defined area will withdraw a portion of the economic benefits away from the observed area.

17.4.22. **Displacement** regards the proportion of outputs accounted for by reduced outputs elsewhere is the area. For example, a job which hires construction workers who would have otherwise been hired on another project, or increased business activity in one place reduces activity elsewhere as is often the case with new retail. If this is the case, an increase in demand for construction workers may even cause delays elsewhere where there is short supply.

17.4.23. **Substitution** is where the project causes an employed factor to be replaced by a currently unemployed factor. For example, a firm which recruits an unemployed worker through a government scheme, but let's go of its current employees, or where a firm stops one activity to take advantage of subsidised activities.

[2] The Department of Communities and Local Government (DCLG) Appraisal Guide, 2016

[3] HCA Additionality guide, 2014

17.4.24. The HCA Additionality Guidance includes 'ready reckoners' for additionality, which consider these additionality factors at either none, low, medium, high or very high levels with respective percentage markers of 0%, 10%, 25%, 50% and 75%. Where there is no specific evidence available, the impact context and socio-economic environment can be used to apply professional judgement to select the appropriate levels to use on gross impacts.

17.4.25. These 'ready reckoner' levels relate to the following outcomes presented in Table 17-3 for leakage and Table 17-4 for displacement.

Table 17-3 - HCA Additionality ready reckoners - Leakage

Level	Description	Leakage effect
None	All of the benefits go to people living in the target area/ the target group	0%
Low	The majority of benefits will go to people living within the target area/ the target group	10%
Medium	A reasonably high proportion of the benefits will be retained within the target area/ target group	25%
High	Many of the benefits will go to people living outside the area of benefit/ outside of the target group	50%
Very high	A substantial proportion of those benefiting will live outside of the area of benefit/ be non-target group members	75%
Total	None of the benefits go to members of the target area/ target group	100%

Source: HCA Additionality Guidance, 2014

Table 17-4 - HCA Additionality ready reckoners - Displacement

Level	Description	Displacement effect
None	No other firms/demand affected	0%
Low	There are expected to be some displacement effects, although only to a limited extent	25%
Medium	About half of the activity would be displaced	50%
High	A high level of displacement is expected to arise	75%
Total	All of the activity generated will be displaced	100%

Source: HCA Additionality Guidance, 2014

17.4.26. Additionality also considers the economic multiplier effects, which are composed of the further indirect and induced impacts.

17.4.27. **Indirect impacts** capture the supply linkages, over the Proposed Development construction and operation, which will require further purchases (raw materials, labour, goods and service), increasing economic output along the supply chain.

17.4.28. **Induced impacts** capture the effects on income where there are knock on effects caused through supply chain income changes, where additional incomes can drive increases in local expenditure, as a result of both worker wages and business turnover.

Gross Value Added

17.4.29. Gross Value Added is the value generated by any unit engaged in the production of goods and services in the United Kingdom. It measures the contribution to Gross Domestic Product made by an individual producer, industry or sector. This can also be used to analyse productivity across market sectors and locations (using GVA per worker or GVA per hour).

17.4.30. To calculate the GVA generated through the job creation across the construction and operational phases, the Green Book guidance suggests using average labour productivity figures (GVA per worker) for Manchester LAD and GMCA have been used. This produces a GVA figure per annum for the construction and operational phase, with the GVA boost to the local economy being over the 50-year project lifecycle.

17.4.31. Calculating the net present value of the GVA boost to the economy over the construction and operational phases requires the annual GVA figure to be adjusted to account for discounting and inflation. This assumes a 3.5% discount rate and uses the latest GDP deflator which represents whole economy inflation from the most recent forecasts by the Office for Budget Responsibility.[4] This sets out the five-year inflation forecast from 2024, with the inflation rate set at the Bank of England target of 2% for the remainder of the project lifecycle.

17.4.32. **Discounting** in the public sector allows costs and benefits with different time spans to be compared on a common "present value" basis. The public sector discount rate adjusts for social time preference, defined as the value society attaches to present, as opposed to future, consumption. The Green Book discount rate, known as the Social Time Preference Rate (STPR), for use in UK government appraisal is set at 3.5% in real terms.

Determining sensitivity

17.4.33. The socio-economic elements such as the labour market, business activity and local facilities within a defined area are used as the receptors and outlined in Table 17-5. The sensitivity of receptors is linked to how likely these receptors are to directly feel the impacts of the project, therefore how well placed they are to benefit from or deal with any effects and their capacity to adjust. To put into context, an area with high levels of unemployment would be considered highly sensitive to changes in employment levels, or an area with poor housing availability would be considered highly sensitive to changes in population. Table 17-5 and Table 17-6 below sets out broad definitions of sensitivity for these receptors.

Table 17-5 – Socio-economic receptors and Spatial Scale

Receptor	Spatial Scale
Local Economy	Local authority-wide
Local labour market	Local authority-wide
Local housing market	Near to the Site
Local education facilities	Near to the Site
Local health facilities	Near to the Site
Local business	Near to the Site
Local residents	Near to the Site

[4] Economic and Fiscal Outlook, OBR (March 2024)

Table 17-6 – Sensitivity/ resilience of socio-economic receptors

Sensitivity of Receptor	Importance / resilience of receptors
Very High	Socio-economic receptor is very likely to be directly affected by the project. Receptor is very well placed to take advantage of beneficial impacts, and/or is not well placed to deal with any adverse impacts.
High	Socio-economic receptor is likely to be directly affected by the project. Receptor is well placed to take advantage of beneficial impacts, and/or is not well placed to deal with any adverse impacts.
Medium	Socio-economic receptor is likely to be indirectly affected by the project. Average ability to maximise beneficial impacts or cope with adverse impacts.
Low	Socio-economic receptor is unlikely to benefit from the project. Receptor is not well placed to take advantage of beneficial impacts, and/or is well placed to deal with any adverse impacts.

Impact Magnitude

17.4.34. The magnitude of impact is scaled in four levels: High / Medium / Low / Negligible. The higher the magnitude of the impact, the more likely the resulting effect would be significant.

17.4.35. Impact magnitude depends on several factors such as spatial scale, degree of changes, their duration, likelihood, frequency, and reversibility.

17.4.36. The magnitude of the impacts is defined for the socio-economic impacts in Table 17-7 below.

Table 17-7 – Impact magnitude for socio-economic effects

Impact Magnitude	Description of Impact
High	An impact that is expected to have considerable adverse or beneficial socio-economic effects. Such impacts will typically affect large numbers of businesses, workers or residents. High magnitude impacts will typically be long-term in nature, resulting in the permanent change of the study area's baseline socio-economic conditions.
Medium	An impact that is expected to have a moderate socio-economic effect. Such impacts will typically have a noticeable effect on a limited number of businesses, workers or residents, and will lead to a permanent (but not drastic) change to the study area's baseline socio-economic conditions.
Low	An impact that is expected to affect a small number of businesses, workers or residents. Or an impact that may affect a larger number of receptors but without materially changing the study area's baseline socio-economic conditions. Such impacts are likely to be temporary in nature.
Negligible	An impact that is likely to be temporary in nature, or which is anticipated to have a slight or no effect on the well-being of the study area's businesses, workers or residents.

Impact Significance

17.4.37. Overall, the significance of the socio-economic effects assessed is determined by; the value of the socio-economic change, the duration of the effect, the magnitude of the impact, the number of receptors (i.e. people or businesses) affected and the sensitivity of these receptors.

17.4.38. Table 17-8 crosscuts the magnitude of the impact and the sensitivity of the receptors to determine the relevance levels of any impacts. Relevance can be adverse or beneficial and both types of effects have been considered within the assessments. The levels of the relevance of the impacts are categorised as follows:

- Major (adverse / beneficial)
- Moderate (adverse / beneficial)
- Minor (adverse / beneficial)
- Negligible / no effect.

Table 17-8 Impact Relevance Matrix

Relevance of the Impact		**Magnitude of impact**			
		High	**Medium**	**Low**	**Negligible**
Receptor sensitivity or importance	**Very High**	Major	Major	Moderate	Minor
	High	Major	Moderate	Minor	Negligible
	Medium	Moderate	Moderate	Minor	Negligible
	Low	Moderate	Minor	Negligible	Negligible

17.4.39. Major and moderate effects are generally regarded as being significant whereas minor and negligible effects are considered not significant.

17.4.40. Examples of how these definitions apply in practice are as follows:

- **Major beneficial or adverse effect** – where the Proposed Development would cause a significant improvement or deterioration to the existing socio-economic environment.
- **Moderate beneficial or adverse effect** – where the Proposed Development would cause a noticeable improvement or deterioration to the existing socio-economic environment.
- **Minor beneficial or adverse effect** – where the Proposed Development would cause a barely perceptible improvement or deterioration to the existing socio-economic environment.
- **Negligible** – no discernible improvement or deterioration to the existing socio-economic environment.

Assumptions and limitations

17.4.41. The impact assessment has been undertaken with consideration to the socio-economic context of the study area, linking back to the baseline conditions of Manchester and the relevant local, regional and national policy documents.

17.4.42. It considers the impacts across the construction and operational phase. As part of the consultation with the Government Property Agency (GPA) (see Consultation), they provided approximate Full Time Equivalent (FTE) figures for the office space as part of the Proposed Development. They also provided a narrative behind these figures which is crucial to understanding the socio-economic impacts. It is also important to note that these FTE figures are subject to change, and therefore, additionality assumptions

would likely severely impact the final FTE figures if these were to change closer to the completion of the Proposed Development.

17.4.43. This means that the additionality assumptions, e.g. the 'ready reckoners', (see Additionality) have not been used to determine the net additional jobs caused by the Proposed Development in the operational phase and instead have been generated using figures provided by the GPA consultation.

17.4.44. However, this is just related to the office floorspace, and therefore, the retail floorspace, whilst insignificant, will be subject to the above additionality assumptions (and the 'ready reckoners').

17.4.45. The additionality assumptions will also be applied to the construction phase given the current estimate for the construction cost, as provided in the consultation.

Consultation

17.4.46. Given the consistent and desk-based methodology highlighted above to identify the potential impacts of the Proposed Development, limited consultation has taken place on the socio-economic impact assessment.

17.4.47. However, the AtkinsRéalis team has been engaged with the GPA to determine the construction cost of the Proposed Development and the floorspace being delivered as part of the Proposed Development. The following key pieces of information have been shared as part of this:

- Estimated current day construction cost (excluding inflation) for the base build and fit out of £700-£800 million.
- Total Net Internal Area (NIA) Office Floorspace is 58,000m² and the total NIA Retail Floorspace is 1,000m².

17.4.48. The Campus has been designed to be home to circa 7,000 Full Time Equivalents based on the GPA space standards and current attendance rates.

