Socio-economic Regeneration Impact Statement

Weston Halls and Pendulum Hotel, Manchester

December 2025

Turley
Economics

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Client
iQ Student Accommodation

Our reference
03517

December 2025

Socio-economic Regeneration Infographic

PROPOSED DEVELOPMENT: Demolition of existing halls of residence and hotel and construction of 4 no. purpose-built student accommodation (PBSA) buildings comprising of 2,511 bedspaces.

SITE: Weston Halls and Pendulum Hotel, Manchester

Construction Phase



Significant Investment

In the scheme's construction



220 gross jobs

Full time equivalent (FTE) jobs supported on average throughout construction (c. 7 years)

Generating 150 direct jobs

Net additional FTE jobs in Greater Manchester, including 70 for Manchester residents

Plus 50 indirect/induced jobs

Net additional FTE supply chain jobs in Greater Manchester, including 20 for Manchester residents



£242 million Productivity boost

GVA[1] generated during construction, including £224 million in Manchester

Operational Phase



Supporting growth in Manchester

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



20 On-site jobs

Supporting the ongoing operation of the accommodation



£11.5 million Student expenditure

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



£650,000 Visitor Expenditure

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



90 Retail and leisure jobs

Supported by PBSA residents' and visitors' expenditure

Expanding Choice and Capacity in the Housing Market



Up to 500 homes

Potentially made available for non-student households through freeing up former student HMOs



Up to £730,000 Council Tax

Revenue for Manchester City Council each year from non-exempt homes[2]

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.

2 Estimate assumes all Band A properties.

Turley Economics

1. Introduction

1.1 This Socio-economic Regeneration Impact Statement has been prepared by Turley Economics on behalf of iQ Student Accommodation ('the Applicant') in support of a full planning application to Manchester City Council (MCC) for the redevelopment of Weston Halls and Pendulum Hotel ('the Site') for replacement and additional residential accommodation ('Purpose Building Student Accommodation' or 'PBSA') and associated facilities ('the Proposed Development').

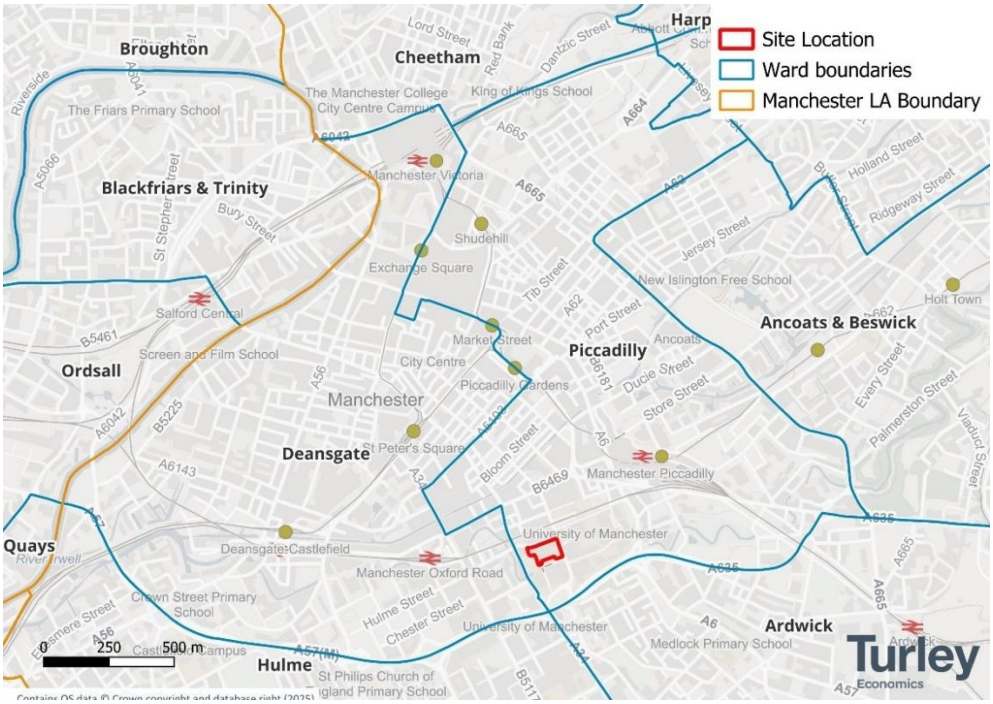
The Application Site

1.2 The application Site covers an area of 0.72 hectares and is bound by Charles Street and Sackville Street to the north and east respectively. Drover Lane and the raised podium building of the George Begg and John Garside Building sit to the south with the Ibis Hotel, a private car park and Princess Street on the west.

1.3 The Site accommodates two interconnected buildings, namely:

- Weston Halls, which is a purpose-built student accommodation development comprising of 528 bed spaces. The Echoes Day Nursery occupies part of the ground floor of Weston Halls building under an occupational lease; and
- The Pendulum Hotel, which provides 118 bedrooms and a conference centre and is part of the University of Manchester (UoM) campus buildings.

Figure 1.1: Site Location



Source: Turley Economics, 2025

The Proposed Development

1.4 The Proposed Development will provide 2,511 student bedrooms with supporting ancillary facilities across a variety of use classes that support the functioning of the Site as a student accommodation campus.

1.5 The Proposed Development is split into two phases (Phase A and B). Phase A will deliver a total of 1,296 bedrooms split across two buildings, with a further 1,215 bedrooms delivered across a further two buildings on Phase B.

1.6 The description of development is as follows:

"Phased development comprising:

(a) Partial removal of existing structures and erection of two buildings comprising purpose-built student accommodation (sui generis), one of 50 storeys and one of 17 storeys with an 8-storey link, together with associated amenity space, external landscaping, highways works, and change of use of the Pendulum Hotel to purpose-built student accommodation; and

(b) Removal of remaining existing structures and erection of two buildings comprising purpose-built student accommodation (sui generis), one of 33 storeys and one of part-24 and part-8 storeys with a 1-storey link, together with associated amenity space, external landscaping, and highways works".

Strategic Context

1.7 The Site occupies a prominent location within an area being prioritised for significant regeneration and redevelopment within Manchester city centre.

1.8 The Site is situated within the north eastern corner of the Oxford Road Corridor Strategic Spatial Framework[1] area – a strategically important economic contributor and key growth area within the city.

1.9 The Innovation District (ID) Strategic Regeneration Framework (SRF) area (known as Sister) encompasses the Site to the immediate north, east and south. To the east is the Mayfield SRF area. These two are specific SRF's which form part of the wider area covered by the Manchester Piccadilly SRF.

1.10 To the west of the Site lies the Circle Square Development, beyond which lies the First Street SRF area.

1.11 Collectively, these strategic spatial frameworks demonstrate the significant arc of major high density mixed-use redevelopment and regeneration for education, leisure, commercial and residential uses taking place in this transformational change of this part of the city centre.

[1] Manchester City Council (2018) Oxford Road Corridor Strategic Spatial Framework

Economic Impact Assessment

1.12 The assessment considers the quantifiable impacts of the Proposed Development during both its construction and operational lifetime.

