

**Bedford Borough Council, Levelling up Fund Support**

60659865 - MHA PSP3 BED LUF Bid Support

Final Report: Economic Impact Assessment to inform Value for Money  
Regeneration Project

(Active Travel Project is assessed using DfT's AMAT - Active Mode Assessment Toolkit)

	Name	Date
Developed	Gregory Openshaw	16th June 21
Reviewed	Xenia Karekla	16th June 21
Approved	Jameel Hayat	17th June 21

**Introduction and Objective**

This spreadsheet sets out the inputs, assumptions and calculation of potential monetised impacts arising from the Regeneration Project. The information supports the BBC wider LuF Bid and Project specific question responses.

All inputs, which can be adjusted made in green cell

**Impacts assessed and monetised**

The following impacts have been monetised:

1 Land value uplift arising as a result of	1) the renewal and re-purposing of Saxon Centre Office Building; 2) the improvements to Saxon Centre Plaza (public realm); and 3) the release of existing land currently used for GP surgeries through the development of a new Health Hub.
2 Rental income at Saxon Centre Office Building	The potential income of the Saxon Centre Office Building has been calculated, with the operational and maintenance costs netted off.
3 Employment impacts (direct and multiplier)	The potential for the new office and co-working space to support employment growth.
4 Wider impacts (crime and affordable housing)	The potential reduction in crime which could come about through investment in places and spaces - Saxon Centre Office Building and Plaza as a focal point for the town centre, and making best use of the key public assets - the Police Operation Division - conversion to health hub.

**Impacts not assessed, though recognised to be potentially significant**

In addition to the benefits monetised in this spreadsheet, there will be other benefits that the Regeneration and Active Travel Project will produce, which have not been captured in this monetised assessment. These are:

	Commentary	Likely effect (professional judgement)
<b>Saxon Centre Office Building - office and co-working space</b>		
Construction employment (temporary impact)	Redevelopment of Saxon Centre Office Building will involve investment and generate job opportunities for Bedfordshire residents.	Short term, temporary
Taxation, such as Business rates and Income tax	The Saxon House employment space (for office users including start ups) will support local businesses and therefore potential for increased business rates and income tax. There are likely to be some additional productivity gains for businesses using the Saxon Centre Office Building through its flexible working arrangement, business support and potential collaboration opportunities with local education providers (Bedfordshire University for instance).	Long term, positive
Productivity gains for local businesses		Long term, positive
<b>Saxon Centre Office Building community space</b>		
Community activities	The new high quality community space will provide opportunities to meet and hold activities which will strengthen community interaction and capacity building.	Long term, positive
<b>Saxon Centre Plaza</b>		
The revitalised public space will provide a significantly improved urban space for people to meet and relax. It will be a focal point for the town and is expected to :	Act as a focal point for people to meet and relax whilst in Kempston, which will improve community links and help foster a sense of civic pride and belonging.	Long term, positive
	Increase dwell time, as people have somewhere to relax. This could lead to increased spend.	Long term, positive
	Provide an improved space for community events and other related activities including the regular market. This will increase potential for local spending and support local businesses.	Long term, positive
<b>Health Hub</b>		
Health benefits from the new Health Hub	Enabling works will help provide the right conditions for the Health Hub to come forward, and by doing so will support:  - Higher provision capacity and potential to expand capacity in line with future growth - New health facilities and equipment - Potential for improved treatment - Potential for net land value uplift of the wider proposed Health Hub site, for example through use instead of vacancy / dereliction, or other uses.	Long term, positive Long term, positive Long term, positive Long term, positive
<b>Additional spend from footfall increase</b>		
Increase in footfall in Kempston town centre	The Regeneration Project (and Active Travel) will support the potential for additional footfall and spend on the Kempston highstreet. Additional spend has not been calculated due to forecasting robustness and data quality, e.g. the potential net additional increase in town centre trips as a consequence of the two projects, and spend. However, it is anticipated to be positive. Local spend by new jobs supported by Saxon House have been taken into account in the multiplier effects calculation of GVA uplift.	Long term, positive

There will be other additional impacts which the project will generate, but these are the main ones.

End

## Summary of Monetised Benefits and BCR

Price base 2021 to 2010

### Regeneration Project

#### Central estimate

Present Value Benefits (PVB)

Present Value Costs (PVC)

Benefit to Cost Ratio (BCR = PVB / PVC)

Net Present Social Value (NPSV = PVB-PVC)

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#### Sensitivity

1)

GVA - LOW

Cost inflation - HIGH

Present Value Benefits (PVB)

Present Value Costs (PVC)

Benefit to Cost Ratio (BCR = PVB / PVC)

Net Present Social Value (NSPV = PVB-PVC)

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#### Sensitivity

2)

GVA - HIGH

Present Value Benefits (PVB)

Present Value Costs (PVC)

Benefit to Cost Ratio (BCR = PVB / PVC)

Net Present Social Value (NSPV = PVB-PVC)

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If change to 2021 then write '2021 to 2021'

