Socio-economic Regeneration Impact Statement

Octagon House, Manchester

August 2026

Turley
Economics

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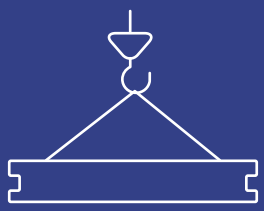
August 2026

Benefits of Octagon House, Manchester

455 PBSA bedspaces;
211 Key Worker homes; and
16 residential units.

Other details:
Mixed-use regeneration of Octagon House to deliver PBSA and Key Worker accommodation, expanded healthcare facilities, amenity space and commercial and community uses

Benefits during Construction



Significant Investment
in the construction of the scheme, supporting the local construction sector



On-site construction jobs[1]
supported on average during construction (2 years)



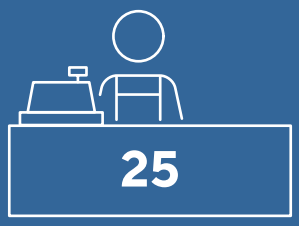
Jobs in the wider economy
supported in Greater Manchester, including 20 in Manchester[2]



Economic boost
measured in GVA[3] during construction, including £58 million in Manchester

Benefits upon Completion

Creating new and sustainable homes



On-site jobs
supported in new ground floor commercial space and through building management



Jobs in the wider economy
in retail and leisure, supported by resident expenditure

Boosting the local economy



Economic boost
per annum, measured by GVA, including £1.2 million in Manchester



Resident expenditure
in the retail and leisure sector, supporting local businesses

Contributing to public revenues



Council Tax and Business Rates
payments per annum, funding local services and infrastructure

Providing new, high quality PBSA and Key Worker housing



Healthy living environment
through incorporating energy efficiency and other sustainable design measures



Resident amenity spaces
Providing spaces for socialising and relaxation



Responding to local housing need
including a variety of room types and price-points to meet a range of student and Key Worker need

1 Estimated on a Full-time Equivalent (FTE) basis. All jobs figures are annual figures.
2 Estimated based on net indirect/induced FTE jobs taking into consideration the multiplier effect.
3 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). Put simply the GVA is the total of all revenue into businesses, which is used to fund wages, profits and taxes. Please note that the GVA estimates presented here are workplace-based, where GVA is allocated to the area in which the economic activity takes place.

Turley Economics

1. Introduction

1.1 This Socio-economic Regeneration Impact Statement has been prepared by Turley Economics on behalf of the Octagon Project ('the Applicant') in support of a full planning application to Manchester City Council (MCC) for the redevelopment regeneration of Octagon House and surrounds ('the Site').

1.2 The project seeks to retain, refurbish and repurpose the existing Octagon House building alongside delivery of three new residential buildings ranging from 4 to 11 storeys to create a mixed-use development comprising Key Worker accommodation, purpose-built student accommodation (PBSA), expanded NHS renal dialysis facilities, amenity space and commercial and community uses ('the Proposed Development').

The Site and Proposed Development

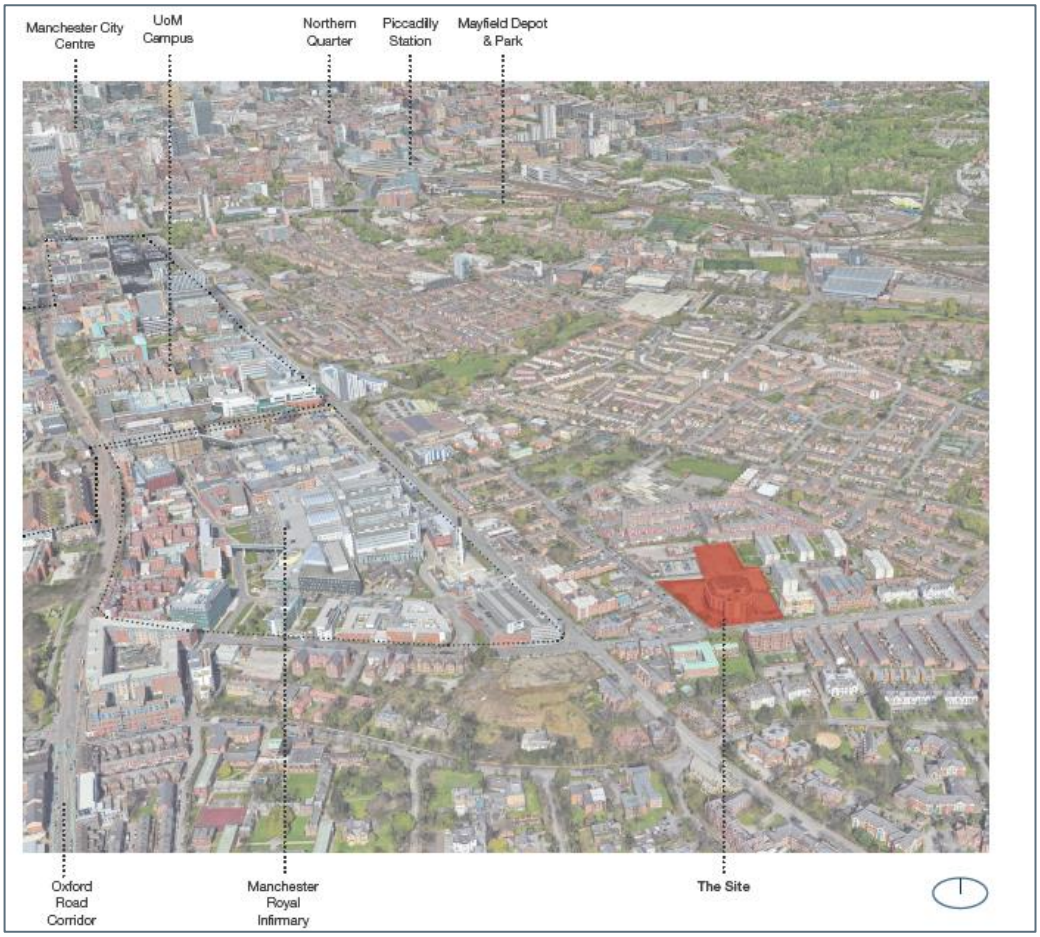
The Site

1.3 The Site is located c. 1.7 km south-east of Manchester city centre, and in close proximity to a wide range of socio-economic infrastructure and other key points of interest and amenities in central Manchester, such as:

- Manchester Royal Infirmary (MRI) - 250m west
- Oxford Road Corridor - 600m west
- Whitworth Park - 600m west
- University of Manchester (UoM) Main Campus - 700m north
- Platt Fields Park - 1km south
- Manchester Metropolitan University (MMU) Campus - 1.6km north
- Piccadilly Train Station - 2km north
- Oxford Road Train Station - 2.2km north

1.4 The Site location (shown in relation to a number of he sites of interest identified above) as shown at **Figure 1.1** below.

Figure 1.1: Site Location



Source: Hodderand Partners, 2026

The Proposed Development

1.5 The Proposed Development will provide:

- 455 PBSA bedspaces (205 no. studios, 250 no. in cluster form);
- 216 Key Worker homes (141 no. studios and 70 no. 1-2 bedroom units);
- 16 residential units (2-bedroom units);
- 394 sqm commercial or community unit at ground and first floor of Octagon House; and
- 2,568 sqm Central Manchester Dialysis Unit (existing, plus expansion to first floor of Octagon House).

1.6 The description of development is as follows:

"Full planning application for the refurbishment and extension of Octagon House and the erection of buildings of up to 11 storeys in height to accommodate a mix of uses comprising Purpose Built Student Accommodation bedrooms (205 studios and 35 apartments accommodating 250 bedrooms) (Sui Generis Use Class); Key Worker accommodation (Sui Generis Use Class) (211 units); Residential units (16 no) (Use Class C3); 2,568 sq m of healthcare use (including the retention of an existing healthcare facility on site) (Use Class Ee); and 394 sq m of commercial or community uses (Use Classes Ea, Eb, Eciii, Ee, Ef, F1e, F2b, F2c) with associated site access, car and cycle parking and landscaping."