1.13 The assessment is informed by the 2014 Homes & Communities Agency's (HCA, now known as Homes England) Additionality Guide (4th edition)[2]. It draws on published statistical data sources (including from the Office for National Statistics, ONS, and organisations such as Experian) and information specific to the Proposed Development provided by the Applicant.

Study Area for the Assessment

1.14 For the purposes of this assessment, a functional economic geography has been determined using available Census data on labour market containment. This analysis has resulted in economic impacts being measured at two spatial scales:

- 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. do not work mainly from home) also live in the area, demonstrating a reasonable level of socio-economic containment at this scale[3].

- 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 wider combined authority area, suggesting a relatively high level of containment at this scale[4]. It is considered, therefore, that the majority of socio-economic effects would be concentrated and experienced within the wider impact area.

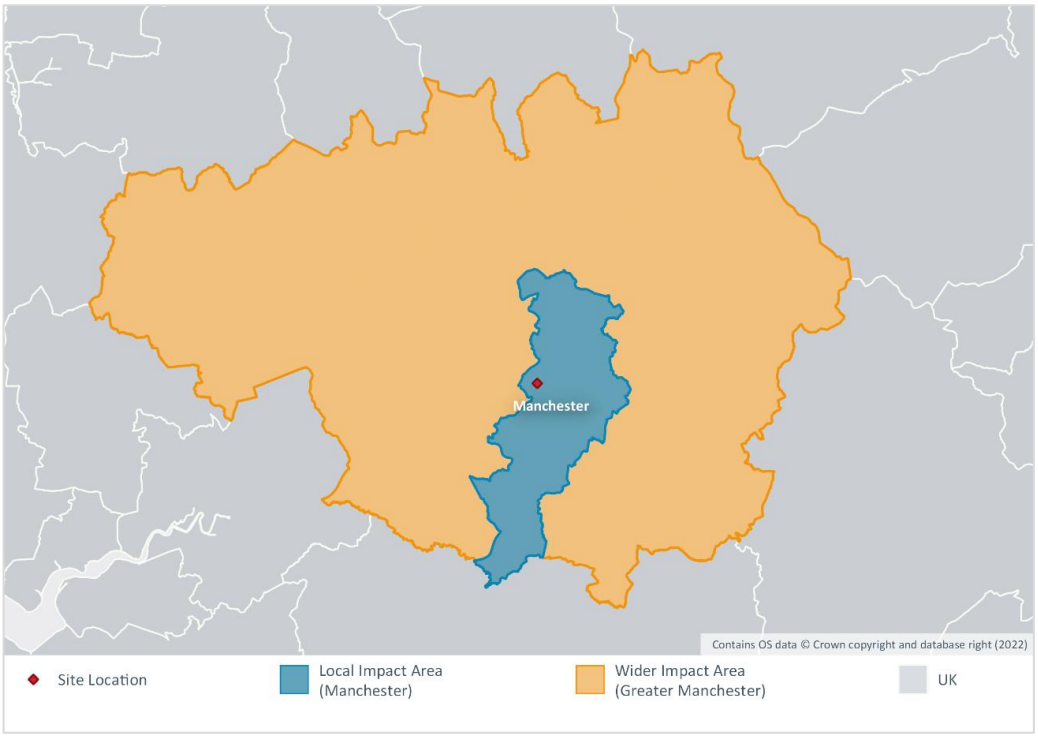
1.15 The study area is presented spatially overleaf at Figure 1.2.

[2] Homes & Communities Agency (2014) Additionality Guide (4th Edition)

[3] ONS via Nomis (2025) 2021 Census: Origin-destination Data. It should be noted that the 2021 Census collected responses during the Covid-19 pandemic, during which rates of homeworking 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.

[4] Ibid.

Figure 1.2: Assessment Study Area



Source: Turley Economics, 2025

Structure of Report

1.16 The remainder of the report is set out as follows:

- **Section 2: Planning Policy Context** – outlines the policy and economic context for the Site.
- **Section 3: Socio-economic Baseline and Need Context** – presents a socio-economic baseline of the local area, highlighting key characteristics of the local population, economy and business base in comparison with wider geographies. PBSA accommodation need is also summarised.
- **Section 4: Construction Phase Impacts** – estimates the future net additional economic impact which may be generated by the Proposed Development during the construction phase.
- **Section 5: Operational Phase Impacts** – estimates the future net additional economic impact which may be generated by the Proposed Development once completed and fully operational.
- **Section 6: Conclusion** – summarises the net additional benefits resulting from the Proposed Development.

2. Planning Policy Context

2.1 This section provides an overview of the relevant economic policy and strategy context; demonstrating both a national and local level commitment to facilitating sustainable economic growth with a focus on creating employment opportunities and delivering infrastructure and housing through a supportive planning system.

National Policy and Economic Strategy Context

National Planning Policy Framework

2.2 The National Planning Policy Framework (NPPF), published in December 2024, sets out the Government's planning policies for England and how these should be applied. The NPPF provides a framework for a planning system centred around sustainable development, including the provision of homes, commercial development and supporting infrastructure.

2.3 The Government's response to the proposed reforms to the NPPF, released alongside the publication of the 2024 NPPF, affirmed its ambition to create a *"pro-growth National Planning Policy Framework".* The Government affirms that this is required to support its commitment to rebuild Britain and deliver *"1.5m new homes along with the critical infrastructure that underpins economic growth".* [5] It states that the new NPPF reflects its *"commitment to radically boosting the supply of housing, while delivering homes and places that are high-quality and genuinely affordable"*[6].

2.4 The latest iteration of the NPPF continues 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 NPPF:

*a) "**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;*

*b) **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 well-designed, beautiful and safe places, with accessible services and open spaces that reflect current and future needs and support communities' health, social and cultural well-being"*[7].

2.5 In order that sustainable development is pursued in a positive way, at the heart of the NPPF is a "*presumption in favour of sustainable development*"[8]. Amongst other things, this requires local authorities to produce Local Plans that seek to "*meet the*

[5] Government response to the proposed reforms to the National Planning Policy Framework and other changes to the planning system consultation - GOV.UK
[6] Ibid.
[7] Ministry of Housing, Communities & Local Government (2024) National Planning Policy Framework, para 8
[8] Ibid, para 10.

development needs of their area"[9]. It expects local authorities to quickly approve proposals that accord with such plans, and to weigh the benefits of development against adverse impacts when one does not exist or is not up to date[10].

2.6 Furthermore, the NPPF states in relation to delivering a sufficient supply of homes that:

"*To support the Government's objective of significantly boosting the supply of homes, it is important that a sufficient amount and variety of land can come forward where it is needed, that the needs of groups with specific housing requirements are addressed and that land with permission is developed without unnecessary delay*"[11].

City-regional Policy and Strategy Context

Places for Everyone Joint Development Plan 2022-2039

2.7 Places for Everyone (PfE) Joint Development Plan[12] became part of the statutory development plan for each of the nine PfE authorities on March 2024. It sets out the development framework for each of the nine Councils, guiding future development and decision-making throughout the period up until 2039.

