

# **Bordon Socio-Economic Benefits Assessment Final Report**

Annington Management Limited

August 2021

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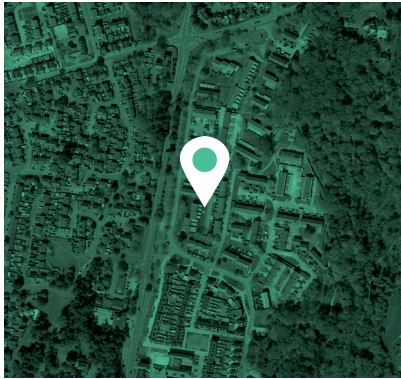
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# The economic benefits of the Bordon development

The development at St Lucia Park, Bordon delivered 200 refurbished homes, as well as green open space and play space. All of which will significantly contribute towards East Hampshire's housing requirements, stimulate economic growth and add to the local authority's revenue.



## The development



**200** Refurbished homes

**Other details:**  
Provision of new green open space and children's play space on site.

## Construction benefits



**£16m**  
Construction value  
(total construction cost)



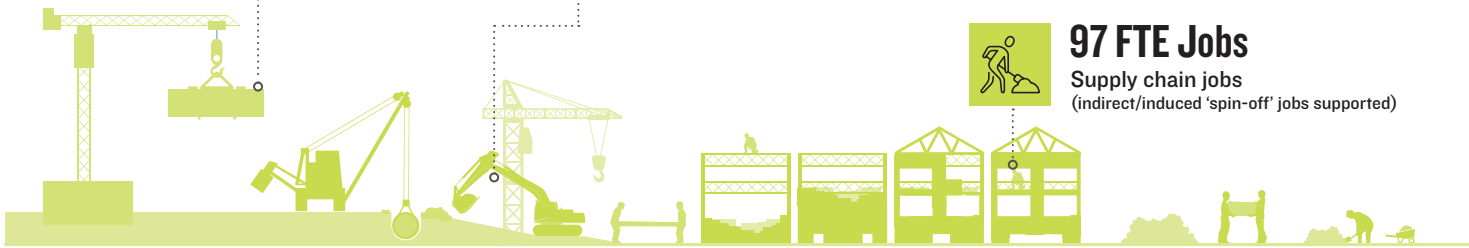
**£14.1m GVA**  
Economic output  
(additional GVA p.a.)



**80 FTE Direct jobs**  
Construction jobs  
(temporary jobs over the 20 month build period)



**97 FTE Jobs**  
Supply chain jobs  
(indirect/induced 'spin-off' jobs supported)



## Operational and expenditure benefits



**£1.1m**  
First occupation expenditure  
(spending to make a house 'feel like a home')



**£7.9m**  
Resident expenditure  
(within local shops and services p.a.)



**15 FTE Supported jobs**  
(from increased expenditure in local area)



**£366,000**  
New Homes Bonus payments  
(over a 1 year period)



**£412,000**  
Council Tax revenues  
(p.a.)

## Wider Economic and Social Value Benefits



Bringing key sites (Ministry of Defence facilities) back into productive use



Supporting a range of opportunities across different trades and skills within the house building industry



Supporting a third of buyers to reach the property ladder as first-time buyers



Delivering high-quality open green space and children's play space



Giving back to the community by donating £10,000 to the Phoenix Theatre & Arts Centre in Whitehill & Bordon

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## 1.0 Introduction

1.1 This report has been prepared by Lichfields on behalf of Annington Management Ltd ('Annington') to assess the socio-economic and regeneration benefits of the residential refurbishment project at Bordon ('the development'), located within East Hampshire District.

### The Development

1.2 The town of Bordon has been home to the British Army at Bordon Camp since 1899 and accommodates a number of Ministry of Defence (MoD) facilities and properties.

1.3 Having acquired 200 MoD Married Quarters residential properties at St Lucia Park, Annington has invested approximately £16 million refurbishing and transforming this poor-quality, redundant housing stock to bring it back into productive residential use. Bordon represents one of Annington's largest refurbishment projects on properties returned by the MoD and was completed in January 2021.

1.4 The location of the site and site plan of the development are shown in Figure 1.1. below. The development consists of 200 residential units, alongside provision of new open space and children's play space.