Economic Impact Assessment

1.7 The assessment considers the quantifiable impacts of the Proposed Development during both its construction and operational lifetime. Economic impact estimates are presented as net figures, accounting for additionality factors such as existing uses (the 'Reference Case'), leakage, displacement and multiplier effects.

1.8 This assessment is informed by the 2014 Homes & Communities Agency's (HCA, now known as Homes England) Additionality Guide (4th edition)[1]. 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

1.9 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 **Neighbourhood Impact Area**, covering Ardwick ward in Manchester. The ward represents the area within which direct on-site activities 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. do not work mainly from home) also live in the area, demonstrating a reasonable level of socio-economic containment at this scale[2].

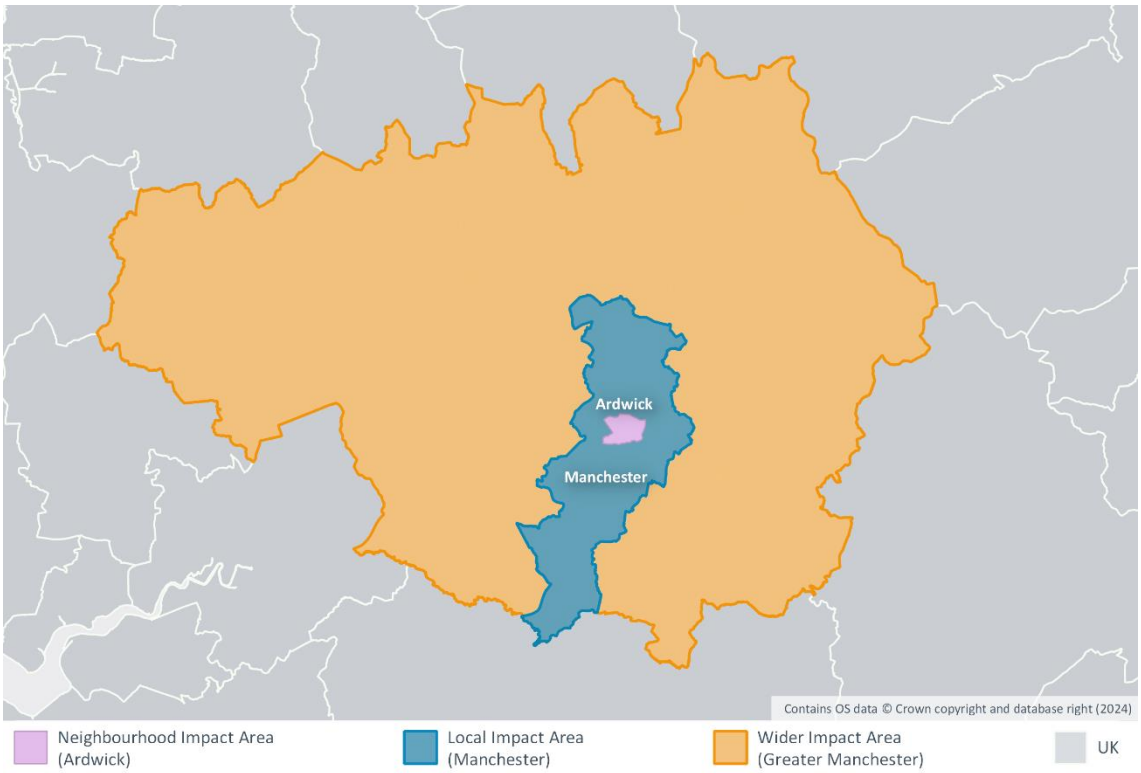
[1] Homes & Communities Agency (2014) Additionality Guide (4th Edition)

[2] 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 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.

- 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[3]. It is considered, therefore, that the majority of socio-economic effects would be concentrated and experienced within the Wider Impact Area.

1.10 The study area is presented spatially overleaf at **Figure 1.2**.

Figure 1.2: Assessment Study Area



Source: Turley Economics, 2026

Structure of Report

1.11 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 the context of the uses to the be delivered at the Proposed Development.

[3] Ibid.

- **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 firstly 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)[4] provides a framework for a planning system centred around sustainable development, including the provision of homes, commercial development and supporting infrastructure.

2.3 As with previous iterations, the 2026 NPPF continues to outline the expectation that future development will play in meeting economic and social objectives, as follows:

- **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.

- **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 community facilities, public service infrastructure and open spaces that reflect current and future needs and support communities' health, social and cultural well-being

2.4 The NPPF sets out a range of planning policies relating to:

- **Delivering homes and supporting growth**, to support the delivery of a substantial increase in the supply of homes by ensuring that a sufficient amount and variety of land can come forward where needed. This includes planning for an appropriate mix of accommodation for the local community and ensuring that land with permission is developed without unnecessary delay; and

- **Building a strong, effective economy**, to enable businesses to invest, expand and adapt in a way that reflects the opportunities, challenges and characteristics of different areas, and supports long-term economic growth both locally and nationally.

[4] Ministry of Housing, Communities & Local Government (2026) National Planning Policy Framework

City-regional Policy and Strategy Context

Places for Everyone Joint Development Plan 2022-2039

2.5 Places for Everyone (PfE) Joint Development Plan[5] 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.

2.6 The Plan is central to achieving sustainable growth in the 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[6], aiming for sustainable urban development while protecting Green Belt land with a new, permanent boundary.

2.7 This strategic 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.

2.8 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*"[7]

2.9 Policy JP-J 1: 'Supporting Long-Term Economic Growth' states that "*a thriving, inclusive and productive economy will be sought in our boroughs*"[8], outlining that there will be a focus on facilitating the development of high-value clusters in prime sectors.

2.10 Further to the above, Objective 3 of the plan's 'Strategic Vision' – "*Playing our part in ensuring a thriving and productive economy in all parts of Greater Manchester*" – states the need to "*facilitate the development of high value clusters in key economic sectors such as health innovation*".

2.11 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

[5] Greater Manchester Combined Authority (2024) Places for Everyone Joint Development Plan
[6] Ibid, para 1.42
[7] Ibid.
[8] Ibid.

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.

2.12 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

2.13 Manchester's Core Strategy[9] 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*"[10].

2.14 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.

2.15 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.

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

[9] Manchester City Council (2012) Manchester's Local Development Framework: Core Strategy Development Plan Document
[10] Ibid.

2.17 The Site is located immediately adjacent to Corridor Manchester, identified in the Core Strategy as an area with "*significant potential to attract inward investment*", with development to be focused on complementing the largest employers in The Corridor, namely, Central Manchester NHS Trust, the universities and other city centre businesses.

Corridor Manchester

2.18 As noted above, the Site is situated immediately adjacent to the Corridor Manchester Strategic Spatial Framework (CMSSF) area[11]. MCC's 2018 strategic vision to guide development in the area sought to build on its existing strengths – these being universities and knowledge-intensive organisations and businesses – to make Corridor Manchester:

'*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 The CMSSF 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'.

Summary

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

[11] Manchester City Council (2018) Corridor Manchester: A Decade of Opportunity Strategic Vision to 2025

3. Socio-economic Baseline and Need 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 employment base in comparison with Manchester, Greater Manchester as wider comparator geographies.

3.2 The section also considers the need for student accommodation, Key Worker housing and healthcare-related infrastructure in the context of the Site's location close to Manchester Foundation Trust, the University of Manchester, the Oxford Road Corridor and other major education, health and research institutions.

3.3 This provides an important indication of the socio-economic context to which the Proposed Development could positively respond through the delivery of PBSA and Key Worker accommodation, accompanied by expansion of the existing on-site Central Manchester Dialysis Unit and new commercial/community floorspace.