2.8 PfE is central to achieving sustainable growth in the city region. It focuses on creating new employment opportunities, improving housing accessibility, and rejuvenating town centres. The Plan places significant emphasis on boosting jobs and housing at the core of Greater Manchester while enhancing competitiveness through infrastructure development, including transport and green space regeneration. Importantly, it ensures that 90% of the identified housing land is within urban areas[13], aiming for sustainable urban development while protecting Green Belt land with a new, permanent boundary.

2.9 The Plan aligns with broader goals like tackling climate change by ensuring new developments are carbon-neutral by 2038. It also integrates with other regional strategies, such as transport and housing, to support growth. While it serves as a high-level plan, individual local authorities will create more detailed local plans tailored to specific needs and circumstances.

2.10 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*

[9] Ibid, para 11a.
[10] Ibid, para 11c-d.
[11] Ibid, para 61.
[12] Greater Manchester Combined Authority (2024) Places for Everyone Joint Development Plan
[13] Ibid, para 1.42

premises and accommodation, digital infrastructure, excellent accessibility, a high-quality environment, cultural and retail opportunities"[14]

2.11 Policy JP-J 1: 'Supporting Long-Term Economic Growth' states that "*a thriving, inclusive and productive economy will be sought in our boroughs*"[15], outlining that there will be a focus on facilitating the development of high-value clusters in prime sectors.

2.12 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.

2.13 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*".

Local Policy and Strategy Context

Manchester's Core Strategy 2012-2027

2.14 Manchester's Core Strategy[16] was adopted in 2012 and sets out the planning principles and policies that will deliver Manchester City Council's (MCC) 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*"[17].

2.15 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.

2.16 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.

2.17 PBSA is therefore identified as key towards meeting demand for student accommodation in Manchester, whilst potentially also freeing up family housing and

[14] Ibid.
[15] Ibid.
[16] Manchester City Council (2012) Manchester's Local Development Framework: Core Strategy Development Plan Document
[17] Ibid.

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

Strategic Regeneration Context

2.18 The Site is located just outside the Corridor Manchester area[18]. In 2018, MCC set out its strategic vision to guide development in this area to 2025. Fundamentally, this looked to build upon existing strengths in the area, these being universities and knowledge-intensive organisations and businesses. The Strategic Vision stated that by 2025, Corridor Manchester will be:

"*Manchester's cosmopolitan hub and world-class innovation district, where talented people from the city and across the world learn, create, work, socialise, live and do business; contributing to the economic and social dynamism of one of Europe's leading cities*".

2.19 Corridor Manchester recognises that there is *"growing demand for city living, with more people keen to live in or near to the city centre"* adding that *"the lively social and cultural scene helps make Corridor Manchester a great place to live and visit".*

Oxford Road Corridor Strategic Spatial Framework

2.20 The Oxford Road Corridor Strategic Spatial Framework[19] (SSF), prepared in 2018 to accompany the Corridor Manchester Strategic Vision to 2025, sets out the spatial principles needed to support the vision's strategic themes and objectives.

2.21 The SSF highlights the importance of accommodating both the planned and future growth of institutional partners, as well as supporting the development of high-value, high-growth businesses within the Corridor.

2.22 It also recognises the need to safeguard existing and future sites for established activities, including student accommodation, in line with Core Strategy Policy H12. The SSF also acknowledges the requirement to upgrade existing student residential stock that has reached the end of its life, as well as the need for additional provision.

[18] Manchester City Council (2018) Corridor Manchester: A Decade of Opportunity Strategic Vision to 2025
[19] Manchester City Council (2018) Oxford Road Corridor Strategic Spatial Framework

Sister Framework

2.23 The Site is bounded by the Innovation District (ID) Strategic Regeneration Framework[20] (SRF) area (known as Sister) to the immediate north, east and south.

2.24 The SRF establishes a set of development principles to guide growth and ensure the area maximises its contribution to the city-region over the 15–20-year delivery period.

2.25 The SRF area sits within the boundaries of two larger strategic framework areas – the Oxford Road Corridor and Manchester Picadilly. The SRF set out a vision to transform the former University of Manchester North Campus into a globally significant hub, where ideas can move rapidly from concept to commercialisation. The framework proposes over 4 million sq ft of mixed-use floorspace, abundant green spaces, and a major civic square. It aims to deliver more than 10,000 job, over 1,500 homes, and a landmark setting contextual to Manchester's heritage and research strengths.

Summary

2.26 Planning and economic strategy as expressed through national priorities alongside PfE and MCC's Core Strategy, the Oxford Road Corridor SSF and Sister Framework highlights the importance of growing Manchester and wider city region's economy, population and workforce, and that the delivery of significant levels of residential development to meet different needs will be required in order to do so.

[20] Manchester City Council (2023) ID Manchester Strategic Regeneration Framework

3. Socio-economic Baseline and Need Context

3.1 This section provides a socio-economic baseline of the ward of Piccadilly ('Piccadilly') in which the Proposed Development is located, highlighting key characteristics of the local population, economy and business base in comparison with wider geographies.

3.2 Where possible and relevant, data is presented at the scale of Piccadilly. Where information is not available at this scale, the analysis will consider the baseline at other geographies, such as the local authority level of Manchester as a whole.

Socio-economic Baseline

Age Profile and Student Population

3.3 ONS data[21] indicates that as of 2022, there were c. 13,860 people living in Piccadilly. Of this total, c. 13,280 were aged between 18 and 24 (33%), which is a much greater proportion than in Manchester (16%) and Greater Manchester (9%).

3.4 The proportionate representation of the student-age population within Picadilly is therefore nearly double that of the wider Manchester local authority area, which in turn is substantially greater than the rest of Greater Manchester.

Table 3.1: Population Composition by Age

	Piccadilly	Manchester	Greater Manchester
Age 18-24	4,560	92,560	272,840
All Ages	13,860	569,100	2,919,290
%	**33%**	**16%**	**9%**

Source: ONS via Nomis, 2022

Economic Activity, Employment and Unemployment

3.5 The above is consistent with data from the 2021 Census data which reports that approximately 2,190 residents in Piccadilly were economically inactive due to being students, representing 19% of residents aged 16 years and over. A further c. 850 residents were recorded as being economically active and a student[22], accounting for 7%. These proportions are notably higher than in Manchester (13% and 5%, respectively) and the wider city-region (7% and 3%, respectively).

3.6 Nearly two thirds (65%) of residents overall were economically active within Picadilly, which is a higher rate than Manchester as a whole (54%) and Greater Manchester (57%). A slightly lower proportion of economically active people in Piccadilly are unemployed (6%) in comparison to Manchester (7%) albeit similar to the rate recorded across Greater Manchester as a whole (6%).

[21] ONS via Nomis (2025) Population Estimates 2022
[22] ONS via Nomis (2025) Census 2021

Table 3.2: Economic Activity

	Piccadilly	Manchester	Greater Manchester
Economically active	65%	54%	57%
Economically active: Employed	*94%*	*93%*	*94%*
Economically active: Unemployed	*6%*	*7%*	*6%*
Economically active: Full-time Student	*7%*	*5%*	*3%*
Economically Inactive: Full-time Student	19%	13%	7%

Source: ONS via Nomis, 2021

3.7 Claimant Count data published by the ONS[23] provides an indication of the number of people claiming benefits principally for the reason of being unemployed. This reveals that as of September 2025, there were c. 340 people in Piccadilly were claiming out-of-work benefits, representing 1.7% of the resident working-age population. Across Manchester as a whole, there were 25,320 claimants (6.2% of the working-age population), a slightly higher proportion than across Greater Manchester overall, were 94,230 claimants accounted for 5.0% of working-age residents.