Figure 1.1 Site Context and Site Plan

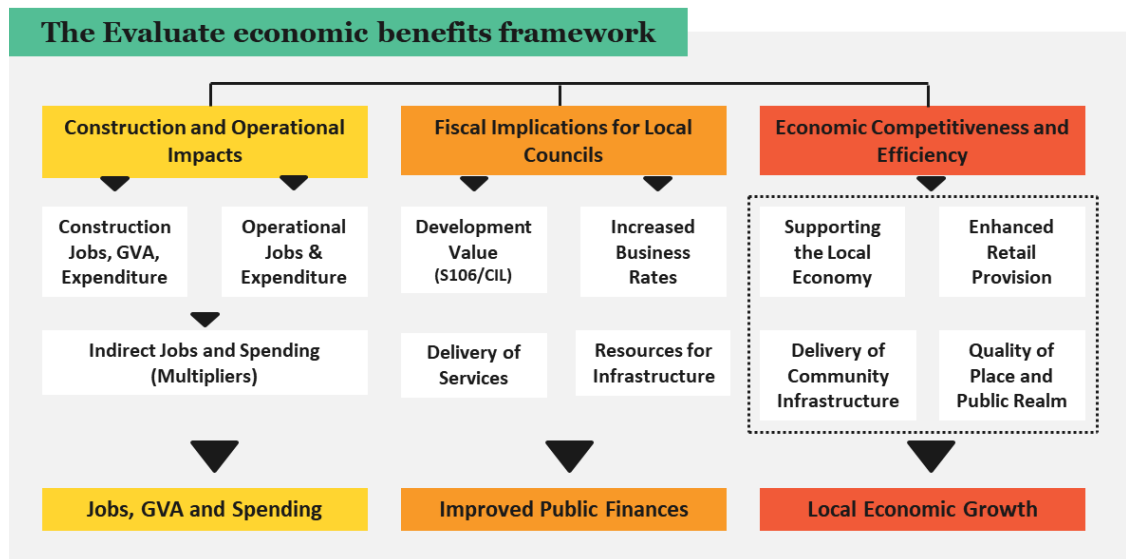


Source: Google Earth (2021), Annington (2021)

## Study Framework

- 1.5 This report draws on the Evaluate methodology developed by Lichfields, which provides an analytical framework for assessing socio-economic impacts arising from new development. This framework, as it relates to the assessment of economic impacts of the Bordon development is shown in Figure 1.2 below.

Figure 1.2 Evaluate Economic Benefits Framework



Source: Lichfields

- 1.6 The economic impact assessment focuses first on the key quantifiable impacts of the development during the construction phase and upon completion, before considering the wider qualitative effects of the role that new development has in the context of supporting economic growth more generally.
- 1.7 For a residential-led refurbishment development, the scale and type of economic impacts are typically determined by:
- The scale of capital investment in the scheme, including any significant infrastructure requirements, which generates employment and economic output during construction;
  - The number of residential refurbishment units included in the development that could generate resident expenditure, thereby, supporting jobs in local shops and services; and
  - The scale of financial benefits that would be generated, e.g. from council tax receipts.
- 1.8 Economic impacts are presented in 'gross terms' and do not account for whether an impact is net additional or would occur in the absence of Annington's investment activities.

## Report Structure

- 1.9 The remainder of this report is structured as follows:
- **Section 2** assesses the economic impacts of the development during construction phase;
  - **Section 3** assesses the operational impacts of the development including resident expenditure impacts and fiscal implications;
  - **Section 4** assesses the wider impacts and social value benefits associated with the development; and
  - **Section 5** draws together overall conclusions.
- 1.10 A glossary of key terms is included at Appendix 1.

## 2.0 Construction Impacts

- 2.1 This section sets out the economic impacts arising from the construction phase of the refurbishment development at Bordon. The key impacts relate to new employment opportunities and additional economic output that have been generated over the duration of the construction phase.

### Direct Employment

- 2.2 The construction cost of the refurbishment development is estimated to be around £16 million over a build period of 20 months, equating to 1.7 years. According to Annington, approximately **80 direct FTE construction staff** were supported annually over the construction phase. As construction is made up of many discrete elements of work undertaken by specialists (e.g. bricklaying, carpentry, plumbing, electricians etc.), the number of workers on site will inevitably fluctuate during different periods of the construction phase.
- 2.3 The construction industry is a major source of employment at both the national and local level and offers a range of opportunities across different trades and skills. As such, the 80 direct FTE construction jobs supported by the scheme would have had a beneficial impact on the local workforce and economy of Bordon and East Hampshire, by providing new employment opportunities including at entry level.