Socio-economic Baseline

Age Profile of Ardwick

3.4 The ONS Census indicates that there were c. 21,040 people living in Ardwick as of 2021. Of this total, c. 6,120 were aged between 18 and 24, equivalent to 29% of the total population. As shown at **Table 3.1**, this is substantially higher than in Manchester as a whole, where 15% of residents were aged 18 to 24, and Greater Manchester, where the figure was 9%.

3.5 The proportion of the student-age population within Ardwick is therefore almost double that of the wider Manchester local authority area, and more than three times the level recorded across Greater Manchester. Ardwick also has a relatively high working-age population, with 74% of residents aged 18 to 64, compared with 68% in Manchester and 61% across Greater Manchester.

Table 3.1: Population Composition by Age, 2021

	Ardwick	Manchester	Greater Manchester
Age 18-24	6,120	84,640	260,280
Age 18-64	15,570	372,820	1,759,260
All Ages	21,040	551,940	2,867,770
% Age 18-24	**29%**	**15%**	**9%**
% Working Age (18-64)	**74%**	**68%**	**61%**

Source: ONS via Nomis, 2021

Economic Activity, Employment and Unemployment

3.6 The above is consistent with 2021 Census data reporting that there were c. 5,190 residents aged 16 and over in Ardwick (30% of the area's residents aged 16+) who were

economically inactive due to being a student, plus a further c. 1,600 residents (9% of the area's resdients aged 16+) recorded as being economically active whilst being a full-time student[12]. As shown at **Table 3.2**, these figures are proportionally notably higher than in Manchester (respectively 13% and 5%) and Greater Manchester (respectively 7% and 3%), reflecting the large student population within Ardwick.

3.7 Excluding full-time students, 38% of residents aged 16+ in Ardwick were economically active. This is a lower rate of economic activity than recorded across Manchester as a whole and Greater Manchester, at 54% and 57% respectively.

3.8 Further analysis indicates that among the economically active population Ardwick has a lower employment rate (89%) and a higher unemployment rate (11%) than both wider comparator areas of Manchester (respectively 93% and 7%) and Greater Manchester (respectively 94% and 6%).

Table 3.2: Economic Activity Rates by Status, 2021

	Ardwick	Manchester	Greater Manchester
Economically active: Excluding Full-time Students *(% of total residents aged 16+)*	38%	54%	57%
In employment *(% of economically active residents aged 16+)*	*89%*	*93%*	*94%*
Unemployed *(% of economically active residents aged 16+)*	*11%*	*7%*	*6%*
Economically active: Full-time Student *(% of total residents aged 16+)*	9%	5%	3%
Economically inactive: Full-time Student *(% of total residents aged 16+)*	30%	13%	7%

Source: ONS via Nomis, 2021

3.9 ONS Claimant count data suggests that c. 1,175 residents of Ardwick are claiming benefits principally for the reason of being unemployed as of May 2026, accounting for c. 6% of the area's working-age residents. The figure expands to c. 25,550 at the scale of Manchester as a whole (also 6% of working-age residents) and c. 95,500 (5%) across Greater Manchester.

Labour Market and Industry

3.10 The ONS's latest Business Register & Employment Survey (BRES)[13] recorded that Ardwick ward accommodated c. 47,300 jobs in 2024. Ardwick therefore makes a notable contribution to overall employment in Manchester, accounting for around 10% of the city's total 452,800 jobs.

[12] ONS via Nomis (2025) Census 2021
[13] ONS via Nomis (2025) Business Register & Employment Survey: 2024

3.11 Between 2016 and 2024, employee jobs in Manchester increased by c. 21%. This compares with growth of c. 16% across Greater Manchester over the same period, where employee jobs increased from c. 1.27 million to c. 1.47 million[14]. When added to the fact that Manchester accounts for almost a third (31%) of all jobs across Greater Manchester as a whole as of 2024, this highlights that the city is a key recent driver of the employment base and its growth within the wider the city-region.

3.12 The sectoral composition of employment in Ardwick is important to consider given Octagon House is intended to provide accommodation for both students and Key Worker.

3.13 As shown at **Table 3.3**, Ardwick accommodated c. 35,000 employee jobs (workplace-based) in the public administration, education and health sectors as of 2024, these being those which are most-associated with Key Worker employment.

3.14 This represented around 74% of all employee jobs in Ardwick, a significantly higher proportion than in Manchester (27%) and Greater Manchester (29%).

Table 3.3: Key Worker-Supporting Employment, 2024

	Key Worker sector employment				
Area	Public administration & defence	Education	Health	**Total: Key Worker sectors**	**% of overall employment**
Ardwick	1,000	15,000	19,000	**35,000**	**74%**
Manchester	24,000	43,000	53,000	**120,000**	**27%**
Greater Manchester	69,000	124,000	230,000	**423,000**	**29%**

Source: ONS via Nomis, 2024

3.15 Health and education are especially important elements of Ardwick's employment base, the ward accommodating c. 19,000 and c. 15,000 jobs in the respective sectors in 2024.

3.16 Further analysis shows that Ardwick accommodated approximately 36% of Manchester's health employment and 35% of its education employment, reflecting the concentration of major institutions in the sector in the locality.

3.17 **Table 3.4** additionally considers employment across relevant consumer-facing employment sectors. These sectors are likely to be supported via expenditure from both students and working residents, including spending on food and drink, leisure, culture, services and local retail.

[14] Due to changes in ward geographies, consistent historic ward-level data for employment for Ardwick is not available on a directly comparable basis. Employment growth over time has therefore been presented only at the Manchester and Greater Manchester levels.

3.18 Employment across these sectors in Manchester increased from 80,000 jobs in 2016 to c. 89,000 jobs in 2024, equivalent to growth of c. 11%. This growth was driven primarily by increases in the arts, entertainment, recreation & other services sector, in which employment increased by 58% between 2016 and 2024. Accommodation & food services employment increased by c. 6%, while retail employment remained broadly unchanged. Therefore, Manchester's consumer-facing economy has continued to support a sizeable proportion of jobs, which are also likely to benefit from expenditure generated by students and Key Workers living within the city.

Table 3.4: Consumer-Facing Employment in Manchester, 2016—2024

Date	Retail	Accommodation & food services	Arts, entertainment, recreation & other services	**Total**
2016	34,000	34,000	12,000	80,000
2024	34,000	36,000	19,000	89,000
Change 2016 - 2024	0	+2,000	+7,000	+9,000
% Change	**0%**	**+6%**	**+58%**	**+11%**

Source: ONS via Nomis, 2025

Deprivation

3.19 The link between socio-economic outcomes and deprivation – including factors such as poverty, employment and skills levels, as well as access to services and living environment – is well known.

3.20 The Indices of Deprivation (IoD)[15] is a measure of relative deprivation across different 'small areas' (defined as 'Lower Super Output Areas', LSOAs)[16] in England. The 2025 edition of the IoD is based on 55 separate indicators, organised across seven distinct domains of deprivation[17], which are combined and weighted to calculate the Index of Multiple Deprivation (IMD).

3.21 The IMD ranks every LSOA nationally, from 1 (the most deprived) to 33,755 (least deprived), as well as every Local Authority, on a scale of 1 (most deprived) to 296 (least deprived). LSOA and local authority geographies are also ranked into ten deciles (1 being the most deprived, and 10 being the least), relative to all others across the country.