3.8 Analysis of Jobseeker's Allowance (JSA) claimants[24] (a sub-set of the overall claimant count) highlights that c. 120 people were recorded as unemployed and specifically seeking employment in construction-related trades in Manchester in September 2025, rising to 455 at the scale of Greater Manchester. This indicates that there is available construction labour force supply in the local impact area and wider city-region.

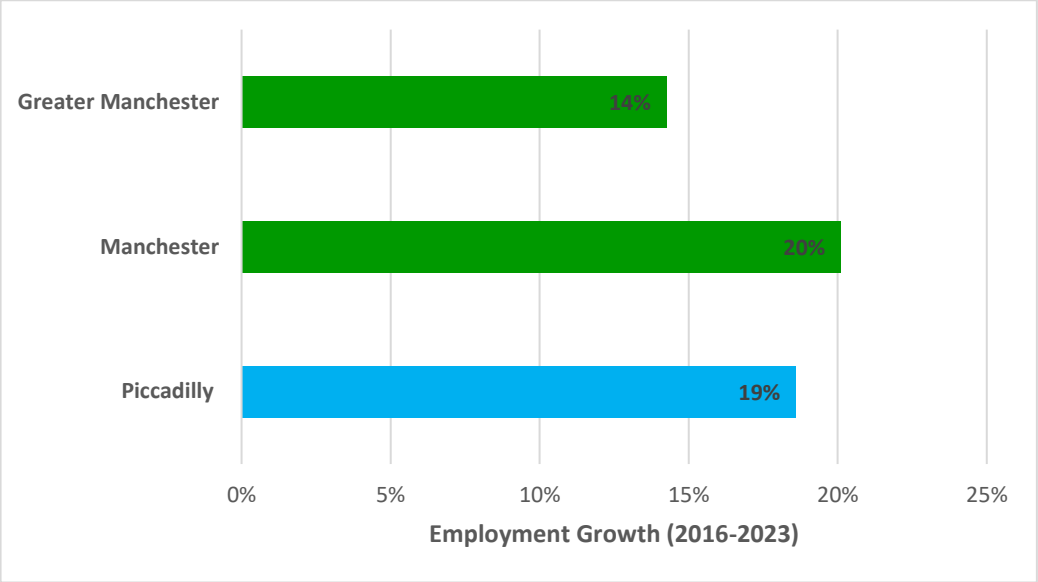
Labour Market and Economic Output

3.9 The latest Business Register and Employment Survey (BRES)[25] recorded that Piccadilly[26] accommodated c. 76,000 workforce jobs in 2023, which is an increase of 19% on the 35,765 recorded in 2016.

3.10 As shown below at Figure 3.1, all comparator areas displayed employment growth since 2016, albeit Picadilly's 19% employment growth is slightly below the 20% recorded across Manchester as a whole, it is higher than the 14% growth in Greater Manchester during the same period.

[23] ONS via Nomis (2025). Claimant Count: September 2025
[24] ONS via Nomis (2025). Jobseeker's Allowance by Occupation: September 2025
[25] ONS via Nomis (2025). Business Register and Employment Survey: 2023
[26] E05011368: Hulme

Figure 3.1: Percentage Employment Growth, 2016 – 2023



Source: ONS via Nomis, 2023

3.11 Table 3.3, below, takes a closer look at employment amongst the Manchester's retail and leisure businesses. These sectors would typically be expected to be supported by student expenditure, and related employment has generally grown over recent years, noting recent falls in retail employment post-2019 (albeit with a rebound in 2023), potentially reflective of the impacts of the pandemic and wider changes in the sector.

Table 3.3: Retail and Leisure Employment in Manchester City Centre, 2016 – 2023

Date	Retail	Accommodation & food services	Arts, entertainment, recreation	**Total**
2016	35,000	34,000	7,000	**76,000**
2017	37,000	30,000	8,000	**75,000**
2018	35,000	36,000	7,000	**78,000**
2019	35,000	34,000	9,000	**78,000**
2020	36,000	30,000	7,000	**73,000**
2021	32,000	35,000	7,000	**74,000**
2022	30,000	37,000	7,000	**74,000**
2023	34,000	38,000	9,000	**81,000**
Change 2016-23	**-1,000**	**4,000**	**2,000**	**5,000**
% Change	**-3%**	**12%**	**29%**	**7%**

Source: ONS via Nomis, 2023

3.12 Gross Value Added (GVA) measures the value of output created (i.e. turnover) net of inputs purchased and used to produce a good or service (i.e. production of the output) and therefore provides a key measure of economic output and productivity. Experian data[27] indicates that total economic output in Manchester in 2024 equated to £34.3 billion GVA, this representing over a third (37%) of Greater Manchester's total output.

Student Accommodation Need Context

3.13 Evidence regarding demand of PBSA in Manchester was presented to MCC's Executive Committee in May 2023[28]. The report identified need for between an additional 5,440 to 11,320 bedspaces up to 2030 and concluded that demand for PBSA city-wide equated to a need for 750 new bed spaces annum up to 2030. This reflects an under-provision in the city relative to the size of its student population, with the report affirming that there is a clear need for additional PBSA in Manchester.

3.14 Further industry analysis[29] of PBSA need conducted in 2024 suggests that Manchester's shortfall in PBSA could extend to c. 16,000 bedspaces, and therefore need is potentially higher than that assessed by MCC in 2023.

3.15 Analysis conducted by Cushman and Wakefield[30] in support of this planning application suggests that the Manchester pipeline stands at 14,182 bed spaces of which 10,062 (around 71%) have been approved. However, it is important to note that not all beds in the pipeline represent a net addition; once redevelopments are considered, the net additional figure reduces to c. 10,470 bed spaces – around 74% of the total pipeline (proposed and approved).

3.16 The net additional contribution from 10,062 approved bed spaces is also likely to be lower. For example, where the existing bedspaces at the approved Cambridge Halls scheme (MCC Planning application reference: 142888/FO/2025) are taken into account, the net additional supply from approved schemes reduces to around 9,290[31].

3.17 Furthermore, the analysis suggests that not all approved schemes will be delivered to the market. This in turn creates a need for more bed space capacity to satisfy the demand from Manchester's growing student population.

Summary

3.18 The socio-economic baseline has highlighted that the neighbourhood of the Site is one which presently accommodates notably high proportions of younger 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.

3.19 The city's leisure, hospitality and tourism businesses – amongst the sectors supported by to a significant degree by students– will also benefit from increased activity; Manchester's students have considerable purchasing power in the local economy, and

[27] Experian (2025) Local Market Forecasts Quarterly: June 2025
[28] Manchester City Council (2023) Purpose Built Student Accommodation: Supply and Demand Update
[29] Midollo (2024) The Battle for Beds: Tackling Manchester's Purpose-Built Student Accommodation Crisis
[30] Cushman & Wakefield (2025) Weston Halls and Pendulum Hotel: Student Need Assessment
[31] Cambridge Halls was granted planning permission under application reference 142888/FO/2025. The approved scheme proposes a total of 2,302 bed spaces, representing a net uplift of 1,531 bed spaces.

increasing capacity to accommodate students will help support growing levels of student expenditure retained locally.

