

Economic Benefits and Social Value Statement

Victoria Point, 44 Hathersage Road,
Manchester

May 2024

Contents

Economic Benefits and Social Value Infographic	i
1. Introduction	1
2. Planning, Economic and Social Value Policy and Strategy Context	6
3. Socio-economic Context	15
4. Construction Phase: Economic Benefits	24
5. Construction Phase: Social Value	29
6. Operational Phase: Economic Benefits	39
7. Operational Phase: Social Value	47
8. Conclusions	54

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Economic Benefits and Social Value Infographic

PROPOSED DEVELOPMENT: Comprehensive redevelopment to refurbish, extend and replace existing buildings, accompanied by enhanced public realm and new commercial and community floorspace, boosting PBSA bedspaces by 310, from 566 to 876.

SITE: Victoria Point, 44 Hathersage Road, Manchester

Construction Phase



£100 million Investment

In the scheme's construction



130 gross jobs

Full time equivalent (FTE) jobs supported on average throughout construction (c. 3 years)

Generating 90 net direct jobs

Net additional FTE jobs in Greater Manchester, including 40 for Manchester residents

Plus 45 indirect/induced jobs

Net additional FTE supply chain jobs in Greater Manchester, including 10 for Manchester residents



£34.8 million Productivity boost

GVA¹ generated during construction, including £28.3 million in Manchester

Creating high-quality jobs for local people



Making commitments to ensure that local communities have access to opportunities and that social value is maximised, including for MCC's 'priority groups', such as people who are long-term unemployed and young people NEET



Providing employability support to enter work

Through partnership with the Skills Construction Centre, a local vocational training provider, to deliver high-quality construction education, employability training and work experience to help eliminate barriers to employment



Providing opportunities for local businesses

Aiming to maximise the sourcing of labour and materials from businesses local to Manchester and Greater Manchester, including where possible from SMEs



£4.1 million Social Value created for local communities during construction

¹ GVA (Gross Value Added) measure the value of output created (i.e. turnover) net of inputs used to produce a good or service (i.e. production of outputs). It provides a key measure of economic productivity. Put simply the GVA is the total of all revenue into businesses, which is used to fund wages, profits and taxes.

Operational Phase: Full-site Impacts Following Redevelopment



310

Additional PBSA bedspaces

Helping to meet PBSA needs and reinforcing the city's appeal to students



25

On-site jobs

Supported by building management and commercial uses, plus a further 10 supply chain jobs



1.5 million

Productivity boost

GVA generated annually, including £1.0 million in Manchester



£2.9 million

Resident expenditure

Annually on retail, leisure and other living expenses, helping to support local businesses



£500,000

Visitor Expenditure

From families and friends visiting residents each year, supporting the local leisure and tourism industry



20

Retail and leisure jobs

Supported by PBSA residents' and visitors' expenditure

PBSA: Expanding Choice and Capacity in the Housing Market

Up to 90 homes

Made available for 220 new residents through freeing up former student HMOs



Up to £120,000 Council Tax

Additional revenue for Manchester City Council each year from non-exempt homes²



Lasting Social Value for Local Communities

Job and contract opportunities for local people and businesses

Promoting direct employment and supply chain opportunities through local avenues to ensure that local uptake and benefits are maximised



New spaces to serve the local community

Including on-site bookable space to be used by local people and community groups, plus a commercial unit for a local business



Healthy homes for students

Providing safe, energy efficient homes accompanied by resident amenities, reducing the number of students living in unhealthy and insecure housing



Working with the local community

Forging links with neighbouring communities by promoting participation in local voluntary activities to foster social cohesion



² Estimate assumes all Band A properties.

1. Introduction

- 1.1 This Economic Benefits and Social Value Statement has been prepared by Turley Economics to accompany Empiric Student Property's ('the Applicant') planning application for the redevelopment of Victoria Point, 44 Hathersage Road, Manchester ('the Site').

The Site and The Proposed Development

- 1.2 The Site currently provides 566 purpose-built student accommodation (PBSA) bedspaces across six buildings.
- 1.3 The Applicant's proposals for the Site involve its comprehensive redevelopment to refurbish, extend and replace existing buildings, accompanied by enhanced public realm and new commercial and community floorspace ('the Proposed Development').
- 1.4 Following its completion, the Proposed Development will increase the net number of PBSA bedspaces by 310, thereby accommodating a total of up to 876 students once fully operational.
- 1.5 The Site's 876 total bedspaces that will be provided following completion will be delivered through conversion / refurbishment works, and will comprise:
- 477 new bedspaces through demolition, rebuild and new blocks.
 - 399 bedspaces through internal conversion.
- 1.6 Aims of the Proposed Development include:
- Providing a quantitative uplift in much-needed new PBSA, making effective use of an existing, well-located site;
 - Enhancing public realm and achieving a better interface Hathersage Road; and
 - Achieving more effective integration with surrounding communities.
- 1.7 The description of the Proposed Development is as follows:

"Redevelopment of existing student accommodation blocks (6 in total) to include the phased demolition and extension of existing buildings at a maximum height of 12 storeys for Purpose Built Student Accommodation (Use Class Sui Generis), including associated ancillary internal and external amenity space, ground floor community/commercial space (Use Class E, F1 and F2), hard and soft landscaping and associated highway works"

Economic Benefits and Social Value Assessment

- 1.8 The Proposed Development will generate a range of economic and social benefits during its construction phase and operational lifetime. New jobs will be created during its delivery stage and, once complete, the increase in the number of students on-site

and the provision of new commercial and community spaces will support an uplift in local economic activity over the long term.

- 1.9 This Assessment therefore sets out the wide-ranging economic and social impacts expected to be generated during construction and once operational. This is not only a significant factor in terms of weighing the Proposed Development's planning balance, but also aims to provide a blueprint for how the Applicant's proposals will deliver tangible and lasting benefits over the long term for local communities, and demonstrate their commitment towards maximising the scheme's social value potential.
- 1.10 The significant social benefits of the Proposed Development are to be realised through the implementation of a range of measures, including initiatives related to employment, skills & training, provision of opportunities for local businesses, support for community organisations and projects, and the delivery of new and enhanced student housing and social and physical infrastructure.

Economic Benefits

- 1.11 The assessment of economic benefits is informed by the 2014 Homes & Communities Agency's (HCA, now known as Homes England) Additionality Guide (4th edition)¹, the HCA's Employment Density Guide (3rd Edition)² and published statistical data sources.
- 1.12 Economic impact estimates are presented as net figures, accounting for the relevant 'additionality factors', such as existing uses, leakage, displacement and multiplier effects.
- 1.13 A detailed description of the economic impact assessment methodology is outlined at the relevant points in Section 4 and 6. This includes definitions and justifications of the various additionality factors and their application in the context of the economic impact of the Proposed Development.

Social Value

- 1.14 'Social value' refers to the effects that interventions have on the long-term wellbeing and resilience of individuals, communities and society as a whole.
- 1.15 The assessment of social value is informed by consultation with the Applicant, and reports the various commitments in relation to the construction and operational phases that will be made in order to maximise the social value generated and retained within local communities during all phases of the development.
- 1.16 Where possible, monetary values are attributed to the assessed outcomes of the project, helping to illustrate the value of the project to society in financial terms. The Impact Evaluation Standard (IES) is a tool developed specifically to provide a robust means of identifying, capturing and measuring the social value of development in both quantitative and qualitative terms. Directly aligned to government and HM Treasury guidance, the IES serves as a reporting framework ensuring consistent and comprehensive reporting of social impact activities, and is used by a wide range of

¹ Homes & Communities Agency (2014) Additionality Guide (4th Edition)

² Homes & Communities Agency (2015) Employment Density Guide (3rd Edition)

private and public sector organisations. The IES Framework (including, where relevant, its 'proxy' financial values³) will assist in measuring the potential social value impacts of the Proposed Development.

- 1.17 This report presents both quantitative and qualitative social value benefits. Whilst the deployment of the IES Framework is considered an effective approach for considering social value, it must also be recognised that certain social value indicators – for example, those associated with employment, for which detailed financial information from sources such as HM Treasury can inform analysis – lend themselves to the generation of quantitative (i.e. pounds and pence) measures of social value to a far greater extent than is possible for certain other indicators.
- 1.18 For example, the true social value impacts of a person being able to access an education that provides them with the skills and confidence to pursue fulfilling employment and broader life opportunities, and placemaking which creates a healthy and sustainable urban environment, are naturally more qualitative in nature – having a social value far in excess of the capital sum invested in their implementation – and their impacts are therefore less straightforward to quantify through use of published statistical data.
- 1.19 Therefore, it should be stressed that, whilst financial sums can be presented as the value to society in relation to certain aspects of the Proposed Development – particularly during the construction phase – those other 'person-centred' indicators of social value which are described in purely qualitative terms, and/or for which lower financial values are presented, are not necessarily of lower importance.
- 1.20 Indeed, in many cases, quantitative and qualitative aspects of social value creation are mutually supportive; for example whilst the social value of the creation of employment opportunities can be readily quantified using financial proxies (for example, figures related to a reduction in expenditure on unemployment benefits and healthcare costs), the ability to create new jobs and a skilled workforce also relies on many other, less quantifiable factors. This includes the delivery of urban regeneration and placemaking projects which enhance links with and provide job opportunities for neighbouring communities, and attract new residents and employers to an area, and – in doing so – contribute positively to the overall health and wellbeing of the population, further supporting positive socio-economic outcomes.
- 1.21 Construction phase social value is considered through both qualitative and quantitative means, based on the commitments being made by the Applicant towards employment, employability and skills initiatives. Social value anticipated to be generated once operational is presented on a primarily qualitative basis and was informed by consultation with the Applicant as to the future operations of the new development, which is supplemented with reference to a range of published data and information sources.

³ Financial 'proxy' values can be attributed to some social value metrics in order to provide a monetised estimate of impacts (e.g. the benefit to the local economy of a young person entering employment and no longer being NEET).

Study Area for the Assessment

1.22 For the purposes of this assessment, functional economic geographies have been determined using available Census data on labour market containment. This analysis has resulted in economic and social impacts being considered on the basis of three spatial scales:

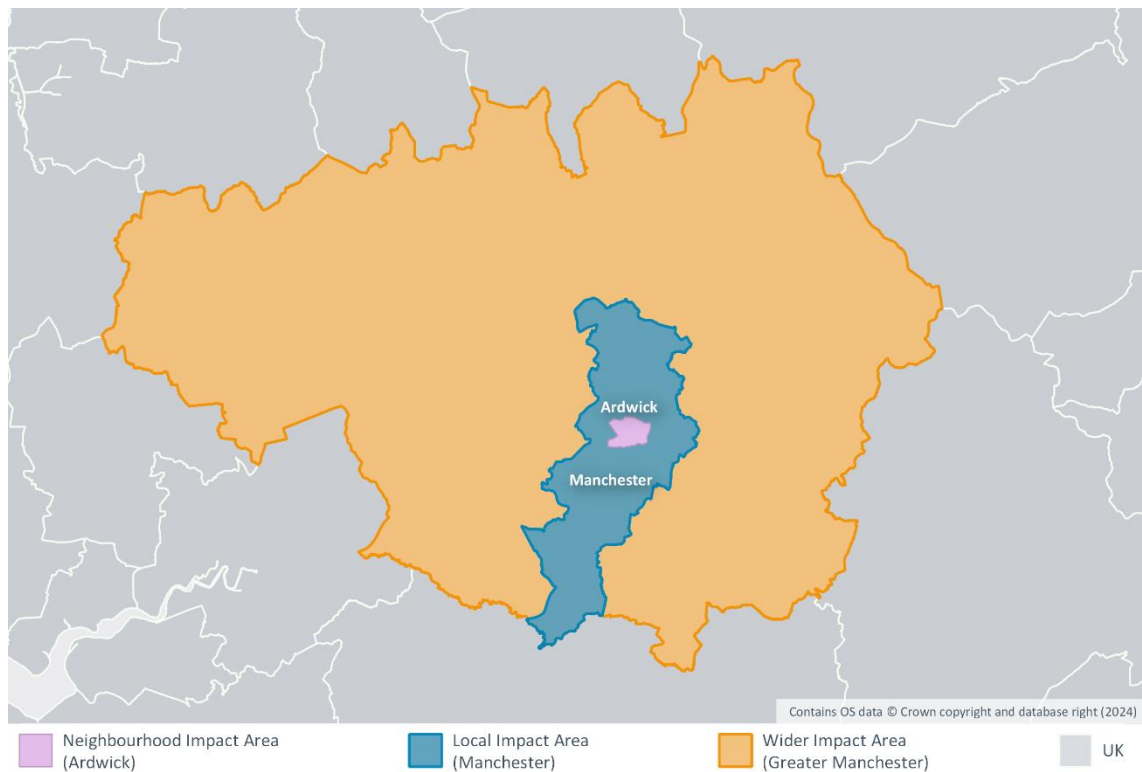
- The **Neighbourhood Impact Area**, covering Ardwick ward in Manchester. The ward represents the area within which direct on-site activities and local community-focused interventions will be concentrated.
- The **Local Impact Area**, covering the local authority of Manchester. The 2021 Census shows that 42% of people who travel to a workplace in Manchester (i.e. those do not work mainly from home) also live in the area, demonstrating a reasonable level of socio-economic containment at this scale⁴.
- The **Wider Impact Area**, covering Greater Manchester. The 2021 Census shows that 88% of all jobs in Manchester are taken by people residing in the combined authority area, suggesting a relatively high level of containment at this scale⁵. It is considered, therefore, that the majority of socio-economic effects would be concentrated and experienced within the wider impact area.

1.23 The assessment's study areas are presented spatially below at Figure 1.1.

⁴ ONS via Nomis (2023) 2021 Census: Origin-destination Data. It should be noted that the 2021 Census collected responses during the Covid-19 pandemic, during which rates of home-working increased significantly. Whilst the ONS therefore advises exercising caution in the use of 2021 Census travel-to-work data, it should be noted that the equivalent rate of labour force containment for Manchester recorded by the 2011 Census was 38%, and therefore only marginally lower than reported in the 2021 Census. It is therefore considered that 2021 Census data represents a robust basis for the purposes of establishing suitable economic impact areas.

⁵ Ibid.

Figure 1.1: Assessment Study Area



Source: Turley Economics, 2024

Structure of the Report

1.24 The remainder of this report is therefore structured as follows:

- **Section 2** summarises the **planning, economic and social value policy and strategy context** relevant to the Site and Proposed Development.
- **Section 3** presents the **socio-economic context**, setting out a local area baseline analysis.
- **Section 4** considers the **economic benefits** that could be generated by the Proposed Development during **construction**.
- **Section 5** considers the **social value** contribution that could be made by the Proposed Development during **construction**.
- **Section 6** considers the **economic benefits** that could be generated by the Proposed Development once **operational**.
- **Section 7** considers the **social value** contribution that could be made by the Proposed Development once **operational**.
- **Section 8** summarises the report's findings and provides **conclusions** to the analysis.

2. Planning, Economic and Social Value Policy and Strategy Context

- 2.1 This section provides an overview of the relevant planning, economic and social value policy and strategy context, demonstrating both the national and local government commitment to facilitating sustainable economic growth through a supportive planning system, with a focus on creating employment opportunities and delivering the necessary infrastructure and housing.
- 2.2 Since the introduction of national social value policy in 2012, Manchester and Greater Manchester have led the way in the development of locally-focused policy and strategy seeking to grow the generation of social value, though both the procurement of services and also through the delivery of new development itself.