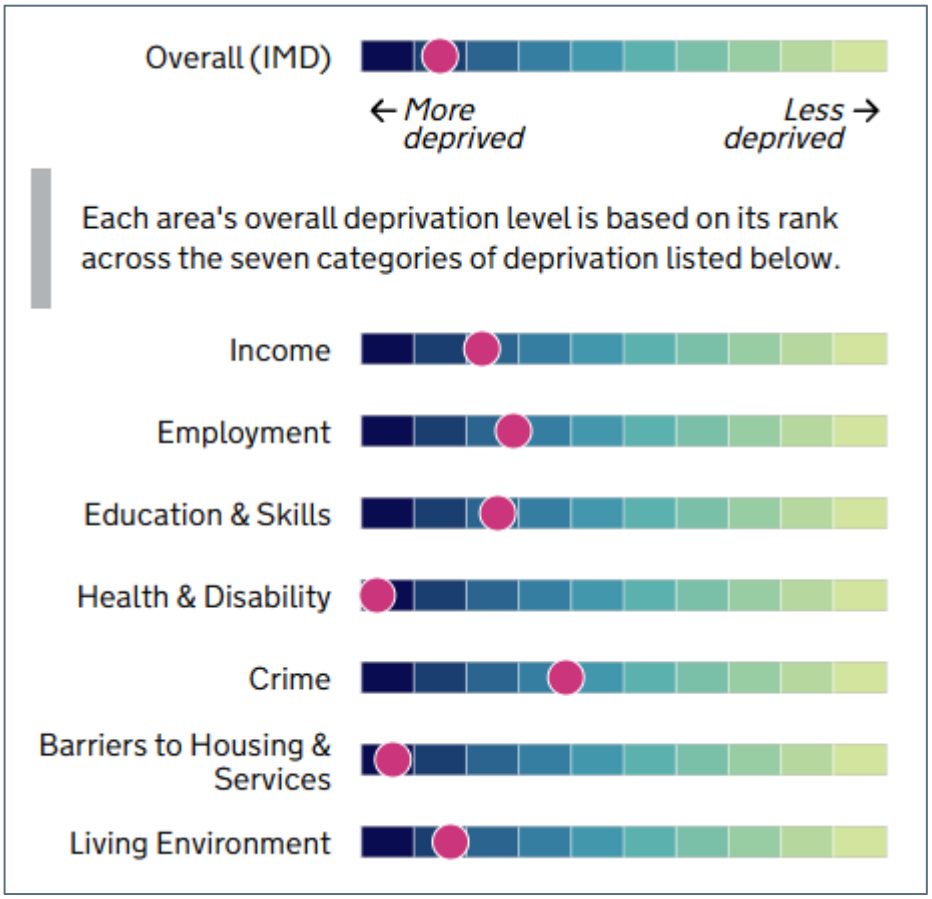
3.22 When summarised at a Local Authority level[18], Manchester is ranked as the second most-deprived local authority nationally. Whilst not aggregated at ward level, the LSOA

[15] Ministry of Housing, Communities & Local Government (2025) English indices of deprivation
[16] 'Lower Super Output Areas' (LSOAs) are statistically-defined small areas (or neighbourhoods), designed to be of a similar population size for the reporting of data, with an average of c. 1,500 residents.
[17] The seven domains of deprivation are: Income; Employment; Health & Disability; Education, Skills & Training; Crime; Barriers to Housing and Services; Living Environment
[18] On the basis of average rank of its constituent LSOAs.

within which the Site is located (Manchester 022H) is categorised within the 20% most-deprived nationally.

3.23 **Figure 3.1** presents the various domains of deprivation which inform the LSOA's deprivation rank, showing comparative ranking by decile.

Figure 3.1: Manchester LSOA 022H IMD Domains by Decile



Source: MHCLG, 2025

3.24 It can be seen that, whilst the LSOA is considered relatively deprived in terms of the majority of domains, those in which the LSOA is ranked as most deprived include:

- **Barriers to housing & services**, which measures both the financial accessibility of housing (including affordability in the context of local incomes, overcrowding, homelessness) and its physical accessibility to local services (including proximity to retail and education and healthcare facilities and employment opportunities, as well as digital infrastructure connectivity); and

- **Living environment**, which measures the quality of both the 'indoor' and 'outdoor' local environment. The 'indoor' living environment measures the quality of housing stock (including factors such as overall housing condition, energy performance and private outdoor space) while the 'outdoor' living environment accounts for issues such as air quality, noise pollution and road traffic accidents.

3.25 The above indicates a need for additional high-quality new housing provision locally, particularly of a type that corresponds with local needs.

Student and Key Worker Accommodation Need Context

PBSA Need

3.26 Evidence regarding demand for PBSA in Manchester was presented to MCC's Executive Committee in May 2023[19]. 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 need for 750 new bed spaces per 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.

3.27 Further industry analysis[20] 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 still than the Council's assessment of requirements for this type of accommodation.

3.28 Cushman & Wakefield have prepared dedicated analysis[21] of current PBSA need in Manchester to support the Proposed Development's planning application. The analysis shows continued strong demand for purpose-built student accommodation (PBSA) in Manchester, noting that:

- The city accommodated 97,875 students in 2024/25, with total student numbers increasing by 11.0% since 2022/23. Despite recent additions to supply, net growth in PBSA provision has remained relatively modest.

- Based on 2024/25 data, Manchester has a student-to-bed ratio of 2.34:1, compared with Cushman & Wakefield's observed national average of 2.05:1. The assessment estimates that 35,546 students with a requirement for accommodation would be unable to secure a PBSA bed. It also identifies a first-year student-to-bed ratio of 1.05:1, equivalent to approximately 1,331 first-year students being unable to secure PBSA if all those requiring accommodation sought a bed within the sector.

- As of August 2026, the Manchester PBSA development pipeline comprises 17,156 beds, including 12,197 beds with planning approval and 7,535 beds under construction. The report notes that the net increase in supply will be lower than the headline pipeline figure because several schemes involve the replacement of existing accommodation.

3.29 C&W notably conclude that the market is capable of absorbing additional PBSA development beyond the current pipeline, with further provision helping to address unmet student demand and alleviate pressure on the wider housing market.

[19] Manchester City Council (2023) Purpose Built Student Accommodation: Supply and Demand Update
[20] Midollo (2024) The Battle for Beds: Tackling Manchester's Purpose-Built Student Accommodation Crisis
[21] Cushman & Wakefield (2026) Octagon House, Manchester: PBSA Need Assessment

Key Worker Housing Need

3.30 Census 2021 data[22] provides an indication of demand for housing in the locality of the Site, with analysis enabling a breakdown of the characteristics of accommodation occupied by the resident workforce by sector.

3.31 As shown at **Table 3.5**, focusing on Ardwick's residents working in healthcare and social care, as the Key Worker sector considered potentially most likely to benefit from the Proposed Development (given the Site's proximity to some of Manchester's key healthcare infrastructure, such as MRI), data demonstrates that, healthcare workers living in Ardwick have a high propensity to:

- Occupy housing in the private rented sector;
- Commute a short distance (under 2km) to work;
- Occupy smaller homes (1-2 bedrooms); and
- Live alone.

Table 3.5: Characteristics of housing occupancy by area and resident workforce sector

	Percentage of resident workforce who…			
Area of residence and employment sector	Rent privately	Commute under 2km to work	Occupy homes with 1-2 bedrooms	Live alone
Ardwick: healthcare	**38%**	**47%**	**48%**	**19%**
Ardwick: all sectors	31%	24%	38%	14%
Manchester: healthcare	31%	16%	37%	14%
Manchester: all sectors	30%	12%	39%	14%

Source: ONS, 2021

3.32 The characteristics of local housing demand of workers in the healthcare sector in the Ardwick locality suggest that increased provision of smaller homes with flexible tenancies – which is consistent with the type of Key Worker provision to be delivered at the Proposed Development – could make a positive contribution towards meeting housing needs[23].

3.33 The Planning and Tall Building Statement reports that the Applicant has engaged with stakeholders associated with Manchester University NHS Foundation Trust regarding the accommodation requirements of healthcare workers, trainees and associated staff. These discussions indicate a requirement for flexible and professionally managed accommodation among occupational groups including junior doctors, nurses, clinical

[22] ONS (2026) 'Census 2021: Create a Custom Dataset' [Online]. Available at: https://www.ons.gov.uk/datasets/create
[23] Turley (2026) Octagon House, Manchester: Planning and Tall Building Statement.

trainees, research associates and visiting academics. Their requirements can be associated with fixed-term placements, rotational programmes, shift-working patterns and relocation to Manchester at relatively short notice. This suggests that the identified need relates not only to the quantity of accommodation available, but also to the provision of an appropriately located and managed accommodation offer capable of responding to transitional and employment-led requirements.