3.20 The alignment of the occupants of the PBSA with existing local demographics and the known contribution of students to economic development are both factors which strongly suggest that the delivery of new PBSA is likely to closely integrate with the existing neighbourhood and contribute in a positive way to local vibrancy without detriment to the existing residential community.

3.21 It is therefore concluded that the Proposed Development is well-suited locationally, quantitatively and qualitatively to making an effective contribution towards meeting local needs.

4. Construction Phase Impacts

4.1 This section outlines the economic impacts estimated to result from the Proposed Development during the construction phase. The economic benefits are outlined with respect to Manchester (the local impact area) and Greater Manchester (the wider impact area).

4.2 The following economic benefits are quantified: construction employment (direct, indirect/induced and net additional) and economic output (measured in Gross Value Added (GVA) to the local and wider economy.

Gross Employment

4.3 The construction of the Proposed Development will require significant investment[32] of the scale that could be expected to support approximately 1,550 'person-years' of direct employment, based on the average turnover per employee in the construction industry in the North West[33]. This equates to an average of c. 220 gross full-time equivalent (FTE) construction-related jobs on site throughout the approximate 7-year[34] construction period.

4.4 Of this total, it is estimated that the scale of investment in Phase A could support an average of 235 gross FTE construction related jobs, while investment in Phase B has the potential to support an average of 210 FTE jobs, over their respective 3.5-year construction periods.

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, and is the sum of the total net direct, indirect and induced 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 local and wider labour force in Manchester and across the Greater Manchester city region, and 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.

[32] Construction costs provided by the Applicant.
[33] Department of Business and Trade (2025) Business population estimates 2025: Table 12 – North West
[34] The Proposed Development construction is anticipated to commence in 2027, with Phase A being completed over 3.5 years and opening for the Academic Year 2030/31. Phase B construction is anticipated to commence in 2031, being completed over 3.5 years and opening for the Academic Year 2034/35.

4.7 The Homes & Communities Agency (HCA) recommends a specific approach to calculating additionality[35]. Its recommended approach takes account of multiplier effects generated both through the site supply chain and induced financial benefits arising from increased local expenditure. The approach allows for the consideration of the following methodological points:

- **The Reference Case** – the economic outcomes which would occur if the Proposed Development were not implemented (sometimes termed 'deadweight');
- **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 Proposed Development, as opposed to the attraction of new investment and employment arising 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 in turn below to estimate the net additional employment benefit generated by construction of the Proposed Development. The Reference Case is considered to be zero during construction and is not explored in further detail, given that a continuation of the Site's existing state will not generate additional employment opportunities in the construction sector.

Leakage

4.9 The creation of construction jobs at the application site can be expected to provide new employment opportunities both for local residents of Manchester and those residing in the rest of Greater Manchester.

4.10 The 2021 Census found that 42% of those working in Manchester also resided in the city council area with 88% of jobs in Manchester being filled by residents of Greater Manchester[36]. It is therefore reasonable to assume that a rounded proportion of approximately 40% of jobs created through construction of the Proposed Development will be contained and accessed by residents of the city, expanding to 90% being filled by those residing elsewhere within the wider Greater Manchester city region, the remainder living further afield, outside of the wider impact area.

Displacement

4.11 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

[35] '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.

[36] ONS (2025) Census 2021: Origin-destination Data

other developments or increased costs, if there is a temporary shortage of construction labour.

4.12 As highlighted in Section 3 of this report, as of September 2025 there are 120 JSA claimants in Manchester seeking employment in construction-related occupations[37]. Further latent labour force capacity also exists beyond the city in the rest of the wider impact area of Greater Manchester, with a total of 455 people seeking employment in occupations relating to construction.

4.13 Displacement effects are therefore considered to be low. This recognises the large latent supply of construction workers and the scale of employment effect generated by the Proposed Development. Taking into consideration guidance outlined in the HCA Additionality Guide[38], a low (25%) rate of displacement has been assumed during construction at the scale of both the local and wider impact areas.

Multiplier Effects

4.14 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).

4.15 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.

4.16 Based on the Additionality Guide's recommendations[39], a sub-regional composite multiplier of 1.25 has been applied at the scale of the local impact area, with a multiplier of 1.35 being applied at the scale of the wider city region.

Net Additional Employment

4.17 Allowing for these additionality factors, it is estimated that the construction of the Proposed Development will directly generate 150 direct FTE employment opportunities for Greater Manchester residents each year, of which 70 will be local to Manchester.

4.18 A further 50 indirect and induced FTE jobs could be annually supported across Greater Manchester through economic multiplier effects, of which 20 could be local to Manchester.

4.19 In total, the direct, indirect and induced impacts of the construction of the Proposed Development can therefore be expected to annually create 200 net additional FTE

[37] ONS via Nomis (2025) Jobseekers Allowance by Occupation: January 2025
[38] Homes & Communities Agency (2014) Additionality Guide (4th Edition)
[39] Ibid.

employment opportunities for Greater Manchester residents, inclusive of 80 jobs for residents of Manchester. This is summarised in at Table 4.1 overleaf.

Table 4.1: Construction Phase Employment

	Local Impact Area	Wider Impact Area
Person-years of Employment	1,550	
Construction Period (Years)	7	
Gross FTE Employment	220	
Direct Net Additional FTE Employment	70	150
Indirect / Induced Net Additional FTE Employment	20	50
Total Net Additional FTE Employment	**80**	**200**

Source: Turley Economics, 2025

4.20 A breakdown of construction phase employment by Phase is provided in Table 4.2. This shows that:

- Investment in **Phase A** will directly generate an average of 160 direct FTE employment opportunities for Greater Manchester residents each year, of which 70 will be local to Manchester. A further 60 indirect and induced FTE jobs could be annually supported across Greater Manchester through economic multiplier effects, of which 20 could be local to Manchester. In total, the direct, indirect and induced impacts of the construction of Phase A can therefore be expected to annually create 220 net additional FTE employment opportunities for Greater Manchester residents, inclusive of 90 jobs for residents of Manchester.

- Investment in **Phase B** will directly generate an average of 140 direct FTE employment opportunities for Greater Manchester residents each year, of which 60 will be local to Manchester. A further 50 indirect and induced FTE jobs could be annually supported across Greater Manchester through economic multiplier effects, of which 20 could be local to Manchester. In total, the direct, indirect and induced impacts of the construction of Phase B can therefore be expected to annually create 190 net additional FTE employment opportunities for Greater Manchester residents, inclusive of 80 jobs for residents of Manchester. This is summarised in at Table 4.1 overleaf.