17.4.49. The GPA have also provided information on the Reference Case, crucial in understanding the socio-economic impact for the FTE office space figure. This narrative behind the FTE highlights the breakdown of where these FTE are coming. The following is an overview of the narrative, however, given the complexity of the Proposed Development, this could be subject to change:

- 50% of the FTE for the office space are to be recruited.
- 50% of the FTE for the office space will be a consolidation of staff, coming from existing buildings in Manchester local authority, and some from Salford local authority. These are defined as safeguarded jobs.

17.4.50. Given the possibility of further change to the make-up of the FTEs in the office provision, the socio-economic assessment for the operational phase does not include any additionality assumptions, and instead uses the total figure provided by the GPA of 7,000 FTE.

17.4.51. As part of the consultation, it has been noted that in anticipation of the Proposed Development being delivered, there has been ongoing recruitment within GMCA, with civil servants being recruited and based in the existing Government Estate. These employees will then move to the Proposed Development once it is complete. Currently, 1,000 FTE have been recruited on the back of this project, with more recruitment planned during the delivery phase.

17.5. Baseline Conditions

17.5.1. This section provides a review of the existing socio-economic environment in the study area. The following baseline analysis is undertaken at the Piccadilly and Ancoats and Beswick ward level to show general trends in the local economy and according to data availability of the area. Where data is not available at the ward level, Manchester LAD level data has been used.

17.5.2. To provide further context to the study area, the following baseline analysis provides a comparison of larger geographical areas. The areas considered are:

- Greater Manchester Combined Authority
- North West; providing a regional comparison
- United Kingdom or England; dependent on data availability and providing a national comparison.

17.5.3. The socio-economic data discussed below was obtained from several reliable sources with the key ones being from ONS, NOMIS and the 2021 Census. NOMIS was used as a source for the following data sets: Population Estimates and Forecasts, Population Survey, Census, Business Register and Employment Survey, Business Counts and Survey of Hours and Earnings. ONS was used as a source for the following data sets: Population and Community and Regional GVA. Government official documents were used to attain the following data sets: Household Projections and English Multiple Indices of Deprivation.

Demographics

17.5.4. The study area, when defined as the two wards, has a total population of 26,486 in 2021 (Ancoats and Beswick has a population of 14,822 and Piccadilly ward has a population of 11,664).[5] For comparison, the Manchester LAD's population in 2021 was 551,938. This highlights the significant difference in size of the two study areas.

17.5.5. Greater Manchester Combined Authority's (GMCA's) population was estimated to be 2.91 million, the North West's was 7.52 million and the United Kingdoms was 67.60 million.

17.5.6. In the past decade, the combined two wards have seen a 33% growth rate. This is a significant growth rate, driven by the population in the Ancoats and Beswick ward almost doubling over the past 10 years.

17.5.7. Manchester LAD's population has also increased by 12.3% over the past decade. This is significantly higher than the growth rate for GMCA (7.8%), the North West (6.2%) and the United Kingdom (6.1%). The 5-year population growth rate (6.0%) for Manchester LAD is also significantly higher than the other areas.

17.5.8. Figure 17-2 illustrates the breakdown of population across the four geographical areas. Manchester LAD does not follow the same pattern as the other three, which are all relatively similar. Manchester LAD has a working age population of 70%, a significantly higher proportion than the rest of the Combined Authority, region and country. There are similar levels of the population aged 0-15 for the four geographical areas, with the other key difference being Manchester LAD having a significantly lower proportion of the population aged over 65.

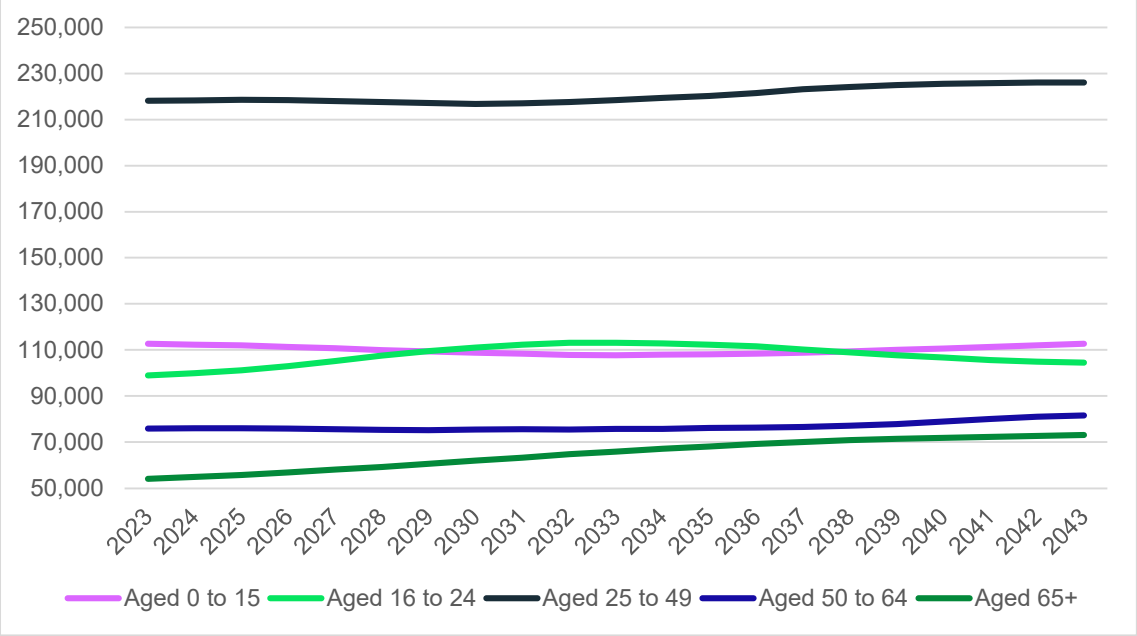
[5] Census 2021



Source: NOMIS, ONS Population Estimates, 2022

Figure 17-2 - Age Profile of Population, 2022

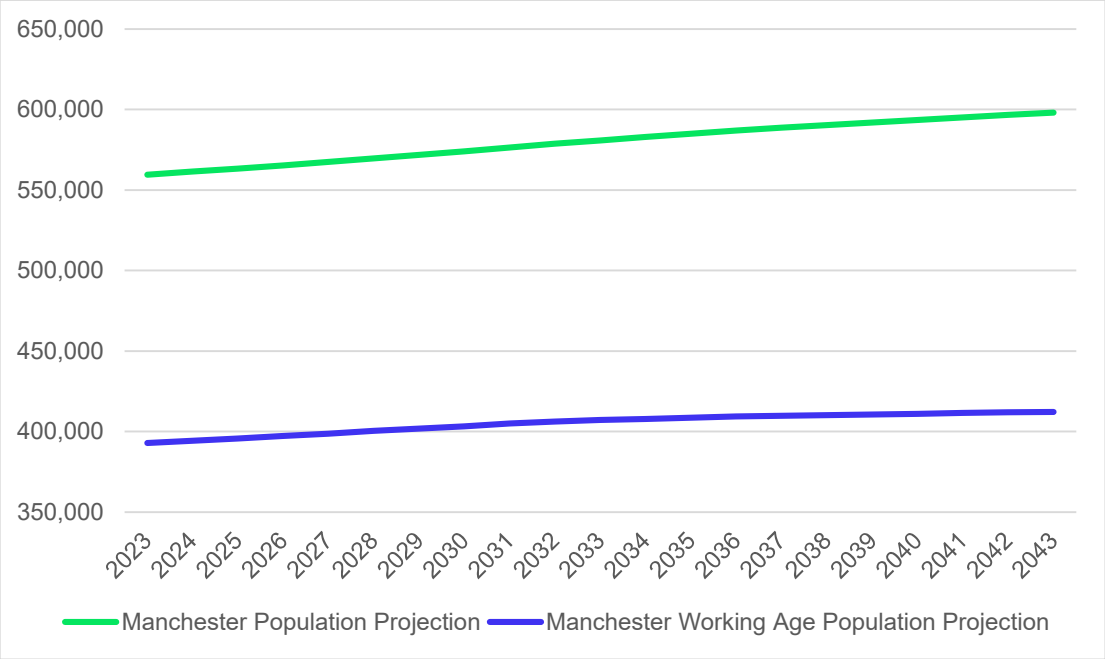
17.5.9. The Manchester LAD population is projected to grow from a total population of 559,700 in 2023 to 598,150 by 2043. This population increase will be primarily driven by those aged between 25 and 49 due to this being the largest age range. Figure 17-3 highlights the population projection for Manchester LAD. It shows that whilst there will be minimal change in the population aged 0-15, there will be the largest proportional increase in the population aged over 65. The population aged 16-24 will also increase to circa 2030, however, it would then decrease. These imply a slight shift towards an aging population in Manchester LAD. However, this is not unlike the rest of the UK, where the improvement to healthcare enables people to live longer.



Source: NOMIS, ONS Population Projections

Figure 17-3 - Manchester LAD Population Projections 2023-43

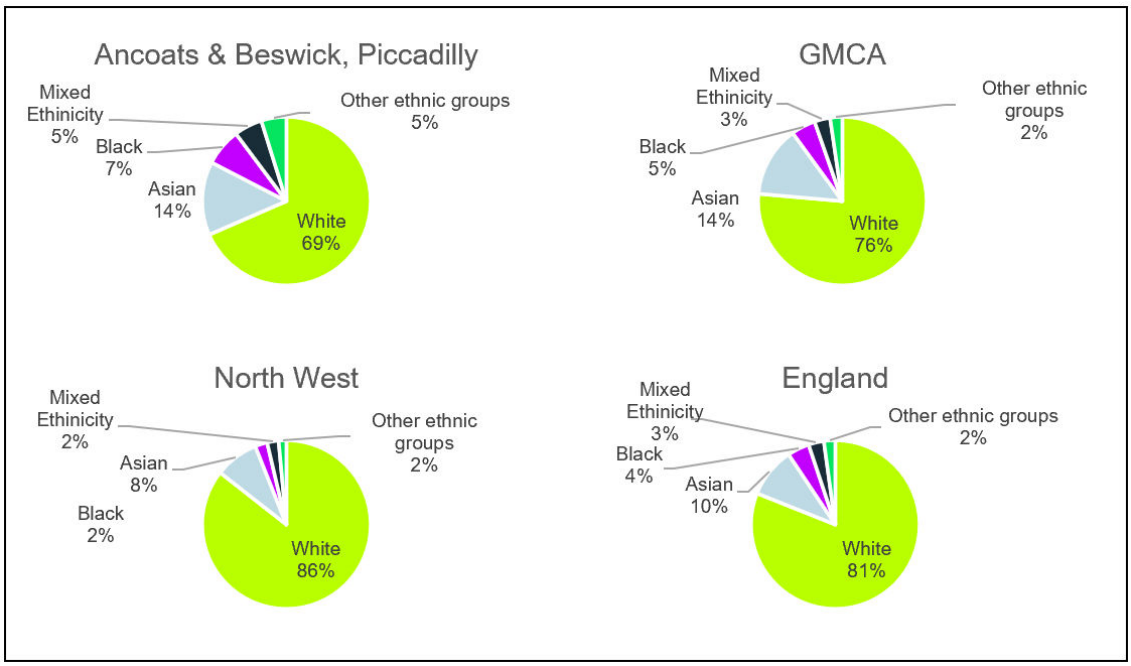
17.5.10. Figure 17-4 highlights the change in Manchester LAD's total and working age population over the next two decades. The total population is projected to increase at a quicker rate than the working age population, implying there will be a higher proportion of young and older people in the study area in the future.