### Indirect and Induced Employment

- 2.4 Construction involves acquisitions from a number of suppliers, who in turn purchase from their suppliers through the supply chain. The relationship between the initial direct spending and total economic effects is known as the 'multiplier effect', which demonstrates that an initial investment can have much greater indirect effects as this spending is diffused through the economy.
- 2.5 In addition, local businesses would be expected to benefit to some extent from a temporary increase in expenditure from the direct and indirect employment effects of the construction phase at Bordon. Although only a proportion of these benefits would be felt in the local area, it would be expected that the local economy would gain a sizeable temporary boost from the wage spending of workers in shops, bars and restaurants, and other services and facilities. Such effects are typically referred to as 'induced effects.'
- 2.6 Research undertaken on behalf of the National Housing Federation indicates the construction industry has an indirect and induced employment multiplier of 2.21<sup>1</sup>. Applying this multiplier to the 80 direct construction FTE jobs per annum indicates that an **additional 97 FTE jobs** would have been supported by the refurbishment development in sectors across the regional economy. This results in a total of 177 construction FTE jobs during each year of construction.

### Economic Output

- 2.7 The construction phase of the refurbishment development will also have contributed to local economic output, as measured by Gross Value Added (GVA). GVA is a measure of the difference between what is produced as output (goods and services) and the inputs (raw materials, semi-finished products etc.) used in the production of those outputs. It represents the additional value that is added through economic activity.

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<sup>1</sup> Indirect and Induced employment has been calculated using an employment multiplier of 2.21 sourced from the National Housing Federation (2019); This implies that per direct job generated a further 1.21 induced jobs are supported in the supply chain across the wider South East



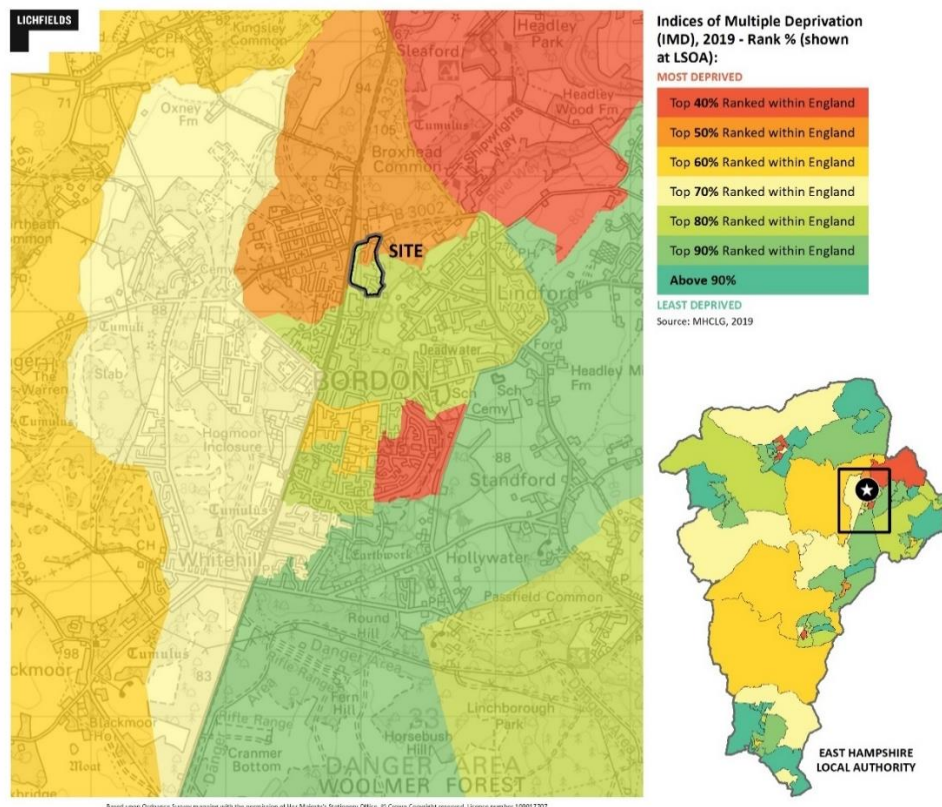
2.8 Based on Experian data, the construction sector generates an average GVA per worker of £79,731 per annum in the South East<sup>2</sup>. Applying this to the direct employment impact of the scheme (as derived above), it is estimated that the direct construction activity would have generated £6.4 million of direct GVA and an additional £7.7 million of indirect and induced GVA during each year of construction<sup>3</sup>. This equates to around **£14.1<sup>4</sup> million direct, indirect and induced GVA** in total per annum. It should be noted that not all of this will have been retained locally.