Summary

3.34 The socio-economic baseline has highlighted that the neighbourhood of the Site is one which presently accommodates notably high proportions of people of working-age, many of whom are students. Key Worker employment sectors – including healthcare and education – make a notable contribution to the employment base in Ardwick, and Manchester's wider leisure, hospitality and tourism businesses are likely to benefit from increased local economic activity.

3.35 Manchester has an acknowledged need for additional PBSA, and the characteristics of local housing demand of workers in the healthcare sector in the Ardwick locality suggest that increased provision of smaller homes with flexible tenancies – which is consistent with the type of Key Worker provision to be delivered at the Proposed Development – could make a positive contribution towards meeting housing needs.

3.36 The provision of new housing, particularly of a type that corresponds with local needs, should also be a priority in the locality of the Site in the context of the local neighbourhood's deprivation ranking in terms of key socio-economic issues such as housing accessibility and quality.

3.37 The alignment of the Proposed Development's accommodation offer with existing local demographics, student and Key Worker accommodation need and Ardwick's employment and resident base demonstrates that the Proposed Development is likely to integrate well with the existing neighbourhood.

3.38 It is therefore concluded that the Proposed Development is well-suited towards 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 socio-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 Impact Areas' economies.

Gross Employment

4.3 The construction of the Proposed Development will require significant investment[24] of the scale that could be expected to support c. 520 person-years' of direct employment, based on the average turnover per employee in the construction industry in the North West[25]. This equates to an average of c. 260 gross full-time equivalent (FTE) jobs on and off-site in the construction sector throughout the anticipated 2-year build period.

Net Additional Employment

4.4 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.

4.5 The creation of temporary construction jobs during the build period will provide new employment opportunities for the Local and Wider Impact Areas' 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.

4.6 The HCA recommends a specific approach to calculating additionality[26]. 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');

[24] Construction costs and build period advised by the Applicant.
[25] Department of Business & Trade (2025) Business population estimates: Table 12 – North West
[26] '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.

- **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.

4.7 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

4.8 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.

4.9 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[27]. It is therefore reasonable to assume that a rounded proportion of approximately c. 40% of jobs created through construction of the Proposed Development will be contained and accessed by residents of the city, expanding to c. 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

4.10 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 temporary shortage of construction labour.

4.11 As highlighted in Section 3 of this report, as of January 2025 there are over 25,500 people in Manchester claiming unemployment-related benefits, expanding to c. 95,500 at the scale of Greater Manchester as a whole[28].

4.12 Displacement effects are therefore considered to be low. This recognises the large potential workforce in the context of the employment effect generated by the Proposed Development. Taking into consideration guidance outlined in the HCA

[27] ONS (2025) Census 2021: Origin-destination Data
[28] ONS via Nomis (2025) Claimant Count: May 2025

Additionality Guide[29], a low (25%) rate of displacement has been assumed during construction at the scale of both the Local and Wider Impact Areas.

Multiplier Effects

4.13 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).

4.14 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.

4.15 Based on the Additionality Guide's recommendations[30], 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 Impact Area[31].

Net Additional Employment

4.16 Allowing for these additionality factors, it is estimated that the construction of the Proposed Development will directly generate 175 direct FTE employment opportunities for Greater Manchester residents each year, of which 80 will be local to Manchester.

4.17 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.

4.18 In total, the direct, indirect and induced impacts of the construction of the Proposed Development can therefore be expected to annually create 235 net additional FTE employment opportunities for Greater Manchester residents, inclusive of 100 jobs for residents of Manchester. This is summarised in at **Table 4.1** overleaf.

[29] Homes & Communities Agency (2014) Additionality Guide (4th Edition)
[30] Ibid.
[31] Wider Impact Area multiplier of 1.35 applied as the mid-point between the sub-regional (1.25) and regional (1.45) mean composite multipliers as advised by the HCA Additionality Guide.

Table 4.1: Construction Phase Employment

	Local Impact Area	Wider Impact Area
Person-years of Employment	520	
Construction Period (Years)	2	
Gross FTE Employment	260	
Direct Net Additional FTE Employment	80	175
Indirect / Induced Net Additional FTE Employment	20	60
Total Net Additional FTE Employment	**100**	**235**

Source: Turley Economics, 2026

Economic Output

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

4.20 Estimates sourced from economic data provider Experian indicate that the average FTE employee in the construction industry in Manchester generates £154,700 GVA annually[32]. This is significantly higher than the GVA generated by the average employee across all sectors in the Local and Wider Impact Areas (respectively £93,300 and £82,100), demonstrating the importance of the construction sector to local and regional economy.

4.21 Applying the appropriate GVA measures to the net additional employment generated by construction of the Proposed Development indicates that a gross total £40.3 million GVA could be generated each year of construction. Accounting for additionality factors in line with those applied for employment, indicates that £32.5 million GVA could be generated each year across the Wider Impact Area during construction, inclusive of £29.0 million concentrated in the Local Impact Area.

4.22 Over a 2-year construction period, it is therefore calculated that construction of the Proposed Development will contribute an additional £65.0 million GVA within Greater Manchester, inclusive of £58.0 million concentrated in Manchester. This is summarised at **Table 4.2** overleaf.

[32] Experian (2026) Local Market Forecasts Quarterly: February 2026; annual average 2021-2025

Table 4.2: Construction Phase GVA

	Local Impact Area	Wider Impact Area
Gross GVA (Annual)	£40,300,000	
Direct Net Additional GVA (Annual)	£27,200,000	
Indirect / Induced Net Additional GVA (Annual)	£1,800,000	£5,300,000
Total Net additional GVA (Annual)	£29,000,000	£32,500,000
Total Net Additional GVA (2 Year Construction Period)	**£58,000,000**	**£65,000,000**

Source: Turley Economics, 2026 Note: Some figures appear not to sum due to rounding.

Summary

4.23 In summary, the Proposed Development's construction has the potential to generate the following socio-economic benefits:

- Attract **significant investment** in construction, directly supporting **520** person-years of employment, equating to an average of **260** FTE gross jobs over 2 years;
- Create an average total **175** direct, indirect and induced net additional FTE jobs for residents of Greater Manchester, including **100** for Manchester residents; and
- Generate **£65.0 million** GVA for the Greater Manchester economy, including **£58.0 million** concentrated in Manchester.

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 recovery and growth objectives of local and city-regional policy and strategy.

Resident Expenditure

Expenditure: Students

5.2 The Proposed Development will provide 455 PBSA bedspaces, accommodating an equivalent number of students residents. 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.

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

5.4 Survey-based research by the organisation 'Save The Student!'[33] provides a breakdown of average student expenditure of students in Manchester[34], enabling analysis to be conducted regarding the contribution of students to the local economy. This research suggests that students spend an average of £417 per month on goods and services (not including rent, bills or transport).

5.5 This total (presented below, broken down by type of expenditure) can be applied to the capacity for the total of 455 students to be accommodated at the Proposed Development. As presented at **Table 5.1**, based on expenditure of £417 per student per month multiplied out to a total of £3,753 per student over a 9-month academic year[35], it is estimated that the 455 residents accommodated in PBSA at the Proposed Development could generate c. £1.7 million in expenditure each year.

[33] Save The Student! (2026) 'Student living costs in the UK 2026' [Online]. Available at: https://www.savethestudent.org/money/student-budgeting/what-do-students-spend-their-money-on.html#average

[34] Whilst data for UoM and MMU are provided separately, aggregated data is not available. Therefore, expenditure of UoM students has been applied, given that the Site is closer to this university's campus.

[35] 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).