Source: NOMIS, ONS Population Projections

Figure 17-4 - Manchester LAD Total and Working Age Population Projections 2023-43

17.5.11. Figure 17-5 shows the ethnicity breakdown of the study area (for this instance the Ancoats & Beswick and Piccadilly wards have been used) in comparison to the three wider geographical areas. For ethnicity data, England is used rather than the United Kingdom due to the data being from the English and Welsh Census, with data collected in 2021. The study area has a significantly more diverse population than the rest of Greater Manchester, which already has a more diverse population than the rest of the region and country.



Source: Census 2021

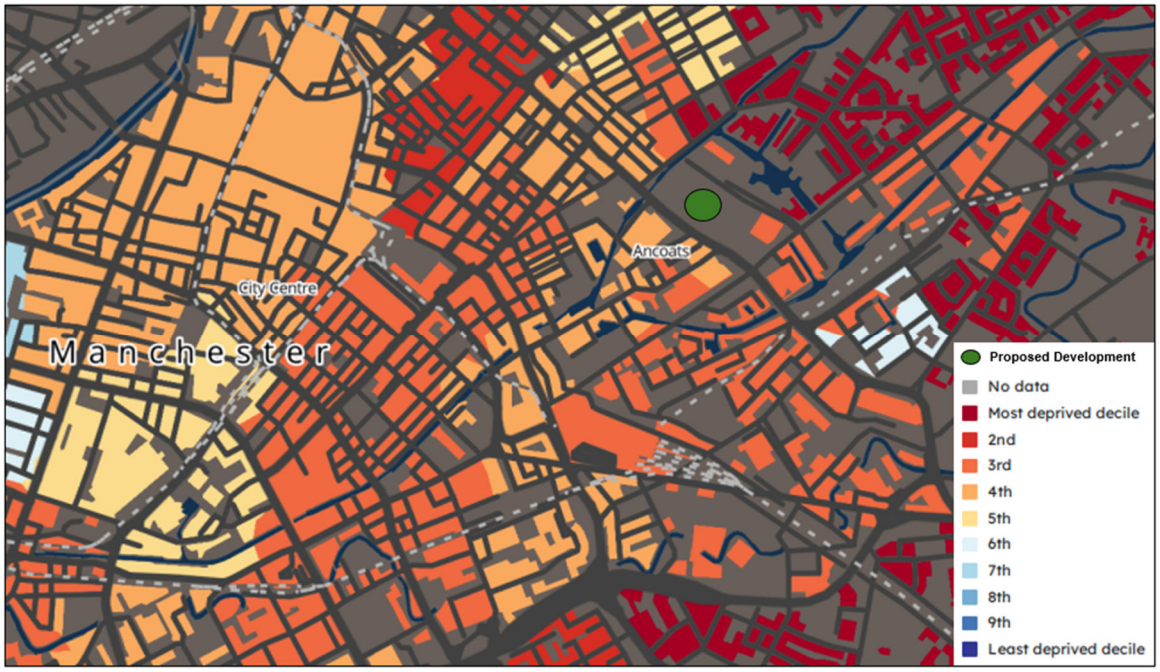
Figure 17-5 - Population Breakdown by Ethnicity

Deprivation

17.5.12. Whilst Manchester is a relatively young and diverse area of the England it ranks highly for deprivation. In 2019 it was ranked as the 6th most deprived local authority out of 326 local authorities in England. Across Manchester, 43% of its Lower-layer Super Output Area (LSOAs) are in the most deprived 10% in England on the Index of Multiple Deprivation (IMD). Only Liverpool has a higher proportion of LSOAs in the most deprived 10% out of the remaining core cities in England. Within GMCA, Manchester LAD has the highest proportion of LSOAs in the most deprived 10% in England with 43%, Oldham ranks second with 30%.

17.5.13. Ancoats & Beswick ward was ranked as having medium levels of deprivation compared to the rest of the city. The ward also has relatively high levels of benefit claimants, with 22.43% of residents being benefit claimants, of which 1,562 residents claimed out-of-work benefits. The Piccadilly ward has lower levels of deprivation than the rest of the city and is ranked the 6th least deprived area in the city. Of those living in the Piccadilly ward 9.5% of residents are claiming benefits, of which 512 claimed out of work benefits.

17.5.14. The Proposed Development is surrounded by areas that rank highly on the Index of Multiple Deprivation, as seen in Figure 17-6. The latest IMD data release (2019), which is mapped by the Consumer Data Research Centre, shows that the east side of the Proposed Development contains some of the most deprived areas in England. The north of the Proposed Development, around Oldham Road, contains areas which are in the 4th and 5th deciles of deprivation and therefore only slightly deprived in comparison to the rest of England. No area in the surrounding area of the Proposed Development contains areas which are in the least deprived deciles.



Source: UK Index of Multiple Deprivation, Consumer Data Research Centre, 2019

Figure 17-6 Index of Multiple Deprivation

Housing

17.5.15. According to the Department of Levelling Up, Housing and Communities (DLUHC), the total dwelling stock in Manchester LAD was 236,643 in 2022.[6] This is an average annual increase of 0.9% since 2009, where the total was 210,830. In gross terms, this equates to an increase of approximately 2000 per year since 2009. The dwelling stock growth rate in Manchester has been slightly higher than the average for the rest of England, where the average annual growth rate in housing stock was 0.8%. Manchester City Council has committed to growing the number of homes by 36,000 between 2022 to 2032, with 10,000 of these aiming to be affordable homes.

17.5.16. The average house price in Manchester LAD was £237,805 in 2023.[7] This has almost doubled since 2013 where the average house price was £122,189. The LAD has a slightly higher average house price in 2023 than the rest of GMCA (£230,282), however, is significantly lower than the national average (£308,325). The area has also experienced far greater house price growth than GMCA (83.5%) and England (66.1%) over the past area. This could partly be down to regeneration throughout the Manchester LAD.

[6] Dwelling stock estimates in England, DLUHC, 2022

[7] UK House Price Index, 2024



Source: UK House Price Index, 2024

Figure 17-7 - Average House Prices in 2013 and 2023

17.5.17. A household is defined as "one person living alone, or a group of people (not necessarily related) living at the same address who share cooking facilities and share a living room, sitting room or dining area. A household can consist of a single family, more than one family or no families in the case of a group of unrelated people."[8]

17.5.18. In the latest Census (2021), there were 1,178,246 households in GMCA, a 4.4% increase since 2011, equating to an increase of 50,180 households. This was below the average growth rate for England of 6.2%, and nearly half the 8.4% growth seen in GMCA between 2001 and 2011. Manchester LAD saw a similar increase to the rest of GMCA, with a 4.8% increase in the number of households over the past decade, with the numbers going from 204,969 to 214,734.

17.5.19. The average number of residents per household across GMCA increased marginally between 2011 and 2021, from 2.34 to 2.39.[9] Increases were seen across all of the GMCA local authorities with the exception of Wigan, where average household size fell slightly, from 2.32 to 2.28 residents per household. Manchester LAD saw the largest increase, with average household size changing from 2.34 to 2.46 residents per household over the period.

17.5.20. In Manchester LAD, the proportion of households including a couple with dependent children rose from 14.9% in 2011 to 16.9% in 2021.[10] During the same period, the proportion in the North West fell from 18.4% to 18.0%. The proportion of households including a couple without children in Manchester LAD increased from 13.2% to 13.8%, while the proportion of households including a couple with only non-dependent children increased from 3.8% to 4.1%.

17.5.21. In the Ancoats and Beswick ward, 37.24% of residents owned their property, 32.3% were in private rented accommodation, 29.46% were in social rented accommodation and 0.78% were in shared ownership.[11] In the Piccadilly ward, 70.47% of residents were in private rented accommodation, 19.48% owned their accommodation, 9.35% were in social rented accommodation, and the remaining residents

[8] Families and Households Statistics Methodology Note, ONS, 2011

[9] ONS, Census 2021, 2011

[10] ONS, Census 2021, 2011

[11] ONS, Census, 2021, 2011

lived in shared ownership or were living rent free. The significantly high proportion of residents living in private rented accommodation in the Piccadilly ward implies that the area has a lot more non-homeowners, possibly students, living in the area.

17.5.22. In the Manchester LAD, 37.24% of residents owned their accommodation, 32.3% were in the private rented sector, 29.46% were in the social rented sector, with the remainder living in shared ownership or living rent free.

Workforce

17.5.23. Manchester LAD has an economic activity rate of 67% in 2024, which is 2% lower than London and 3% above the average for England.[12] This is also higher than the economic activity rate for GMCA, which is 62%.

17.5.24. Manchester LAD has an economic inactivity rate of 33% in 2024, which is below the average for London (31%) and England (36%).[13] This is also lower than the economic inactivity rate for GMCA which is 37%. The high economic activity rate in Manchester LAD is partly due to the proportionally high level of students, with 28% of the economically inactive population being students. This is higher than the proportion which are students in London (20%), England (12%) and GMCA (15%).

17.5.25. The unemployment rate is 2.1% in Manchester LAD in 2023, lower when compared to London (3.3%) and England (2.4%).[14] The GMCA unemployment rate is slightly lower than that of London at 2.7%.

17.5.26. Table 17-9 below shows the percentage of employees employed in each sector at the ward, Combined Authority, region and national level. Within the Ancoats and Beswick and Piccadilly wards the key sectors include public administration & defence and professional, scientific and technical roles. From this indicator it can be seen that the area surrounding the Proposed Development is relatively affluent with employees in the area working in higher paying service based professional roles.

17.5.27. Within GMCA, the North West and England, the key sectors are health and professional, scientific and technical services. These are two sectors that again tend to have wages that are higher than the national average.

17.5.28. The key differences between the study area, with this being the Ancoats and Beswick and Piccadilly wards, and the rest of GMCA, the North West and England are:

- Significantly lower levels of employment in the health, education, manufacturing and construction industries in the study area compared to the rest of GMCA, the North West and England.
- Significantly higher levels of employment in the finance and insurance sector, professional, scientific and technical professions and business administration and support services in the study area compared to the rest of GMCA, the North West and England.