### Supporting the Local Economy

2.9 The combination of these construction job opportunities, economic output and wage spending would have had a beneficial impact upon the local area surrounding the development.

2.10 Figure 2.1 below shows relative levels of deprivation within East Hampshire and the town of Bordon measured by the latest Indices of Multiple Deprivation (IMD), which draws together a series of datasets to rank areas across seven sub-domains of deprivation, ranging from access to health services to income levels<sup>5</sup>. These categories are combined to produce an overall deprivation rank for each local authority in England. The IMD 2019 identifies that out of all 317 local authorities in England, East Hampshire is 285<sup>th</sup> most deprived (where 1 is most deprived), which ranks it among the 10% least deprived authorities nationally.

Figure 2.1 Indices of Multiple Deprivation (2019): Bordon and East Hampshire



Source: IMD (2019) / Lichfields analysis

<sup>2</sup> Experian, Gross Value Added (2021)

<sup>3</sup> Indirect and induced GVA has been calculated using a GVA multiplier of 2.22 from a report by CEBR for the National Housing Federation (2019)

<sup>4</sup> Numbers may not sum due to rounding

<sup>5</sup> Ministry of Housing, Communities and Local Government (MHCLG), Indices of Multiple Deprivation (2019)

- 2.11 Despite this overall rank, there is some variation across the 72 Lower Super Output Areas (LSOAs) within the District. For instance, there are six LSOAs ranked amongst the 40% most deprived nationally. The LSOA in which the site is located (East Hampshire 004C) is ranked as one of the least deprived, while the LSOA immediately to the north of the site is comparatively more challenged in terms of socio-economic deprivation.
- 2.12 The IMD data also shows that the LSOA containing the site is more deprived in some sub-domains of the IMD including barriers to education and levels of crime. This suggests that access to skills and training may be an issue facing some local residents, whilst Annington's investment of c.£16 million to transform the local residential neighbourhood will have considerably improved the overall quality of place and environment for local residents.

## 3.0 Operational Impacts

3.1 This section assesses resident expenditure and fiscal impacts generated by the refurbishment development once complete and occupied.

### ‘First Occupation’ Expenditure

3.2 Research suggests that the average homeowner spends approximately £5,500 to make their house ‘feel like home’<sup>6</sup>. This money is normally spent on furnishing and decorating a property, generating a range of economic benefits for the local economy, including by supporting indirect and induced jobs within local businesses.

3.3 By applying this average level of one-off spending on household products and services to the 200 refurbished dwellings, it is estimated that the new residents at Bordon would collectively generate **£1.1m of first occupation expenditure**. This injection of resident spending within the local economy would help to sustain local businesses and support **two additional FTE jobs** in the local area, thereby, increasing local employment opportunities.

### Ongoing Resident Expenditure

3.4 For developments with residential units, one of the key economic impacts is the increase in local expenditure that is generated by new or refurbished households attracted to the area. The scale of this impact is determined by the expenditure patterns of residents, and the extent to which residents of the new housing move into the area from elsewhere.

3.5 Analysis of Output Area Classifications indicates that housing areas within the Bordon area surrounding the development site are largely dominated by households in the ‘urbanites’ socio-economic classification group<sup>7</sup>. It is anticipated that the new households accommodated within the refurbished market housing would broadly fall within the same type of household group.

3.6 The ONS Family Spending Survey 2019 (2020 edition) provides data on household spending by socio-economic classification<sup>8</sup>. This indicates UK average spending levels of £636.70 per week for households in the ‘urbanites’ group. Spending by South East households is 19.3% higher than the UK on average, resulting in an average expenditure figure for ‘urbanites’ households of £759.58 per week. Based on these assumptions, it is estimated that residents of the Bordon refurbishment development generate total gross expenditure of around **£7.9 million per annum**.