Table 5.1: Estimated Student Expenditure

Type of expenditure	Expenditure per student per month	Expenditure per student per academic year	**Total: 455 students**
Groceries, Takeaways and Eating Out	£212	£1,908	**£870,000**
Retail (inc. clothes, course materials and other)	£49	£441	**£100,000**
Going Out, Socialising and Events	£134	£1,206	**£550,000**
Health and Wellbeing	£22	£198	**£90,000**
Total	**£417**	**£3,753**	**£1,700,000**

Note: Academic year assumed to be 9 months. Spend per type rounded to nearest £10,000 and total spend rounded to nearest £100,000.
Source: 'Save The Student!'; Turley Economics, 2026

Expenditure: Key Workers and other residents

5.6 The Proposed Development will provide 211 homes for Key Workers, comprising 141 studios and a further 70 one- and two-bedroom homes, in addition to 16 two-bedroom market homes. Assuming single-person occupancy of the studio and 1-bed homes and two-person occupancy of 2-bed homes, it is estimated that 275 additional residents could be accommodated at the Proposed Development.

5.7 Data published by Experian[36] indicates that the average resident of Manchester spends c. £5,600 on retail goods and a further c. £2,800 on leisure-related goods and services annually, totalling c. £8,400.

5.8 As set out at **Table 5.2**, multiplying the number of residents by annual average worker expenditure in Manchester as presented above, it is estimated that the Proposed Development's residents could make c. £1.5 million retail expenditure and £700,000 leisure expenditure annually, totalling £2.2 million per annum.

Table 5.2: Estimated Key Worker and Market Housing Resident Expenditure

Type of expenditure	Expenditure per resident per annum	**Total: 275 residents**
Retail	£5,600	**£1,500,000**
Leisure	£2,800	**£800,000**
Total	**£8,400**	**£2,300,000**

Note: Total spend rounded to nearest £100,000.
Source: Turley Economics, 2026

[36] Experian (2025) Retail Planner: Consumer Retail and Leisure Expenditure

Total Resident Expenditure

5.9 As set out at **Table 5.3**, it is estimated that the Proposed Development could generate a total of £3.9 million in resident expenditure annually.

Table 5.3: Total Resident Expenditure

Proposed Development Accommodation Type	**Retail and Leisure Expenditure**
PBSA resident expenditure	**£1,700,000**
Key Worker and otherResidents expenditure	**£2,300,000**
Total	**£4,000,000**

Source: Turley Economics, 2026

5.10 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 in the locality 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.

Employment Supported by Resident Expenditure

5.11 Resident 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.

5.12 Based on the average turnover per employee across the leisure and retail sectors in the North West[37], it is estimated that the £4.0 million annual expenditure generated by residents of the Proposed Development would have the capacity to support approximately 35 jobs in the retail and leisure sectors in the Manchester and wider city-region's economy.

Employment

5.13 The Proposed Development will incorporate flexible non-residential floorspace, including 394 sqm (GIA) new commercial or community uses[38]. The assessment of on-site employment impact is based on the assumption that this floorspace is most likely to be occupied by a mix of retail and/or food & beverage service.

5.14 It should also be noted that the Site currently supports the Central Manchester Dialysis Unit, which will be retained and expanded to the first floor of Octagon House as a result of the Proposed Development, to occupy a total 2,568 sqm. The Unit currently supports and will continue to support employment on-site; however, employment supported by the facility is not considered in this assessment, as it is conservatively

[37] Department for Business & 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.

[38] Including potential use classes E(a), E(b), E(c)(iii), E(e), E(f), F1(e), F2(b), F2(c).

assumed that, despite the increase in floorspace, there will be no net change in the on-site workforce.

5.15 Based on the application of average employment densities recommended by published guidance[39], it is estimated that the delivery of commercial floorspace at the Proposed Development has the capacity to directly support 20 FTE jobs.

5.16 Based on past professional experience of similar schemes, it is estimated that a further c. 5 FTE jobs could be supported through residential and commercial building management activities (e.g. concierge, cleaning, maintenance, landscaping)[40].

Net Additional Employment

5.17 Allowing for the additionality factors of leakage[41] and displacement[42] in line with published data and recommendations set out in guidance, it is estimated that a total of 20 direct net additional FTE jobs will be generated for residents of Greater Manchester, including 10 FTE jobs for Manchester residents.

5.18 After also accounting for multiplier effects as recommended by guidance[43], it is estimated that Proposed Development once operational could be expected to support a further 5 FTE jobs within the Wider Impact Area via indirect and induced effects, including several for residents of the Local Impact Area.

5.19 Summing the above totals, it is estimated that the Proposed Development's commercial floorspace and building management activities will generate a total of 25 direct, indirect and induced net additional FTE jobs in Greater Manchester, including 10 for Manchester residents. This is summarised at **Table 5.4**.

Table 5.4: Operational Phase Employment

Employment	Local Impact Area	Wider Impact Area
Gross FTE Employment	25	
Direct Net Additional FTE Employment	10	20
Indirect / Induced Net Additional FTE Employment	<5	5
Total Net Additional FTE Employment	**10**	**25**

Source: Turley Economics, 2026 Note: Figures rounded to the nearest five.

[39] Homes & Communities Agency (2015) Employment Density Guide (3rd Edition). As the mid-point of advised densities for both retail (high street/foodstore) and restaurants & cafes, an assumption of 1 FTE job per 17.5 sqm (NIA) has been applied to the 394 sqm (GIA) Class E commercial floorspace (with an 85% conversion from GIA to NIA assumed.

[40] The assumption of the number of FTE jobs supported through residential and commercial building management is based on past professional experience of similar schemes (c. 1 FTE job per 100 PBSA bedspaces / apartments).

[41] ONS via Nomis (2025) 2021 Census. Leakage rates of 60% and 10% applied at the respective scales of the Local and Wider Impact Areas.

[42] Homes & Communities Agency (2014) Additionality Guide (4th Edition). Low displacement rates (25%) applied at the scales of the Local and Wider Impact Areas.

[43] Ibid. Multipliers of 1.25 and 1.35 applied at the respective scales of the Local and Wider Impact Areas.

5.20 Although the assessment conservatively assumes that the expansion of the Central Manchester Dialysis Unit will not result in a net increase in its workforce, its retention and significant expansion to provide a total of 2,568 sqm of healthcare floorspace represent a separate qualitative benefit. The proposals will enable the facility to modernise and increase its capacity while maintaining its close relationship with Manchester Royal Infirmary and the wider Manchester University NHS Foundation Trust campus. Its continued operation at Octagon House could also help relieve pressure on the physically constrained acute hospital campus. The benefit of the expanded facility therefore extends beyond its employment effects to the continued provision and enhancement of important community healthcare infrastructure[44].

Economic Output

5.21 The operational phase of the Proposed Development will also contribute to economic output and productivity across the Local and Wider Impact Areas.

5.22 Applying the relevant GVA per employee measures[45] to the net employment effects presented above suggests that an annual uplift of £1.6 million GVA will be generated in Greater Manchester following the delivery of the Proposed Development, including £1.2 million concentrated in Manchester. This is summarised in at **Table 5.5** below.

Table 5.5: Operational Phase GVA

	Local Impact Area	Wider Impact Area
Gross GVA (Annual)	£1,500,000	
Direct Net Additional GVA (Annual)	£1,000,000	
Indirect / Induced Net Additional GVA (Annual)	£200,000	£600,000
Total Net additional GVA (Annual)	**£1,200,000**	**£1,600,000**

Source: Turley Economics, 2026

Public Revenues: Council Tax and Business Rates

5.23 New development can make an important contribution to the resource base of local authorities by generating increased Council Tax and Business Rate revenues.

5.24 Additional Council Tax and Business Rates revenue generated by the Proposed Development will contribute towards the delivery of public services and investment in maintaining and enhancing infrastructure in Manchester and across the wider city-region. This will in turn generate associated socio-economic benefits and potentially attract further inward investment.