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	<b>NPV over appraisal period (£)</b>
Land value uplift from Saxon House, public realm and Health Hub	£588,281
Employment impacts (direct and multiplier)	£5,876,455
Wider impacts (crime and affordable housing)	£410,726
Rental income (net of operating costs, Saxon House)	£52,510
Total PVB	£6,927,972
Inc. risk, contingency, OB, and indirect taxation correction	£5,002,590
	<b>1.385</b>
	£1,925,382

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Low

	<b>NPV over appraisal period (£)</b>
Land value uplift from Saxon House, public realm and Health Hub	£588,281
Employment impacts (direct and multiplier)	<b>£4,407,342</b>
Wider impacts (crime and affordable housing)	£410,726
Rental income (net of operating costs, Saxon House)	£52,510
Total PVB	£5,406,349
Inc. risk, contingency, OB, and indirect taxation correction	£5,002,590
	<b>1.1</b>
	£403,759

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High

	<b>NPV over appraisal period (£)</b>
Land value uplift from Saxon House, public realm and Health Hub	£588,281
Employment impacts (direct and multiplier)	<b>£7,345,569</b>
Wider impacts (crime and affordable housing)	£410,726
Rental income (net of operating costs, Saxon House)	£52,510
Total PVB	£8,344,576
Inc. risk, contingency, OB, and indirect taxation correction	£5,002,590
	<b>1.7</b>
	£3,341,987

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2010	Discounts to	Discounts to
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**£(m)**  
0.59  
5.88  
0.41  
0.05  
6.93  
5.00  
1.4  
1.93





**Employment Impacts**

**All input assumptions in green cells**

Saxon House		Price base conv.	
Building sqm NIA	Ground floor = community space First floor = office and serviced Second floor = serviced and co-working		732.16 228.70 251.73 251.73
Densities 1 FTE: sqm NIA	Ground floor First floor Second floor	0 12 15	
Jobs based on area densities	Ground floor First floor Second floor Total		. 21 17 38
Assumed utilisation rate (long term average)		50%	19
Operational employment including operation of community space, FTE		4	
Employment generation	Operational Deadweight Leakage Displacement		0
		25% Low 50% Medium	
	Substitution Multiplier	0% None 1.5 Medium, regional	

Source:  
 Employment Densities HCA, (2015), *Employment Densities Guide: Third Edition*.  
[https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/48413/employment\\_density\\_guide\\_third\\_edition.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/48413/employment_density_guide_third_edition.pdf)  
 Leakage, Displacement and Multipliers HCA, (2014), *Additional Density Guide: Fourth Edition*.  
[https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/31817/additional\\_density\\_guide\\_2014\\_full.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/31817/additional_density_guide_2014_full.pdf)

Job impacts - collaboration and co-working space	Total	Local	Elsewhere
Gross Direct Employment	23	17	6
Displacement	11	8	3
Net Direct Employment	12	9	3
Indirect & Induced Employment	6	4	2
Total Employment	18	13	5
<b>Total Employment with operational roles - LOCAL</b>		13	
Average GVA FTE, 2016	<b>£23,895</b>		
Rebase as 2021 values	2016 to 2021 110%	£26,292	
Deflator to 2010 (E010/11)	2021 to 2010 82%	£21,610	
<b>Total GVA (incl operational emp) at 2009/10, Local area only</b>		£380,935	
<b>Total Employment with operational roles - ALL</b>		£388,987	
Sensitivity test (2009/10 base)			
	Low	25%	£16,208
	High	25%	£27,013
Total GVA (incl operational emp) at 2009/10, LOCAL only	Low		£210,701
Total GVA (incl operational emp) at 2009/10, LOCAL only	High		£351,169
<b>Total Employment with operational roles - ALL</b>		18	
Average GVA FTE, 2016	<b>£33,895</b>		
Rebase as 2021 values	2016 to 2021 110%	£36,292	
Deflator to 2010 (E010/11)	2021 to 2010 82%	£28,610	
<b>Total GVA (incl operational emp) at 2009/10, Local area only</b>		£388,987	
Sensitivity test (2009/10 base)			
	Low	25%	£16,208
	High	25%	£27,013
Total GVA (incl operational emp) at 2009/10, local area only	Low		£291,741
Total GVA (incl operational emp) at 2009/10, local area only	High		£486,234

Source  
<https://www.ons.gov.uk/economy/grossvalueadded/gva/datasets/regionalgrossvalueadded/adjustedbylocalauthorityintheuk>  
 Potentially some collaboration productivity benefits but unclear which types of businesses will use the same so assume none.