### Net Additional Expenditure

3.7 It is recognised that not all residents of the refurbishment development will be ‘new’ to the local area, as some would have moved from elsewhere within East Hampshire and further afield. National research provides standards on the average distance moved between a head of the household’s present and previous residential address, which can be used to estimate the share of residents of the scheme that may be new to the locality.

3.8 In addition, only a proportion of the gross expenditure by new residents of the refurbished housing will be retained within the District. Based on retail expenditure retention rates set out in the District’s latest Retail and Main Town Centre Uses Study<sup>9</sup>, it is estimated that 28% of comparison and convenience goods spending will be retained within the District. This takes

<sup>6</sup> Research carried out by OnePoll surveying around 2,000 UK adults in August 2014 (<http://www.barratthomes.co.uk/the-buying-process/home-buying-advice/10-Year-Warranty-Terms-andConditions/>)

<sup>7</sup> ONS, 2011 Area Classification for Output Areas

<sup>8</sup> ONS, Family Spending Survey (2019)

<sup>9</sup> Lichfields, East Hampshire Retail and Main Town Centre Uses Study (2018)

account of existing shopping patterns in the local area, which show that a proportion of retail expenditure 'leaks' to other retail destinations outside of the District.

- 3.9 Taking these factors into account, it is estimated that total net additional spending generated by the new residents at Bordon equates to **£1.6 million per annum**. This ongoing, additional spending will support the vitality and viability of local firms and could encourage other businesses to move to the local market as well as supporting the functioning of local town centres. As this additional expenditure is likely to go towards a wider range of products and services than the first-occupation expenditure noted above, it is estimated that this supports a further **15 FTE jobs** in retail, leisure, hospitality, catering and other local service sectors.

### New Homes Bonus

- 3.10 The New Homes Bonus was introduced in 2011 to provide an incentive for local authorities to encourage housing growth in their areas. It initially matched for a six-year period the increase in Council Tax income from new homes or homes brought back into use. Following consultation by the Government in 2017/18, changes were implemented to reduce the number of years the Bonus is paid to 5 years in 2017/18 and 4 years from 2018/19. This has subsequently reduced to a one year payment. A baseline of 0.4% growth of housing stock was also introduced, below which the Bonus would not be paid.
- 3.11 Under the New Homes Bonus scheme, East Hampshire Council will have benefitted from additional funding provided by the Government for the delivery of the 200 refurbished dwellings at Bordon which were completed in January 2021. Using standard methods of calculation as contained within the Ministry of Housing, Communities and Local Government (MHCLG) NHB calculator<sup>10</sup>, it is estimated that the refurbishment project would have generated approximately **£366,000 of New Homes Bonus payments** over a one-year period.

### Council Tax Payments

- 3.12 The refurbishment development will have generated an increase in local Council Tax receipts through bringing redundant and vacant housing stock back into productive use. This will provide an ongoing, additional boost to the revenue base of East Hampshire District Council, over and above the short term impact of the New Homes Bonus payments noted above.
- 3.13 Based upon the levels of Council Tax levied by the local authority in the 2021/22 financial year<sup>11</sup>, it is estimated that the refurbishment development will generate around **£412,000 per annum** in additional Council Tax payments in perpetuity.

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<sup>10</sup> MHCLG, New Homes Bonus Calculator (2018)

<sup>11</sup> East Hampshire District Council, Council Tax Bands 2021/22

## 4.0 **Wider Economic and Social Value Benefits**

4.1 This section considers and assesses some of the more qualitative impacts and benefits supported by the refurbishment project at Bordon and wider outcomes associated with investing in new housing and bringing under occupied homes back into productive use.

### **Enhancing Place Competitiveness and Local Economic Development**

4.2 A well-functioning housing market is considered important for an area to remain competitive and attractive to business and economic activity, which in turn will drive the economic growth the country needs. Another indirect effect that housing can have upon the economy is through its longer-term impact on the perceived competitiveness of specific locations and the costs of mitigating the social and environmental problems associated with poor or insufficient housing.

4.3 In areas of high economic growth and high labour demand it is crucial that the supply of workers is not inhibited by a constrained supply or availability of housing. The problem of housing affordability has the potential to have a negative impact on the ability of competitive locations that provide unique productivity opportunities to the UK to remain competitive.