National Policy and Strategy

National Planning Policy Framework and Planning Practice Guidance

- 2.3 The Department for Levelling Up, Housing and Communities' (DLUHC) revised National Planning Policy Framework (NPPF)⁶ – along with the accompanying Planning Practice Guidance (PPG)⁷ – sets out the Government's planning policies for England.
- 2.4 As with the 2012 framework, the revised NPPF and PPG continue to be built around a policy commitment to sustainable development, outlining the expectation that future development will play in meeting economic and social objectives. Details of these objectives are provided at paragraph 8 of the revised NPPF:

***“an economic objective** – to help build a strong, responsive and competitive economy, by ensuring that sufficient land of the right types is available in the right places and at the right time to support growth, innovation and improved productivity; and by identifying and coordinating the provision of infrastructure; and*

***a social objective** – to support strong, vibrant and healthy communities, by ensuring that a sufficient number and range of homes can be provided to meet the needs of present and future generations; and by fostering a well-designed and safe built environment, with accessible services and open spaces that reflect current and future needs and support communities' health, social and cultural well-being”⁸*

- 2.5 In order that sustainable development is pursued a positive way, at the heart of the NPPF is a *“presumption in favour of sustainable development”⁹*, which requires local authorities – in the development of their Local Plans – to *“positively seek opportunities to meet the development needs of their area”¹⁰*.

⁶ Department for Levelling Up, Housing and Communities (2024) National Planning Policy Framework

⁷ Department for Levelling Up, Housing and Communities (2021) Planning Practice Guidance

⁸ Department for Levelling Up, Housing and Communities (2024) National Planning Policy Framework

⁹ Ibid.

¹⁰ Ibid.

Public Services (Social Value) Act 2012

- 2.6 England's Public Services (Social Value) Act¹¹ was introduced in 2012. It requires those commissioning public services to consider how procurement can also secure wider social, economic and environmental benefits from their procurement decisions.
- 2.7 The aim is to ensure collaborative commissioning, so that local actors are involved in a meaningful way in creating and delivering public services. Whilst only (national and local) government spending is the subject of the Act, the approach can also be incorporated on a voluntary basis by the private sector.
- 2.8 Since implementation of the original Act, the Government have conducted a review and subsequently published the 'Civil Society Strategy' in 2018. The key aims of this Strategy focus on helping communities to thrive by strengthening the 'five Foundations of Social value', namely: People; Places; The Social Sector; The Private Sector; and The Public Sector. This is further supplemented by the 2021 National Procurement Policy Statement¹², which further affirms that procurement should be leveraged to support national and local priority social outcomes for the public benefit.

Plans for Growth and Jobs amid the Cost-of-Living Crisis

- 2.9 The UK Government's economic strategy, as expressed through its 'Build Back Better: Our Plan for Growth'¹³ and 'Plan for Jobs'¹⁴ documents, outline the means by which the economic recovery of the UK following Covid-19 will aim to "*build back better*" by driving growth that creates high-quality jobs across the country.
- 2.10 The Plan for Growth, which builds upon and replaces the Government's Industrial Strategy, outlines that the UK's economic strategy will be built upon three 'core pillars of growth', these being:
- **Infrastructure**, to stimulate economic activity and drive long-term productivity;
 - **Skills**, to support productivity growth, with the importance of high-quality apprenticeships and technical education in key industries being emphasised; and
 - **Innovation**, with the Government stating its intention to support and incentivise the development of the creative ideas and technologies that will shape the UK's future high-growth, sustainable and secure economy.
- 2.11 The Plan highlights that the implementation of actions based on the three pillars will prioritise on delivering on the Government's levelling up agenda, which is characterised as the need to ensure that everyday life is improved for communities throughout the UK, and that where people live should not be a barrier to their life chances.
- 2.12 The Plan for Jobs includes measures to protect and create jobs. The construction sector is described as, "*vital for the recovery of the UK economy*", and the Plan highlights the Government's commitment to supporting 'shovel ready' infrastructure projects across

¹¹ HM Government (2012) Public Services (Social Value) Act 2012

¹² HM Government (2021) National Procurement Policy Statement

¹³ HM Treasury (2021) Build Back Better: Our Plan for Growth

¹⁴ HM Treasury (2020) Plan for Jobs

the country, to ensure that projects which can support the UK's economic recovery in the next few critical years proceed at pace.

- 2.13 The need for new jobs and a boost to pay and living standards remain of vital importance in the ongoing context of inflationary pressures, the cost-of-living crisis and the UK falling into recession in October – December 2023¹⁵. ONS research indicates that in December 2023 approximately half (49%) of adults in Great Britain reported an increase in their cost of living compared to the previous month. In addition, the Office for Budget Responsibility (OBR) estimated that real incomes will fall by 1.5% in 2024¹⁶.

Levelling Up and Regeneration

- 2.14 In February 2022, the UK Government launched the Levelling Up White Paper¹⁷ (LUWP), which outlines the intention to *“spread opportunity more equally across the UK”*. Within this, a number of ‘Levelling Up Missions’ are outlined, relating to themes such as living standards, research & development and housing.
- 2.15 A key tenet to levelling up is boosting productivity, specifically targeting the North and the Midlands. The LUWP states that *“boosting productivity, pay, jobs and living standards by growing the private sector”* is the means by which this will be achieved. The overall aim is that *“By 2030, pay, employment and productivity will have risen in every area of the UK, with each containing a globally competitive city, and the gap between the top performing and other areas closing”*¹⁸.
- 2.16 The LUWP also notes the importance of community, local pride and belonging. This involves ensuring a mix of social and physical capital, giving areas *“their unique character and vibrancy”*. In addition, it notes that *“access to leisure and cultural amenities and safe neighbourhoods can also attract businesses... leading to private sector investment in communities”*¹⁹.
- 2.17 By 2030, the LUWP argues that this is possible by *“unleashing private investment, encouraging enterprise and supporting a dynamic business sector”*. This is to be achieved by combining human, physical, intangible and financial capital to empower businesses to generate productivity gains. The LUWP argues this will *“drive productivity, improve people’s quality of life and help restore their pride in the places where they live”*²⁰.
- 2.18 The Levelling Up and Regeneration Act (LURA) was passed into law in October 2023, and affirms the commitment to addressing inequality through delivering on the identified levelling up missions.

¹⁵ ONS (2024) GDP monthly estimate, UK: December 2023

¹⁶ House of Commons Library (2024) ‘Rising cost of living in the UK’. Available at: <https://commonslibrary.parliament.uk/research-briefings/cbp-9428/>

¹⁷ HM Government (2022) Levelling Up the United Kingdom

¹⁸ UK Government (2022) Levelling Up White Paper, page xvii.

¹⁹ Ibid. page 206.

²⁰ Ibid, page 160.

Greater Manchester Policy and Strategy

Places for Everyone: Joint Development Plan Document

- 2.19 'Places for Everyone' (PfE)²¹ sets out the GMCA's long-term plan for the city-region's housing and economy.
- 2.20 PfE identifies Manchester city centre and immediate surrounds as Greater Manchester's 'Core Growth Area', which is highlighted as the most significant economic location in the country outside London, stating that:
- "The Core Growth Area offers the conditions to boost the role of Greater Manchester as a Global City. It is the home of many global businesses and continues to attract high profile companies seeking to invest. Conditions for growth are in place, with high rates of productivity, innovation and global competitiveness. The Core Growth Area offers businesses, residents and visitors access to a highly skilled population, a wide range of premises and accommodation, digital infrastructure, excellent accessibility, a high-quality environment, cultural and retail opportunities"*²²
- 2.21 Policy JP-J 1: 'Supporting Long-Term Economic Growth' states that *"a thriving, inclusive and productive economy will be sought in our boroughs"*²³, outlining that there will be a focus on facilitating the development of high-value clusters in prime sectors.
- 2.22 It is also stated that Greater Manchester's universities will be a vital component of its developing as a globally important city region, highlighting that Greater Manchester has one of the largest concentrations of students in Europe, and an enormous supply of new graduates across a wide range of subjects each year who can help to drive future economic growth.
- 2.23 PfE Policy JP-P 5: 'Education, Skills and Knowledge' consequently states the importance of *"supporting the continued growth and success of the university sector"* by *"continuing to help develop Greater Manchester as the UK's best destination for students"*.

Greater Manchester Strategy

- 2.24 The Greater Manchester Strategy²⁴ was published in 2022 by the GMCA, with the aim of delivering a vision for how people, place and the planet can all benefit by creating a greener, fairer, more prosperous city region. Overall, the Strategy aims for:
- 'Greater Manchester to be a place where everyone can live a good life, growing up, getting on and growing old in a greener, fairer, more prosperous city region'*
- 2.25 The Strategy outlines the ambition to ensure the city region is carbon neutral by 2038 as well as maximising the opportunity to improve residents' lives and create a fairer

²¹ Greater Manchester Combined Authority (2020) Greater Manchester's Plan for Homes, Jobs and the Environment: Greater Manchester Spatial Framework Publication Plan 2020 – Draft for Approval: October 2020

²² Ibid.

²³ Ibid.

²⁴ Greater Manchester Combined Authority (2022) Greater Manchester Strategy

society. This includes the creation of well-paid jobs in the green economy as well as high-quality homes with reduced energy bills and access to green transport.

2.26 The Strategy seeks to create a fairer Greater Manchester as part of the long-term recovery from the Covid-19 pandemic. This includes addressing inequalities regarding income, employment and healthy life expectancy and, in order to do so, the GMCA aims to deliver increased investment and new opportunities to deliver tangible change.

2.27 Overall, the GMCA aims to address inequalities by delivering a new vision for economic growth to create a more equitable and socially responsible society. This can be summarised with three key shared outcomes:

- **People's wellbeing:** provision of better homes, jobs, transport links and vibrant communities. This includes a commitment to the creation of access to better jobs and employment opportunities. This includes the provision of opportunities to develop skills and education/training opportunities for young people to be 'career ready'. In addition, the Strategy aims to deliver safe, affordable housing across Greater Manchester.
- **Thriving businesses:** success of businesses which can look after the people, places and planet. This includes supporting businesses to attract new investment and promote innovation
- **Leading the UK and the world:** in sectors such as low carbon and digital and Greater Manchester aims to lead the way on carbon neutrality.

Greater Manchester Social Value Framework

2.28 The Greater Manchester Social Value Framework²⁵ (GMSVF) was published in 2022 by the GMCA with an aim of producing 'A Greener, Fairer and More Prosperous Greater Manchester'. The framework seeks to create an environment that is capable of tackling inequalities in a way that is fair and sustainable that can encourage lasting benefits for the people of Greater Manchester.

2.29 The Framework is structured around three pillars, aiming to support the Greater Manchester Strategy. These pillars and six underlying priority goals that businesses should strive to achieve under these themes are outlined below:

- **A Greener Greater Manchester**
 - Making organisations greener
 - Keeping the air clean in Greater Manchester.
- **A Fairer Greater Manchester**
 - Contributing to a strong local community

²⁵ Greater Manchester Combined Authority (2022) A Greener, Fairer and More Prosperous Greater Manchester - The Greater Manchester Social Value Framework 2022

- Creating the education, work and skills opportunities required for residents of Greater Manchester
- **A More Prosperous Greater Manchester**
 - Providing high quality employment opportunities
 - Develop the local Greater Manchester supply chain.

2.30 Overall, the aim of the GMSVF is to provide a framework for businesses on how to operate in a way that is socially responsible and contributes to the wider Greater Manchester goals of producing a fairer and greener economy.

Manchester Policy and Strategy

Manchester Core Strategy

2.31 Manchester's Core Strategy²⁶ was adopted in 2012 and sets out the planning principles and policies that will deliver MCC's vision for the city as one *"with a growing economy"* and with *"an increased and sustainable healthy population and a community which both benefits from and drives the City's productivity upwards"*²⁷.

2.32 The Core Strategy highlights that students account for a significant proportion of the city's population and that much of the retail and leisure offer in areas of the city with high student populations has evolved to primarily meet student needs.

2.33 A key component of the aim to manage student housing demand and 'protect the sustainability and amenity of neighbourhoods' is detailed within the Core Strategy in relation to the occupation of Houses in Multiple Occupation (HMOs) as student households. Whilst family households are considered essential for sustainable communities, given that they support a range of local facilities such as schools and tend to have a greater commitment to the neighbourhood as they live there longer than other types of households, the Core Strategy reports that areas with a high concentration of student-occupied HMOs can experience increased prevalence of issues such as anti-social behaviour.

2.34 PBSA is therefore identified as key towards meeting demand for student accommodation in Manchester, whilst potentially also freeing up family housing and broadening housing choice for residents of all types in the city. Criterion 4 of Policy H12 of the Core Strategy outlines with respect to PBSA that:

"Proposals that can demonstrate a positive regeneration impact in their own right will be given preference over other schemes. This can be demonstrated for example through impact assessments on district centres and the wider area. Proposals should contribute to providing a mix of uses and support district and local centres, in line with relevant Strategic Regeneration Frameworks, local plans and other masterplans as student accommodation should closely integrate with existing neighbourhoods to contribute in

²⁶ Manchester City Council (2012) Manchester's Local Development Framework: Core Strategy Development Plan Document

²⁷ Ibid.

a positive way to their vibrancy without increasing pressure on existing neighbourhood services to the detriment of existing residents”

Manchester Social Value Policy

2.35 MCC published the Social Value Policy for Manchester²⁸ in 2021 which sits underneath the GMSVF and is intended to also contribute towards the six priority goals listed above. The policy emphasises the importance of social value through working with local supply chains and embedding social value within tenders.

2.36 The Policy is designed to encourage spending on services that address social, economic and environmental issues within local communities. The Policy outlines an ambition to promote fair employment practices within businesses across the city, offer a range of apprenticeships and maximise opportunities for suppliers to make a social difference along the supply chain to the local area. The priorities of the Social Value Policy are to be targeted at specific groups who could benefit from the paid work employment opportunities including:

- Children and young people not in employment, education or training;
- The long term unemployed with an underlying health condition or complex needs;
- Residents from Black, Asian and Ethnic Minority backgrounds;
- Disabled residents;
- Older people; and
- Vulnerable adults overcoming domestic abuse or rough sleepers.

2.37 There are several priority actions for these groups identified in the Policy such as:

- Maximise new job creation and ensure residents are supported into these opportunities;
- Support unemployed residents into the labour force;
- Support organisations that positively contribute to the local economy;
- Support the transition to net-zero;
- Create good employment opportunities that pay the living wage; and
- Focus charitable giving on We Love MCR, Young Manchester and Big Change.

Manchester Work and Skills Strategy 2022-27

2.38 Manchester City Council published the Manchester Work and Skills Strategy²⁹ for 2022-2027. The Strategy outlines how Manchester’s residents should benefit from the

²⁸ Manchester City Council (2021) Social Value Policy

²⁹ Manchester City Council (2022) Manchester Work and Skills Strategy

growth of the economy, aiming to create a sustainable, fairer and more inclusive economy by connecting people to opportunities within the city. The Manchester Work and Skills Strategy is designed to support the wider aims of the Our Manchester Strategy (2016-2025), aiming to deliver inclusive economic growth across the city.