**Health Hub**  
 Job Impacts  
 Assume none (all transferred from existing GP surgeries)

**Assumption**

Average of 'co-working space', in Table 'Comparison of Densities 2015 to 2010', Density 2015 sqm (10-15sqm) Employment Densities Guide  
 Assume no employment supported. This may be space for ad hoc use. Jobs assumed to support this space / Saxon Centre.  
 Employment Density Guide  
 Employment Density Guide

Note: Bedford Lab - <http://www.bedfordlab.com/>, Bedford Borough Council run, are Covid was generally at between 90-95% occupancy. Now around 75%. And email from PL to GO 06/06/21  
 Support roles - includes support for community space. Assume low. Employment density guide indicates visitor / cultural space could be between 1FTE to 30-300 sqm. Assume open 7 days per week and from more than a standard shift i.e. 8am to 10pm, and so the opening time equates to more than one FTE per day

Derelict - no jobs on site  
 Low leakage (conservative assumption - impacts likely to be retained within Kempston / Bedford area)  
 Low displacement:  
 Assume that those seeking start up space will be using other spaces in Bedford / wider area or space in homes / cafes etc  
 Assume that a proportion of those using the space will be from existing businesses  
 Assume none  
 Low composite multiplier, primarily because small scale urban. There are collaboration opportunities with links to University and college)

**From Additionality Guide**  
 4.2.6 Ready reckoner

Leakage effects can be assessed as follows:

Level	Description	Leakage
Low	10% of the benefits go to people living in the target area/region	10%
Low	The majority of benefits will go to people living within the target area/region	10%
Medium	A reasonably high proportion of the benefits will be retained within the target area/region	25%
High	A majority of benefits will go to people living outside the area of responsibility of the local authority	50%
High	A majority of benefits will go to people living outside the area of responsibility of the local authority	75%
High	A majority of benefits will go to people living outside the area of responsibility of the local authority	100%

PL email to GO 06/06/21

Note: This is for the local area only, i.e. net of leakage

Reduced GVA eq. Assuming say starts up stage of commercialisation and are returning lower levels of GVA  
 Higher test (e.g. assuming more potential for collaboration and positive impact of business support learning)  
 Note: This is for the local area only, i.e. net of leakage  
 Note: This is for the local area only, i.e. net of leakage

Note: This is for the local area only, i.e. net of leakage

Reduced GVA eq. Assuming say starts up stage of commercialisation and are returning lower levels of GVA  
 Higher test (e.g. assuming more potential for collaboration and positive impact of business support learning)  
 Note: This is for the local area only, i.e. net of leakage  
 Note: This is for the local area only, i.e. net of leakage

**4.3.6 Ready reckoner**

In the absence of specific local information the level of displacement can be assessed as follows:

Level	Description	Displacement (other)
Low	No jobs displaced/offset	0%
Low	Jobs are displaced to some displacement units, although not directly	25%
Medium	A proportion of jobs are displaced	50%
High	A high level of displacement is expected to occur	75%
High	All jobs are displaced/offset	100%

**4.5.6 Ready reckoner**

The ready reckoner values below express general ranges of the very local neighbourhood level and the regional level. The following range of multiplier values can be used:

Level	Multiplier	Composite multiplier (Regional level)	Composite multiplier (Local level)
Low	1.00	1.00	1.0
Medium	1.5	1.5	1.5
High	2.0	2.0	2.0