4.4 The East Hampshire Local Plan<sup>12</sup> sets a housing target of 10,060 dwellings in the period 2011 to 2028 equating to c.590 homes per annum. The Council's emerging Draft Local Plan<sup>13</sup> identifies a requirement for a minimum of 10,456 homes between 2017 and 2036, to be delivered through an annual housing requirement of 508 homes between 2017-2028 and 608 homes between 2029 and 2036. The Draft Local Plan also states that additional housing will be focused at Whitehill & Bordon. The Bordon development has delivered 200 refurbished housing units to the local market, in doing so playing an important contribution to meeting the local authority's housing needs.

### **Quality of Place**

4.5 Open spaces provided within housing developments generate opportunities for local residents to undertake recreational activities, contributing to improved physical health, fitness, mental health and wellbeing. A high-quality environment also provides opportunities for social interaction between people of different communities, fostering social inclusion and community development.

4.6 The East Hampshire Open Space Assessment<sup>14</sup> states that within the Bordon Sub-Area there is a total of 919.43 ha of open space, of which 79% is natural or semi natural green space, 4% local parks or gardens, 1% amenity green space and 0.1% children or young people space. Most of the open space in the area is attributed to natural or semi natural green space, whilst very little space is attributed to dedicated play provision, therefore failing to meet the proposed standards of at least 0.25ha per 1,000 head of population for equipped/designated play areas.

4.7 The refurbishment at Bordon has re-designed the existing play area and green spaces previously in a state of dilapidation, making a positive contribution towards open space provision within the town, particularly given the area's overall lack of children's play provision and amenity green space.

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<sup>12</sup> East Hampshire District (2014), Adopted Local Plan- Joint Core Strategy

<sup>13</sup> East Hampshire District (2019), Draft Local Plan 2017-2036

<sup>14</sup> East Hampshire, Open Space Assessment (2018)

## Supporting First-Time Buyers

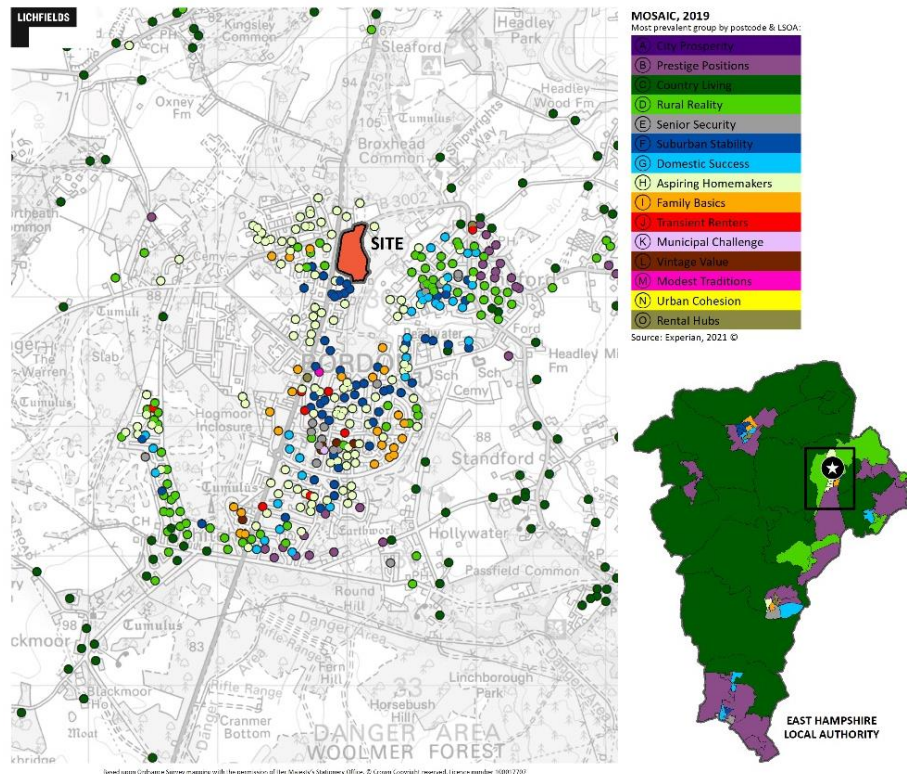
- 4.8 House price and affordability data for East Hampshire shows that the District has a housing market that is generally reflective of the South East average. In 2020, the median house price in the District was £370,000, which was higher compared to £327,500 across the South East and £249,000 in England. House prices in the last 10 years have increased significantly in East Hampshire, by 42.3% since 2010, exceeding equivalent rises across the region and country.
- 4.9 Affordability ratios assess the relationship between lower quartile house prices and lower quartile earnings. Based on ONS data, the resident-based affordability ratio for the District was 10.51 in 2020 compared to 10.09 and 7.15 for the South East and England respectively<sup>15</sup>. This indicates that the issue of housing affordability is particularly acute for the District's residents.
- 4.10 The refurbished homes at Bordon provide a significant opportunity for the area's younger buyers to get on the property ladder. Of the 200 refurbished units, 132 units have been sold on the open market and are now fully occupied, 50% of which having been sold to buyers aged 20-30 years old; 35% sold to 30-50-year olds and 15% sold to 50-year-olds and above. Over a third of new home owners (38%) are first time buyers. The remaining 68 units have been let to individuals on an assured shorthold tenancies (AST) basis.
- 4.11 Analysis of the demographic characteristics surrounding the site using Experian's Mosaic profiling data (see Figure 4.1) highlights the prevalence of the 'Aspiring Homemakers' and 'Suburban Stability' demographic group in proximity to the site<sup>16</sup>. Members of the 'Aspiring Homemakers' group tend to be younger households who have, often, only recently set up home. They usually own their homes in private suburbs, which they have chosen to fit their budget. Members of the 'Suburban Stability' group meanwhile tend to typically be mature couples or families, some enjoying recent empty-nest status and others with older children still at home.