[44] Turley (2026) Octagon House, Manchester: Planning and Tall Building Statement.
[45] Experian (2026) Local Market Forecasts Quarterly: February 2026; annual average 2021-2025

Council Tax

Council Tax: Key Worker Housing

5.25 It is understood that the operator of the Proposed Development will pay Council Tax to MCC in relation to Key Worker housing [46].

5.26 Based on a conservative assumption that all Key Worker and market homes will be classified as Council Tax Band A properties[47], it is estimated that c. £350,000 in Council Tax revenue for MCC will be generated by the operations of the Proposed Development.

Council Tax: Existing Housing Stock Released by Occupation of PBSA

5.27 The Proposed Development will increase PBSA bedspaces in Manchester by 455 – accommodating an equivalent number of students – thereby providing accommodation for students who could potentially otherwise live in other types of housing, such as houses in multiple occupation (HMOs).

5.28 The Proposed Development could therefore potentially free up family-style housing in Manchester and thereby increasing housing choice in the city more broadly.

5.29 By increasing the proportion of students accommodated in PBSA, the Proposed Development could contribute positively towards meeting MCC Core Strategy objectives relating to reducing the numbers of students living in HMOs; as outlined in Section 2, Core Strategy policy seeks to free up family housing and broaden housing choice for other types of residents.

5.30 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.

5.31 The 2021 Census recorded the average household size in Manchester where all residents are full-time students as being 3.9 persons[48]. It is therefore estimated that the delivery of 455 PBSA bedspaces at the Proposed Development could provide accommodation of a scale equivalent to c. 115 houses currently used as student HMOs; homes which could subsequently be freed up for new residents all of household types.

5.32 The re-occupation of homes previously occupied by students – and therefore exempt from paying Council Tax – would boost MCC's Council Tax revenues. Based on the conservative assumption of all re-occupied homes being Band A properties, it is estimated that payment of Council Tax for 115 no-longer-exempt homes[49] could generate revenue of £180,000 per annum at 2026/27 rates, which could be invested in delivering and enhancing public services in Manchester.

[46] It is understood that residents of the Proposed Development's Key Worker housing will not pay Council Tax directly to MCC, as this will be included within their rental payments to the operator.
[47] Council Tax for Band A properties is £1,541 per annum at MCC's 2026/27 rates.
[48] ONS via Nomis (2026) 2021 Census: Create a custom dataset
[49] Note that this figure does not account for any occupants who are exempt from paying Council Tax for reasons other than being a student.

Business Rates

5.33 Under current arrangements[50], local authorities in Greater Manchester retain 99% of Business Rates generated in their area, with the remaining 1% being retained by the GMCA, to deliver local services and infrastructure.

5.34 Based on the rateable values per sqm of similar premises located close to the Site, it is estimated that c. £40,000 in Business Rate payments could be collected by MCC and the GMCA once the commercial and community floorspace at the Proposed Development is fully occupied.

Total Public Revenue Impact

5.35 As set out at **Table 5.6**, the delivery of the Proposed Development could generate an uplift of £570,000 in Council Tax and Business Rate revenues, boosting funding for public services and infrastructure in Manchester and across the wider city-region, contributing towards generating associated socio-economic benefits and potentially attracting further inward investment.

Table 5.6: Total Public Revenues

Public Revenue Source	Public Revenues
Council Tax: Key Worker and Market Housing	**£350,000**
Council Tax: Existing Housing Stock Released by Occupation of PBSA	**£180,000**
Business Rates	**£40,000**
Total	**£570,000**

Source: Turley Economics, 2026

Providing High-Quality Homes

5.36 As outlined above, the delivery of new PBSA, Key Worker, and market housing has clear benefits in terms of addressing market need and can generate a number of positive economic impacts, including – particularly in relation to PBSA – as a result of freeing up existing housing stock for occupation by a more diverse range of household types (as discussed above).

5.37 It is, however, also clear that the delivery of new, high-quality homes results in broader social benefit, by providing a healthy, social and safe living environment for their residents. As highlighted by Section 3, the provision of new housing, particularly of a type that corresponds with local needs, should be a priority in the locality of the Site in the context of the local neighbourhood's deprivation ranking in terms of key socio-economic issues such as housing accessibility and quality.

[50] Ministry of Housing, Communities & Local Government (2026) The Local Government Finance Report (England) 2026-27

5.38 The Proposed Development will prioritise resident wellbeing through the provision of a range of communal amenity spaces. Within the PBSA accommodation, the proposals include residents' lounges, library and workspace provision, co-working areas, private dining facilities and a gym. The refurbishment of Octagon House will also introduce a new internal courtyard and atrium, intended to improve natural light and outlook while creating additional shared amenity space. Collectively, these facilities will provide different environments for studying, social interaction, exercise and relaxation, supporting resident wellbeing and opportunities for community formation within the Proposed Development[51].

5.39 The Proposed Development has also been designed to provide an inclusive and safe environment. The proposals incorporate level access to external and internal doors, accessible lifts serving all levels and nine wheelchair-accessible PBSA studios. Active frontages, natural surveillance, well-lit pedestrian routes and access-controlled entrances are also proposed. These measures indicate that the accommodation and associated amenity spaces will be accessible to a wider range of residents while supporting perceptions of safety and security[52].

5.40 The design of the Proposed Development's new homes will also 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.

5.41 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 environmental sustainability. Indeed, the delivery of high-quality, energy efficient homes is also socially sustainable, contributing to enhanced wellbeing outcomes for residents.

5.42 Beyond the delivery of new accommodation, the Proposed Development adopts a retention-led approach to Octagon House. The Design and Access Statement estimates that retaining and upgrading the existing structure, rather than demolishing and rebuilding it, could avoid c. 3,200 tonnes of CO_2 emissions while returning a long-underused building and Site to active use. This represents a further regeneration benefit associated with the more efficient use of existing built assets[53].

[51] Hodder and Partners (2026) Octagon House, Manchester: Design and Access Statement.
[52] Ibid.
[53] Ibid.

5.43 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 England[54], 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.

5.44 As outlined by further guidance published by the UK Government's Office for Health Improvement and Disparities (OHID)[55], 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).

5.45 Poor housing conditions result in 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.[56] Research commissioned by Shelter[57] 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 identified as a key determinant of health by the NHS Healthy Urban Development Unit (HUDU)[58].

5.46 The above is particularly significant in the context of student housing; 2023 research[59] 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;

[54] The Health Foundation (2020) Health Equity in England: The Marmot Review 10 Years On
[55] Office for Health Improvements and Disparities (2017) Guidance: Improving health through the home
[56] Shelter (2013) People living in bad housing – numbers and health impacts
[57] Shelter (2017) The Impact of Housing Problems on Mental Health
[58] NHS Healthy Urban Development Unit (2019) Rapid Health Impact Assessment Toolkit (4th Edition)
[59] Students Organising for Sustainability (2023) 'Homes Fit for Study' [Online]. Available at: https://www.sos-uk.org/research/homes-fit-for-study

- 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.

5.47 Accommodating students and Key Workers in high-quality new housing means that site-wide energy bills will be relatively low (due to the aforementioned sustainable design measures) and also will be included in rental agreements, thereby also leaving fewer residents at risk of unforeseen financial stresses as a result of rising energy prices.

5.48 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.

5.49 Survey research[60] published by the Russell Group Students Union[61] 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;
- 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. Students who are estranged or care-experienced, who have caring responsibilities or who are disabled are those most likely to report that they have considered leaving university.

[60] 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/

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

5.50 To ensure that the widest possible range of student and Key Worker needs and budgets are met, the Proposed Development will provide a range of room types and price-points.

5.51 Overall, it is considered that the Proposed Development's provision of high-quality new homes will result in positive wider socio-economic outcomes, providing social amenity spaces to support resident wellbeing, contributing towards lower incidence of physical and mental health problems associated with cold and damp housing, and reducing the potential for residents to fall into financial stress.