Table 4.2: Construction Phase Employment (Phase A and B)

	Phase A		Phase B	
	Local Impact Area	Wider Impact Area	Local Impact Area	Wider Impact Area
Person-years of employment	820		730	
Construction period (years)	3.5		3.5	
Gross FTE employment	235		210	
Direct Net Additional FTE Employment	70	160	60	140
Indirect / Induced Net Additional FTE Employment	20	60	20	50
Total Net Additional FTE Employment	**90**	**220**	**80**	**190**

Note: figures may not sum due to rounding

Source: Turley Economics, 2025

Economic Output and Productivity

4.21 The construction phase of the Proposed Development will generate a significant increase in GVA.

4.22 Estimates sourced from economic data provider Experian indicate that the average FTE employee in the construction industry in Manchester generates c. £133,880 GVA annually[40]. This is significantly higher than the GVA generated by the average employee across all sectors in the local and wider impact areas (respectively £83,180 and c. £73,600), demonstrating the importance of the construction sector to local and regional economy.

4.23 Applying the appropriate GVA measures to the net additional employment generated by construction of the Proposed Development indicates that an additional £34.6 million GVA could be generated annually across the wider impact area during construction, inclusive of £32.0 million concentrated in the local impact area. Over the 7-year construction period, it is therefore calculated that construction of the Proposed Development will generate £242.2 million GVA within Greater Manchester, inclusive of £224.0 million concentrated in Manchester. This is summarised at Table 4.3 overleaf.

[40] Experian (2025) Local Market Forecasts Quarterly: June 2025

Table 4.3: Construction Phase GVA

	Local Impact Area	Wider Impact Area
Direct Net Additional GVA (Annual)	£30.6 million	
Indirect / Induced Net Additional GVA (Annual)	£1.4 million	£4.0 million
Total Net additional GVA (Annual)	£32.0 million	£34.6 million
Total Net Additional GVA (7 Year Construction Period)	**£224.0 million**	**£242.2 million**

Source: Turley Economics, 2025 Note: Some figures appear not to sum due to rounding.

4.24 A breakdown of construction phase GVA by Phase is provided in Table 4.4. This shows that:

- An additional £128.8 million GVA could be generated annually across the wider impact area of Greater Manchester during the construction of **Phase A**, inclusive of £119 million concentrated in Manchester.
- An additional £114.1 million GVA could be generated annually across Greater Manchester during the construction of **Phase B**, inclusive of £105.30 million concentrated in Manchester.

Table 4.4: Construction Phase GVA (Phase A and B)

	Phase A		Phase B	
	Local Impact Area	Wider Impact Area	Local Impact Area	Wider Impact Area
Direct Net Additional GVA (Annual)	£32,500,000		£28,800,000	
Indirect/Induced Net Additional GVA (Annual)	£1,500,000	£4,300,000	£1,300,000	£3,800,000
Total Net Additional GVA (Annual)	£34,000,000	£36,000,000	£30,100,000	£32,600,000
Total Net Additional GVA (over 3.5-year construction period)	**£119,000,000**	**£128,800,000**	**£105,350,000**	**£114,100,000**

Note: figures may not sum due to rounding

Source: Turley Economics, 2025

Summary

4.25 In summary, the construction of the Proposed Development (Phase A and B) has the potential to generate the following economic impacts:

- **Significant investment** made in construction, directly supporting **1,550** person-years of employment, equating to an average of **220** FTE gross jobs over 7 years;
- An average of **200** direct, indirect and induced net additional FTE jobs generated for workers in Greater Manchester during construction, of which **80** could be held by residents of Manchester.
- Total net additional contribution of **£242.2 million** GVA to the Greater Manchester economy, including **£224.0 million** concentrated in Manchester.

4.26 Of this total economic impact:

- **Phase A** is estimated to support an average of 220 direct, indirect and induced net additional FTE jobs for workers in Greater Manchester during construction, of which 90 could be held by residents of Manchester. An additional **£128.8 million** GVA, including **£119 million** concentrated in Manchester. will also be generated over the 3.5-year construction period.
- **Phase B** is estimated to support an average of 190 direct, indirect and induced net additional FTE jobs for workers in Greater Manchester during construction, of which 80 could be held by residents of Manchester. An additional **£114.1 million** GVA, including **£105.3 million** concentrated in Manchester will also be generated over the 3.5-year construction period.

5. Operational Phase Impacts

5.1 This section presents the quantified economic impacts likely to be generated during the operational phase. Upon completion and full operation, the Proposed Development will deliver a range of economic impacts which will persist over the long term. This will support the wider economic growth objectives of local and city-regional policy and strategy.

Reference Case

5.2 Information regarding existing bedspaces and on-site uses (i.e. 'the Reference Case') has been provided by the Applicant. There are 528 PBSA bedspaces currently on-site at Weston Halls, alongside 118 Conference Centre bedrooms at Pendulum Hotel. The Echoes Day Nursery also occupies part of the ground floor of Weston Hall*s* building under an occupational lease.

5.3 The nature of these uses mean that the Site supports a number of existing jobs that will be displaced as result of the Proposed Development. As these jobs would remain on the Site in the absence of the Proposed Development, they form part of the reference case informing the assessment of the Proposed Development's net employment impacts later within this section.

5.4 The existing buildings will also generate retail and leisure expenditure from existing students, their visitors and from overnight stays in the Pendulum Hotel. Student and visitor expenditure generated by the existing students living within Weston Halls has therefore been estimated and allowed for within the assessment.

5.5 No separate allowance has been made for hotel visitor expenditure on the basis of there being an extensive alternative supply of hotels in Manchester city centre, meaning that the loss of hotel capacity (and linked expenditure) associated with the Pendulum Hotel will most likely being absorbed by other nearby hotels.

PBSA Expenditure and Housing Market Impacts

5.6 The Proposed Development will provide 2,511 PBSA bedspaces, accommodating an equivalent number of students residents. This will increase the supply of PBSA bedspaces in Manchester by 1,983, providing accommodation for students who could potentially otherwise live in other types of housing, such as houses in multiple occupation (HMOs). The Proposed Development could therefore potentially free up family-style housing in Manchester and thereby increase housing choice in the city more broadly.

Expenditure

PBSA Student Expenditure

5.7 Whilst the overall number of students in Manchester will not necessarily increase as a result of PBSA being available at the Proposed Development, the expenditure impacts of the students accommodated are provided for illustrative purposes.

5.8 The following provides a breakdown of the expenditure both for the Proposed Development as a whole and for the PBSA bedspaces' uplift following redevelopment.

5.9 Survey-based research by the organisation Save The Student![41] provides a breakdown of average student expenditure of University of Manchester (UoM) students, enabling analysis to be conducted regarding the contribution of students to the local economy. Save the Student! research suggests that students spend an average of £507 per month (not including rent or household bills) on goods and services.

5.10 This total (presented below, broken down by type of expenditure) can be applied to the capacity for the total of 2,511 students to be accommodated at the Proposed Development. As presented at Table 5.1, based on expenditure of £507 per student per month multiplied out to a total of £4,563 per student over a 9-month academic year[42], it is estimated that the 2,511 residents accommodated at the Proposed Development could generate c. £11.5 million in expenditure each year, with the 1,983 uplift in bedspaces accounting for £9.0 million.