Table 17-9 - Employment by Industry, 2022

Industry	Ancoats & Beswick, Piccadilly wards	GMCA	North West	England
1: Agriculture, forestry & fishing (A)	0.0%	0.2%	1.1%	1.3%

[12] NOMIS, Annual Population Survey, 2023

[13] NOMIS, Annual Population Survey, 2023

[14] NOMIS, Annual Population Survey, 2023

Industry	Ancoats & Beswick, Piccadilly wards	GMCA	North West	England
2: Mining, quarrying & utilities (B, D and E)	0.2%	0.9%	1.0%	1.1%
3: Manufacturing (C)	0.9%	7.0%	8.8%	7.4%
4: Construction (F)	1.5%	4.9%	5.2%	4.9%
5: Motor trades (Part G)	0.4%	1.4%	1.6%	1.8%
6: Wholesale (Part G)	1.6%	4.8%	4.3%	3.8%
7: Retail (Part G)	9.0%	8.3%	8.7%	8.4%
8: Transport & storage (inc postal) (H)	6.1%	4.8%	4.7%	5.1%
9: Accommodation & food services (I)	10.9%	7.0%	7.9%	7.9%
10: Information & communication (J)	5.5%	4.3%	3.3%	4.7%
11: Financial & insurance (K)	9.3%	2.8%	2.4%	3.3%
12: Property (L)	5.4%	2.0%	1.8%	2.0%
13: Professional, scientific & technical (M)	18.1%	11.7%	9.4%	9.5%
14: Business administration & support services (N)	15.8%	9.7%	8.2%	9.0%
15: Public administration & defence (O)	7.1%	4.6%	4.8%	4.2%
16: Education (P)	1.6%	8.0%	7.8%	8.3%
17: Health (Q)	2.6%	13.9%	14.8%	12.9%
18: Arts, entertainment, recreation & other services (R, S, T and U)	4.1%	3.9%	4.0%	4.4%

Source: NOMIS, Business Register and Employment Survey, 2022

17.5.29. When considering employment by occupation (see Table 17-10 below), 40% of the Manchester LAD population work in professional occupations. This is significantly higher than the rest of GMCA and England, where 29% and 27% respectively work in professional occupations. Manchester LAD also has a higher proportion of individuals working in elementary occupations (10%) than England (9%) and Greater Manchester (8%).

Table 17-10 Employment by Occupation, 2023

Occupation	Manchester	GMCA	England
Managers and Senior Officials	16,000 (6%)	132,000 (10%)	3,116,200 (11%)
Professional Occupations	114,100 (40%)	383,900 (29%)	7,548,200 (27%)
Associate Prof and Tech Occupations	46,000 (16%)	196,600 (15%)	4,206,100 (15%)
Administrative and Secretarial Occupations	20,200 (7%)	146,300 (11%)	2,660,600 (10%)
Skilled Trades Occupations	9,200 (3%)	82,400 (6%)	2,402,500 (9%)
Personal Service Occupationsa	20,300 (7%)	107,700 (8%)	2,189,300 (8%)
Sales and Customer Service Occupations	20,600 (7%)	99,400 (7%)	1,699,400 (6%)
Process, Plant and Machine Operatives	12,100 (4%)	64,500 (5%)	1,491,300 (5%)
Elementary Occupations	30,100 (10%)	118,000 (8%)	2,535,600 (9%)
Total	288,600	1,330,800	27,849,200

Source: Annual Population Survey, Nomis 2024

17.5.30. Table 17-11 shows 2021 census commuting distances for the selected areas of study. For the purpose of this analysis, Ancoats and Beswick and Piccadilly wards have been split to enable further comparison of the two wards.

Table 17-11 Distance Travelled to Work

Distance Travelled to Work	Ancoats & Beswick	Piccadilly	Manchester LAD	GMCA	England
Less than 2km	13.6%	16.7%	12.1%	11.6%	11.0%
2km to less than 5km	12.0%	7.3%	16.7%	15.5%	12.6%
5km to less than 10km	7.9%	6.7%	15.2%	14.8%	11.7%
10km to less than 20km	6.6%	6.9%	7.4%	10.3%	10.4%
20km to less than 30km	1.1%	1.2%	1.4%	2.6%	4.0%
30km to less than 40km	1.1%	0.9%	0.8%	0.9%	1.7%

Distance Travelled to Work	Ancoats & Beswick	Piccadilly	Manchester LAD	GMCA	England
40km to less than 60km	1.2%	0.7%	1.0%	0.7%	1.3%
60km and over	0.9%	1.2%	1.3%	1.0%	1.3%
Works mainly from home	49.3%	52.4%	31.6%	28.6%	31.5%
Works mainly at an offshore installation, in no fixed place, or outside the UK	6.2%	5.8%	12.7%	14.0%	14.5%

Source: NOMIS, Census 2021

17.5.31. In Ancoats & Beswick and Piccadilly wards, 49.3% and 52.4% of the population worked from home. This is significantly higher than the percentage across Manchester LAD, Greater Manchester and England. However, it should be noted that the Census 2021 was carried out during the Covid-19 pandemic and so the figures for those working from home would be expected to be higher than usual.

17.5.32. Within Ancoats & Beswick, 33.5% of the population travelled less than 10km to work whilst for Piccadilly that percentage was 30.7%. Across Manchester and Greater Manchester respectively, 44% and 41.9% of the population travelled less than 10km to work. Therefore, those in the Ancoats & Beswick and Piccadilly wards travel a greater distance to work than the rest of Greater Manchester.

Economic Conditions

17.5.33. The Manchester economy performs below the national level on a number of indicators. In terms of earnings the median full-time salary in Manchester during 2023 was £32,507 and £32,691 in Greater Manchester whilst across the whole of England it was £35,100. Part time workers in Manchester earn £12,401 annually whilst in Greater Manchester it was £12,563 and across England it was £12,579.

17.5.34. The economic performance of Manchester is strong with a GVA of £31.5 billion in 2022 and a GVA per head of £55,371. In 2022, England's GVA per head was £33,976. GVA in the city centre of Manchester was particularly strong and the Proposed Development will build on this.

17.5.35. Table 17-12 highlights the number and size of businesses within Manchester LAD and GMCA, compared to London and the rest of England.

Table 17-12 Business Counts, 2023

Region	Total Business Count (National %)	Micro Business Count (National %)	Small Business Count (National %)	Medium Business Count (National %)	Large Business Count (National %)
Manchester LAD	45,665 (1%)	19,815 (1%)	2,440 (1%)	450 (1%)	125 (1%)

Region	Total Business Count (National %)	Micro Business Count (National %)	Small Business Count (National %)	Medium Business Count (National %)	Large Business Count (National %)
GMCA	210,850 (4%)	93,205 (4%)	10,040 (5%)	1,735 (5%)	445 (5%)
London	1,047,825 (22%)	472,715 (22%)	40,750 (19%)	8,160 (22%)	2,290 (24%)
England	4,740,255	2,113,640	209,555	37,305	9,630

Source: NOMIS, Business Register and Employment Survey, 2023

17.5.36. Manchester LAD has approximately 1% share of the total businesses in England, with GMCA having 4% and London 22% share. The share of businesses in terms of national percentage is consistent across different sizes of business. Manchester LAD has a relatively low share of businesses across all sizes; however, it relatively holds a larger national share in larger businesses

Education Facilities

17.5.37. The area surrounding the Site has a number of primary and secondary schools. The school closest to the Site, Co-Op Academy New Islington is located adjacent to the Proposed Development and is a state primary school offering places to both boys and girls aged 4-11. The second closest school is St Anne's RC Primary School located in Ancoats which is a Roman Catholic School offering places to boys and girls aged 3-11 years.

17.5.38. The closest secondary school is Manchester College Shena Simon Campus located on Chorlton Street and offers courses in English, Maths, Business and Science.

17.5.39. Figure 17-8 shows the locations of educational facilities located near to the Proposed Development.

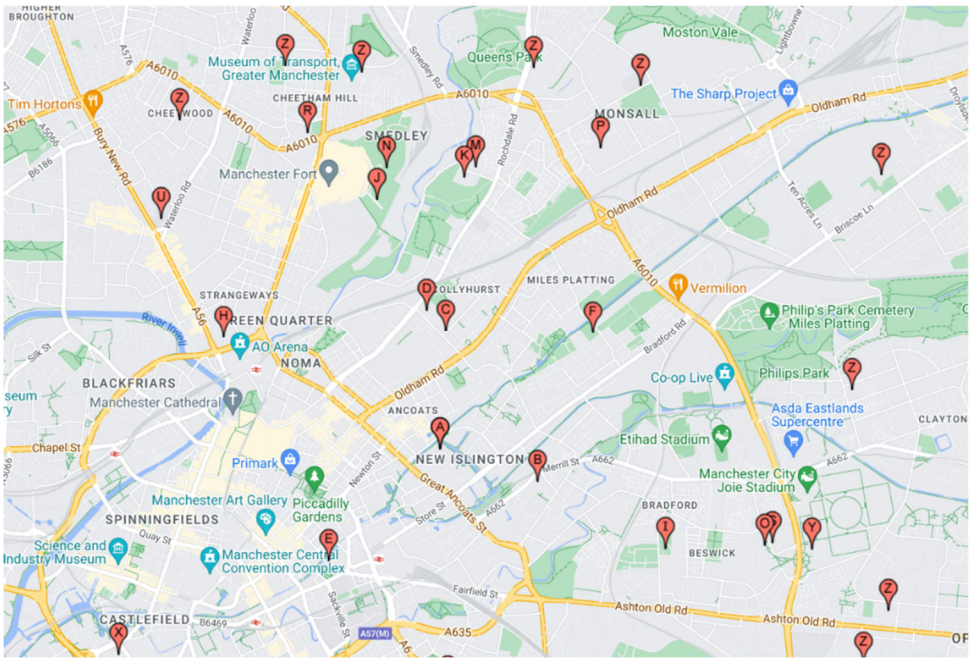


Figure 17-8 – School Locations

17.5.40. Table 17-13 illustrates the names and distances of educational facilities from the Site.

Table 17-13 - School Name & Distance from Site

(A) Co-op Academy New Islington (0,00) miles	(N) Eden Girls' Leadership Academy (1,06) miles
(B) St Anne's RC Primary School (Ancoats) (0,38) miles	(O) The East Manchester Academy (1,25) miles
(C) St Patrick's RC Primary School (0,44) miles	(P) St Augustine's CofE Primary School (1,26) miles
(D) Abbott Community Primary School (0,52) miles	(Q) St Philip's CofE Primary School (1,27) miles
(E) The Manchester College Shena Simon Campus (0,59) miles	(R) St Chad's RC Primary School (1,27) miles
(F) Park View Community School (0,71) miles	(S) St Brigid's RC Primary School (1,28) miles
(G) Medlock Primary School (0,88) miles	(T) Trinity Sixth Form (1,33) miles
(H) The Manchester College City Campus (0,90) miles	(U) Cheetwood Primary School (1,34) miles
(I) Ashbury Meadow Primary School (0,91) miles	(V) Armitage CofE Primary School (1,34) miles
(J) Eden Boys' Leadership Academy (0,95) miles	(W) Trinity Church of England High School (1,37) miles
(K) St Malachy's RC Primary School (1,01) miles	(X) Crown Street Primary School (proposed opening for September 2024) (1,41) miles
(L) CofE School of the Resurrection (1,04) miles	(Y) Connell Co-op College (1,42) miles
(M) Saviour CofE Primary School (1,05) miles	(Z) Oasis Academy Temple (1,42) miles

Source: Manchester City Council School Finder, 2023

17.5.41. The Manchester City Council Children and Young People Scrutiny Committee provide an overview of the current school age population, and the work needed to ensure sufficiency of school places. Projects for anticipated student demand attending Manchester schools were submitted to the Department for Education in July 2022. The forecasts will identify the projected number of places required to meet the Council's sufficiency duty and determine its Basic Need funding allocation for future years.