2.39 The strategy aims to deliver this fairer and more inclusive economy across five themes, as outlined below:

- **A Thriving and Sustainable City:** Supporting development and growth of a more inclusive economy. This includes supporting all learning opportunities, specifically for those further away from the labour market such as those with disabilities. All opportunities should be high-quality, allowing all residents to benefit from economic growth, reducing poverty and decreasing inequality.
- **A Highly Skilled City:** Ensuring that young people are supported into work and have the required skills to meet their goals and ambitions as well as support the growth of businesses within the city. This includes promoting opportunities across the city for young people (for residents aged 16-17) as well as attracting more highly skilled graduates into the city. It is proposed that this could be achieved through strengthening links to the Manchester universities and post-16 colleges to boost skills in the city and work with employers to create more in-working training programmes.
- **A Progressive and Equitable City:** Addressing the social determinants of health, aiming to support residents to improve health and wellbeing and to allow residents to thrive. This includes identifying inequalities and target interventions accordingly where communities face difficulties accessing learning and employment. Specifically, the Strategy aims to use social value to use connect learning and employment opportunities along the supply chain and investment in Manchester.
- **A Liveable and Zero Carbon City:** Supporting the transition into zero-carbon economy by increasing the supply of training opportunities for residents to support business growth within the zero-carbon sector in Manchester. The Strategy aims to boost demand for green skills as well as enhance ongoing carbon literacy within schools, colleges and businesses as well as work with training providers and employers to plan for future skill needs.
- **A Connected City:** Increasing the supply of training opportunities to enable residents to access employment within a digitised world. This includes ensuring digital skills training is accessible. Other forms of connectivity such as transport connections are highlighted as key to supporting economic growth.

2.40 Overall, the MCC supports the creation of accessible, fair and good opportunities for residents, thus equipping residents with the skills to achieve their ambitions as well as ensuring that businesses have access to the talent required to thrive.

Summary

- 2.41 The overarching planning, economic and social value framework as expressed through national strategy alongside locally-focused policy priorities highlights the importance of growing Manchester and wider Greater Manchester city region's economy, population and workforce. It is also clear that the higher education sector is a key contributor to the city region's growth, and should therefore be supported to continue to attract students and that
- 2.42 The review also highlights several areas of alignment between the anticipated impacts and benefits of the development and the social value priorities and frameworks developed by MCC and the GMCA, including in term of employment, skills and procurement initiatives.

3. Socio-economic Context

- 3.1 This section provides a socio-economic baseline of the Ardwick neighbourhood in which the Site of the Proposed Development is located, highlighting key characteristics of the local population, economy and business base in comparison with wider geographies, such as Manchester, the wider Greater Manchester city region and beyond³⁰.
- 3.2 The findings of an up-to-date assessment of student accommodation need is also summarised, which – in addition to providing context as to existing nature of supply and development pipeline – consider the importance of providing adequate quantum and quality of student accommodation, and the Proposed Development’s potential contribution towards meeting demand for PBSA in Manchester.
- 3.3 This provides an important indication of the socio-economic context to which the Proposed Development could positively respond through the creation of student housing, jobs and supporting wider economic activity, as well as key indicators that should be considered when establishing the Proposed Development’s social value offer.

Socio-economic Baseline Analysis

The Site and Neighbouring uses

- 3.4 The existing Site at Victoria Point is a well-established provider for PBSA. The Site is located just off the Oxford Road Corridor, to the south-east of the city centre and the campuses of Manchester’s two main universities – the University of Manchester (UoM) and Manchester Metropolitan University (MMU), as well as other local education institutions such as the Royal Northern College of Music (RNCM).
- 3.5 The Site’s surrounding area of Victoria Park is known for offering relatively affordable student accommodation options, and is in easily-commutable distance to the university campuses. The Student Need Assessment (SNA)³¹ prepared by Cushman & Wakefield (CW) to accompany the Proposed Development’s planning application highlights that there is strong demand for PBSA within Victoria Park and that new development is likely to have significant appeal to students, due its proximity to both the campuses and the city centre, as well as the numerous bars, restaurants, parks, and shops in the immediate locality.

Age Profile and Student Population

- 3.6 As shown at Table 2.1, the 2021 Census recorded c. 16,070 people as living in the Ardwick neighbourhood local to the Proposed Development³². Of this total, over three-quarters (76%) were of working age (16-64); this is a higher proportion than all wider comparator geographies, with it additionally being noted that Manchester’s overall

³⁰ Where ward-level data is not available, metrics are presented at alternative suitable geographic scales.

³¹ Cushman & Wakefield (2024) Victoria Point, Manchester: Student Need Assessment

³² ONS via Nomis (2022) Census 2021

working-age population is also proportionally larger than recorded at the wider city-region or North West scales.

- 3.7 A notable proportion (29%) of Ardwick's population is aged 18-24, this being an age-group indicative of a university student population. This is almost double the representation of this age-group recorded across Manchester as a whole (15%), which itself accommodates a relatively high population of younger adults in comparison to wider geographies.
- 3.8 It is additionally noted that older people aged 65+ comprise a relatively low proportion of Ardwick and Manchester's respective populations.

Table 3.1: Population Composition by Age, 2021

	Ardwick		Manchester	Greater Manchester	North West
	No. Residents	% Residents	% Residents	% Residents	% Residents
Aged 16-64	16,070	76%	70%	64%	63%
Aged 18-24	6,120	29%	15%	9%	8%
Aged 65+	1,080	5%	9%	16%	19%

Source: ONS via Nomis, 2021

Economic Activity and Employment

- 3.9 The above is broadly consistent with 2021 Census data which indicated that c. 5,190 Ardwick residents were economically inactive due to being a full-time student, with a further c. 1,600 residents being economically active whilst also studying full-time³³. As such, economic activity in the ward is lower than wider geographies.
- 3.10 It is, however, also noted that, amongst those who *are* economically active, the unemployment rate in Ardwick (8% of residents aged 16+) is higher than in Manchester as a whole (6%); furthermore, unemployment is higher in Manchester than in the wider Greater Manchester city region (4%) and the North West (3%).

³³ ONS via Nomis (2022) Census 2021

Table 3.2: Economic Activity, 2021

	Ardwick		Manchester	Greater Manchester	North West
	No. Residents	% Residents (aged 16+)	% Residents (aged 16+)	% Residents (aged 16+)	% Residents (aged 16+)
Economically active: Total	8,150	47%	59%	60%	59%
Economically active: Employed	6,790	40%	53%	56%	55%
Economically active: Unemployed	1,360	8%	6%	4%	3%
Economically active: Full-time Students	1,600	9%	5%	3%	2%
Economically Inactive: Full-time Students	5,190	30%	13%	7%	6%

Source: ONS via Nomis, 2021

- 3.11 Claimant Count data published by the ONS³⁴ provides an up-to-date indication of the number of people claiming benefits principally for the reason of being unemployed. This reveals that as of February 2024, there were c. 1,075 people claiming out-of-work benefits in Ardwick, expanding to 24,490 in Manchester, and 92,560 across Greater Manchester as a whole.
- 3.12 Analysis of Jobseeker's Allowance (JSA) claimants³⁵ (a sub-set of the overall claimant count) highlights that 15 residents of Ardwick were recorded as specifically seeking employment in construction-related trades as of February 2024, rising to 485 in Manchester and 2,440 at the scale of the Greater Manchester city region; this indicates that there is available construction labour force supply and opportunities to get local people back into work through new development.

Labour Market and Earnings

- 3.13 The latest Business Register and Employment Survey (BRES)³⁶ recorded that Ardwick accommodated c. 45,425 workforce jobs in 2022, equating to c. 11% of total employment in Manchester.
- 3.14 Key employment sectors in Ardwick include health (40% of total employment) and education (31%); this is reflective of the numerous sites occupied by healthcare and education institutions in the locality. The sectors making the greatest contribution to employment across the city of Manchester include professional, scientific & technical (14% of total employment) and business administrative & support services (12%). Construction supports 600 jobs in Ardwick, expanding to 9,000 in Manchester and

³⁴ ONS via Nomis (2024). Claimant Count: February 2024

³⁵ ONS via Nomis (2024) Jobseeker's Allowance by Occupation: February 2024

³⁶ ONS via Nomis (2023) Business Register and Employment Survey: 2022

71,000 in Greater Manchester, accounting for 5% of total employment in the city region.

- 3.15 It is also noted that the construction workforce employed in the locality of the Site and Manchester as a whole is relatively low in comparison with the wider city region. It is therefore considered that the construction phase jobs created by the Proposed Development, as well as the Applicant's proposed partnership with the Skills Construction Centre (SCC) – a local vocational training provider – to deliver employability and skills initiatives, will be significant factors through which the scope of local employment opportunities can be boosted. This is discussed in more detail in the subsequent Sections 4 and 5.

Table 3.3: Employment by Industry, 2022

	Ardwick ▼		Manchester	Greater Manchester
Health	18,000	40%	12%	14%
Education	14,000	31%	9%	8%
Business admin. & support services	2,000	4%	12%	10%
Retail	1,750	4%	7%	8%
Accommodation & food services	1,500	3%	9%	7%
Public administration & defence	1,500	3%	5%	5%
Wholesale	1,000	2%	3%	5%
Transport & storage	1,000	2%	6%	5%
Professional, scientific & technical	1,000	2%	14%	12%
Manufacturing	600	1%	3%	7%
Construction	600	1%	2%	5%
Property	600	1%	3%	2%
Arts, ent., rec. & other services	600	1%	4%	4%
Information & communication	500	1%	6%	4%
Financial & insurance	500	1%	4%	3%
Motor trades	175	<1%	<1%	1%
Agriculture, forestry & fishing	50	<1%	<1%	<1%
Mining, quarrying & utilities	50	<1%	<1%	1%
Total	45,425	100%	100%	100%

Source: ONS via Nomis, 2023

- 3.16 As shown at Table 3.3, Annual Survey of Hours and Earnings (ASHE) data³⁷ indicates that median gross annual workplace wages in Manchester, at £37,180, are notably higher than the equivalent figure for residents (£32,510); this suggests that a proportion of higher-paying jobs in the city are filled by those commuting in from other areas, and, as such, are not accessed by people living locally³⁸.

Table 3.4: Resident and Workplace Median Gross Annual Wages, 2023

	Resident	Workplace
Manchester	£32,510	£37,180
Greater Manchester	£32,690	£33,110
North West	£33,040	£33,040

Source: ONS via Nomis, 2024

Deprivation

- 3.17 The Indices of Deprivation (IoD)³⁹ is a measure of relative deprivation across different 'small areas' (defined as 'Lower Super Output Areas', LSOAs)⁴⁰ in England. The 2019 edition of the IoD is based on 39 separate indicators, organised across seven distinct domains of deprivation⁴¹, which are combined and weighted to calculate the Index of Multiple Deprivation (IMD).
- 3.18 The IMD ranks every LSOA nationally, from 1 (the most deprived) to 32,844 (least deprived). When considered based on the average IMD rank of its constituent small areas, the city of Manchester is ranked 6th out of the 317 local authorities in England (where 1 is the most deprived and 317 is the least deprived), in terms of overall deprivation, thus indicating that deprivation is a comparatively acute issue within the local authority.
- 3.19 It is also noted that the relative deprivation of the city remained consistent between the 2015 and the 2019 editions of the IoD, with Manchester standing as the 5th most deprived in 2015, indicating that a high-level of deprivation is relatively entrenched within areas of the city.
- 3.20 Figure 2.1 shows the breakdown of deprivation by LSOA across Manchester. It can be seen that deprivation is concentrated to a significant extent in east and north Manchester, as well as in areas to the southern tip of the authority, with numerous LSOAs in these parts of the city being amongst the 10% most deprived nationally.

³⁷ ONS via Nomis (2024). Annual Survey of Hours and Earnings: 2023

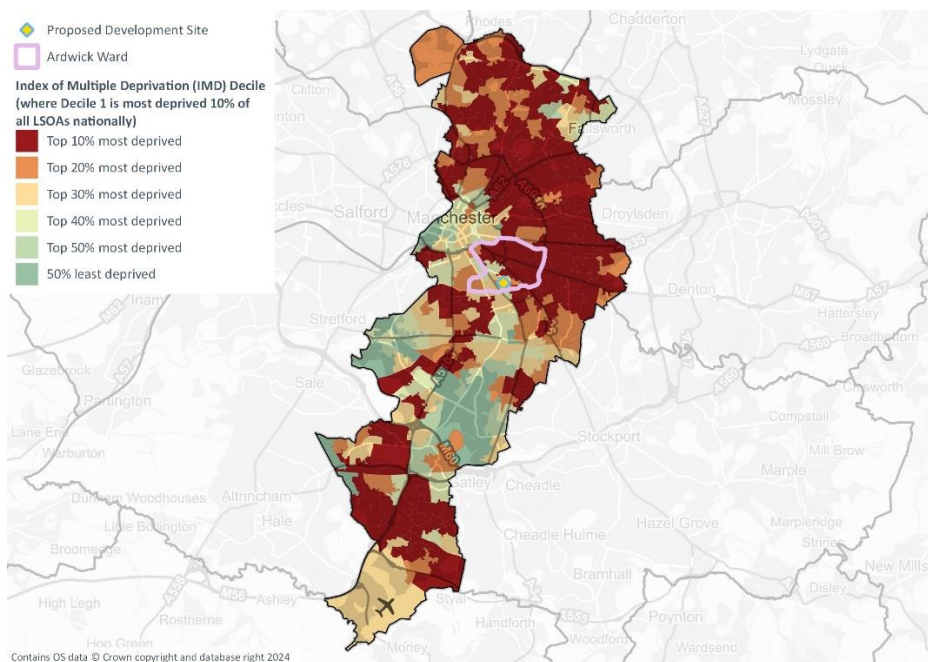
³⁸ Note that ASHE data is not available at the ward level.

³⁹ Department for Levelling Up, Housing and Communities (2019) English Indices of Deprivation 2019

⁴⁰ Small areas are defined as 'Lower Super Output Areas' (LSOAs), which are small areas designed to be of a similar population size, with an average of approximately 1,500 residents.

⁴¹ The seven domains of deprivation are: Income; Employment; Health & Disability; Education, Skills & Training; Crime; Barriers to Housing and Services; Living Environment.

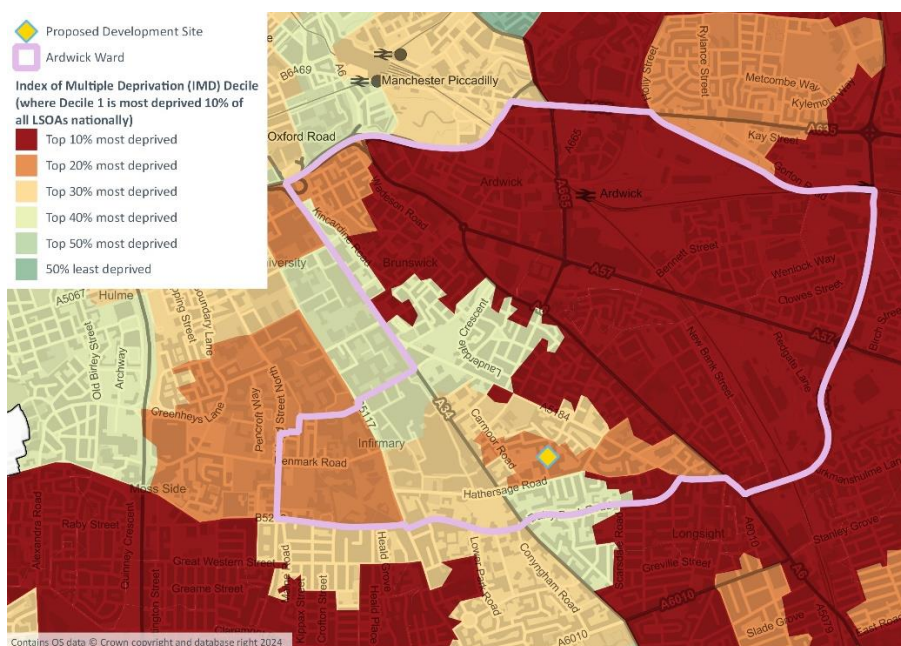
Figure 3.1: Manchester, IMD 2019



Source: DLUHC, 2019

- 3.21 Figure 2.2 focuses in on deprivation within Ardwick and immediate surrounds⁴². It can be seen that large areas – particularly to the east – of the ward are amongst the most deprived in the city and, indeed, nationally. The LSOA within which the Site is located is also relatively deprived in comparison to a number of its neighbouring areas adjacent to and/or intersected by the Oxford Road corridor.