Table 5.1: Proposed Development Estimated Student Spend

Type of Spend	Student spend per month	Student spend per year	**On-site Uplift** *(1,983 bedspaces)*	**Whole Site** *(2,511 bedspaces)*
Groceries, Takeaways and Eating Out	£212	£1,908	**£3,780,000**	**£4,790,000**
Retail (inc. clothes and course materials and other retail)	£57	£513	**£1,020,000**	**£1,290,000**
Going Out, Socialising & Events	£134	£1,206	**£2,390,000**	**£3,030,000**
Transport	£82	£738	**£1,460,000**	**£1,850,000**
Health and Wellbeing	£22	£198	**£390,000**	**£500,000**
Total Spend	**£507**	**£4,563**	**£9,000,000**	**£11,500,000**

Note: Academic year assumed to be 9 months. Spend per type rounded to nearest £1,000 and total spend rounded to nearest £10,000.

Source: Save The Student!; Turley Economics, 2025

[41] Save The Student! (2025) 'Student living costs in the UK 2025' [Online]. Available at: https://www.savethestudent.org/money/student-budgeting/what-do-students-spend-their-money-on.html#average

[42] It should be noted that this is a conservative estimate, given that many PBSA tenancies are offered based on periods which extend beyond term-time of the university academic year (e.g. 50 weeks being typical).

5.11 When assessed by Phase it is estimated that:

- Expenditure of **£5.9 million** per academic year could be generated by **1,296** students living on site following the completion of Phase A.

- Expenditure of **£5.6 million** per academic year could be generated by **1,215** students living on Site following the completion of Phase B.

5.12 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, 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.

PBSA Visitor Expenditure

5.13 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 be attributed to the Proposed Development.

5.14 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 with each visit assumed to last 2 days. Evidence published by Marketing Manchester[43] indicates that overnight visitors to Manchester each spend an average of £130 per day (including accommodation).

5.15 Therefore, an increase in the number of visits linked to the Proposed Development equating to one person visiting Manchester for two days per student per annum could therefore generate c. £653,000 in tourist expenditure, including c. £515,500 relating to the on-site uplift in PBSA bedspaces. This will support the local leisure and tourism industry in the city and help sustain associated employment, including in shops, hotels and restaurants which will benefit from increased expenditure.

5.16 When assessed by Phase it is estimated that:

- Expenditure of **£337,000 in visitor expenditure** per academic year could be generated by **1,296** students living on site following the completion of Phase A.

- Expenditure of **£316,000 in visitor** per academic year could be generated by **1,215** students living on Site following the completion of Phase B.

Employment Supported by the Spending of Students and their Visitors

5.17 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 in normal times supported to a significant degree by the student population.

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

5.18 Based on the average turnover per employee across the leisure, retail and transport sectors in the North West[44], it is estimated that the £11.5 million annual expenditure generated by residents of the Proposed Development as a whole, plus £653,000 visitor expenditure would have the capacity to support approximately 90 jobs in the retail, leisure and transport sectors in the Manchester and wider city-region's economy.

5.19 It is estimated that 70 of these jobs are supported by the £9.6 million resident and visitor expenditure generated by the uplift in bedspaces, including 40 jobs supported by the expenditure generated by the 1,296 students living in the Phase A development and a further 30 jobs from the expenditure generated by the 1,215 students living in the Phase B development.

PBSA: Expanding Choice and Capacity in the Housing Market

5.20 By increasing the proportion of students accommodated in PBSA, the Proposed Development could contribute to meeting the Core Strategy's objectives relating to reducing the numbers of students living in HMOs, which, as outlined in Sections 2 and 3, seek to free up family housing and broaden housing choice for other types of residents.

5.21 Whilst such a shift will not occur with immediate effect, the Proposed Development represents an opportunity for the gradual re-orientation of housing in areas of Manchester with high numbers of HMOs towards providing for a more diverse mix of residents and creating more sustainable communities. A number of economic and social benefits of freeing up family housing are considered below.

Housing freed up and new residents accommodated

5.22 The 2021 Census recorded the average household size in Manchester where all residents are full-time students as being 3.9 persons[45]. It is therefore estimated that the uplift of 1,983 student bedspaces at the Proposed Development could provide accommodation equivalent to c. 500 houses currently used as student HMOs; homes which could subsequently be freed up for new residents all of household types.

5.23 It is estimated that expanding housing availability by 500 homes could accommodate c. 1,230 new non-student residents if occupied in line with the average household size (2.5 persons) in Manchester as of the 2021 Census[46]. These new residents will also contribute towards generating expenditure within the local economy and creating demand for local services, shops and businesses.

5.24 Based on Manchester's current age[47] and economic activity[48] profile, c. 790 of these newly accommodated residents could be working age (16-64) and employed,

[44] Department for Business and Trade (2025) Business Population Estimates 2025: Table 12 – North West. Analysis utilises BPE turnover per employee data for the retail; food and accommodation services; arts, entertainment and recreation; and transport sectors to determine the number of jobs supported and / or generated by retail and leisure and transport expenditure.
[45] ONS via Nomis (2021) 2021 Census: Create a custom dataset
[46] ONS via Nomis (2025) 2021 Census: TS017 – Household Size
[47] ONS via Nomis (2025) Population Estimates
[48] ONS via Nomis (2025) Annual Population Survey: July 2024 – June 2025

contributing to the on-going competitiveness of the city by growing the supply of skilled labour available to local businesses.

Resident Income and Expenditure

5.25 Household incomes and expenditure in the local economy will occur over the long period in which homes are occupied. Based on the latest ONS Annual Survey of Hours and Earnings (ASHE)[49] and the occupational profile of Manchester residents[50], it is estimated that residents of 500 homes could earn a combined income of £25.5 million per annum[51].

5.26 Whilst a proportion of this income will be used to meet housing and other fixed household costs, a considerable proportion will be available for discretionary expenditure by households in the local economy. Expenditure by residents permanently living in former student HMOs will therefore contribute towards sustaining local shops and services in Manchester and across the wider region, which in turn are an important source of local employment.

5.27 Expenditure on convenience and comparison retail goods is estimated to equate to an average of c. £5,600 per annum per person in Manchester, with annual average expenditure on leisure goods and services being estimated as c. £2,790[52].

5.28 It is therefore estimated that the re-occupation of up to 500 homes by non-student residents could generate total household retail and leisure expenditure of up to £10.4 million per annum, contributing to sustaining local shops and businesses and the employment they support. This retail and leisure expenditure could be expected to benefit district centres in those areas such as Fallowfield that currently have high numbers of student HMOs and where there is the greatest potential to re-balance the stock to provide more general housing.

Employment Supported by Resident Expenditure

5.29 This potential uplift in local expenditure will not only increase footfall, vitality and the trading performance of existing shops and leisure services in local and district centres; the additional expenditure is also expected to support jobs within the retail and leisure industries. It is estimated that approximately 70 retail and leisure related jobs could be supported by new household expenditure[53].

Council Tax Revenues

5.30 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

[49] ONS (2025) Annual Survey of Hours and Earnings 2024

[50] Ibid.

[51] 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.

[52] Experian (2024) Retail Planner: Consumer Retail Expenditure: 2021

[53] Department for Business and Trade (2025) Business Population Estimates 2025: Table 12 – North West. Analysis utilises BPE turnover per employee data for the retail; food and accommodation services; and arts, entertainment and recreation sectors to determine the number of jobs supported and / or generated by retail and leisure expenditure.