17.5.42. As part of the overall growth there is ongoing demand for specialist places. Nationally, the actual numbers and proportion of pupils with an Education Health and Care Plan (EHCP) have increased with the overall percentage now at 4.0% of the whole school population. Within the Manchester school population, the January 2022 census showed that 4.7% of the school population have an EHCP (4,350 pupils). In Manchester the number of pupils attending special schools is growing and now stands at 2.2% of the total school population.

17.5.43. The continued attractiveness of Manchester City Centre as a place to live and work and ongoing residential growth is expected to result in additional demand for primary school places as more residents choose to remain in the area when starting a family.

17.5.44. In response to this forecast demand the Council is working with Renaker Build to establish a new primary school as part of the Crown Street phase 2 development. The school will provide 210 places for primary age children along with a 26-place nursery. It will be funded by S106 and basic need capital and is expected to open in 2024. A free school presumption has been completed with The Laurus Trust appointed as operator.

17.5.45. A further two pipeline secondary schools are planned to open and will be delivered by the Department for Education (DfE) as part of the central free school programme. Dixons Newall Green Academy will open in 2023 and is set to provide a total of 700 places at the former site of Newall Green Academy in Baguley. The Dean Trust will open a new school in 2027 providing 1050 places at a site in Newton Heath.

17.5.46. Finally, work is currently being undertaken to identify further opportunities for creating additional places in secondary schools in areas where there is significant demand.

17.5.47. The Local Authority has very strong partnerships with all schools and Multi Academy Trusts that work in the City. Through this collaboration, a significant number of new school places have been created as both expansions of existing schools and the development of new schools to meet demand across the city. However, projections show that there continues to be a need for additional places across the secondary school sector and recent pressures have been exacerbated by the DfE's decision to close Newall Green Secondary School in 2019, pressure on secondary places in neighbouring Local Authorities, delays in DfE progressing an approved secondary free school as well as a growing child population in the City. There will be continued work with Multi Academy Trusts and school leaders in the City to explore options for creating additional secondary school places.

17.6. Potential impacts

17.6.1. It is anticipated that the Proposed Development will result in a range of potentially significant socio-economic impacts during both the construction and operational phases. These impacts may occur as a direct result of the Proposed Development or indirectly, for example through supply chain and employee expenditure within the local economy.

17.6.2. The receptors presented in Table 17-5 have been assessed to be affected by effects from the Proposed Development. Table 17-14 summarises how sensitive they are to changes - how well placed they are to benefit from or deal with any effects – and their capacity to adjust.

Table 17-14 Sensitivities of Proposed Development receptors

Receptor	Sensitivity
Local economy (Local Authority wide)	Low
Local labour market (Local Authority Wide)	Low
Local housing market (by the Site)	Medium
Local education facilities (by the Site)	Medium
Local health facilities (by the Site)	Medium
Local residents (by the Site)	High
Local business and organisations (by the Site)	High

Source: AtkinsRéalis judgement

Local Economy

17.6.3. The economic performance of Manchester is strong with a GVA of £31.5 billion in 2022 and a GVA per head of £55,371. In 2022 England's GVA per head was £33,976.[15] Manchester's relatively strong economic performance means that it is somewhat insensitive to changes in GVA. Therefore, the impact of the Proposed Development on the local economy receptor has been classed as low.

Local Labour Market

17.6.4. The depth and performance of the area surrounding the Proposed Development has been set out in Section 17.5. Manchester has a relatively low rate of unemployment at 2.1% and its population has a high share of professional occupations (40%). Therefore, the labour supply at this locality has a low-level sensitivity. Only a major magnitude impact may result in a significant effect.

Local Housing Market

17.6.5. Manchester City Council is aiming to build 36,000 new homes by 2032 to meet anticipated demand, of those homes 10,000 will be affordable social housing. Manchester and Greater Manchester has seen a significant rise in house prices in the last decade, in some areas of the combined authority house price rises have been some of the largest across the whole UK. Whilst the local area has a relatively middling house price to earnings ratio the increased demand from people moving to Manchester means that the housing impact of the Proposed Development is deemed to have medium sensitivity.

Local Education Facilities

17.6.6. In terms of education facilities, Manchester City Centre is experiencing increased demand as the city becomes a more desirable place to live. As such the council intend to build several new schools to provide over 1,000 new primary and secondary school places. The Proposed Development will contribute to Manchester City Centre's future population growth and put pressure on local educational facilities meaning this receptor has been judged to have medium sensitivity.

[15] ONS Gross value added per head of population at current basic prices, released 2024

Local Health Facilities

17.6.7. There are a significant number of local health centres and GPs in the surrounding area of the Proposed Development. Currently, there are 85 GP practices across the area within Manchester City Council, with large variation in the number of patients registered at the practices. This ranges from 1,820 for the smallest through to 23,096 for the largest practice with a citywide total of 679,284 patients registered at Manchester GP practices. However, like much of the rest of the UK these facilities have seen increased use since the Covid-19 pandemic. It is assessed that the Proposed Development will have a medium sensitivity on local health facilities.

Local Residents

17.6.8. The Site for the Proposed Development is situated in a highly residential area with residential properties north, east and south. To the west of the Site the main vehicular access is through Great Ancoats Street. Due to the high density of residents in the local area there are a significant number of people who could be affected by the Proposed Development. Any disruption may be directly felt on daily lives with access to work, facilities and any presence of noise and vibration. Therefore, the sensitivity for this receptor is rated high.

Local Businesses and Organisations

17.6.9. Within the local area of the Proposed Development there are local businesses and organisations close to the Site, these include cafes, gyms, pubs, restaurants and leisure and accommodation, as well as some community facilities. Many of these businesses rely on passing trade from people who live or work in the surrounding area. Therefore, the sensitivity for this receptor is judged to be high as the Proposed Development will significantly increase footfall in the surrounding area increasing trade for local businesses. This is further outlined by the Ancoats and New Islington Neighbourhood Development Framework which highlights the significance of the City Centre is delivering office space to sustain Manchester's growth over the next decade.

Construction phase

Overview

17.6.10. The main socio-economic impact felt during the construction phase will be the additional employment created for the local labour market receptor (see Table 17-15). This employment creation will be through the direct employment of construction workers, alongside the indirect jobs created through supply chain linkage and income multiplier effects. These additional effects are derived from the flow of money from the construction down to the firms who supply materials and equipment, and the spending of the workers' wages in the local area.

17.6.11. This impact is represented in person year equivalent (PYE) jobs.

17.6.12. The total construction expenditure is estimated, as per the consultation process (see Section 17.4), at £700 - £800 million for the base build and fit out of the Proposed Development. The estimated construction costs represent market conditions at Q2 2024 pricing levels and assume that competitive market returns on the work packages are received.

17.6.13. The delivery of the Proposed Development is expected to span a period of approximately four years.

17.6.14. Construction employment, although important, is only temporary and therefore only leads to short term economic impacts, which is why PYEs are the appropriate measure. The jobs created during construction will span across different trades and professions.

Employment Estimates

17.6.15. To establish the level of labour input associated with the total construction work, an average turnover/employee parameter is used for the sector and area[16]. This delivers an estimate for employment years that has then been translated to PYEs.

17.6.16. In this case, an estimated 4900 gross direct construction PYEs are required to construct the Proposed Development.

17.6.17. The total number of gross direct construction jobs in each of the four years of the construction period is 1225.

17.6.18. This has been estimated using the construction cost of the Proposed Development of £700 million (the lower cost estimate) and an average turnover required to support one construction job of £142,816.[17] The average turnover is calculated at the North West level from the total construction turnover and construction employment.

17.6.19. As identified in Section 17.5.1, the scale of impacts differs by the different considered effects and whilst some of the construction jobs will be created locally, other will come from the wider GCMA area that contains more construction firms. As such, the wider area (GMCA) has been included in the net additional construction employment impacts below.

17.6.20. It is important to account for displacement and leakage to understand the net direct FTEs. The Ancoats and Beswick and Piccadilly wards are assumed to have very high levels of leakage for construction jobs, relating to a 75% 'ready reckoner'[18] leakage level (laid out in Table 17-3). This has been judged as the borough has a small pool of employees who work in construction (1.5%), whilst GMCA and the North West have a greater level of employment in construction (both approximately 5%). Furthermore, construction firms tend to be relatively mobile in the market and the two wards have no large (250+ employees) construction firms and just a couple of medium sized construction firms. As such, the majority of the direct economic benefits from the construction phase will be felt by those outside of the two wards which make up the study area. Given the above, GMCA will therefore have a low level of leakage, with a 25% 'ready reckoner'.

17.6.21. A low displacement level of 25% was assigned, based upon the nature of the firms supplying construction services in the local and Greater Manchester area. The construction labour market is somewhat constrained where some of the businesses who supply these services could take workers from competitors. However, this project is comparable in scale with Greater Manchester's construction pipeline and as such market shares and service demand is unlikely to be impacted significantly. Displacement was considered 'low' at the wider Greater Manchester area.

17.6.22. A local multiplier was chosen from HCA Additionality Guidance as 2.2[19] for the construction sector, reflecting physical regeneration for the indirect and induced impacts. This multiplier has been taken from the HCA Guidance, where a breakdown of multipliers can be found by sector. This selection considers that additional outputs and outcomes will occur through purchases along local supply chains and employee spending rounds. The construction sector has a notable presence of local businesses and

[16] ONS Annual Business Survey, 2016 –London construction sector turnover and using ONS NOMIS business register data for construction sector employment. The ratio was £240,000 turnover / employee.

[17] Annual Business Survey, Business Register and Employment Survey (2023)

[18] HCA Additionality Guide, 2014

[19] ONS Composite Multiplier per use class, FTE multipliers and effects, Blue Book, 2023

employment in supporting services to the construction work, such as transportation and storage, and a significant supply of food and retail services for on-site employees' spending during the workday.