Figure 3.2: Ardwick, IMD 2019



Source: DLUHC, 2019

⁴² Note that IMD data is provided at LSOA, and therefore it is not possible to aggregate the LSOA data to the ward.

Student Accommodation Need in Manchester

- 3.22 The retention of graduates is a key objective of all cities to ensure that industry has access to a skilled workforce to support employment growth. A student's experience in their accommodation whilst at university is recognised by MCC as a major determinant of whether they will be retained locally following completion of their studies⁴³, and therefore high-quality student housing is key to supporting economic growth over the long term.
- 3.23 CW's SNA prepared for the Proposed Development's planning application⁴⁴ reports on the existing supply of PBSA in Manchester, the demand pool and student to bedspace ratios, as well as the quality of provision. Key findings from the Demand Study area set out below:
- UoM is the UK's largest single education institution and attracted 42,260 full-time students in 2021/22, a 14% increase since 2016/17. Growth is being driven by the University's international population, which has increased by 34% over the last five years. MMU has also enjoyed positive growth of 13% over the past five years, and has seen strong growth in international students of 49% over the same period.
 - A total of 26,841 PBSA bed spaces are available to students in Manchester as of 2023/24.
 - The Manchester-wide student to bed ratio (SBR) stands at 2.04:1, meaning that 27,884 students with a requirement for a bed currently cannot be served by PBSA.
 - Manchester's PBSA development pipeline of 11,075 bedspaces (albeit under half actually have planning approval at time of writing) is concluded to be a small pipeline for a market of Manchester's size.
 - CW's scenario modelling shows that without significant additional development, more students will be forced into the private housing market as demand for accommodation continues to grow.
 - Over the last 10 years, Manchester has seen the second-fewest number of gross PBSA bedspace deliveries of any major market in the UK, and the lowest net increase in bedspaces of any major market.
 - Manchester's PBSA market is currently characterised by a legacy of older bedspaces due to limited development over the last decade, and Manchester is home to a significantly larger percentage of standard, shared-bathroom bedspaces than the national average. As such, the city provides a considerably lower percentage of modern, en-suite PBSA bedrooms than competitor markets.

⁴³ Manchester City Council (2020) Report for Resolution: Purpose Built Student Accommodation in Manchester

⁴⁴ Cushman & Wakefield (2024) Victoria Point, Manchester: Student Need Assessment

- 3.24 Overall, CW conclude that the lack of supply in the market is leading to negative impacts on the student population, including rental increases far above national averages and a growing number of students living in private rented accommodation, which can often be of substandard quality.
- 3.25 As set out in Section 2, areas such as Ardwick require accessible affordable, multi-person, family housing, the supply of which can be at risk as a result of conversion to student HMOs. A 2023 MCC report⁴⁵ prepared for the Council's Economy Scrutiny Committee in relation to PBSA provision (which identifies Ardwick as an affected ward), highlights the positive contribution of PBSA towards meeting MCC's strategic goal of a *'progressive and equitable city: making a positive contribution by unlocking the potential of our communities'*, as follows:
- "Freeing up former student-lets and, therefore, increasing the supply of good quality homes for sale and rent will provide the opportunity for Manchester residents to raise their individual and collective aspirations"*
- 3.26 The report additionally notes in relation to student accommodation that in 2022/23, MCC estimated that the Council would forego c. £18 million in revenue through Council Tax exemptions as a result of students living in HMOs. The report subsequently highlights that new PBSA *"may help to reduce student exemptions in the city centre and south Manchester by directing students to PBSA rather than other dwellings"*⁴⁶.

Summary

- 3.27 The local socio-economic baseline identified that:
- The area surrounding the Site is known for offering relatively affordable student accommodation options, and is in easily-commutable distance to the university campuses. There is strong local demand for PBSA, and new development is likely to have significant appeal to students, due its proximity to both the campuses and the city centre, as well as the numerous bars, restaurants, parks, and shops in the immediate locality.
 - Ardwick accommodates notably high proportions of younger, working-age people, many of whom are students. As highlighted in Section 2, the GMCA and MCC identify the student population as a key driver of the local economy.
 - Amongst economically active residents, the unemployment rate in Ardwick is higher than in Manchester as a whole, which in turn records a higher unemployment rate than wider geographies. Over 1,000 residents of Ardwick are currently claiming out-of-work benefits, expanding to c. 24,500 in Manchester, and over 92,500 across Greater Manchester as a whole. Furthermore, 15 residents of Ardwick are currently recorded as specifically seeking employment in construction-related trades, rising to 485 in Manchester and 2,440 at the scale

⁴⁵ Strategic Director, Growth and Development - Manchester City Council (2023) Report for Resolution: Purpose Built Student Accommodation in Manchester (Economy Scrutiny Committee – 23 May 2023 Executive – 31 May 2023)

⁴⁶ Strategic Director, Growth and Development - Manchester City Council (2020) Report for Resolution: Purpose Built Student Accommodation in Manchester

of Greater Manchester; this indicates that there is available construction labour force supply and opportunities to get local people back into work through new development.

- Median workplace wages in Manchester are notably higher than the median wages of the city's residents; this suggests that a proportion of higher-paying jobs in the city are filled by those commuting in from other areas, and, as such, are not accessed by people living locally.
- Large areas – particularly to the east – of Ardwick are amongst the most deprived in Manchester. The Site's immediate neighbourhood is also relatively deprived in comparison to neighbouring areas adjacent to and/or intersected by the Oxford Road corridor.
- The limited existing supply and development pipeline of PBSA is leading to negative impacts on the student population, including rental increases far above national averages and a growing number of students living in private rented accommodation, which can often be of substandard quality.
- Manchester also provides a considerably lower percentage of modern en-suite PBSA rooms than competitor geographies, with the city's PBSA provision being characterised by a legacy of older bedspaces due to limited development over the last decade.
- MCC recognise that a student's experience in their accommodation whilst at university is a major determinant of whether they will be retained locally following completion of their studies, a key objective of all cities to ensure that industry has access to a skilled workforce to support employment growth.
- Areas such as Ardwick require accessible affordable, multi-person, family housing, the supply of which can be at risk as a result of conversion to student HMOs. As such, MCC acknowledge the importance of delivering new PBSA in order to free up former student-lets and increase the supply of good-quality homes for sale and rent. It is affirmed by MCC that this provides the opportunity for Manchester residents to raise their individual and collective aspirations.
- MCC also recognise that the Council is forgoing significant potential revenue due to Council Tax exemptions as a result of students living in HMOs.

3.28 It is therefore concluded that the Proposed Development is well-suited locationally, quantitatively and qualitatively to making an effective contribution towards meeting local needs, particularly in terms of providing employment, skills and training opportunities for local people and supply chain benefits for businesses during the construction and operational phases. Also key is the provision of high-quality student housing to support the sustainable growth of Manchester's higher education sector, and, in doing so, easing pressure on the general housing market for families and other members of local communities in areas such as Ardwick.

4. Construction Phase: Economic Benefits

- 4.1 This section outlines the economic impacts estimated to be generated by the Proposed Development during construction.

Employment

Gross Direct Employment

- 4.2 Total investment at the Proposed Development is estimated as £100 million⁴⁷. Based on the average turnover per employee in the construction industry in the North West⁴⁸, it is estimated that construction could support 390 ‘person-years’ of direct employment.
- 4.3 Over a period of c. 3 years⁴⁹, this would equate to an average of 130 gross direct full-time equivalent (FTE) jobs supported on and off-site.
- 4.4 These jobs are inclusive of apprenticeship opportunities and roles delivered through other on-site employment initiatives in partnership with MCC’s skills and employment bodies, as discussed in detail in Section 5.

Net Additional Employment

- 4.5 Net additional employment is a term used to refer to the final scale of employment that is generated once a number of economic considerations have been taken into account. The net additional employment is the sum of the direct and indirect employment impacts of the Proposed Development.
- 4.6 The creation of temporary construction jobs during the build period will provide new employment opportunities for the labour force in Manchester more widely across Greater Manchester. The positive economic impacts of the Proposed Development will extend beyond construction employment; expenditure on construction materials, goods and other services will have far-ranging benefits both locally and further afield as it filters down the supply chain.
- 4.7 The HCA recommends a specific approach to calculating net additionality⁵⁰ within its Additionality Guide⁵¹. Its recommended approach takes account of multiplier effects generated both through the Site supply chain and induced financial benefits arising from increased local expenditure, and allows for the consideration of the following:

⁴⁷ Construction costs provided by the Applicant.

⁴⁸ Department of Business, Energy & Industrial Strategy (2023) Business Population Estimates 2023: North West

⁴⁹ Note that the Proposed Development will be phased. Therefore, figures presented in this assessment in relation to the construction phase should be understood as an average over the duration of the build, meaning that, at points of more intensive construction activity, employment requirements will be higher than the average, and vice versa.

⁵⁰ ‘Additionality’ is defined in the Homes & Communities Agency (2014) Additionality Guide (4th Edition). The Guide advises on the assessment of the additional impact (or ‘additionality’) of interventions in terms of local and regional economic growth.

⁵¹ Homes & Communities Agency (2014) Additionality Guide (4th Edition)

- **Deadweight** – the economic outcomes which would occur if the Proposed Development were not implemented;
- **Leakage** – a measure of the extent to which employment will be taken up by persons residing outside of the target area;
- **Displacement** – the extent to which investment in the Proposed Development will lead to existing companies or employees within the target area relocating activities to the Site, rather than attracting new investment and employment from businesses located outside of the target area; and
- **Multiplier effects** – further economic activity (jobs, expenditure or income) associated with additional local income (from employment), local supplier purchases and longer-term expenditure effects.

4.8 These factors are considered below to estimate the net additional employment benefit generated by construction of the Proposed Development. Deadweight is considered to be zero during construction, as a continuation of the Site’s existing state and uses would not result in any change in employment in the construction industry⁵².

Leakage

4.9 The creation of construction jobs at the Site can be expected to provide new employment opportunities both for local residents of Manchester and wider city-region.

4.10 As set out in Section 1, the 2021 Census found that 42% of jobs in Manchester are filled by residents of the city, with 88% of jobs being filled by residents of Greater Manchester. Rounded leakage rates of 60% and 10% have therefore been applied at the scale of the respective Local and Wider Impact Areas.

4.11 Whilst, due to data availability, it is not possible to quantify employment impacts at the scale of the Neighbourhood Impact Area of Ardwick, it should be noted that, whilst – as set out in Section 3 – there is currently a relatively limited baseline provision of construction jobs supported locally, a proportion of construction stage jobs could be accessed by residents at the ward level. This could include residents employed directly at local construction contractors (it being noted that 15 residents of the neighbourhood are reported as claiming unemployment benefits and specifically seeking work in construction⁵³), as well as those working at local businesses within the construction supply chain or whose employment is supported by wage expenditure.

4.12 Job creation in the neighbourhood could be particularly beneficial given that, as set out in the Section 3, resident unemployment and claimant counts are proportionally higher in the area than recorded across Manchester, where in turn they are above the Greater Manchester average⁵⁴.

⁵² Deadweight is, however, considered in relation to operational phase economic impacts, given the site does currently support employment and economic activity.

⁵³ ONS via Nomis (2024) Claimant Count: February 2024

⁵⁴ ONS via Nomis (2024) Claimant Count: February 2024

- 4.13 Employment, skills and training initiatives that could be accessed by people living in the Neighbourhood Impact Area – which could help maximise the social value generation of the Proposed Development and contribute towards retaining benefits in the immediate locality of the Site – are presented in more detail in Section 5.

Displacement

- 4.14 Displacement occurs when new development takes existing market share – in this case labour – from other existing local businesses. During construction, this allows for the possibility that an increase in demand for construction workers could result in delays to other developments or increased costs, if there is a shortage of construction labour.
- 4.15 As highlighted in Section 3 of this report, as of February 2024 there are at least 485 people in Manchester claiming JSA and registered as specifically seeking employment in construction-related occupations (including 15 in Ardwick), as well as further claimants receiving Universal Credit whose sought occupation is not reported⁵⁵. Further latent labour force capacity also exists beyond the city in the rest of Greater Manchester, with 2,440 people specifically seeking employment in occupations relating to construction in the wider combined authority area.
- 4.16 Taking into consideration guidance outlined in the Additionality Guide⁵⁶, a ‘low’ (25%) rate of displacement has been assumed during construction in the Local and Wider Impact Areas. This recognises the large latent supply of construction workers in these geographies in the context of the scale of employment opportunities generated by the Proposed Development.

Multiplier Effects

- 4.17 Investment in the Proposed Development will generate considerable expenditure on construction materials, goods and other services that will be purchased from a wide range of suppliers. This expenditure has far-ranging benefits both locally and further afield, as it filters down the construction supply chain (indirect effects). Employees working in construction in relation to the development will also spend their wages on goods and services (induced effects).
- 4.18 This will result in an amplification of the initial investment in the Proposed Development; in other words an economic multiplier effect, with linked benefits in terms of expenditure on goods and services locally. This will bring indirect employment and financial benefits for local individuals and firms involved in skilled construction trades and associated professions and could help to sustain employment within this sector across the local and wider economy.
- 4.19 Based on the Additionality Guide’s recommendations⁵⁷, a sub-regional composite multiplier of 1.25 has been applied at the scale of Manchester, increasing to 1.5 at the scale of the Greater Manchester city-region.

⁵⁵ ONS via Nomis (2024) Jobseekers Allowance by Occupation: February 2024

⁵⁶ Homes & Communities Agency (2014) Additionality Guide (4th Edition)

⁵⁷ Ibid.

Net Additional Employment

- 4.20 Having allowed for these additionality factors, it is estimated that the construction of the Proposed Development could generate to an average of 90 direct net additional FTE employment opportunities for residents of Greater Manchester, inclusive of 40 for residents of Manchester.
- 4.21 A further 45 indirect and induced FTE jobs could be supported across the Greater Manchester city-region through economic multiplier effects, inclusive of 10 for Manchester residents.
- 4.22 Summing direct, indirect and induced employment, it is therefore estimated that a total of 135 net additional FTE jobs could be supported in Greater Manchester, inclusive of 50 jobs for Manchester residents. These new jobs will contribute to a diversification and growth in the skills profile of local people in Ardwick, Manchester and beyond.
- 4.23 This is set out below at Table 3.1.