Public Realm and Placemaking

5.52 The combination of PBSA, Key Worker accommodation, healthcare provision and commercial, community and amenity uses is intended to support activity throughout the year. This mixed-use composition will ensure that the Proposed Development is not solely student-led and will strengthen its relationship with the surrounding healthcare, education and research institutions. Active ground-floor uses and improved pedestrian connections should also contribute towards the Site's integration with the wider Ardwick neighbourhood.

5.53 The Proposed Development will also generate wider place-based regeneration benefits. The design seeks to activate the Site's frontages, reinstate Curzon Street as a landscaped route and introduce new pedestrian connections, tree planting, planting beds and rain gardens. These measures would replace a predominantly hard-surfaced and inward-looking environment with a greener and more accessible setting, improving the Site's relationship with the surrounding neighbourhood for residents, patients, visitors and the wider community[62].

5.54 The public realm proposals will also contribute to the Site's environmental resilience. The drainage strategy incorporates rain gardens, bioretention features and attenuation measures and is expected to reduce surface-water runoff from the new development areas by 50% relative to the existing brownfield rate. The Proposed Development will also secure a 10% biodiversity net gain through a combination of on-site measures and off-site provision[63].

Sustainable and Active Travel

5.55 The design of the Proposed Development will also support access by active and sustainable travel. It incorporates enhanced pedestrian routes through the Site, secure ground-floor cycle storage and new Manchester Bee Network cycle-hire provision on Hathersage Road. In combination with the Site's proximity to major healthcare, education and research institutions, these measures should support access to employment and education without reliance on private car travel[64].

[62] Hodder and Partners (2026) Octagon House, Manchester: Design and Access Statement.
[63] Turley (2026) Octagon House, Manchester: Planning and Tall Building Statement.
[64] Hodder and Partners (2026) Octagon House, Manchester: Design and Access Statement.

Community Benefits and Social Value

5.56 The Applicant proposes to establish a long-term Community Benefit and Social Value Framework, with the detailed framework proposed to be secured through a planning condition. This would include a Community Liaison Group through which residents, community organisations, local representatives and other stakeholders could maintain dialogue with the development team during the construction and operational phases. Potential areas of activity include the promotion of local employment, apprenticeships and training opportunities, support for environmental and public realm improvements, local arts and cultural initiatives and collaboration with groups seeking to enhance community spaces and neighbourhood facilities[65].

5.57 The precise initiatives delivered through the framework will be informed by continuing engagement and local priorities. The framework nevertheless provides a mechanism through which the opportunities generated by the Proposed Development could be translated into benefits for the existing Ardwick community, rather than being limited to future residents. It also provides a basis for ongoing communication regarding matters such as construction disruption, parking and neighbourhood management[66].

5.58 The flexible commercial or community unit also provides an opportunity to deliver a service of direct relevance to the surrounding community. In response to consultation feedback, the Applicant has committed to using reasonable endeavours to secure a healthcare-related or community-serving occupier, with potential uses including community healthcare, NHS-related services and dentistry. The eventual occupier will depend on third-party interest and market demand and cannot therefore be guaranteed. However, the proposed approach indicates that local community benefit will be considered when the space is marketed and occupied[67].

[65] Turley (2026) Octagon House, Manchester: Planning and Tall Building Statement.
[66] Ibid.
[67] Ibid.

6. Conclusion

6.1 This Socio-economic Regeneration Impact Statement has been prepared by Turley Economics on behalf of the Octagon Project in support of the redevelopment of Octagon House and surrounds to create a mixed-use development comprising Key Worker accommodation, purpose-built student accommodation (PBSA), 16 residential units, expanded NHS renal dialysis facilities, amenity space and commercial or community uses.

6.2 The delivery of the necessary housing – including PBSA – is considered by local and city-regional planning and economic policy and strategy to be key towards supporting investment, job opportunities and to grow the local population and economy in Manchester and across the Greater Manchester city region.

6.3 Analysis highlights that the neighbourhood of the Site is one which presently accommodates notably high proportions of people of working-age, many of whom are students. The alignment of the Proposed Development's accommodation offer with existing local demographics, student,Key Worker, and residential accommodation need and Ardwick's employment and resident base demonstrates that the Proposed Development is likely to integrate well with the existing neighbourhood.

6.4 The provision of new housing, particularly of a type that corresponds with local needs, should also be a priority in the locality of the Site in the context of the local neighbourhood's deprivation ranking in terms of key socio-economic issues such as housing accessibility and quality.

6.5 The Proposed Development will contribute positively towards local economic growth ambitions through creating employment opportunities and generating economic output during both construction and operation, whilst also boosting public revenues through payment of Council Tax and Business Rates, contributing towards funding local services and infrastructure in Manchester and the wider city region.

6.6 The city's leisure, hospitality and tourism businesses will also benefit from increased local activity; The Proposed Development's future residents will have considerable purchasing power in the local economy, and will help support growing levels of expenditure locally.

6.7 The delivery of new PBSA could support local ambitions to free up family housing currently occupied by students in the private rented sector, whilst also resulting in a qualitative uplift in housing provision available to students Key Workers, and other residents, improving health and wellbeing outcomes.

Socio-economic and Regeneration Impacts of the Proposed Development

6.8 The socio-economic and regeneration impacts of the Proposed Development are summarised again below:

Construction Phase

6.9 The construction of the Proposed Development has the potential to generate the following socio-economic benefits:

- Attract **significant investment** in construction, directly supporting **520** person-years of employment, equating to an average of **260** FTE gross jobs over 2 years;
- Create an average total **175** direct, indirect and induced net additional FTE jobs for residents of Greater Manchester, including **100** for Manchester residents; and
- Generate **£65.0 million** GVA for the Greater Manchester economy, including **£58.0 million** concentrated in Manchester.

Operational Phase

6.10 The Proposed Development has the potential to generate the following socio-economic benefits once complete and fully operational:

- Accommodate **455** students and **275** key worker and other non-key worker residents;
- Generate **£4.0 million** resident expenditure per annum, a significant proportion of which will be retained locally, supporting businesses in Ardwick, Manchester city centre, neighbouring district centres and across the city region;
- Support capacity for **35** jobs in the retail and leisure sectors as a result of resident expenditure;
- Support **25** new FTE jobs on-site, creating a total **25** direct, indirect and induced net additional FTE jobs for resdients Greater Manchester, including **10** for residents of Manchester;
- Generate **£1.6 million** GVA for the Greater Manchester economy each year, including **£1.2 million** concentrated in Manchester;
- Contribute **£570,000** to public revenues each year through payment of Council Tax and Business Rates, boosting funding for public services and infrastructure in Manchester and across the wider city-region;
- Provide **new, high-quality PBSA, Key Worker and market housing**, which will:
  - Include a range of communal amenity spaces, offering residents opportunities for socialising and relaxation;

  - Incorporate energy-efficiency and other sustainable design measures, ensuring a both healthy living environment for residents and minimising the impact of site-wide energy costs on overall rental prices; and

  - Deliver a variety of room types and price-points to correspond with a wide range of local student and Key Worker housing need.

- Create a mixed-use development supporting activity throughout the year, strengthening links with surrounding healthcare, education and research institutions and helping the Site integrate with the wider Ardwick neighbourhood;

- Enable the retention and reuse of Octagon House, with the potential to avoid c. 3,200 tonnes of CO_2 emissions while returning a long-underused building and Site to active use;

- Provide enhanced active and sustainable travel provision, including improved pedestrian routes, secure cycle storage and new Manchester Bee Network cycle-hire provision on Hathersage Road;

- Public realm and environmental improvements, including new pedestrian connections, landscaping, rain gardens, reduced surface-water runoff and biodiversity net gain; and

- Create a long-term Community Benefit and Social Value Framework, supporting local employment, apprenticeships, training, community engagement, environmental improvements and wider neighbourhood initiatives.

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