17.6.23. After assigning leakage, displacement and economic multipliers, the estimate for total net additional jobs per annum over the four-year construction period totals 505 for the local area and 1515 for the GMCA, as presented in Table 17-15 below.

Table 17-15 Construction works – net additional Jobs (PYE) per annum

FTE estimates	Ancoats & Beswick, Piccadilly wards	Greater Manchester Combined Authority (GMCA)
Gross direct	1225	1225
Net direct	230	690
Net indirect and induced	275	825
Total net additional	505	1515

17.6.24. The employment estimate of 505 jobs per annum over the construction period relates to temporary work and is a significant boost to the local economy in comparison to the current local labour market size and the current construction employment in the Ancoats and Beswick and Piccadilly wards (1,425).

17.6.25. This employment level has the potential to provide opportunity to local people who are currently unemployed or with poor labour market contributions, as well as through apprenticeship opportunities providing wider social value in the borough.

Gross Value Added

17.6.26. Using the average GVA per worker for Manchester LAD and GMCA, the GVA for the construction of the Proposed Development can be estimated at approximately £80 million per annum across the construction period (four years) reflecting the net direct and indirect employment in the Ancoats and Beswick and Piccadilly wards, along with the rest of GMCA.

17.6.27. To aggregate the GVA per annum generated from the construction of MDC into a total figure across the construction phase, the most recent Office for Budget Responsibility (OBR) deflator and a 3.5% discount rate have been applied to account for inflation and discounting. This will provide a Net Present Social Value (NPSV) figure for GVA generated during the construction phase and the benefits this will bring to the local economy.

17.6.28. As a result, the total GVA generated across the four-year construction period of MDC is approximately £310 million.

Disruption

17.6.29. Disruption has been considered as a slight temporary adverse effect in this assessment. It covers the traffic, property and service access, along with the route severance and noise and vibration effects through the construction period.

17.6.30. Disruption is anticipated to have peak periods and periods of lower intensity during the total construction period.

17.6.31. The dense surrounding residential area means there is a significant number of local residents who could be affected by the Proposed Development. Any disruption may be directly felt on daily lives with access to work, facilities and any presence of noise and vibration.

17.6.32. The construction of the Proposed Development also has the potential to adversely affect amenity for residents of properties close by. Amenity effects have been considered elsewhere in this ES, within the ES (Volume 2) Chapter 6 Air Quality, ES (Volume 2) Chapter 15 Noise and Vibration and ES (Volume 3) Townscape and Visual Impact Assessment. These in combination can impact quality of life for a household during the construction.

17.6.33. Businesses can be affected by construction works through the impact on customers, workers and goods movements to and from the Site, due to increased traffic, access effects and the general unattractiveness of the area to visit (i.e. noise, congestion and visual site works). Business profitability, or in worse cases viability, may be harmed by the temporary disruption to access and the worsening of trading conditions.

17.6.34. Construction of the Proposed Development is anticipated to generate relatively few construction vehicle trips over the construction programme. Peak construction traffic generation will be in the early stages of construction when construction materials will need to be delivered to Site. Most of the construction workforce is anticipated to commute to and from the Site by public transport.

Operation phase

Overview

17.6.35. Upon completion, the Proposed Development is likely to have positive impacts on the local, and wider Greater Manchester's economy. It will do so through the provision of a high quality and new civil service campus with ground floor commercial offer.

17.6.36. The new campus will bring jobs to the area through the provision of circa 58,000 sqm (NIA) of office floorspace and circa 1,000 sqm (NIA) of retail floorspace.

Office Employment

17.6.37. As per the consultation, the 58,000 sqm of office floorspace will support 7,000 gross direct FTEs.

17.6.38. When considering the net additional jobs from this office floorspace, there is the expectation that there will be new jobs created in the Piccadilly and Ancoats and Beswick wards, as well as some safeguarded jobs due to the consolidation of staff already in the GMCA's Government Estate.

17.6.39. The consultation provided a breakdown of this, with 50% new jobs and 50% safeguarded jobs created. Therefore, 3,500 FTEs are net additional jobs to the two wards, and 3,500 FTEs safeguarded jobs in the GMCA. These job estimates for the office space as part of the operation phase of the Proposed Development are used instead of "ready reckoners".

Retail Employment

17.6.40. There is also 1,000 sqm of retail floorspace which will create jobs in the area. Using a figure of 15 sqm per FTE,[20] this will support 70 gross direct FTEs.

17.6.41. It is important to account for displacement and leakage to understand the net direct FTEs created. The Ancoats and Beswick and Piccadilly wards are assumed to have low levels of leakage for these retail

[20] HCA Employment Density Guide, 2015

jobs, relating to a 25% 'ready reckoner'[21] leakage level (Section 17.5.3). This has been judged as the borough has a large pool of employees who work in retail (9.0%), with a level similar, if not slightly higher, than the rest of GMCA and the North West. Furthermore, the number of FTEs to be filled by the retail floorspace is low and retail jobs tend to be easily filled by the local population, which is normally the case for new developments. Therefore, the majority of the direct economic benefits from the retail jobs will be felt by those inside of the two wards which make up the study area.

17.6.42. Given the above, GMCA will have no leakage in the retail employment created from the Proposed Development, with a 0% 'ready reckoner'.

17.6.43. A low displacement level of 25% was assigned, this was based upon the likelihood of the retail space supporting the employment created from the office floorspace and thus being net additional to the local area. There is also likely to be no displacement across the wider GMCA area.

17.6.44. A local multiplier was chosen from HCA Additionality Guidance as 1.3[22] for the retail sector. This multiplier has been taken from the HCA Guidance, where a breakdown of multipliers can be found by sector.

17.6.45. After assigning leakage, displacement and economic multipliers, the estimates for total net additional FTEs totals 50 for the local area, as presented in Table 17-16 below.

Table 17-16 Retail jobs – net additional FTEs

FTE estimates	Ancoats & Beswick, Piccadilly wards	Greater Manchester Combined Authority
Gross direct	70	70
Net direct	38	70
Net indirect and induced	12	20
Total net additional	50	90

17.6.46. The employment estimates of 50 FTEs relate to long-term employment from the retail space created as part of the Proposed Development. However, this is a relatively insignificant boost to the local economy in comparison to the current local labour market size and of the current retail employment in the Ancoats and Beswick and Piccadilly wards (8,800).

17.6.47. However, given the nature of retail jobs, this employment level has the potential to provide opportunity to local people who are currently unemployed or with poor labour market contributions.

17.6.48. Given the increase in employment during the operational period, there needs to be consideration of the impact the increase has on demand for housing, healthcare and education facilities within Manchester LAD. This is considered further in the Section 17.7.

[21] HCA Additionality Guide, 2014

[22] ONS Composite Multiplier per use class, FTE multipliers and effects, Blue Book, 2023

Gross Value Added

17.6.49. Using the average GVA per worker for Manchester LAD and GMCA, the GVA for the operational phase of the Proposed Development can be estimated. This will use the 3,500 net additional FTEs from the office space and the 50 net additional FTEs from the retail space. It will also include the 40 net additional FTEs created from the retail space which fall outside of the wards but within GMCA.

17.6.50. The GVA generated from the additional net direct and indirect employment in the operational phase is approximately £200 million per annum across the 50-year project lifecycle. If we consider the total office and retail employment for MDC, therefore including 3,500 office workers who have moved to MDC from other Government buildings in Manchester, this will generate approximately £370 million per annum.

17.6.51. To aggregate the GVA per annum generated during the 50-year project lifecycle for MDC into a total figure across the operational phase, an inflation rate of 2% (as per the Bank of England target) and a 3.5% discount rate have been applied to account for inflation and discounting. This will provide a Net Present Social Value (NPSV) figure for GVA generated during the operational phase and the benefits this will bring to the local economy.

17.6.52. Therefore, the total GVA generated across the 50-year project lifecycle for MDC is approximately £10.3 billion. When considering net additional GVA to the local economy, this is approximately £5.8 billion. The approximate £4.5 billion difference between net additional and the total GVA generated from the MDC being operational is due to GVA generated from jobs which are displaced from other parts of Greater Manchester to now be based in MDC.

17.7. Assessment of effects

Construction phase

Embedded mitigation

17.7.1. The main identified effect during the construction phase will be the jobs created for the local labour market during the four-year construction period. This is a moderate significant effect and due to the beneficial impact these jobs will generate to the local area, no specific mitigation measures have been identified.

17.7.2. Disruption on local businesses and local residents has also been considered as a minor adverse effect in this assessment. This will include the traffic, property and service access, route severance and noise and vibration effects through the construction period, reflecting a temporary adverse effect.

17.7.3. Mitigation, with early planning and rules and monitoring to reduce disruption severity, is important for the reduction of these effects. Embedded mitigation and best practice measures are outlined in the Draft Construction Traffic Management Plan (CTMP) ES (Volume 4) – Appendix 18.3.

17.7.4. All vehicles visiting Site will need to apply with the stipulations stated in this CTMP. It should be noted that all vehicles will be marshalled while in the project Site to mitigate the risk to the construction workers and operatives. This includes, but is not limited to, speed limits, vehicle routes, operation of gates, traffic management systems and traffic marshals.

17.7.5. The embedded mitigation and best practice measures listed in the CTMP will further minimise the disruption impact during the construction phase and ensure the magnitude of the disruption on the local businesses and residents in the area surrounding the Proposed Development is not significant even given it is a minor adverse.

Construction effects

17.7.6. During the construction of the Proposed Development, there will be both adverse and beneficial socio-economic impacts felt by the local receptors. The following impacts will all be felt temporarily over the four-year construction period.

17.7.7. Approximately 2000 FTEs will be supported across the local labour market receptor (see Table 17-15) which are net additional to the local economy. Due to Manchester's low unemployment rates, the labour market is considered to have low sensitivity. Therefore, a significant impact can only occur through a substantial and definite increase, such as the injection of these 2,000 jobs into the local labour market.

17.7.8. The injection of employment into the local housing market could see further strain on the housing supply across GMCA. The medium sensitivity of the local housing market receptor (see Table 17-14) implies that this injection of employment in the local housing market will have an adverse effect on the receptor. However, it is anticipated that the majority of these new construction jobs will be for residents within the GMCA, and therefore there will be a negligible, and therefore not significant, impact.

17.7.9. This implies that there will also likely be a negligible and not significant impact on the demand for the healthcare and education facility receptors (see Table 17-14) within the local area.

17.7.10. Finally, there is likely to an increase in disruption on local businesses and local residents, both highly sensitive receptors (see Table 17-14), caused during the construction period. This will across three factors; access, noise and traffic. Given the embedded mitigation detailed in the CTMP, the disruption caused by the Proposed Development is likely to only have a minor adverse impact on local residents and businesses, implying that disruption will not have a significant, effect.