Source: Bedford Lab, 2016, 2017, 2018



**Employment (GVA) Impacts Calculation**

		Years																																						
		0	0	0	0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32			
For inflation		0	0	0	0	0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32		
For appraisal		0	0	0	0	0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32		
Calendar yr		2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053			
Fin yr		2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35	2035/36	2036/37	2037/38	2038/39	2039/40	2040/41	2041/42	2042/43	2043/44	2044/45	2045/46	2046/47	2047/48	2048/49	2049/50	2050/51	2051/52	2052/53	2053/			
<b>All Employment only (i.e. not incl. leakage)</b>																																								
<b>Central</b>																																								
Employment	DS	Price base 2021 to 2010	£388,987																																					
		Background growth factor	1.50%	100.00%	100.00%	100.00%	100.00%	101.50%	103.02%	104.57%	106.14%	107.73%	109.34%	110.98%	112.65%	114.34%	116.05%	117.79%	119.56%	121.36%	123.18%	125.02%	126.90%	128.80%	130.73%	132.70%	134.69%	136.71%	138.76%	140.84%	142.95%	145.09%	147.27%	149.48%	151.72%	154.00%	156.31%	158.65%		
		Value	£388,987	£388,987	£388,987	£388,987	£394,822	£400,745	£406,756	£412,857	£419,050	£425,336	£431,716	£438,191	£444,764	£451,436	£458,207	£465,080	£472,057	£479,137	£486,324	£493,619	£501,024	£508,539	£516,167	£523,910	£531,768	£540,744	£550,839	£561,054	£571,390	£581,848	£592,429	£603,134	£613,964	£624,919	£635,999	£647,204	£658,534	£670,000
		Discount factor	3.50%	75.94%	73.37%	70.89%	68.49%	66.18%	63.94%	61.78%	59.69%	57.67%	55.72%	53.84%	52.02%	50.26%	48.56%	46.92%	45.33%	43.80%	42.31%	40.88%	39.50%	38.17%	36.87%	35.63%	34.42%	33.26%	32.13%	31.05%	30.00%	28.98%	28.00%	27.00%	26.14%	25.26%	24.40%	23.69%		
		Discounted value	£295,402	£285,412	£275,760	£266,435	£261,287	£256,238	£251,286	£246,430	£241,669	£236,999	£232,419	£227,928	£223,523	£219,204	£214,968	£210,814	£206,741	£202,746	£198,828	£194,986	£191,218	£187,523	£183,899	£180,346	£176,861	£173,443	£170,091	£166,805	£163,581	£160,420	£157,321	£154,281	£151,299	£148,376	£146,215			
		Appraisal period	30	£0	£0	£0	£0	£0	£256,238	£251,286	£246,430	£241,669	£236,999	£232,419	£227,928	£223,523	£219,204	£214,968	£210,814	£206,741	£202,746	£198,828	£194,986	£191,218	£187,523	£183,899	£180,346	£176,861	£173,443	£170,091	£166,805	£163,581	£160,420	£157,321	£154,281	£151,299	£148,376	£146,215		
Total		£5,876,455	£0	£0	£0	£0	£0	£256,238	£251,286	£246,430	£241,669	£236,999	£232,419	£227,928	£223,523	£219,204	£214,968	£210,814	£206,741	£202,746	£198,828	£194,986	£191,218	£187,523	£183,899	£180,346	£176,861	£173,443	£170,091	£166,805	£163,581	£160,420	£157,321	£154,281	£151,299	£148,376	£146,215			
<b>Sensitivity</b>																																								
Employment - Sensitivity test LOW	DS	Price base 2021 to 2010	£291,741																																					
		Background growth factor	1.50%	100.00%	100.00%	100.00%	100.00%	101.50%	103.02%	104.57%	106.14%	107.73%	109.34%	110.98%	112.65%	114.34%	116.05%	117.79%	119.56%	121.36%	123.18%	125.02%	126.90%	128.80%	130.73%	132.70%	134.69%	136.71%	138.76%	140.84%	142.95%	145.09%	147.27%	149.48%	151.72%	154.00%	156.31%	158.65%		
		Value	£291,741	£291,741	£291,741	£291,741	£296,117	£300,558	£305,067	£309,643	£314,287	£319,002	£323,787	£332,644	£333,573	£338,577	£343,655	£348,810	£354,042	£359,353	£364,743	£370,215	£375,768	£381,404	£387,125	£392,932	£398,826	£404,809	£410,881	£417,044	£423,300	£429,649	£436,094	£442,635	£449,275	£456,014	£462,854			
		Discount factor	3.50%	75.94%	73.37%	70.89%	68.49%	66.18%	63.94%	61.78%	59.69%	57.67%	55.72%	53.84%	52.02%	50.26%	48.56%	46.92%	45.33%	43.80%	42.31%	40.88%	39.50%	38.17%	36.87%	35.63%	34.42%	33.26%	32.13%	31.05%	30.00%	28.98%	28.00%	27.00%	26.14%	25.26%	24.40%	23.69%		
		Discounted value	£221,551	£214,059	£206,820	£199,826	£195,965	£192,178	£188,465	£184,823	£181,251	£177,749	£174,314	£170,946	£167,643	£164,403	£161,226	£158,111	£155,055	£152,059	£149,121	£146,239	£143,413	£140,642	£137,924	£135,259	£132,645	£130,082	£127,569	£125,104	£122,686	£120,315	£117,990	£115,710	£113,474	£111,282	£109,661			
		Appraisal period	30	£0	£0	£0	£0	£0	£192,178	£188,465	£184,823	£181,251	£177,749	£174,314	£170,946	£167,643	£164,403	£161,226	£158,111	£155,055	£152,059	£149,121	£146,239	£143,413	£140,642	£137,924	£135,259	£132,645	£130,082	£127,569	£125,104	£122,686	£120,315	£117,990	£115,710	£113,474	£111,282	£109,661		