Table 4.1: Construction Phase Employment

	Manchester	Greater Manchester
Person-years of Employment		390
Construction Period (Years)		3
Gross FTE Employment		130
Direct Net Additional FTE Employment	40	90
Indirect / Induced Net Additional FTE Employment	10	45
Total Net Additional FTE Employment	50	135

Source: Turley Economics, 2024

Economic Output and Productivity

- 4.24 The construction phase of the Proposed Development will generate an increase in Gross Value Added (GVA). GVA measures the value of output created (i.e. turnover) net of inputs purchased and is used to produce a good or service (i.e. production of the output) and therefore provides a key measure of economic productivity.
- 4.25 Experian data indicates that the annual average productivity per FTE construction sector worker in Manchester equates to c. £98,900 GVA⁵⁸. This is higher than the GVA generated by the average employee across all sectors locally in the city and across the Greater Manchester as a whole (respectively c. £70,000 and c. £63,300), demonstrating the importance of the construction sector to local, sub-regional and national economic growth and the Levelling Up agenda.

⁵⁸ Experian (2023) UK Local Market Forecasts: December 2023 (annual average 2018 – 2022)

- 4.26 Applying the appropriate GVA measures to the direct, indirect and induced net additional employment supported during construction (as outlined at Table 3.1)⁵⁹, it is estimated that an additional £11.6 million GVA could be generated each year across Greater Manchester during construction, inclusive of £9.4 million concentrated in Manchester.
- 4.27 Over the total 3-year construction period, it is therefore estimated that construction of the Proposed Development will make a £34.8 million GVA contribution to the Greater Manchester economy, inclusive of £28.3 million concentrated in Manchester.
- 4.28 This is set out at Table 3.2 below.

Table 4.2: Construction Phase GVA

	Manchester	Greater Manchester
Direct Net Additional GVA (Annual)	£8,700,000	
Indirect / Induced Net Additional GVA (Annual)	£700,000	£2,900,000
Total Net Additional GVA (Annual)	£9,400,000	£11,600,000
Total Net Additional GVA (3 Years)	£28,300,000	£34,800,000

Note: Some figures appear not to sum due to rounding

Source: Turley Economics, 2024

Summary: Construction Phase Economic Benefits

- 4.29 In summary, the construction of the Proposed Development has the potential to generate the following economic benefits:
- Supporting investment of **£100 million** in Manchester's construction sector;
 - Directly supporting **390** person-years of employment, equating to an average of **130** gross direct FTE jobs over the duration of a 3-year construction period. These jobs are inclusive of apprenticeship opportunities and roles delivered through other on-site employment initiatives in partnership with MCC's skills and employment bodies, as discussed in detail in Section 5.
 - Creating average of **135** direct, indirect and induced net additional FTE employment opportunities generated for workers in Greater Manchester during construction, including **50** for residents of Manchester.
 - Generating total contribution of **£34.8 million** GVA to the Greater Manchester economy over 3 years, including **£28.3 million** concentrated in Manchester.

⁵⁹ Manchester construction sector GVA per FTE employee rates applied to direct jobs, with Manchester and Greater Manchester all-sector averages applied to indirect and induced jobs at the relevant spatial scales.

5. Construction Phase: Social Value

- 5.1 The Applicant recognises the importance of supporting local communities, creating employment, boosting skills, promoting opportunity, and, ultimately, helping people build better lives through the delivery of its projects.
- 5.2 The Applicant's commitment to delivering tangible social value throughout the Proposed Development's construction phase is therefore expressed through the creation of a bespoke Social Value Plan (SVP). The SVP aims to define objectives and evaluate impacts, building on MCC's social value and work & skills priorities (as summarised in Section 2), local community needs and aspirations and the Applicant's social value ethos.
- 5.3 Through the contracting of works and the forging of partnerships with local residents, businesses, education providers and other stakeholders, the Applicant aims to provide opportunities aligned to local requirements, and ultimately maximise the social value generated and retained within local communities.
- 5.4 As detailed in the Statement of Community Engagement⁶⁰ accompanying the planning application, the Applicant has engaged proactively with local communities, elected representatives and other stakeholders during the preparation of the Proposed Development's planning application, and this will continue during the determination stage and beyond into delivery to ensure that these insights continue to be reflected. MCC and the GMCA and their nominated employment agencies, as well as local education providers, communities and businesses, will also be engaged on an ongoing basis to support productive partnerships and to most effectively promote the local uptake of opportunities generated during construction.
- 5.5 The Applicant will appoint a lead construction contractor to deliver the project, upon whom obligations will also be placed to make best endeavours to generate social value through employment, skills and training commitments, the appointment of sub-contractors and the purchase of materials through the supply chain.
- 5.6 This Section therefore provides an overview of the social value that could be generated by the Proposed Development in the context of local needs, and sets out the relevant measures, actions and targets that constitute the construction phase SVP.
- 5.7 The construction phase SVP is presented in relation to the following overarching themes:
 - Providing High-Quality Employment Opportunities;
 - Providing Employability Support to Enter Work; and
 - Providing Opportunities for Local Businesses.

⁶⁰ Keeble Brown (2024) Victoria Point, Manchester: Statement of Community Engagement

- 5.8 The SVP should be considered as a ‘living document’, and therefore subject to evolution as a result of ongoing discussions with key stakeholders and partners, to ensure that proposed social value measures, actions and targets remain relevant and appropriate throughout the various phases of the scheme’s planning and delivery.

Construction Phase Social Value Plan

Providing High-Quality Employment Opportunities

- 5.9 Key to social value generation during construction will be the creation of job opportunities for local people.
- 5.10 Gaining the skills and work experience to support stable and fulfilling employment can have significant economic and wellbeing benefits for both individuals and society. This is exemplified by the fact that health expenditure on an unemployed person is estimated to be double the overall average expenditure per person; an individual’s overall health and wellbeing – in terms of both physical mental health – is therefore strongly correlated with being in meaningful employment⁶¹.
- 5.11 Research⁶² published by the Government’s Office for Health Improvements and Disparities (OHID, formerly Public Health England) highlights that employment:
- Is generally the key means of obtaining adequate economic resources, which are essential for material wellbeing and full participation in society; and
 - Also meets important psycho-social needs in societies where employment is the norm and is central to individual identity, social roles and social status, with employment and socio-economic status being among the main drivers of health outcomes.
- 5.12 Whilst, conversely, unemployment:
- Causes the loss of regular income, the material and psychosocial impacts of which contributes to the link between unemployment and poor health;
 - Causes additional psychological stressors related to status and self-esteem, identity and the loss of a core role in life, again impacting on health;
 - Is also associated with unhealthy behaviours, including increased smoking and alcohol consumption and decreased physical exercise; and
 - Can have effects beyond the individual directly affected, with evidence suggesting that financial difficulties or associated stress can increase the risk of poor mental health among the families of those who are unemployed.

⁶¹ Department for Work and Pensions (2010) The Department for Work and Pensions Social Cost-Benefit Analysis framework

⁶² Public Health England (2015) Local action on health inequalities: Increasing employment opportunities and improving workplace health

- 5.13 The ONS regularly monitors national wellbeing, and their research⁶³ highlights a correlation between unemployment and people's experiences of feelings of loneliness. Put another way, higher unemployment rates in an area are linked to higher loneliness rates, and pose a real threat not only to people's economic means, but also their wider health and wellbeing and their relationships with others.
- 5.14 The socio-economic baseline and needs analysis presented in Section 3 also affirmed the importance of creating new employment opportunities in the locality of the Site, given that there remains comparatively high unemployment rates in Ardwick and Manchester in comparison to wider geographies. The baseline analysis highlighted that 15 people in the ward, 485 people in Manchester and over 2,400 in the wider city region are currently unemployed and specifically seeking work in the construction sector.
- 5.15 As such, the new construction phase employment opportunities generated by the Proposed Development – as estimated quantitatively in Section 4 – will help meet local economic and social needs for high-quality jobs and will support healthier lifestyles.
- 5.16 The Applicant therefore proposes a number of commitments (including defined measures, actions and targets) via the SVP to ensure that social value for local communities is maximised through creation of employment opportunities. Specific interventions are also targeted to benefit people numbering amongst MCC's social value 'priority groups' identified by the Council's Social Value Policy⁶⁴ (summarised in Section 2), such as long-term unemployed residents and young people NEET.
- 5.17 This will be further refined through ongoing discussions with MCC during the application's planning, determination and post-planning period and through the subsequent preparation of a Local Labour Agreement (LLA).
- 5.18 Proposed construction phase social value provisions related to providing high-quality employment opportunities are set out at Table 4.1 below.

Table 5.1: Construction Phase SVP: 'Providing High-Quality Employment Opportunities'

<i>Social Value Measure</i>	<i>Key Actions / Initiatives</i>	<i>Key Targets</i>
<i>Creation of employment opportunities for Ardwick, Manchester and Greater Manchester residents, including for MCC's social value priority groups</i>	MCC's and/or the GMCA's Employment & Skills team(s) and nominated employment and skills partners / agencies will be engaged by the Applicant and/or appointed lead contractor prior to commencement of construction to discuss key employment actions and targets. MCC and/or the GMCA and relevant employment and skills partners / agencies will be informed by the lead contractor of job vacancies arising from construction on an ongoing basis, and opportunities	The construction workforce will be locally-based as far as possible, with best endeavours made to meet / exceed the below indicative benchmarks: • 5% living in Ardwick ward (or within c. 1 mile);

⁶³ ONS (2021) – Opinions and Lifestyles Survey

⁶⁴ Manchester City Council (2021) Social Value Policy

	will also be promoted through local Job Centres and other relevant local forums/agencies.	• 25% living in Manchester (or within c. 5 miles); • 50% living in Greater Manchester (or within c. 15 miles); • 95% living in the wider North West region.
	Through engagement with MCC, the GMCA and relevant employment and skills partners / agencies, the following initiatives will be put in place: • Targeted vacancy filling by Manchester/Greater Manchester residents; and • Guaranteed interviews and work trials for suitable local candidates who are long-term unemployed and young people NEET.	Best endeavours will be made to support upwards of 10 opportunities for local people who are long-term unemployed and/or young people NEET during construction.
	Construction worker travel distances and uptake of roles by those who are long-term unemployed and young people NEET will be monitored on an ongoing basis to evaluate the effectiveness of actions.	
Provision of apprenticeship opportunities for Ardwick, Manchester and Greater Manchester residents	The appointed lead contractor will liaise with MCC and/or the GMCA to identify potential current and future construction skills needs and gaps that the delivery of apprenticeships could help address.	Best endeavours will be made to support upwards of 5 apprenticeship opportunities during construction. <i>(This accounts for c. 4%⁶⁵ of the gross average workforce required to deliver the Proposed Development [130]).</i>
	The Applicant and appointed lead contractor will create and promote uptake of apprenticeship opportunities through ongoing engagement with MCC and/or the GMCA and partnership with local education providers, including construction and technical colleges, such Manchester Skills Construction Centre and Greater Manchester Construction Training.	
Provision of training to ensure high-quality employment prospects by supporting key construction sector skills needs and identified gaps	The Applicant commits to the appointment of a construction contractor experienced in delivering in-house training and Continuous Professional Development (CPD) programmes for employees and sub-contractors and, when doing so, specifically responding to local skills needs and gaps.	Best endeavours will be made for workers will receive at least one day's worth (7 hours) of training per annum during construction. <i>(Specific training targets to be determined following consultation with stakeholders and identification of local sector skills needs and gaps potentially relevant to the Proposed Development).</i>
	The appointed lead contractor will endeavour to deliver training programmes and initiatives that are accessible to both in-house and sub-contracted employees. Where relevant, these programmes will contribute towards training workers to nationally-accredited standards.	

⁶⁵ Department for Education (2023) Apprenticeships and Traineeships. Note: the stated target is in line with the wider representation of apprenticeship starts (over 3 years between 2019/20 and 2021/22, reflecting an indicative length of an apprenticeship) in the overall construction workforce nationally (as of 2022, based on ONS BRES data) and the ambition will be to exceed this benchmark.

Providing Employability Support to Enter Work

- 5.19 Providing people with support to re-enter the workforce is a local and national priority, given the noted rise in people who are economically inactive, including young people NEET, in the wake of the Covid-19 pandemic and wider recent macro-economic instability. The ONS estimates that as of December 2023, an additional 728,000 people aged 16-64 in the UK are economically inactive in comparison with December 2019's figures⁶⁶. Indeed, over the past year alone (December 2022 – December 2023), the estimated number of young people NEET aged 16-24 has increased by 39,000⁶⁷.
- 5.20 As such, in addition to providing support for high-quality employment and training for workers at the Proposed Development, the Applicant and appointed lead contractor seek to consult and partner with MCC, the GMCA, education providers and other stakeholders prior to and throughout construction to deliver careers development and training initiatives to help equip workers in Manchester and the wider city-region with the skills required to enter or re-enter the labour market.
- 5.21 Initiatives will seek to engage local young people – as Manchester's next generation of workers – through schools and other education providers, supporting objectives set out in MCC's Work and Skills Strategy⁶⁸, which sets out the Council's aim to *"ensure that all Manchester's young people have access to good-quality education, and we will support them to be work-ready"*.
- 5.22 As mentioned in Section 3, the Applicant intends to partner with SCC, a local vocational training provider to deliver employability and skills initiatives. SCC was established in 2004 with the aim of providing high-quality construction training and education and delivers on-site courses in Manchester, with the intention of providing a quality education experience that eliminates barriers to employment while delivering fundamental construction skills training. By conducting training on-site, SCC offers young people a positive vision of their future, making the training experience more tangible and fostering connections with employers.
- 5.23 SCC's programme to be delivered on-site during the construction of the Proposed Development would provide the following to up to 12 students at a time per 12-week (3 days per week) course:
- Construction trade skills (including priority skills areas such as retrofit);
 - Employability and careers guidance (including CV-writing, mock interviews and job searching);
 - Digital skills, with a focus on seeking employment and the practical application of these skills the construction sector;

⁶⁶ ONS (2024) 'Employment in the UK: February 2024' [Online]. Available at: <https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/employmentandemployeetypes/bulletins/employmentintheuk/february2024>

⁶⁷ ONS (2024) 'Young people not in education, employment or training (NEET), UK: February 2024' [Online]. Available at: <https://www.ons.gov.uk/employmentandlabourmarket/peoplenotinwork/unemployment/bulletins/youngpeoplenotineducationemploymentortrainingneet/february2024>

⁶⁸ Manchester City Council (2022) Work and Skills Strategy: 2022 - 2027

- Health and safety, including Construction Skills Certification Scheme (CSCS) tests, (a mandatory requirement to work on a construction site);
 - Practical on-site work experience at the Proposed Development.
- 5.24 Upon successful completion, participants will have the following qualifications:
- Level 1 Award Trade qualification;
 - Level 1 Award in Skills for Employment and Personal Development;
 - Level 1 Award in Health & Safety with CSCS card;
 - Level 2 Award in Retro Fit;
 - Entry Level Award in British Values and Prevent;
 - Enhanced non-regulated entry level Digital Skills;
 - At least 50 hours work experience;
 - CV and work seeking skills; and
 - A range of training certificates including Asbestos Awareness, Working at Heights, Manual handling.
- 5.25 This partnership will therefore deliver effective, tried and tested programmes to reach local people who may otherwise struggle to access employment opportunities or enter the workforce, as well as tailored guidance around getting work-ready and offering viable career pathways, seeking to benefit MCC's identified social value priority groups, including potentially:
- Young people, including: young people NEET, or at risk of becoming NEET; care leavers; and young people involved in or at risk of being involved in the criminal justice system;
 - Long-term unemployed people, including those with underlying health conditions or more complex needs;
 - Disabled people; and
 - Vulnerable adults overcoming a crisis or, domestic violence and abuse.
- 5.26 Whilst it is recognised that not all participants may be ready for employment or apprenticeships following the 12-week training period, the initiative seeks to ensure that that every learner takes significant strides forward, leaving the training programme equipped with enhanced confidence, improved communication skills, and the ability to make positive life choices.
- 5.27 Similarly to as outlined above in relation to employment, the full suite of initiatives delivered as a result of the Proposed Development relating to employability support

will be further refined through ongoing discussions with MCC and the subsequent preparation of an LLA.