Operation phase

Embedded mitigation

17.7.11. There are no identified negative effects associated with the Proposed Development in the Operation phase. Therefore, due to the beneficial impacts identified in this assessment, no specific mitigation has been identified. The specific operational requirements of the Proposed Development have been carefully considered to ensure the proposed design provides the best and most efficient layout required, resulting in the socio-economic benefits that have been identified.

Operation effects

17.7.12. During operation, the presence of the Proposed Development would have both adverse and beneficial impacts upon the local economy.

17.7.13. There will be approximately 3,500 FTEs supported across the local labour market by the provision of office floorspace which are net additional to the local economy. The local labour market receptor (see Table 17-14) has a low sensitivity due to the low unemployment rates across Manchester and therefore the only way the impact can be significant is through a major and certain impact such as through an injection of 3,500 jobs into the local labour market. This is supported by another 3,500 FTEs moving from other Government Estate buildings in GMCA. The Proposed Development supports the Ancoats and New Islington Neighbourhood Development Framework through providing office space in Manchester City Centre to sustain Manchester's growth over the next decade.

17.7.14. There will also be approximately 50 FTEs supported across the local labour market by the provision of commercial (retail) floorspace which are net additional to the local economy. However, this will have a relatively minor beneficial effect given the high level of retail jobs within the Piccadilly ward. These retail

jobs will mainly service the Proposed Development and therefore will not displace other retail jobs in the area.

17.7.15. The injection of long-term employment into the local economy will likely put further strain on Manchester's' housing market receptor (see Table 17-14). However, given Manchester City Council's aim to build 32,000 homes by 2032 to meet anticipated demand, the new residents moving to Manchester to work in the Proposed Development will only have a minor adverse effect.

17.7.16. The increase in residents in the local area will cause an increase in demand for the healthcare and education facility receptors (see Table 17-14). These will have a greater impact on demand than the temporary construction jobs, however, this will still only be a minor adverse effect.

17.7.17. The impact on the education facility receptor also considers the benefit for the school on the boundary of the Proposed Development, Co-op Academy New Islington Primary School. This school has been consulted and sees the increase in residents in the local area due to the Proposed Development as an opportunity to fill available spaces at the school. However, taking the total number of education facilities surrounding the Proposed Development, there will still be an overall strain on the receptor, and therefore will remain as a minor adverse effect.Additional mitigation and enhancement measures

17.7.18. There will be no additional mitigation measures introduced during the construction and operational stages which relate to the socio-economic impacts. As stated above, the only significant impact is the positive impact on construction and office space employment generated by the Proposed Development.

17.7.19. The only expected mitigation is for the adverse impact of disruption during the construction phase, however, this has been mitigated for in Section 17.7.

17.8. Residual effects

Construction

17.8.1. There are no significant identified negative effects associated with the Proposed Development given the embedded mitigation measures in place for the disruption local residents and businesses are likely to experience during the construction period.

17.8.2. Given no specific mitigation measures are required, the residual effects remain as those identified in Section 17.7.

Operation

17.8.3. There are no significant identified negative effects associated with the Proposed Development during the operation phase.

17.8.4. Given no specific mitigation measures are required, the residual effects remain as those identified in Section 17.7.

17.9. Cumulative effects

17.9.1. This section considers the cumulative effects of the Proposed Development (intra-project cumulative effects) and the Proposed Development interacting with other RFFPs (inter-project cumulative effects) from the perspective of impacts within the scope of the Socio-Economics topic.

Cumulative effects assessment

17.9.2. The further consideration of cross-topic intra- project and inter-project cumulative effects is reported in Chapter 22: Cumulative Effects.

Intra-project in-combination cumulative effects assessment (single project impacts) within topic

17.9.3. The focus of intra-project CEA is understanding how receptors may experience a number of different types of impacts from the Proposed Development at the same time. Within this topic assessment, receptors are assessed on an-impact-by-impact basis as such, the assessment methodology is not cumulative in nature.

17.9.4. Cumulative effects have been assessed for the following receptors:

- Local labour market
- Local housing market
- Local education facilities
- Local health facilities
- Local residents
- Local businesses

17.9.5. None of these receptors experience multiple impacts from the Proposed Development at the same time and on this basis, there are no intra-project cumulative effects to report in this section.

Inter-project cumulative effects assessment (different project impacts) within topic

17.9.6. Inter-project cumulative effects assessment (different project impacts) within topic. The inter-project cumulative effects assessment 'within topic' element for the socio-economic assessment has been completed with reference to the shortlist list of RFFPs that has been developed for the Proposed Development. The list is based on a review of all developments known to the planning system using the methodology described in Chapter 22: Cumulative Effects. The Proposed Development comes in at a total of circa 58,000 sqm of office floorspace and circa 1,000 sqm of retail floorspace.

17.9.7. These cumulative projects are assessed below as they are relevant for the assessed construction and operational effects, with a consideration of their relative scale. We demonstrate their effect on the Proposed Development impacts by showing where adverse or beneficial impacts may be magnified or lessened.

17.9.8. Overall, these cumulative projects were considered whether they would likely:

- Increase the demand for construction workers, impacting worker displacement or local worker presence;
- Add to disruption effects during the timeline for the Proposed Development's construction;
- Increase the demand for office works, impacting worker displacement or local worker presence; or
- Add further residents to the local area to drive further local labour market changes, or demands for social infrastructure

Potential inter-project impacts

Construction

17.9.9. Cumulative intra-project impacts on socio-economics could occur in conjunction with the RFFPs identified as relevant to the Proposed Development.

17.9.10. This assessment outlines projects that would bring cumulative construction activity during the Proposed Development's construction period (2024 – 2028), where approved schemes within 250 m of the Proposed Development, or the larger schemes beyond this boundary, were considered.

17.9.11. Table 17-17 provides an overview of the effects of the cumulative sites during the construction phase, on the Proposed Development's receptors. Table 17-18 provides an overview of the effects of cumulative sties during the operational phase on the receptors.

17.9.12. This assessment reviews projects that would bring cumulative construction activity during the Proposed Development's construction period (2024 – 2028), where approved schemes within 1km of the Proposed Development, or the larger schemes beyond this boundary, were considered. These are presented in Table 17-17 below.

Table 17-17 - Construction socio-economic effects from cumulative developments

Scheme Name	Scheme Number	Impact	Receptor	Effect & duration	Scale of project (relative to PD)	Impact magnitude
Development comprising of five office buildings with flexible ground floor use at land between Ashton Canal and Pollard Street.	128191/FO/2020	Construction Employment	Local labour market (low)	Beneficial, temporary	700 FTEs, £83m construction cost - smaller	Medium
		Construction Activity Disruption	Local businesses (high) Local residents (high)	Adverse, temporary	Local area disruption – access, travel, noise	Low
Development comprising 4 townhouses at Paradise Wharf.	132574/FO/2021	Construction Employment	Local labour market (low)	Beneficial, temporary	4 townhouses - smaller	Low
Development of 66 residential units between Store Street and Ashton Canal.	126608/FO/2020	Construction Employment	Local labour market (low)	Beneficial, temporary	11 storey residential - smaller	Low
Development of 154 Bedroom Hotel adjacent to Great Ancoats Street,	135662/FO/2022	Construction Employment	Local labour market (low)	Beneficial, temporary	20 storey hotel - smaller	Medium
		Construction Activity Disruption	Local businesses (high) Local residents (high)	Adverse, temporary	Local area disruption – access, travel, noise	Low
Development of two apartment buildings comprising 267 dwellings at Tariff Street.	135675/FO/2022	Construction Employment	Local labour market (low)	Beneficial, temporary	12 storey residential - smaller	Medium
		Construction Activity Disruption	Local businesses (high) Local residents (high)	Adverse, temporary	Local area disruption – access, travel, noise	Low

Scheme Name	Scheme Number	Impact	Receptor	Effect & duration	Scale of project (relative to PD)	Impact magnitude
Mixed use development comprising commercial floorspace and 256 residential units adjacent to Poland Street.	137346/FO/2023	Construction Employment	Local labour market (low)	Beneficial, temporary	10 storey residential, ground floor commercial - smaller	Medium
		Construction Activity Disruption	Local businesses (high) Local residents (high)	Adverse, temporary	Local area disruption – access, travel, noise	Low
Mixed use development at New Islington Marina	122598/FO/2019	Construction Employment	Local labour market (low)	Beneficial, temporary	6 storey residential, ground floor commercial - smaller	Low
Mixed use development consisting of office space and 89 residential units at Laystall Street.	128911/FO/2020	Construction Employment	Local labour market (low)	Beneficial, temporary	9 storey residential, offices - smaller	Low

Construction Employment

17.9.13. The nearby approved developments will support construction employment and have a beneficial, though temporary, impact on the local labour market. The 8 RFFPs reflect the high level of construction activity in the local area, especially surrounding the Proposed Development, with all within 250m of the Proposed Development.

17.9.14. The cumulative effect of employment in the construction sector has reflected 4 developments in particular, with these developments being the largest of the sites with significant numbers of housing units being delivered, along with some commercial floorspace. The approved developments have limited information on the breakdown of floorspace and construction cost, therefore it is not possible to accurately estimate the number of construction FTE each development will support. However, given best practice and previous examples, the number of residential units can be used to provide an estimate of the magnitude of each development's impact.

17.9.15. Therefore, the cumulative effect of construction employment will not be significant to the local labour market even with 4 approved developments having a medium impact magnitude.

17.9.16. With the level of construction employment coming into the area surrounding the Proposed Development, there is an opportunity for further local based employers through local training work approaches, such as apprentices. However, without such approaches, the increased competition for construction workers could mean that the Proposed Development has a lower share of local employees, requiring more workers who are based in the wider area.

Construction Activity Disruption

17.9.17. The nearby approved developments are all within 250m of the Proposed Development, and therefore, it is assumed that this will lead to some additional disruption during construction on local business and local residents. The 4 approved developments have been assessed to have an impact on disruption in the surrounding area.

17.9.18. These developments will likely lead to some additional disruption during construction on local travel and property and service access for residents and local business. This is due to these developments being close to the Proposed Development and being undertaken at a similar time where they will also require construction vehicle and delivery travel and access. These sites were judged to be of low disruption impact individually.

17.9.19. Therefore, the cumulative effect of construction activity disruption will not be significant to the local businesses and residents in the surrounding area.

Operation

17.9.20. Cumulative inter-project effects on socio-economics could occur in conjunction with the RFFPs identified as relevant to the Proposed Development.

17.9.21. This assessment reviews projects that would bring cumulative operational effects over the long term, where approved schemes are proposed to bring new residential dwellings, office or retail space were considered. This is presented in Table 17-18 below.