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<sup>15</sup> ONS, The Ratio of House Prices to Residence Based Earnings (2019)

<sup>16</sup> Experian, MOSAIC (2021)

Figure 4.1 Demographic profile around the site



Source: Experian 2021 / Lichfields analysis

4.12 As shown above, the demographic profile of residents matches with the Experian Mosaic demographic of the surrounding residents. This showcases the development’s positive impact on the area’s younger buyers through dedicated provision of relatively affordable housing. The surrounding area of the development is primarily occupied by ‘aspiring homemakers’, a group which can be particularly susceptible to local issues of housing affordability.

### Reusing Brownfield Land

4.13 Brownfield land (i.e. land that has been previously developed) has a vital role to play in meeting the country’s needs for new homes while protecting the countryside. This is particularly important in those areas of the country that face the challenge of a constrained supply of land for development. Annington’s development at Bordon repurposes a significant quantum of redundant MoD accommodation, investing c.£16 million in refurbishing 200 units to meet the modern housing needs of civilians and local residents.

### Delivering “Real” Jobs and Economic Value

4.14 The housing sector is a major source of national employment, with construction supporting more jobs compared with investment in many other sectors of the economy, because it supports a large amount of related activity such as concrete production, and glass and brick manufacturing.

4.15 It is sometimes claimed that house building does not generate ‘real’ jobs and economic value, perhaps because – at an individual site level – employment and output is perceived as relatively transient. Nevertheless, the industry does support real, permanent employment opportunities – jobs are transferred from site to site as new housing is delivered and not tied to a permanent position at one specific location.

- 4.16 The house building industry (and construction industry more widely) also provides a crucial labour market entry point for young, lower skilled workers and those moving out of unemployment. There are also significant parts of the country's economy and employment base that benefit more indirectly from house building and the value of consumption and spending generated by residents of new homes. As new residents spend money on goods and services in the local economy, this can have a positive impact on other sectors of the economy such as retail and leisure which depend upon consumer spending to sustain and grow and generate local employment opportunities (as outlined in the previous chapter).

### **Supporting Labour Market Mobility**

- 4.17 Housing can have a positive impact on the national and local economy through its relationship with labour market mobility. A healthy, well-functioning labour market requires a good supply of housing that is affordable for local people to enable them to move jobs freely and match up skills supply with employer demand, supporting their ability to achieve their economic potential. Whilst the relationship between labour market flexibility and housing is a complex one, in general terms a dysfunctional housing market (and shortage of housing in the right place, of the right type) can inhibit labour market mobility (particularly for lower and intermediate level skills) and in turn stifle economic and productivity growth. Housing supply issues can also have a fundamental impact on the quality of life of individuals and households, including educational attainment and health.

### **Sector Skills and Employability**

- 4.18 Housing refurbishment projects such as this one at Bordon offer a range of employment and training opportunities across different trades and skills sets from bricklaying and carpentry through to plumbing and maintenance. The scheme will have had a beneficial impact on the local workforce providing a range of opportunities for a range of skill sets as part of the temporary on-site employment generated by the development.