Total		£4,407,342	£0	£0	£0	£0	£192,178	£188,465	£184,823	£181,251	£177,749	£174,314	£170,946	£167,643	£164,403	£161,226	£158,111	£155,055	£152,059	£149,121	£146,239	£143,413	£140,642	£137,924	£135,259	£132,645	£130,082	£127,569	£125,104	£122,686	£120,315	£117,990	£115,710	£113,474	£111,282	£109,661				
Employment - Sensitivity test HIGH	DS	Price base 2021 to 2010	£486,234																																					
		Background growth factor	1.50%	100.00%	100.00%	100.00%	100.00%	101.50%	103.02%	104.57%	106.14%	107.73%	109.34%	110.98%	112.65%	114.34%	116.05%	117.79%	119.56%	121.36%	123.18%	125.02%	126.90%	128.80%	130.73%	132.70%	134.69%	136.71%	138.76%	140.84%	142.95%	145.09%	147.27%	149.48%	151.72%	154.00%	156.31%	158.65%		
		Value	£486,234	£486,234	£486,234	£486,234	£493,328	£500,931	£508,445	£516,071	£523,812	£531,670	£539,645	£547,739	£555,955	£564,295	£572,759	£581,350	£590,071	£598,922	£607,906	£617,024	£626,280	£635,674	£645,209	£654,887	£664,710	£674,681	£684,801	£695,073	£705,499	£716,082	£726,833	£737,759	£748,971	£760,000	£771,423			
		Discount factor	3.50%	75.94%	73.37%	70.89%	68.49%	66.18%	63.94%	61.78%	59.69%	57.67%	55.72%	53.84%	52.02%	50.26%	48.56%	46.92%	45.33%	43.80%	42.31%	40.88%	39.50%	38.17%	36.87%	35.63%	34.42%	33.26%	32.13%	31.05%	30.00%	28.98%	28.00%	27.00%	26.14%	25.26%	24.40%	23.69%		
		Discounted value	£369,252	£356,765	£344,701	£333,044	£326,608	£320,297	£314,108	£308,038	£302,086	£296,248	£290,524	£284,910	£279,404	£274,005	£268,710	£263,518	£258,426	£253,432	£248,535	£243,732	£239,022	£234,404	£229,874	£225,432	£221,076	£216,804	£212,614	£208,506	£204,477	£200,526	£196,651	£192,851	£189,124	£185,469	£182,768			
		Appraisal period	30	£0	£0	£0	£0	£0	£320,297	£314,108	£308,038	£302,086	£296,248	£290,524	£284,910	£279,404	£274,005	£268,710	£263,518	£258,426	£253,432	£248,535	£243,732	£239,022	£234,404	£229,874	£225,432	£221,076	£216,804	£212,614	£208,506	£204,477	£200,526	£196,651	£192,851	£189,124	£185,469	£182,768		
Total		£7,345,569	£0	£0	£0	£0	£320,297	£314,108	£308,038	£302,086	£296,248	£290,524	£284,910	£279,404	£274,005	£268,710	£263,518	£258,426	£253,432	£248,535	£243,732	£239,022	£234,404	£229,874	£225,432	£221,076	£216,804	£212,614	£208,506	£204,477	£200,526	£196,651	£192,851	£189,124	£185,469	£182,768				
<b>Grand Total - low GVA</b>		£4,407,342																																						
<b>Grand Total - high GVA</b>		£7,345,569																																						
<b>All Employment (i.e. incl. leakage)</b>																																								
<b>Central</b>																																								
Employment	DS	Price base 2021 to 2010	£388,987																																					
		Background growth factor	1.50%	100.00%	100.00%	100.00%	100.00%	101.50%	103.02%	104.57%	106.14%	107.73%	109.34%	110.98%	112.65%	114.34%	116.05%	117.79%	119.56%	121.36%	123.18%	125.02%	126.90%	128.80%	130.73%	132.70%	134.69%	136.71%	138.76%	140.84%	142.95%	145.09%	147.27%	149.48%	151.72%	154.00%	156.31%	158.65%		
		Value	£388,987	£388,987	£388,987	£388,987	£394,822	£400,745	£406,756	£412,857	£419,050	£425,336	£431,716	£438,191	£444,764	£451,436	£458,207	£465,080	£472,057	£479,137	£486,324	£493,619	£501,024	£508,539	£516,167	£523,910	£531,768	£540,744	£550,839	£561,054	£571,390	£581,848	£592,429	£603,134	£613,964	£624,919	£635,999	£647,204	£658,534	£670,000
		Discount factor	3.50%	75.94%	73.37%	70.89%	68.49%	66.18%	63.94%	61.78%	59.69%	57.67%	55.72%	53.84%	52.02%	50.26%	48.56%	46.92%	45.33%	43.80%	42.31%	40.88%	39.50%	38.17%	36.87%	35.63%	34.42%	33.26%	32.13%	31.05%	30.00%	28.98%	28.00%	27.00%	26.14%	25.26%	24.40%	23.69%		
		Discounted value	£295,402	£285,412	£275,760	£266,435	£261,287	£256,238	£251,286	£246,430	£241,669	£236,999	£232,419	£227,928	£223,523	£219,204	£214,968	£210,814	£206,741	£202,746	£198,828	£194,986	£191,218	£187,523	£183,899	£180,346	£176,861	£173,443	£170,091	£166,805	£163,581	£160,420	£157,321	£154,281	£151,299	£148,376	£146,215			
		Appraisal period	30	£0	£0	£0	£0	£0	£256,238	£251,286	£246,430	£241,669	£236,999	£232,419	£227,928	£223,523	£219,204	£214,968	£210,814	£206,741	£202,746	£198,828	£194,986	£191,218	£187,523	£183,899	£180,346	£176,861	£173,443	£170,091	£166,805	£163,581	£160,420	£157,321	£154,281	£151,299	£148,376			