Table 17-18 - Operational socio-economic effects from cumulative developments

Scheme Name	Scheme Number	Impact	Receptor	Effect & duration	Scale of project (relative to PD)	Impact magnitude
Development comprising of five office buildings with flexible ground floor use at land between Ashton Canal and Pollard Street.	128191/FO/2020	Office Floorspace Employment	Local labour market (low)	Beneficial, permanent	2,700 – 3,500 FTEs - similar	Medium
		Retail Floorspace Employment	Local labour market (low)	Beneficial, permanent	Limited retail space provision - smaller	Low
Development comprising 4 townhouses at Paradise Wharf.	132574/FO/2021	Demand on housing	Local housing market (medium)	Beneficial, permanent	4 residential units – smaller	Low
Development of 66 residential units between Store Street and Ashton Canal.	126608/FO/2020	Demand on housing	Local housing market (medium)	Beneficial, permanent	66 residential units – smaller	Low – Medium
Development of 154 Bedroom Hotel adjacent to Great Ancoats Street,	135662/FO/2022	N/A	N/A	N/A	154-bedroom hotel - smaller	Low
Development of two apartment buildings comprising 267 dwellings at Tariff Street.	135675/FO/2022	Demand on housing	Local housing market (medium)	Beneficial, permanent	267 residential units - smaller	Medium
Mixed use development comprising commercial floorspace and 256	137346/FO/2023	Office Floorspace Employment	Local labour market (low)	Beneficial, permanent	Commercial floorspace - smaller	Low
		Retail Floorspace Employment	Local labour market (low)	Beneficial, permanent	Commercial floorspace - smaller	Low

Scheme Name	Scheme Number	Impact	Receptor	Effect & duration	Scale of project (relative to PD)	Impact magnitude
residential units adjacent to Poland Street.		Demand on housing	Local housing market (medium)	Beneficial, permanent	265 residential units - smaller	Medium
Mixed use development at New Islington Marina	122598/FO/2019	Office Floorspace Employment	Local labour market (low)	Beneficial, permanent	Commercial floorspace - smaller	Low
		Retail Floorspace Employment	Local labour market (low)	Beneficial, permanent	Commercial floorspace - smaller	Low
		Demand on housing	Local housing market (medium)	Beneficial, permanent	94 residential units - smaller	Low – Medium
Lomax Apartments	120149/FO/2018	Demand on housing	Local housing market (medium)	Beneficial, permanent	41 residential units - smaller	Low
Mixed use development consisting of office space and 89 residential units at Laystall Street.	128911/FO/2020	Office Floorspace Employment	Local labour market (low)	Beneficial, permanent	Commercial floorspace - smaller	Low
		Demand on housing	Local housing market (medium)	Beneficial, permanent	89 residential units - smaller	Low - Medium

Office / Retail Employment

17.9.22. After considering the cumulative effects alongside the Proposed Development, there are unlikely to be any further significant effects on the local labour market from the commercial floorspace being delivered. 4 approved developments will have some commercial floorspace being delivered, with the scale of this currently unknown for all but one development. This site will deliver approximately 2,700 – 3,500 FTEs and therefore is on a similar scale to the Proposed Development. The remaining sites are expected to be ground floor retail or small office space provision and will have a low impact magnitude.

17.9.23. The commercial floorspace (retail and office) will have a beneficial and permanent effect on the local labour market. However, the significant scale of the retail and office industry in the study area (especially in the Piccadilly ward) implies that even with the cumulative developments, there will not be a significant impact on the local labour market.

Housing Demand

17.9.24. There has also been assessed to be a cumulative enhanced beneficial and permanent effect on Manchester's housing market by addressing targets and raising supply to loosen market pressures. These approved developments will deliver a significant number of housing units in the local area and will likely reduce the strain on the local housing market. This will be the opposite impact on the local housing market receptor as the Proposed Development will have, increasing the supply of housing units, possibly for the benefit of workers within the Proposed Development who can live in the local area. The impact on Manchester's housing market is likely to be moderate given the provision of over 780 units of housing.

17.9.25. In turn, there will be increases to Manchester's local residential spending and additions to the local labour market. As a broad estimate, using a local occupancy rate of 2.17 people per home[23], these 780 cumulative units could add a further 1,700 residents to the local area. This therefore could also cause an increase in demand for the healthcare and education facility receptors in the local area, generating an additional adverse permanent effect alongside the Proposed Development impact. However, this is likely to not be significant given the relative scale of the study area.

Inter-Project Cumulative Effects Summary

17.9.26. The impact on the receptors (see Table 17-5) by the cumulative effects of the approved developments alongside the Proposed Development are summarised in Table 17-19.

17.9.27. The cumulative effects on all receptors are assessed to be not significant, even considering the moderate impact on the local labour and housing markets.

Table 17-19 - Cumulative Effects Summary

Receptor	Impact and magnitude	Impact significance
Local labour market (low)	Low-medium beneficial	Minor-Moderate; insignificant
Local housing market (medium)	Low-medium beneficial	Minor-Moderate; insignificant
Local education facilities (medium)	Low adverse	Minor; insignificant
Local health facilities (medium)	Low adverse	Minor; insignificant

[23] DCLS Household projections data, 2014-2039.

Receptor	Impact and magnitude	Impact significance
Local residents (high)	Low adverse	Minor; insignificant
Local businesses (high)	Low adverse	Minor; insignificant

Mitigation measures

17.9.28. No additional mitigation is required.

17.10. Summary and conclusions

17.10.1. The socio-economic conditions of the study area, spatially defined as the Piccadilly and Ancoats and Beswick wards or Manchester LAD, have been assessed using data from several reliable sources including ONS, Nomis and the 2021 Census. This baseline is important in setting the context to the scale and significance of any estimated socio-economic effects generated by the Proposed Development through the construction and operation phases.

17.10.2. The approach adopted for this assessment is based upon professional experience and best practice, with a consideration of Her Majesty's Treasury compliant technical guidance e.g. HCA's Employment Densities Guide and Additionality Guide.

17.10.3. The consultation provided approximate FTE figures for the office space as part of the Proposed Development and a narrative behind these figures which is crucial to understanding the socio-economic impacts. This led to the additionality assumptions and 'ready reckoners' not being used to determine the net additional jobs generated by the delivery of the office floorspace. However, additionality assumptions were used for the construction phase and the retail floorspace delivered as part of the Proposed Development.

17.10.4. Due to the beneficial socio-economic impacts (namely job creation) generated by the Proposed Development, no specific mitigation measures have been identified except for disruption caused during the construction period. This will be across three factors; access noise and traffic, with the embedded mitigation detailed in the CTMP.

17.10.5. The major socio-economic impact during the construction phase will be approximately 2,000 FTEs which are net additional to the local economy over the four-year construction period. The impact on housing supply and demand for healthcare and education facilities will be negligible, with there also being a slight increase in disruption for local residents and businesses. This has been mitigated to only have a minor adverse impact.

17.10.6. The major socio-economic impact during the operation phase will be approximately 3,500 FTEs supported by the provision of office floorspace as part of the Proposed Development which are net additional to the local economy. There will also be 50 FTEs supported by the provision of commercial (retail) floorspace. This injection of long-term employment into Manchester will likely put further strain on the housing market and demand on healthcare and education facilities, however, this will still only be a minor adverse effect.

17.10.7. The Proposed Development, with the jobs created and supported by the construction and operation of the site will boost Manchester's economy, namely through the provision of office floorspace which will support approximately 7,000 civil servants. The four-year construction phase will boost the economy by £310 million (GVA). Once operational, MDC will generate approximately £10.3 billion GVA for the

Manchester economy over the 50-year lifecycle of the development, with £5.8 billion additional to the baseline due to the new jobs (office and retail) created.

17.10.8. Overall, the significant beneficial impacts felt during the construction and operation phase through the creation of jobs will far outweigh the adverse impacts caused by the injection of employment into the local area.

Table 17-20 – Summary of residual effects

Resource / Receptor / affected group	Sensitivity of receptor	Activity or impact	Embedded design mitigation	Effect Magnitude Type Spatial extent Duration Likelihood	Significance / Insignificance of effect	Additional mitigation	Residual effect
Construction							
Local labour market	Low	Construction Employment	N/A	Beneficial Moderate Direct Local Temporary Certain	Significant	N/A	Major Beneficial
Local housing market	Medium	Demand on housing	N/A	Adverse Negligible Indirect Local Temporary Likely	Not significant	N/A	Not significant
Local health facilities	Medium	Demand on health facilities	N/A	Adverse Negligible Secondary Local Temporary Unlikely	Not significant	N/A	Not significant
Local education facilities	Medium	Demand on education facilities	N/A	Adverse Negligible Secondary Local Temporary Unlikely	Not significant	N/A	Not significant
	High			Adverse	Not significant	N/A	

Resource / Receptor / affected group	Sensitivity of receptor	Activity or impact	Embedded design mitigation	Effect Magnitude Type Spatial extent Duration Likelihood	Significance / Insignificance of effect	Additional mitigation	Residual effect
Local businesses		Construction activity disruption	As outlined in the Draft Construction Traffic Management Plan	Minor Indirect Local Temporary Likely			Not significant
Local residents	High	Construction activity disruption	As outlined in the Draft Construction Traffic Management Plan	Adverse Minor Indirect Local Temporary Likely	Not significant	N/A	Not significant
Operation							
Local labour market	Low	Office floorspace employment	N/A	Beneficial Major Direct Local Permanent Certain	Significant	N/A	Major Beneficial
Local labour market	Low	Retail floorspace employment	N/A	Beneficial Minor Direct Local Permanent Certain	Not significant	N/A	Not significant
Local housing market	Medium	Demand on housing		Adverse Minor	Not significant	N/A	Not significant

Resource / Receptor / affected group	Sensitivity of receptor	Activity or impact	Embedded design mitigation	Effect Magnitude Type Spatial extent Duration Likelihood	Significance / Insignificance of effect	Additional mitigation	Residual effect
			Existing house building schemes in GMCA	Indirect Local Temporary Likely			
Local health facilities	Medium	Demand on health facilities	N/A	Adverse Minor Secondary Local Temporary Likely	Not significant	N/A	Not significant
Local education facilities	Medium	Demand on education facilities	N/A	Adverse Minor Secondary Local Temporary Likely	Not significant	N/A	Not significant

17.11. Glossary and Acronyms

Table 17-21 – Glossary and acronyms

Term	Definition
CPO	Compulsory Purchase Order
DCLG	Department of Communities and Local Government
DLUHC	Department of Levelling Up, Housing and Communities
EIA	Environmental Impact Assessment
ES	Environmental Statement
FTE	Full Time Equivalent
GMCA	Greater Manchester Combined Authority
GPA	Government Property Agency
GVA	Gross Valued Added
HCA	Homes and Communities Agency
IMD	Index of Multiple Deprivation
LAD	Local Authority District
LEP	Local Enterprise Partnership
LSOA	Lower Layer Super Output Area
LURB	The Levelling Up and Regeneration Bill
NIA	Net Internal Area
NPPF	National Planning Policy Framework
ONS	Office for National Statistics
UK	United Kingdom

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