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.

5.31 Based on the conservative assumption of all re-occupied homes being Band A properties, it is estimated that payment of Council Tax for the equivalent of 500 non-exempt homes could generate revenue of c. £730,000 per annum at 2025/26 rates[54], which could be invested in delivering and enhancing public services in Manchester.

On-Site Employment

5.32 Based on information provided by the Applicant, it is estimated that 20 FTE jobs (10 FTE jobs within each Phase) could be supported through residential building management activities (e.g. concierge, cleaning, maintenance, landscaping) to support the ongoing operations of the increased provision of PBSA.

5.33 In terms of existing uses, the Applicant has confirmed that they will work with the management team of the Echoes Day Nursery to help them source an alternative, suitable location when it is necessary in the future. It is therefore assumed that all existing employment associated with the Nursery will be safeguarded and supported elsewhere following completion of the Proposed Development, with no net reduction in employment.

5.34 Whilst some of the existing jobs supported on the Site within the Weston Halls and Pendulum Hotel[55] will be replaced by newly created roles in residential building management activities within PBSA, there is expected to be an overall net on-site reduction in employment.

5.35 To help mitigate the impacts of this, the Applicant has confirmed that the opportunity to retain hotel staff throughout the wider iQ portfolio will be explored. Whilst the outcome of this exercise is not yet known, where opportunities can be identified, this would evidently help to avoid job losses.

5.36 It is also notable that Manchester city centre accommodates a vast number of hospitality businesses. As shown in Table 3.3 employment in the accommodation and food sector has also undergone sustained growth in recent years and is likely to continue to create new roles going forwards, providing alternative sources of employment elsewhere within the city where staff are unable to be retained.

5.37 For this reason, any modest loss of on-site employment is considered to be outweighed by the regeneration and wider economic benefits of the Proposed Development outlined above.

[54] Note that this figure does not account for any occupants who are exempt from paying Council Tax for reasons other than being a student.
[55] The Applicant has confirmed that the existing Weston Halls supports 5 full-time and 1 part-time job. The Pendulum Hotel also provides employment for an estimated 22 Full-time and 44 part-time staff (with varying contracted hours).

Summary

5.38 In summary, Proposed Development has the potential to generate the following economic impacts once complete and fully operational:

- Expenditure of **£11.5 million** per academic year generated by **2,511** students, including £5.9 million from students living in Phase A and a further £5.6 million from students in Phase B. A significant proportion of this expenditure will be retained locally, supporting businesses in Manchester city centre, neighbouring district centres and across the city region.

- Additional expenditure from visitors contributing a further **£653,000** per academic year, including **£337,000** associated with visits to students living in Phase A and **£316,000** from visits to students in Phase B

- Student and visitor expenditure has the capacity to support **90** jobs locally, in industries such as hospitality and retail.

- The equivalent of up to **500** student HMOs could be freed up by instead accommodating students in PBSA, in turn:

  – Increasing capacity in the housing market by providing accommodation for the equivalent of up to **1,230** new residents in former HMOs, a large proportion of whom could be of working age and in employment;

  – Supporting additional retail and leisure expenditure, and associated employment in related sectors, from new occupants living in former student HMOs; and

  – Generating additional Council Tax revenue for MCC following the re-occupation of former student HMOs.

- Approximately **20 FTE employment opportunities** will be generated on-site through residential building management activities (e.g. concierge, cleaning, maintenance, landscaping) to support the ongoing operations of the increased provision of PBSA.

6. Conclusion

6.1 This Socio-economic Regeneration Impact Statement has been prepared by Turley Economics on behalf of iQ Student Accommodation in support of a full planning application to Manchester City Council for the demolition of Weston Halls and Pendulum Hotel and the construction of a purpose-built student accommodation development on land at Sackville Street, comprising 2,511 bedspaces.

6.2 The delivery of the necessary student accommodation to support investment, job opportunities and to grow the local population and economy is considered by published planning and economic policy and strategy to be key to the recovery in Manchester and the wider city region in order to respond to ongoing economic challenges, such as inflationary pressures and the cost-of-living crisis.

6.3 The area in which the Proposed Development is located is one which presently accommodates notably high proportions of people who are of typical student age, and the GMCA and MCC identify the student population as a key driver of the local economy.

6.4 The city's leisure, hospitality and tourism businesses – amongst the sectors most impacted by the pandemic and those usually supported by to a significant degree by students – will also benefit from increased activity; Manchester's students have considerable purchasing power in the local economy and increasing capacity to accommodate students will help support growing levels of student expenditure retained locally.

6.5 The alignment of the occupants of the PBSA with existing local demographics and the known contribution of students to economic development are both factors which strongly suggest that the delivery of new PBSA is likely to closely integrate with the existing neighbourhood and contribute in a positive way to local vibrancy without detriment to the existing residential community.

6.6 The Proposed Development will also help support the economic growth ambitions through providing new, high-quality accommodation for students in the city, whose expenditure will support retail and leisure businesses both in the immediate locality of the Site and wider city centre. This could also support ambitions to free up family housing currently used occupied by students in the private rented sector, further increasing local expenditure and Council Tax revenues for MCC.

6.7 Quantified economic impacts of the Proposed Development are summarised again overleaf.

Construction Phase

6.8 The Proposed Development will generate the following economic impacts during its 7-year construction period:

- **Significant investment** made in construction, directly supporting **1,550** person-years of employment, equating to an average of **220** FTE gross jobs over 7 years;
- An average of **200** direct, indirect and induced net additional FTE jobs generated for workers in Greater Manchester during construction, of which **80** could be held by residents of Manchester; and
- Total net additional contribution of **£242.2 million** GVA to the Greater Manchester economy, including **£224.0 million** concentrated in Manchester.

Operational Phase

6.9 Upon completion and operation, the Proposed Development will generate a range of long-term economic impacts:

- Expenditure of **£11.5 million** per academic year generated by **2,511** students, including £5.9 million from students living in Phase A and a further £5.6 million from students in Phase B. A significant proportion of this expenditure will be retained locally, supporting businesses in Manchester city centre, neighbouring district centres and across the city region.
- Additional expenditure from visitors contributing a further **£653,000** per academic year, including **£337,000** associated with visits to students living in Phase A and **£316,000** from visits to students in Phase B
- Student and visitor expenditure has the capacity to support **90** jobs locally, in industries such as hospitality and retail.
- The equivalent of up to **500** student HMOs could be freed up by instead accommodating students in PBSA, in turn:
  - Increasing capacity in the housing market by providing accommodation for the equivalent of up to **1,230** new residents in former HMOs, a large proportion of whom could be of working age and in employment;
  - Supporting additional retail and leisure expenditure, and associated employment in related sectors, from new occupants living in former student HMOs; and
  - Generating additional Council Tax revenue for MCC following the re-occupation of former student HMOs.
- Approximately **20 FTE employment opportunities** will be generated on-site, through residential building management activities (e.g. concierge, cleaning, maintenance, landscaping) to support the ongoing operations of the increased provision of PBSA.

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