**Saxon Centre Office Building Operational and Maintenance Costs, and Income**

		Years																																				
For inflation		0	0	0	0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	
For financial Calendar y		2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35	2035/36	2036/37	2037/38	2038/39	2039/40	2040/41	2041/42	2042/43	2043/44	2044/45	2045/46	2046/47	2047/48	2048/49	2049/50	2050/51	2051/52	2052/53	2053/	
Fin y		2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35	2035/36	2036/37	2037/38	2038/39	2039/40	2040/41	2041/42	2042/43	2043/44	2044/45	2045/46	2046/47	2047/48	2048/49	2049/50	2050/51	2051/52	2052/53	2053/	
<b>Saxon Centre Office Building income rental less operational and maintenance costs</b>																																						
Costs	DM	Price base 2021 to 2010	£6,165																																			
		Background growth factor	1.50%	100.00%	100.00%	100.00%	101.50%	103.02%	104.57%	106.14%	107.73%	109.34%	110.98%	112.65%	114.34%	116.05%	117.79%	119.56%	121.36%	123.18%	125.02%	126.90%	128.80%	130.73%	132.70%	134.69%	136.71%	138.76%	140.84%	142.95%	145.09%	147.27%	149.48%	151.72%	154.00%	156.31%	158.65%	
		Value	£6,351																																			
		Discount factor	3.50%	75.94%	71.37%	70.89%	68.49%	66.18%	63.94%	61.76%	59.69%	57.67%	55.72%	53.84%	52.02%	50.26%	48.56%	46.92%	45.33%	43.78%	42.28%	40.83%	39.50%	38.17%	36.87%	35.60%	34.42%	33.26%	32.13%	31.02%	29.93%	28.86%	27.80%	26.76%	25.75%	24.76%	23.80%	22.86%
		Discounted value	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0
		Appraisal period	30																																			
		Total	£9,981																																			
Income	DM	Income - deficit to no income	£0																																			
		Total	£9,981																																			
		DM Total Income minus cost	£9,981																																			
Costs	DS	Price base 2021 to 2010	£36,166																																			
		Background growth factor	1.50%	100.00%	100.00%	100.00%	101.50%	103.02%	104.57%	106.14%	107.73%	109.34%	110.98%	112.65%	114.34%	116.05%	117.79%	119.56%	121.36%	123.18%	125.02%	126.90%	128.80%	130.73%	132.70%	134.69%	136.71%	138.76%	140.84%	142.95%	145.09%	147.27%	149.48%	151.72%	154.00%	156.31%	158.65%	
		Value	£36,166	£36,166	£36,166	£36,708	£37,259	£37,818	£38,385	£38,961	£39,545	£40,138	£40,740	£41,351	£41,972	£42,601	£43,240	£43,889	£44,547	£45,215	£45,894	£46,582	£47,281	£47,990	£48,710	£49,441	£50,182	£50,935	£51,699	£52,474	£53,261	£54,060	£54,871	£55,694	£56,530	£57,378		
		Discount factor	3.50%	75.94%	71.37%	70.89%	68.49%	66.18%	63.94%	61.76%	59.69%	57.67%	55.72%	53.84%	52.02%	50.26%	48.56%	46.92%	45.33%	43.78%	42.28%	40.83%	39.50%	38.17%	36.87%	35.60%	34.42%	33.26%	32.13%	31.02%	29.93%	28.86%	27.80%	26.76%	25.75%	24.76%	23.80%	22.86%
		Discounted value	£27,465	£26,536	£25,639	£24,771	£24,293	£23,823	£23,363	£22,912	£22,469	£22,035	£21,609	£21,191	£20,782	£20,380	£19,986	£19,600	£19,221	£18,850	£18,486	£18,129	£17,778	£17,435	£17,098	£16,767	£16,443	£16,126	£15,814	£15,508	£15,209	£14,915	£14,627	£14,344	£14,067	£13,795	£13,529	
		Appraisal period	30																																			
		Total	£46,356																																			
Income	DS	Price base 2021 to 2010	£38,981																																			
		Background growth factor	1.50%	100.00%	100.00%	100.00%	101.50%	103.02%	104.57%	106.14%	107.73%	109.34%	110.98%	112.65%	114.34%	116.05%	117.79%	119.56%	121.36%	123.18%	125.02%	126.90%	128.80%	130.73%	132.70%	134.69%	136.71%	138.76%	140.84%	142.95%	145.09%	147.27%	149.48%	151.72%	154.00%	156.31%	158.65%	
		Value	£38,981	£38,981	£38,981	£39,566	£40,159	£40,761	£41,373	£41,993	£42,623	£43,263	£43,912	£44,570	£45,239	£45,917	£46,606	£47,305	£48,015	£48,735	£49,466	£50,208	£50,961	£51,726	£52,501	£53,289	£54,088	£54,900	£55,723	£56,559	£57,407	£58,269	£59,143	£60,030	£60,930	£61,844		
		Discount factor	3.50%	75.94%	71.37%	70.89%	68.49%	66.18%	63.94%	61.76%	59.69%	57.67%	55.72%	53.84%	52.02%	50.26%	48.56%	46.92%	45.33%	43.78%	42.28%	40.83%	39.50%	38.17%	36.87%	35.60%	34.42%	33.26%	32.13%	31.02%	29.93%	28.86%	27.80%	26.76%	25.75%	24.76%	23.80%	22.86%
		Discounted value	£29,602	£28,601	£27,634	£26,700	£26,184	£25,678	£25,182	£24,695	£24,218	£23,750	£23,291	£22,841	£22,399	£21,967	£21,542	£21,126	£20,718	£20,317	£19,925	£19,540	£19,162	£18,792	£18,429	£18,073	£17,723	£17,381	£17,046	£16,716	£16,393	£16,076	£15,765	£15,461	£15,162	£14,869	£14,582	
		Appraisal period	30																																			
		Total	£88,885																																			
		DS Total Income minus cost	£42,529																																			
		Grand Total DS - DM	£52,550																																			