- 5.28 Proposed construction phase social value provisions related to employability support are set out at Table 4.2 below.

Table 5.2: Construction Phase SVP: ‘Providing Employability Support to Enter Work’

<i>Social Value Measure</i>	<i>Key Actions / Initiatives</i>	<i>Key Targets</i>
<i>Delivery of pre-employment and skills training for local people to provide them with skills to access future job opportunities</i>	The Applicant and/or appointed lead contractor will partner with SCC to deliver employability and vocational skills initiatives on-site at the Proposed Development, seeking to engage local people who may otherwise struggle to access employment opportunities or enter the workforce, as well as tailored guidance around getting work-ready and offering viable career pathways, including members of MCC’s identified social value priority groups.	At least 3 rounds of SCC’s 12-week programme will be delivered (one round for each year of construction), engaging up to 12 participants per programme.

Providing Opportunities for Local Businesses

- 5.29 The Applicant recognises that there is a direct social value benefit from projects being delivered by local people and small and medium enterprises (SMEs), and that supporting supply chains in Manchester and across the wider Greater Manchester city-region is fundamental towards maximising the Proposed Development’s social value.
- 5.30 It is clear that placing social value generation front and centre of the procurement of services can make a significant contribution to improved prospects and wellbeing for local people and businesses, and that connecting commercial needs with local opportunities and service providers is a key means of retaining and maximising local economic, social and environmental benefits. For example:
- **If supply chain expenditure is with local SMEs, a higher proportion of its value is retained locally than if spent with larger, national organisations.** Research conducted by the Centre for Local Economic Strategies (CLES) found that small firms will re-spend 49p in every £1 they receive back in a local economy, whereas large firms will only re-spend 31p⁶⁹. Expenditure at SMEs therefore can make a significant contribution to inclusive local economic growth, creating and retaining a larger proportion of the related uplift in new business, employment and skills opportunities for those communities in the areas where activities are actually taking place. As stated in the UK Government’s National Procurement Policy Statement⁷⁰ – a diversified supply chain can also have the benefit of resulting in an increased creation of employment opportunities for those who face high barriers to employment or who are located in disadvantaged areas, as well as extending training opportunities.

⁶⁹ Centre for Local Economic Strategies (2013) Local Procurement: Making the Most of Small Business, One Year On

⁷⁰ HM Government (2021) National Procurement Policy Statement

- **Increasing opportunities for entrepreneurship and helping new and/or small businesses grow can increase supply chain diversity, innovation and resilience, both in terms of individual suppliers themselves and in local economies more widely.** Government policy⁷¹ is cognisant of the fact that a diversified supply chain can result in growth in innovation and the use of disruptive technologies and business models throughout the supply chain, thereby delivering lower cost and/or higher quality goods and services, and subsequently encouraging the wider adoption of innovation. This is a known contributor to the development of scalable and future-proofed new methods to modernise delivery and increase productivity, further boosting local economic growth.
- **Local procurement helps tackle climate change and reduce waste of energy, materials and other resources,** through reduced travel distances for materials and staff, thereby minimising carbon emissions.

5.31 Similarly to as outlined above in relation to employment and employability initiatives, the means by which the Proposed Development can most effectively provide opportunities for local businesses be further refined through ongoing discussions with MCC and the subsequent preparation of an LLA.

5.32 Whilst it should be noted that specific targets are to be determined following appointment of the lead contractor and detailed analysis of works and materials requirements, the proposed construction phase social value provisions in relation to providing opportunities for local businesses are set out at Table 4.3 below.

Table 5.3: Construction Phase SVP: ‘Providing Opportunities for Local Businesses’

<i>Social Value Measure</i>	<i>Key Actions / Initiatives</i>	<i>Key Targets</i>
<i>Creation of contractor and supply chain opportunities for Manchester and Greater Manchester businesses and residents</i>	Wherever possible, the appointed lead contractor will aim to source labour and materials from businesses local to Manchester and Greater Manchester, including where possible from SMEs. Advice will be sought from MCC and the GMCA regarding local businesses that could tender for supply chain opportunities.	Best endeavours will be made by the lead contractor to source labour and materials from SMEs local to Manchester and/or Greater Manchester. <i>(Specific targets to be determined following appointment of lead contractor and detailed analysis of works and materials requirements).</i>

Quantified Construction Phase Social Value Summary

5.33 As set out in Section 1, the IES Framework provides a robust means of identifying, capturing and measuring the social value of development in quantitative terms through the application of proxy financial values to social outcomes. Whilst it is stressed that the proposed social value actions and targets are the tangible impacts (i. the benefits

⁷¹ Ibid.

felt by local people and businesses) and therefore the most important measure of success, the quantified figures nonetheless serves as a useful illustration of the value that could be generated for local communities by the Proposed Development's construction.

- 5.34 As such, based on the IES Framework's social value proxies, Table 4.4 below summarises the construction phase social value that could be generated through the SVP's measures; it is estimated that c. **£4.1 million** of quantifiable social value could be generated for local communities in Greater Manchester through programmes and initiatives to be delivered during the construction phase as set out within the SVP.
- 5.35 Furthermore, whilst specific actions and targets in relation to the creation of local contractor and supply chain opportunities will be defined following the appointment of the lead contractor and detailed analysis of works and materials requirements, it is clear that significant additional social value could be generated through the appointment of local SME construction contractors and suppliers.
- 5.36 By way of an example (again based on IES proxy values), if 5% of the total £100 million construction phase investment in the Proposed Development (i.e. £5 million) were to be invested in SMEs local to Greater Manchester, then social value of £8.2 million would be generated within the city-region's economy.
- 5.37 If subsequently added to the £4.1 million social value estimated to be generated through SVP actions outlined at Table 4.4, then a total indicative £12.3 million social value could be generated during the Proposed Development's construction.

Table 5.4: Quantified Construction Phase Social Value

Theme	Social Value Action/Target	Proposed Development Impact	Social Value	Calculation Notes
Providing High-Quality Employment Opportunities	Local Employment (Greater Manchester)	90 FTE jobs	£3,100,000	Net direct FTE jobs in Greater Manchester estimated as set out at Table 3.1 = 90
	Non-local Employment (Elsewhere UK)	10 FTE jobs	£250,000	Net direct FTE UK jobs, applying zero leakage and 'low' (25%) displacement rate to 130 gross direct jobs (= c. 100) and subtracting 90 net direct jobs in Greater Manchester to avoid double-counting = 10
	Employment (Previously unemployed)	5 FTE jobs	£100,000	Assumed 5 people previously unemployed
	Employment (Young people NEET)	5 FTE jobs	£120,000	Assumed 5 young people NEET
	Apprenticeships	780 weeks	£500,000	Assumed 5 apprentices per annum of construction (52 weeks per annum) i.e. 5 (apprentices) x 52 (weeks) x 3 (years) = 780
	In-work Training	2,730 hours	£20,000	Assumed one day's training (7 hours) per employee per annum of construction i.e. 130 (employees) x 7 (hours) x 3 (years) = 2,730
Providing Employability Support to Enter Work	SCC programme: Employability & Skills Delivery	1,134 hours	£40,000	Assumed 3 rounds of the SCC programme (first 9 weeks focused on employability and skills), delivered over 3 days per week for 7-hour days per week, each requiring 2 delivery co-ordinators i.e. 3 (programmes) x 2 (delivery co-ordinators) x 9 (weeks) x 3 (days) x 7 (hours)
	SCC programme: Work Experience Completion	22 weeks	£10,000	Assumed 3 rounds of the SCC programme (final 3 weeks as work placements), delivered over 3 days per week i.e. 3 (programmes) x 12 (participants) x 3/5 (i.e. 3 days out of full 5-day working week)
TOTAL QUANTIFIED SOCIAL VALUE			£4,140,000	

Note: Quantified social values presented as appropriately rounded figures following application of IES proxies.

Source: Turley Economics application of IES proxies, 2024

6. Operational Phase: Economic Benefits

- 6.1 This section presents the quantified economic impacts likely to be generated during the operational phase. Upon completion and full operation, the Proposed Development's increased PBSA provision and new commercial/community uses will deliver a range of economic impacts which will persist over the long term. This will support local, city-regional and national economic growth objectives.

Student Impacts

Student Expenditure

- 6.2 The Proposed Development will increase the existing on-site provision of 566 PBSA bedspaces by a further 310. Following completion, the Proposed Development will therefore provide dedicated accommodation for 876 students in Manchester who could potentially otherwise live in other types of housing (such as HMOs).
- 6.3 Whilst the increased provision of PBSA at the Site will not necessarily result in an immediate increase in the overall number of students in Manchester, the expenditure impact of the students living at Proposed Development is nonetheless a significant consideration in terms of understanding the importance of efficiently accommodating Manchester's growing student population. Given the deficiency of supply of high-quality PBSA locally (as highlighted by the SNA⁷² profiled in Section 3), the Proposed Development will serve to support the long-term sustainable growth of higher education in the city and will therefore make an important contribution towards maximising the local benefits that can be derived from the sector.
- 6.4 Survey-based research by the consumer rights organisation 'Which?'⁷³ provides a breakdown of average student expenditure of UoM students, enabling analysis to be conducted regarding the contribution of students to the local economy. Which? research suggests that students spend an average of £365 per month (not including rent or household bills) on goods and services.
- 6.5 This total (presented below, broken down by type of expenditure) can be applied to the total capacity for 876 students and net uplift of 310 students to be accommodated on-site following the redevelopment.
- 6.6 As presented at Table 6.1, based on expenditure of £365 per student per month multiplied out to a total of £3,285 per student over a 9-month academic year⁷⁴, it is estimated that the 876 residents accommodated at the Proposed Development could generate c. £2.9 million in expenditure each year, with the uplift of 310 students contributing a total boost to expenditure equivalent to £1.0 million per annum.

⁷² Cushman & Wakefield (2024) Victoria Point, Hathersage Road, Manchester: Student Needs Assessment

⁷³ Which? (2023) 'Student Budget Calculator' [Online]. Available at: <https://www.which.co.uk/money/university-and-student-finance/student-budget-calculator>

⁷⁴ The 9-month academic year is presented as a conservative 'worst-case' (i.e. lowest expenditure) scenario; it should, however, be noted that the Proposed Development is likely to accommodate a number of students and other visitors outside of term time over the summer months.

Table 6.1: Proposed Development Estimated Student Expenditure

Type of Spend	Annual Expenditure per Student	Proposed Development Annual Student Expenditure		
Local transport	£702	876 Students (On-site Total)	£615,000	£218,000
Groceries	£783		£686,000	£243,000
Going out, eating out & takeaways	£738		£646,000	£229,000
Interests & hobbies	£405		£355,000	£126,000
Clothing	£369		£323,000	£114,000
Personal care	£108		£95,000	£33,000
Other expenses	£180		£158,000	£56,000
Total Spend	£3,285		£2,900,000	£1,000,000

Note: Academic year assumed to be 9 months. Expenditure per type rounded to nearest £1,000 and total expenditure rounded to nearest £100,000.

Source: Which?; Turley Economics, 2024

- 6.7 It is reasonable to expect that a considerable proportion of this expenditure will be retained within the local economy, thereby sustaining economic activity and employment in retail, leisure and a range of other sectors. This is likely to benefit businesses both in the local area within easy walking distance of the Proposed Development in Ardwick and in and around the universities in the Oxford Road corridor, as well as other cultural, leisure and retail businesses in the city centre, the neighbouring district and local centres and across the rest of Manchester and the GMCA area.

Visitor Expenditure

- 6.8 Students residing in the Proposed Development will receive visits from friends and family, and the impact of the expenditure derived from these visitors can therefore also be attributed to the Proposed Development.
- 6.9 It can be conservatively assumed that each student living at the Proposed Development will receive at least one visit per year from friends and/or relatives and for each visit to last 2 days. Evidence published by Marketing Manchester⁷⁵ indicates that overnight visitors to Manchester each spend an average of £130 per day (including accommodation).
- 6.10 Based on the above, the total number of visits linked to the 876 on-site residents of the Proposed Development could therefore generate a total of £460,000 in tourist expenditure, £160,000 of which would be generated by the uplift of 310 students accommodated on-site.

⁷⁵ Marketing Manchester (2023) One Stop Intelligence Document: Greater Manchester's Tourism Sector – Tourism, its Value to the Local Economy (June 2023)

- 6.11 This will support Manchester’s visitor economy, helping to sustain revenue and associated employment at the hotels, restaurants, shops and other leisure attractions which will benefit from increased expenditure.

Employment Associated with Student and Visitor Expenditure

- 6.12 Student and visitor expenditure will also help retain employment in local businesses, particularly those operating in those sectors such as leisure and hospitality, which are supported to a significant degree by the student population.
- 6.13 As set out at Table 6.2 below, based on the average turnover per employee across the leisure and retail sectors in the North West⁷⁶, it is estimated that the £2.9 million annual student expenditure and £460,000 annual visitor expenditure generated by 876 students has the capacity to support 20 jobs in the leisure and retail sectors in the Manchester and wider city-region’s economy. The 310 additional students accommodated on-site as a result of the Proposed Development has the capacity to account for 7 of these additional jobs.

Table 6.2: Proposed Development Expenditure and Employment Capacity

	876 Students (On-site Total)	310 Students (On-site Uplift)
Student Expenditure	£2,900,000	£1,000,000
Visitor Expenditure	£460,000	£160,000
Total Expenditure	£3,400,000	£1,200,000
Turnover per Employee	£180,000	£180,000
Employment Capacity	20 jobs	7 jobs

Some figures appear not to sum due to rounding.

Source: Turley Economics, 2024

Employment

- 6.14 Information provided by the Applicant indicates that the management of PBSA at the Site currently supports 17 FTE direct jobs. Following the redevelopment of the Site, the Applicant has confirmed that an additional 3 FTE permanent direct roles will be required to support ongoing PBSA management operations.
- 6.15 The Proposed Development will also provide c. 130 sqm Use Class E (commercial) / F2 (community) floorspace within the Site. Whilst an occupier is not yet confirmed, it is envisaged that this space could be occupied by a small business to help serve the needs of the local community, such as a bicycle repair shop/café⁷⁷. Based on the application

⁷⁶ Department for Business, Energy and Industrial Strategy (2023) Business Population Estimates 2023: Table 12 – North West. Analysis utilises BPE turnover per employee data for the Retail; Food & Accommodation Services; and Arts, Entertainment & Recreation sectors to determine the number of jobs supported and / or generated by retail and leisure expenditure.

⁷⁷ See Section 7 for further details.

of standard employment densities in line with HCA guidance⁷⁸, it is estimated that this floorspace could support a further 5 FTE jobs.