### **Investing in Community Facilities**

- 4.19 As part of Annington's community initiatives and wider activities, a £10,000 donation has been provided to the Phoenix Theatre & Arts Centre in Whitehill & Bordon, Hampshire. This was well received by locals as a vital injection of funding has allowed the community-focused theatre to complete essential electrical works, in order to allow the Theatre to reopen its doors on the 1<sup>st</sup> of June to launch a Festival of Film.
- 4.20 The theatre is an important arts venue and community asset in Hampshire, which over the years has hosted numerous famous faces and provides a vital space for local charities and community groups. The Theatre was forced to close in March 2020 due to Covid-19 and has then begun a much-needed essential maintenance programme of the Edwardian building in which it is housed. However, as work progressed, significant issues with the theatre's electrical system came to light and with no surplus find available.
- 4.21 The donation from Annington means that the theatre has been able to complete the electrical work. Surplus funding has been spent on installing a new dance floor as well as covering the costs of fully redecorating the auditorium plus two additional studios. Alongside being a centre for arts activities, the studios will be available for community use, and has already been earmarked as a location to provide first aid courses, with one studio becoming the regional base for a local care centre group.



## **Future Pipeline**

- 4.22 Following completion of the refurbishment project, planning work is currently underway for the next phase of refurbishment works to another sizeable release of properties from the MoD at Bordon. Work is due to start in October 2021 subject to the necessary planning consents. This additional development offers further opportunities to support local economic growth and regeneration, over and above the benefits and impacts described in this report.

## 5.0 Conclusions

- 5.1 The residential refurbishment project at Bordon represents a large-scale investment into creating sustainable economic growth and communities in the local area. The development has successfully delivered a sizeable quantum of new housing stock to the local market, generating a range of economic impacts that benefit the Bordon Town area and wider East Hampshire.
- 5.2 Some of the more quantifiable economic impacts of the refurbishment development include:
- 1 Supporting approximately 80 direct FTE construction jobs during each year of construction at a range of skill levels;
  - 2 Supporting a further 97 jobs in services and other businesses from the wage spending of construction workers and supplier sourcing;
  - 3 Generating £6.4 million direct GVA and £7.7 million indirect and induced GVA per annum from the construction phase of the refurbishment development;
  - 4 Helping to deliver a significant boost to the local economy by generating ‘first occupation expenditure’ of £1.1m on goods to make each dwelling ‘feel like a home’;
  - 5 Generating £7.9 million of expenditure per year in shops and services, of which £1.6 million each year is estimated to be retained in East Hampshire, supporting 15 FTE jobs; and
  - 6 Delivering £366,000 of New Homes Bonus payments; £412,000 of Council Tax receipts per annum; and £10,000 donation to the Phoenix Theatre & Arts Centre.
- 5.3 As well as these quantitative impacts, the refurbishment development has also generated a range of less tangible benefits including providing new affordable homes for local people; helping meet housing supply challenges in Bordon and East Hampshire; supporting young buyers to access the property ladder; supporting community projects and assets such as the Phoenix Theatre & Arts Centre; contributing to the re-designing and revitalisation of the existing open and play space in the local area and making a significant contribution to the wider economy.

## Appendix 1 Glossary of Key Terms

### **Evaluate**

Lichfields' proprietary methodological framework for assessing the economic benefits arising from new development.

### **Full Time Equivalent (FTE)**

The number of equivalent employees working full-time. One FTE is equivalent to one employee working full-time.

### **Gross Impacts**

An estimate of the total effect of an intervention before any consideration is given to the proportion of effects that are net additional.

### **Gross Value Added (GVA)**

Gross Value Added is the amount of wealth created by a company, calculated as net sales less the cost of bought-in goods and services. This information can be aggregated up to provide average GVA per employee by sector.

### **Indirect and Induced**

Impacts supported by additional spending effects in an area as contractors/suppliers and workers directly benefiting from an intervention purchase goods and services from local providers.

### **Multiplier Effects**

Further economic activity (jobs, expenditure or income) associated with additional local income, local supplier purchases and longer-term effects.

### **New Homes Bonus**

The New Homes Bonus is a grant paid by central government to local councils for increasing the number of homes and their use. It is based on the amount of extra Council Tax revenue raised for new-build homes, conversions and long-term empty homes brought back into use. A premium is payable on affordable units.

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