## Costs

Costs From WIP 9th June 21, SB email to GO on 9th June 2021; and Table D Assumptions (SB email to GO, confirmation 14th June 2021)

Cost values provided :											
Nominal values in	2021										
No inflation											
No Discounting											
No OB											
<b>Optimism Bias</b>	<b>15%</b>					0.82	0.81	0.79			
<i>Correction factor</i>	119%					68.49%	66.18%	63.94%			
<b>Cost profile by project</b>	<b>2021-22 £m</b>	<b>2022-23 £m</b>	<b>2023-24 £m</b>	<b>2024-25</b>	<b>Total £m</b>	<b>2021-22 £r</b>	<b>2022-23 £r</b>	<b>2023-24 £r</b>	<b>2024-25</b>	<b>Total £m</b>	<b>Indirect taxation correction factor</b>
<i>From WIP 9th June 21</i>											
<b>Total - Project 1 and 2 from WIP Worksheet - information gap</b>										<b>Sum</b>	
Funding Sources (from WIP 9th June 21)											
UKG Funding Sought	£1.971	£6.424	£6.560	£0.000	£14.954						
Local Authority Contribution	£0.095	£0.292	£0.292	£0.000	£0.679						
Third Party Contribution	£0.161	£0.520	£0.384	£0.000	£1.065						
<b>Total</b>	<b>£2.2265</b>	<b>£7.2360</b>	<b>£7.2360</b>	<b>£0.0000</b>	<b>£16.6986</b>						
<b>Total including risk and contingency AND Optimism Bias</b>	<b>£2.6</b>	<b>£8.3</b>	<b>£8.3</b>	<b>£0.0</b>	<b>£19.2</b>	Deflate to :	£2.10	£6.71	£6.58	<b>£15.39</b>	<b>£18.32</b>
<b>Indirect taxation correction factor</b>	<b>£3.0</b>	<b>£9.9</b>	<b>£9.9</b>	<b>£0.0</b>	<b>£22.9</b>	Indirect tax	£2.50	£7.98	£7.83	£0.00	<b>£18.32</b>
						Disocunt	£1.72	£5.28	£5.01	£0.00	<b>£12.00</b>
<i>Match funding</i>	<b>11.49%</b>	<b>11.22%</b>	<b>9.35%</b>	<b>0.00%</b>	<b>10.45%</b>						
Total contingency (from Table D)	£1.47										
Contingency by year (within Total costs)	£0.2	£0.6	£0.6	£0.0	£1.5						
<hr/>											
UKG Funding Sought	£2.7	£8.8	£9.0	£0.0	£20.5						
Local Authority Contribution	£0.1	£0.4	£0.4	£0.0	£0.9						
Third Party Contribution	£0.2	£0.7	£0.5	£0.0	£1.5						
Total	£3.0	£9.9	£9.9	£0.0	£22.9						
<hr/>											
<i>From WIP 9th June 21</i>											
<b>Project 1: Active Travel</b>											
UKG Funding Sought	£0.83	£3.85	£3.58	£0.00	£8.26						
Local Authority Contribution	£0.11	£0.29	£0.27	£0.00	£0.68						
Third Party Contribution	£0.14	£0.35	£0.33	£0.00	£0.81						
<b>Total</b>	<b>£1.07</b>	<b>£4.50</b>	<b>£4.18</b>	<b>£0.00</b>	<b>£9.75</b>						
Total contingency (from Table D)	£0.97										
Contingency by year (within Total costs)	£0.1	£0.4	£0.4	£0.0	£1.0						
<b>Total including risk and contingency AND Optimism Bias</b>	<b>£1.2</b>	<b>£5.2</b>	<b>£4.8</b>	<b>£0.0</b>	<b>£11.2</b>	£1.01	£4.17	£3.80		<b>£8.98</b>	<b>£10.69</b>
						£0.69	£2.76	£2.43		£5.88	£7.00
<hr/>											
<b>Project 2: Regeneration Project</b>											
No cost breakdown for Regeneration in WIP 9th June 21											
<b>Total</b>	<b>£1.16</b>	<b>£2.74</b>	<b>£3.06</b>	<b>£0.00</b>	<b>£6.95</b>						
Total contingency	£0.5										
Apportionment of risk and contingency	£0.5										
<b>Total including risk and contingency AND Optimism Bias</b>	<b>£1.3</b>	<b>£3.1</b>	<b>£3.5</b>	<b>£0.0</b>	<b>£8.0</b>	£1.09	£2.54	£2.78		<b>£6.41</b>	<b>£7.63</b>
						£0.75	£1.68	£1.78		£4.20	£5.00