- 6.16 Summing the above totals therefore indicates that a total gross direct 25 FTE jobs could be supported on-site following the delivery of the Proposed Development, an uplift of 8 FTE jobs in comparison to existing operations.
- 6.17 Analysis indicates that the equivalent of 6 FTE jobs are also currently supported by activities associated with the operator's expenditure on outsourced services (including IT support, periodic building services, such as window cleaning, and increased employment associated with the summer turnaround)⁷⁹. Applying an equivalent methodology to the operator's forecast expenditure on outsourced services, it is estimated that capacity for a further 4 FTE roles could be indirectly supported by the increased expenditure on outsourced services as a result of the Proposed Development.
- 6.18 These supply chain (or 'indirect' jobs) currently and will continue to represent opportunities for local businesses and workers, and, as such, are an important aspect of the Site's social value offer, as described in more detail in Section 7.
- 6.19 Additionally (as previously described in Section 4 in relation the construction phase), indirect jobs are supplemented by 'induced' employment (i.e. jobs supported by the expenditure of workers on goods and services), resulting in an overall multiplier effect.
- 6.20 After also accounting for the effects of leakage and displacement (having applied appropriate additionality assumptions, as outlined previously in relation to construction⁸⁰), it is estimated that the operation of the full Proposed Development once complete could support 30 direct, indirect and induced FTE net additional employment opportunities for residents of Greater Manchester, inclusive of 15 jobs for Manchester residents. The uplift in employment attributable to the Proposed Development will equate to 10 FTE jobs for Greater Manchester residents, inclusive of 5 jobs for Manchester residents.
- 6.21 Full Site employment impacts associated with the Proposed Development and the employment uplift attributable to the Proposed Development in comparison with current uses are summarised at Table 6.3 below.

⁷⁸ Homes & Communities Agency (2015) Employment Density Guide (3rd Edition). Assumed one FTE job per 17.5 sqm (NIA) Class E floorspace, allowing for medium density food & beverage services and/or retail uses.

⁷⁹ Department for Business, Energy and Industrial Strategy (2023) Business Population Estimates 2023: Table 12 – North West. Analysis utilises BPE turnover per employee data for relevant outsourced services to determine the number of jobs supported and / or generated by retail and leisure expenditure.

⁸⁰ Note that displacement assumptions have not been applied to existing jobs.

Table 6.3: Operational Phase Employment

	Manchester	Greater Manchester
Full Site Impacts Following Completion of the Proposed Development		
Gross Direct On-site FTE Employment		25
Direct Net FTE Employment	10	20
Indirect/Induced Net FTE Employment	5	10
Total Net Additional FTE Employment	15	30
Proposed Development Uplift in Comparison with Existing Site Operations		
Gross Direct On-site FTE Employment		8
Direct Net Additional FTE Employment	<5	5
Indirect / Induced Net Additional FTE Employment	<5	5
Total Net Additional FTE Employment	5	10

Some figures appear not to sum due to rounding.

Source: Turley Economics, 2024

Economic Output and Productivity

- 6.22 The operational phase of the Proposed Development will also contribute to economic output and productivity across the local and wider impact areas. Experian data indicates that the annual average productivity generated by FTE workers in roles associated with the management of the PBSA development could generate £39,300 GVA per FTE worker per annum whilst the average retail and food & beverage worker generates a similar figure of £39,900⁸¹.
- 6.23 Applying relevant measures to the employment presented above suggests that £1.5 million GVA will be generated annually across the Greater Manchester economy, inclusive of £970,000 concentrated in Manchester, by the full Site following completion of the Proposed Development. Of this total, £410,000 GVA will be generated in Greater Manchester specifically as a result of the additional activity generated by the Proposed Development, including £250,000 concentrated in Greater Manchester.

⁸¹ Given the flexibility of uses that could occupy Class E floorspace, the mid-point between retail and accommodation & food services GVA figures informs the assessment.

Table 6.4: Operational Phase GVA

	Manchester	Greater Manchester
Full Site Impacts Following Completion of the Proposed Development		
Direct Net GVA (Annual)	£810,000	
Indirect / Induced Net GVA (Annual)	£160,000	£700,000
Total Net GVA (Annual)	£970,000	£1,510,000
Proposed Development Uplift in Comparison with Existing Site Operations		
Direct Net Additional GVA (Annual)	£210,000	
Indirect / Induced Net Additional GVA (Annual)	£40,000	£200,000
Total Net Additional GVA (Annual)	£250,000	£410,000

Source: Turley Economics, 2024

Expanding Manchester's Housing Capacity

Freeing Up Housing and Accommodating New Residents

- 6.24 The 2011 Census recorded the average household size in Manchester where all residents are full-time students as 3.5 persons⁸². It is therefore estimated that 876 student bedspaces at the Proposed Development could provide accommodation equivalent to 250 houses currently used as student HMOs. Similarly, the uplift of 310 bedspaces provided at the Site would accommodate student numbers equivalent to 90 homes; this therefore represents the capacity that could be freed up for new residents requiring general housing as a result of the Proposed Development.
- 6.25 If occupied in line with the average household size in Manchester at the 2021 census⁸³, the expansion of housing by 90 homes could accommodate 220 new non-student residents; these new residents would themselves generate expenditure within the local economy, creating further demand for local services, shops and businesses.
- 6.26 Based on Manchester's current economic activity and employment⁸⁴ profile, 115 of these new residents could be employed, contributing to the ongoing competitiveness of the city by growing the supply of skilled labour available to local businesses.

New Resident Expenditure and Associated Employment

- 6.27 Household incomes and expenditure in the local economy will be supported over the long period in which freed-up homes are occupied. Based on the latest ONS Annual Survey of Hours and Earnings (ASHE)⁸⁵ and the occupational profile of Manchester

⁸² ONS via Nomis (2011) 2011 Census. Note that equivalent data from the 2021 Census has not yet been released at time of writing.

⁸³ ONS via Nomis (2011) 2021 Census

⁸⁴ ONS via Nomis (2023) Annual Population Survey: April 2022 – March 2023

⁸⁵ ONS (2022) Annual Survey of Hours and Earnings 2022

residents⁸⁶, it is estimated that the 115 working-age and employed residents of 90 homes could earn a combined income of £3.6 million per annum⁸⁷.

- 6.28 Whilst a proportion of this income will be used to meet housing and other fixed household costs, a considerable percentage will be available for convenience and discretionary expenditure by households, a significant proportion of which in turn is likely to be spent locally.
- 6.29 Households in Manchester on average spend £13,000 annually on retail⁸⁸ and a further £6,500 on leisure goods and services⁸⁹. It is therefore estimated that the occupants of 90 freed-up homes could generate total household retail and leisure expenditure of £1.7 million per annum, contributing to sustaining local shops and businesses and associated employment.
- 6.30 Again based on the average turnover per employee across the leisure and retail sectors in the North West⁹⁰, it is estimated that the £1.7 million annual uplift in expenditure supported by the re-occupation of 90 homes by non-student households has the capacity to support 10 jobs in the leisure and retail sectors in the Manchester and wider city-region's economy.
- 6.31 This retail and leisure expenditure and associated employment could be expected to benefit district centres across Manchester, and particularly in Ardwick and other areas, such as Fallowfield, that currently have high numbers of student HMOs and where there exists the greatest potential to re-balance the stock to provide more general housing.

Boosting Council Tax Revenues

- 6.32 The re-occupation of homes previously occupied by students – and therefore exempt from paying Council Tax – will also boost MCC's Council Tax revenues. Boosting Council income is a priority in the context of constrained local authority funding since 2010, which was compounded by the need for increased expenditure on public services during the pandemic.
- 6.33 Based on the conservative assumption of all re-occupied homes being Band A properties, it is estimated that payment of Council Tax for 90 non-exempt homes⁹¹ would generate revenue of up to £120,000 per annum at 2024/25 rates, which could be invested in delivering and enhancing public services in Manchester.

⁸⁶ Ibid.

⁸⁷ Note that this is based on median incomes in the North West for the average overall occupational profile in Manchester, and therefore wages earned by residents could, for example, be higher than this figure if residents work in higher-paid jobs than the average for their occupation in the North West and/or if the resident profile is weighted more towards professional occupations than the city average. This figure also does not include other sources of income, such as those derived from investments or social security benefits.

⁸⁸ Both convenience and comparison.

⁸⁹ Experian (2024) Consumer Retail Planner

⁹⁰ Department for Business, Energy and Industrial Strategy (2023) Business Population Estimates 2023: Table 12 – North West. Analysis utilises BPE turnover per employee data for the Retail; Food & Accommodation Services; and Arts, Entertainment & Recreation sectors to determine the number of jobs supported and / or generated by retail and leisure expenditure.

⁹¹ Note that this figure does not account for any occupants who are exempt from paying Council Tax for reasons other than being a student.

Summary

6.34 In summary, Proposed Development has the potential to generate the following economic impacts once operational:

- Supporting total expenditure of **£3.4 million** per academic year by the Site's **876** students and their visitors, inclusive of **£1.2 million** generated by the **310** additional students and their visitors accommodated in the new capacity created by the Proposed Development. A significant proportion of this expenditure will be retained locally, supporting businesses in Ardwick, neighbouring district centres and across Manchester and the wider city region.
- Supporting **20** jobs locally through student and visitor expenditure by residents of the full Site once fully operational in industries such as hospitality, leisure and retail, with **7** of these jobs being attributable to the additional capacity delivered by the Proposed Development.
- Directly supporting a total of **25** FTE jobs on-site following the Proposed Development's completion, generating **30** direct, indirect and induced net FTE jobs for Greater Manchester residents, including **15** jobs for residents of Manchester. Of these jobs, **10** net additional FTE roles in Greater Manchester will be attributable to the uplift in activity generated as a result of the Proposed Development, including **5** for Manchester residents.
- Generating an annual **£1.5 million** GVA contribution to the Greater Manchester economy, including **£970,000** concentrated in Manchester, through on-site activities following completion of the Proposed Development. Of this boost to economic output, **£410,000** GVA will be attributable to the uplift in activity generated as a result of the Proposed Development, including **£250,000** GVA concentrated in Manchester.
- Freeing-up up to **90** student HMOs by instead accommodating students in PBSA at the new capacity created at the Proposed Development, supporting:
 - Accommodation for **220** new residents in former HMOs, **115** of whom could be economically active and in employment;
 - Up to **£1.7 million** in retail and leisure expenditure generated by new occupants of former student HMOs;
 - Up to **10** jobs in retail and leisure industries through the expenditure of new occupants of former student HMOs; and
 - Up to **£120,000** per annum in Council Tax revenue collected by MCC following the re-occupation of former student HMOs.

7. Operational Phase: Social Value

- 7.1 Once complete, the Proposed Development will generate wide-ranging social value long into the future, making a lasting positive contribution to communities.
- 7.2 As set out in Section 1 of this report, operational phase social value is considered on a primarily qualitative basis, given that the final mix of uses and occupiers have not been fixed at time of writing. The assessment was therefore informed by information provided by the Applicant and their ongoing consultation with stakeholders regarding the future operations and community aspirations of the new development, which is supplemented with reference to a range of published data and information sources.
- 7.3 Therefore, whilst not all social value that will be created by the Proposed Development's operations can be quantified at this stage, it is considered that the range and scale of ongoing social value contributions are likely to be highly significant in the context of existing baseline conditions, local needs and growth ambitions.

Operational Phase Social Value

Providing High-Quality Employment and Opportunities for Local Businesses

- 7.4 As set out in Section 5, it is clear that gaining stable and fulfilling employment has significant economic and wellbeing benefits for both individuals and society as a whole, and whether or not someone is in work is a major determinant of physical and mental health.
- 7.5 Furthermore, the Applicant recognises that there is a direct social value benefit from projects being delivered by local people and SMEs, and that supporting supply chains in Manchester and across the wider Greater Manchester city-region is fundamental towards maximising the Proposed Development's social value; connecting commercial needs with local opportunities and service providers is considered a key means of retaining and maximising local economic, social and environmental benefits.
- 7.6 As set out in Section 6, current operations at the Site supports 17 FTE jobs directly plus a further 6 FTE roles within supply chain businesses. The Proposed Development will support an uplift of 5 FTE direct jobs for Greater Manchester residents in comparison to the employment Site's existing operations, and it is additionally estimated that capacity for a further 4 FTE roles could be indirectly supported within supply chain businesses as a result of the increased expenditure on outsourced services as a result of the Proposed Development. The Applicant considers it a priority to ensure that these opportunities benefit local people and businesses as far as possible.
- 7.7 As such, the Applicant commits to the promotion of all direct employment in operational management roles and supply chain opportunities – including Planned Preventative Maintenance (PPM) housing and site-keeping contracts – through local avenues prior to any wider advertising, and will work with MCC and partners to ensure that local uptake of, and benefits derived from, jobs and service provision contracts created by the Proposed Development is maximised.

Supporting the Local Community

On-site Interventions

- 7.8 The Proposed Development includes approximately 130 sqm of on-site commercial space at ground floor level. In marketing this space, the Applicant (and their agents) will consider the opportunities for attracting a local or community enterprise to occupy the space, thereby providing a connection with the local community.
- 7.9 Early consideration of potentially suitable uses includes a community café and cycle repair shop. The baseline analysis of the local area of Ardwick surrounding the Proposed Development highlights relatively low levels of car ownership; 2021 Census data⁹² shows that over 50% of households in Ardwick ward do not have access to a private car or van, notably higher than the rates in Manchester (39%) and Greater Manchester (27%). Therefore, attracting a use to the on-site commercial space that supports low cost and active travel (such as a bike repair shop) could be advantageous and meet a local need.
- 7.10 As set out in Section 6, the scale of commercial space that will be created could support 5 FTE jobs, and the applicant would work with any end occupier of the space to encourage local advertisement of roles, thereby encouraging local employment opportunities.
- 7.11 In addition to new commercial space, the Proposed Development includes provision of an on-site bookable community space. This space is intended to ensure that the redeveloped Site meets a local need for meeting space and supports social interaction and the operation of local voluntary, interest and charitable groups. Early discussions have been held with local community groups at the pre-application stage including 422 and The Groves, with a view to partnering with a group (or groups) to manage the booking of the on-site community space.

Off-site Interventions

- 7.12 The Applicant has engaged with a range of local voluntary and community groups to explore opportunities for student residents of the Proposed Development to volunteer and to forge positive links to the local community.
- 7.13 The applicant proposes to work with Victoria Point's operator (Hello Student) to advertise and broker opportunities for students to volunteer with local groups. This will have a number of benefits for the local community, the local area and also for student volunteers including:
- **Social cohesion benefits** – providing opportunities for meaningful connections between local groups, communities and student residents through volunteering;
 - **Place based improvements** – potential for enhancements to 'place' through volunteering, for example in terms of improving the quality of the local environment, stewardship / nature conservation, community gardening. This will

⁹² ONS via Nomis (2022) 2021 Census: TS045 - Car or van availability

maximise the wellbeing benefits that could be generated by the Proposed Development's enhancement to the Site's public realm and landscaping;

- **Health and wellbeing benefits** – the links between volunteering and physical and mental health and wellbeing are well documented; and
- **Employability benefits** – students gaining voluntary experience will be able to include this experience on their CVs, enhancing life skills and employability.

7.14 Early engagement undertaken by the Applicant has highlighted that many of the local groups involved in gardening have an ageing membership and that they would benefit from assistance from volunteers to undertake their activities.

7.15 Proposed off-site projects and initiatives include:

- Rejuvenated boundary parkland will be given over to public use at the north-western corner of the site;
- Support for the neighbouring Victoria Baths and contribution to their Net Zero strategy within their regeneration programme.
- Implementation of a 'Litter Controls Pledge', to ensure all boundaries with neighbouring streets and back gardens are clean and clear.
- Contributions towards northern parkland landscaping and neighbouring green spaces.
- Support and encouragement of a community market on completion within the newly-pedestrianised zone at Bax Road.

Providing High-Quality PBSA and Promoting Resident Health and Wellbeing

7.16 As highlighted in previous sections, the Proposed Development will boost the number of PBSA bedspaces in Manchester, whilst also delivering qualitative improvements across the existing provision at the Site.

7.17 New student housing of course has clear benefits in terms of addressing market need and can generate a number of positive economic impacts related to in freeing up housing for occupation by others (as discussed in previous sections). However, high-quality PBSA also supports the creation of social value in a broader sense, by providing a healthy, social and safe living environment for residents.

7.18 The PBSA provided at the Site already benefits from a range of integrated social and amenity spaces, including a gym, cinema room and lounge areas, which will be maintained and enhanced following the Proposed Development, benefitting the student experience and wider mental wellbeing by providing opportunities for socialising amongst residents, helping to combat isolation and loneliness.

7.19 The design of the Proposed Development's new PBSA bedspaces will have climate resilience at its forefront, and it is anticipated that the potential range of energy efficiency-focused design measures to be implemented include:

- Design to promote passive solar gains, maximise natural daylight, sunlight and ventilation;
 - High levels of insulation and air tightness;
 - Use of high efficiency heating systems appropriate to the building use to reduce energy consumption; and
 - Specification of high energy efficient equipment that will use less energy and water.
- 7.20 Energy efficiency measures such as those outlined above will result in low-carbon housing (a benefit in and of itself in terms of climate resilience), and benefits are not limited to the realm of environmental sustainability. Indeed, the delivery of high-quality, energy efficient homes is also socially sustainable, contributing to enhanced wellbeing outcomes for residents.
- 7.21 Further to meeting market demand, a person's ability or otherwise to access housing which is of good quality and which meets their needs can have a significant impact on their physical and mental health. As outlined by the Marmot Review into Health Equity in England⁹³, housing is a key social determinant of health and to improve physical health and mental wellbeing and tackle health inequalities in communities across England, everyone must have access to a warm, dry, safe, affordable home which meets their needs.
- 7.22 As outlined by further guidance published by OHID⁹⁴, there are risks to an individual's health associated with living in:
- A cold, damp, or otherwise hazardous home (an unhealthy home);
 - A home that does not meet the household's needs due to risks such as being overcrowded or inaccessible to a disabled or older person (an unsuitable home); and/or
 - A home that does not provide a sense of safety and security including precarious living circumstances and/or homelessness (an unstable home).
- 7.23 Poor housing conditions are known to be associated with physical illnesses, including eczema, hypothermia and heart disease, with respiratory health also having been shown to be particularly affected. Poor physical conditions can also negatively impact on mental health, due to the stress caused by living in insecure, overcrowded, cold, polluted or damp conditions.⁹⁵ Research commissioned by Shelter⁹⁶ reported 20% of adults who were surveyed stated that a housing issue had negatively impacted upon their mental health in the last 5 years. As such, 'Housing Quality and Design' is

⁹³ The Health Foundation (2020) Health Equity in England: The Marmot Review 10 Years On

⁹⁴ Office for Health Improvements and Disparities (2017) Guidance: Improving health through the home

⁹⁵ Shelter (2013) People living in bad housing – numbers and health impacts

⁹⁶ Shelter (2017) The Impact of Housing Problems on Mental Health

identified as a key determinant of health by the NHS Healthy Urban Development Unit (HUDU)⁹⁷.

- 7.24 The above is also significant in the context of student housing, given that 2023 research⁹⁸ investigating the experiences of students in the private rented sector indicated that:
- 54% have experienced damp or mould on walls or ceilings in their current accommodation;
 - 57% have experienced condensation in their current accommodation;
 - 49% say their accommodation is poorly insulated / draughty;
 - 70% say they limit the length of time they have their heating on to save money on energy bills;
 - 12% have been unable to pay their energy bills at the final reminder;
 - 59% say they have felt uncomfortably cold in their current accommodation; and
 - 48% who say they've felt uncomfortably cold say it makes them feel anxious or depressed.
- 7.25 Accommodating students in high-quality PBSA means that site-wide energy bills will be relatively low (due to the aforementioned sustainable design measures, plus economies achieved in the energy market) and also will be included within the overall agreed price of rental agreements, thereby also leaving fewer students at risk of unforeseen financial stresses as a result of rising energy prices.
- 7.26 Whilst having recently fallen slightly from historic highs, energy costs remain a significant concern in the current context of inflationary pressures on everyday goods (including food, energy and transport) and the ongoing cost-of-living crisis. Poverty is a significant determinant – perhaps the most significant – of health, and it is known that the rising cost of living – with energy bills being a key contributor – is likely to have a deleterious impact on wellbeing.
- 7.27 Survey research⁹⁹ published by the Russell Group Students Union¹⁰⁰ demonstrates the personal economic challenge faced by today's students, highlighting that
- 1 in 4 students regularly go without food and other necessities because they cannot afford them, rising to over 3 in 10 for students from the most socioeconomically disadvantaged backgrounds;

⁹⁷ NHS Healthy Urban Development Unit (2019) Rapid Health Impact Assessment Toolkit (4th Edition)

⁹⁸ Students Organising for Sustainability (2023) 'Homes Fit for Study' [Online]. Available at: <https://www.sos-uk.org/research/homes-fit-for-study>

⁹⁹ Russell Group (2023) 'Students facing poverty as cost of living crisis hits studies, new research shows' [Online]. Available at: <https://russellgroup.ac.uk/news/students-facing-poverty-as-cost-of-living-crisis-hits-studies-new-research-shows/>

¹⁰⁰ The Russell Group is an association of 24 UK universities (of which UoM is a member).

- Students are living on average just £2 per week over the destitution line in the UK;
- 17% of respondents are in paid employment and working more than 30 hours a week alongside their studies;
- Many students have difficulties concentrating due to poor nourishment and financial stress, and others are skipping on-campus lectures because they cannot afford travel costs;
- Over half (54%) of students report their academic performance has suffered and 18% have considering dropping out due to financial pressures;
- Overall, the burden of the cost-of-living crisis is felt most strongly by students from marginalised and disadvantaged backgrounds, with students who are estranged or care-experienced, those with caring responsibilities, disabled students and part-time students the most likely to report that they have considered leaving university.

7.28 To ensure that the widest possible range of needs and budgets can be met, Proposed Development will also expand on the mix of room types and rents already available to students at the Site, including boosting the provision of more affordable options across the blocks.

7.29 Overall, the Proposed Development's provision of insulated homes that make the best use of natural daylight and ventilation will therefore generate social value through lowering both the number of students in Manchester at risk of physical and mental health problems associated with cold and damp housing, as well as the incidence of students falling into unforeseen fuel poverty and financial stress.

Summary: Operational Phase Social Value

7.30 The social value potential of the Proposed Development once operational is summarised below:

- **New employment and supply chain opportunities will be created for local people and businesses.** The Applicant commits to promoting all direct employment in operational management and supply chain opportunities – including PPM housing and site-keeping contracts – through local avenues prior to any wider advertising, and will work with MCC and partners to ensure that local uptake of, and benefits derived from, jobs and service provision contracts is maximised;
- **The local community in Ardwick will be supported by on and off-site interventions.** This includes the provision of on-site community and commercial space, as well as working with local organisations on a range of voluntary projects; and
- **High-quality PBSA will provide a good living environment and meet a wide range of needs.** This will provide a range of on-site amenities to support

wellbeing, and will lower both the number of students in Manchester at risk of physical and mental health problems associated with cold and damp housing, as well as the incidence of students falling into unforeseen fuel poverty and financial stress. To ensure that the widest possible range of needs and budgets can be met, Proposed Development will also expand on the mix of room types and rents already available to students at the Site, including boosting the provision of more affordable options.

8. Conclusions

- 8.1 This Economic Benefits and Social Value Statement has been prepared by Turley Economics to accompany Empiric Student Property's ('the Applicant') planning application for the redevelopment of Victoria Point, 44 Hathersage Road, Manchester ('the Site').
- 8.2 The Proposed Development involves its comprehensive redevelopment to refurbish, extend and replace existing buildings, accompanied by enhanced public realm and new commercial and community floorspace. Following its completion, the Proposed Development will increase the number of PBSA bedspaces by 310, thereby accommodating a total of up to 876 students once fully operational.
- 8.3 The Site's 876 total bedspaces that will be provided following completion will be delivered through conversion / refurbishment works, and will comprise:
- 477 new bedspaces through demolition, rebuild and new blocks.
 - 399 bedspaces through internal conversion.
- 8.4 As presented in Section 2, the overarching planning, economic and social value framework as expressed through national strategy alongside locally-focused policy priorities highlights the importance of growing Manchester and wider Greater Manchester city region's economy, population and workforce. It is also clear that the higher education sector is a key contributor to the city region's growth, and should therefore be supported to continue to attract students and that
- 8.5 Several areas alignment are also identified between the anticipated impacts and benefits of the development and the social value priorities and frameworks developed by MCC and the GMCA, including in term of employment, skills and procurement initiatives.
- 8.6 The socio-economic baseline presented in Section 3 demonstrated that the Ardwick neighbourhood local to the Site and Manchester more widely could particularly benefit from the economic and social impacts to be generated by the Proposed Development.
- 8.7 Ardwick already accommodates notably high proportions of younger, working-age people, many of whom are students, and amongst economically active residents, the unemployment rate in Ardwick is higher than in Manchester as a whole, which in turn records a higher unemployment rate than wider geographies. Notable numbers of local people are identified as currently seeking construction employment, indicating that there is available construction labour force supply and opportunities to get local people back into work through new development.
- 8.8 The limited existing PBSA supply and development pipeline is leading to negative impacts on the student population, including rental increases far above national averages and a growing number of students living in private rented accommodation, which can often be of substandard quality. Manchester also provides a considerably lower percentage of modern en-suite PBSA rooms than competitor geographies, with

the city's PBSA provision being characterised by a legacy of older bedspaces due to limited development over the last decade.

- 8.9 A student's experience in their accommodation whilst at university is a major determinant of whether they will be retained locally following completion of their studies, a key objective of all cities to ensure that industry has access to a skilled workforce to support employment growth. MCC also recognise that the Council is forgoing significant potential revenue due to Council Tax exemptions as a result of students living in HMOs.
- 8.10 It is therefore concluded that the Proposed Development is well-suited locationally, quantitatively and qualitatively to making an effective contribution towards meeting local needs, particularly in terms of providing employment, skills and training opportunities for local people and supply chain benefits for businesses during the construction and operational phases, as well as the provision of high-quality housing to support the sustainable growth of Manchester's higher education sector.

Economic Benefits

- 8.11 In summary, this assessment finds that the construction and subsequent operation of the Proposed Development has the potential to generate the following quantified economic benefits:

Construction Phase

- Supporting investment of **£100 million** in Manchester's construction sector;
- Directly supporting **390** person-years of employment, equating to an average of **130** gross direct FTE jobs over the duration of a 3-year construction period. These jobs are inclusive of apprenticeship opportunities and roles delivered through other on-site employment initiatives in partnership with MCC's skills and employment bodies.
- Creating average of **135** direct, indirect and induced net additional FTE employment opportunities generated for workers in Greater Manchester during construction, including **50** for residents of Manchester.
- Generating total contribution of **£34.8 million** GVA to the Greater Manchester economy over 3 years, including **£28.3 million** concentrated in Manchester.

Operational Phase

- Supporting total expenditure of **£3.4 million** per academic year by the Site's **876** students and their visitors, inclusive of **£1.2 million** generated by the **310** additional students and their visitors accommodated in the new capacity created by the Proposed Development. A significant proportion of this expenditure will be retained locally, supporting businesses in Ardwick, neighbouring district centres and across Manchester and the wider city region.
- Supporting **20** jobs locally through student and visitor expenditure by residents of the full Site once fully operational in industries such as hospitality, leisure and

retail, with **7** of these jobs being attributable to the additional capacity delivered by the Proposed Development.

- Directly supporting a total of **25** FTE jobs on-site following the Proposed Development's completion, generating **30** direct, indirect and induced net FTE jobs for Greater Manchester residents, including **15** jobs for residents of Manchester. Of these jobs, **10** net additional FTE roles in Greater Manchester will be attributable to the uplift in activity generated as a result of the Proposed Development, including **5** for Manchester residents.
- Generating an annual **£1.5 million** GVA contribution to the Greater Manchester economy, including **£970,000** concentrated in Manchester, through on-site activities following completion of the Proposed Development. Of this boost to economic output, **£410,000** GVA will be attributable to the uplift in activity generated as a result of the Proposed Development, including **£250,000** GVA concentrated in Manchester.
- Freeing-up up to **90** student HMOs by instead accommodating students in PBSA at the new capacity created at the Proposed Development, supporting:
 - Accommodation for **220** new residents in former HMOs, **115** of whom could be economically active and in employment;
 - Up to **£1.7 million** in retail and leisure expenditure generated by new occupants of former student HMOs;
 - Up to **10** jobs in retail and leisure industries through the expenditure of new occupants of former student HMOs; and
 - Up to **£120,000** per annum in Council Tax revenue collected by MCC following the re-occupation of former student HMOs.

Social Value Impacts

- 8.12 In summary, this assessment finds that the construction and subsequent operation of the Proposed Development has the potential to generate the following social value impacts:

Construction Phase

- The construction phase Social Value Plan (SVP) seeks to define objectives and evaluate impacts, building on MCC's social value and work & skills priorities, local community needs and aspirations and the Applicant's social value ethos. The SVP sets out the means by which the Proposed Development can most effectively provide opportunities for local people and businesses, and will be further refined through ongoing discussions with MCC and the subsequent preparation of a Local Labour Agreement. Key themes of the SVP include:
 - **Providing high-quality employment opportunities**, creating local jobs and apprenticeship opportunities, including for MCC's social value 'priority

groups', such as people who are long-term unemployed and young people not in employment education or training.

- **Providing employability support to enter work**, through partnership with the Skills Construction Centre (SCC), a local vocational training provider, with the aim of providing high-quality construction education, employability training and work experience to help eliminate barriers to employment.
- **Providing opportunities for local businesses**, aiming to maximise the sourcing of labour and materials from businesses local to Manchester and Greater Manchester, including where possible from SMEs.
- Based on the Impact Evaluation Standard (IES) Framework's social value proxies, it is estimated that c. **£4.1 million** of quantifiable social value could be generated for local communities in Greater Manchester through programmes and initiatives to be delivered during the construction phase as set out within the SVP.

Operational Phase

- **New employment and supply chain opportunities will be created for local people and businesses.** The Applicant commits to promoting all direct employment in operational management roles and supply chain opportunities – including PPM housing and site-keeping contracts – through local avenues prior to any wider advertising, and will work with MCC and partners to ensure that local uptake of, and benefits derived from, jobs and service provision contracts is maximised;
- **The local community in Ardwick will be supported by on and off-site interventions.** This includes the provision of on-site community and commercial space, as well as partnerships with local organisations to work on a range of voluntary projects; and
- **High-quality PBSA will provide a good living environment and meet a wide range of needs.** This will provide a range of on-site amenities to support wellbeing and socialising amongst residents, helping to combat isolation and loneliness. The high-quality PBSA provision will lower both the number of students in Manchester at risk of physical and mental health problems associated with cold and damp housing, as well as the incidence of students falling into unforeseen fuel poverty and financial stress. To ensure that the widest possible range of needs and budgets can be met, Proposed Development will also expand on the mix of room types and rents already available to students at the Site, including boosting the provision of more affordable options.

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