### For Table A

Nominal values at 2021					
Discounted to 2010					
No Optimism Bias					
	2021-22 £m	2022-23 £m	2023-24 £m	2024-25	Total £m
UKG Funding Sought	£1.5	£4.7	£4.5	£0.0	£10.7
Local Authority Contribution	£0.1	£0.2	£0.2	£0.0	£0.5
Third Party Contribution	£0.1	£0.4	£0.3	£0.0	£0.8
<b>Total</b>	<b>£1.7</b>	<b>£5.3</b>	<b>£5.0</b>	<b>£0.0</b>	<b>£12.0</b>





## Supporting information / data

Blue shade tabs = MHCLG data for LVU

<https://www.gov.uk/government/publications/land-value-estimates-for-policy-appraisal-2019>







## **Agricultural land**

### **April 2019**

<b>Local Enterprise Partnership (LEP)</b>	<b>£/ha</b>
Black Country	£25,000
Buckinghamshire Thames Valley	£26,000
Cheshire and Warrington	£23,000
Coast to Capital	£25,000
Cornwall and Isles of Scilly	£21,000
Coventry and Warwickshire	£24,000
Cumbria	£26,000
Derby, Derbyshire, Nottingham and Nottinghamshire	£21,750
Dorset	£24,750
Enterprise M3	£26,000
Gloucestershire	£21,000
Greater Birmingham and Solihull	£25,000
Greater Cambridge and Greater Peterborough	£21,000
Greater Lincolnshire	£20,000
Greater Manchester	£23,000
Heart of the South West	£23,000
Hertfordshire	£26,000
Humber	£22,000
Lancashire	£25,000
Leeds City Region	£20,000
Leicester and Leicestershire	£22,000
Liverpool City Region	£23,000
London	£25,000
New Anglia	£21,000
North East	£16,000
Oxfordshire	£26,000
Sheffield City Region	£22,750
Solent	£25,000
South East	£25,000
South East Midlands	£23,000
Stoke-on-Trent and Staffordshire	£22,000
Swindon and Wiltshire	£25,000
Tees Valley	£16,000
Thames Valley Berkshire	£26,000
The Marches	£22,000
West of England	£25,000
Worcestershire	£22,000
York, North Yorkshire and East Riding	£20,000

**Commercial : Edge of City Centre  
April 2019**

Local Enterprise Partnership (LEP)	Town (Largest First)	£/ha	Site Value Per Sq.M.	
			Office Space Only	Including all Common Areas
Black Country	Dudley	£865,000	£210.65	£179.06
Buckinghamshire Thames Valley	Aylesbury	£865,000	£210.65	£179.06
Cheshire and Warrington	Warrington	£865,000	£210.65	£179.06
	Chester	£865,000	£210.65	£179.06
Coast to Capital	Croydon	£43,890,000	£4,275.40	£3,634.09
	Brighton and Hove	£2,210,000	£538.20	£457.47
Cornwall and Isles of Scilly	St Austell	£865,000	£210.65	£179.06
Coventry and Warwickshire	Coventry	£1,000,000	£243.53	£207.00
	Nuneaton	£865,000	£210.65	£179.06
Cumbria	Carlisle	£865,000	£210.65	£179.06
Derby, Derbyshire, Nottingham and Nottinghamshire	Sheffield	£1,200,000	£292.23	£248.40
	Nottingham	£1,240,000	£301.98	£256.68
Dorset	Bournemouth	£1,010,000	£245.96	£209.07
	Poole	£865,000	£210.65	£179.06
Enterprise M3	Kingston upon Thames	£5,400,000	£1,315.05	£1,117.80
	Basingstoke	£1,740,000	£423.74	£360.18
Gloucestershire	Gloucester	£865,000	£210.65	£179.06
	Cheltenham	£1,095,000	£266.66	£226.67
Greater Birmingham and Solihull	Birmingham	£13,770,000	£3,353.38	£2,850.40
	Solihull	£865,000	£210.65	£179.06
Greater Cambridge and Greater Peterborough	Peterborough	£865,000	£210.65	£179.06
	Cambridge	£24,360,000	£5,932.35	£5,042.54
Greater Lincolnshire	Lincoln	£865,000	£210.65	£179.06
	Grimsby	£865,000	£210.65	£179.06
Greater Manchester	Manchester	£12,960,000	£3,156.13	£2,682.73
	Bolton	£865,000	£210.65	£179.06
Heart of the South West	Plymouth	£865,000	£210.65	£179.06
	Exeter	£2,500,000	£608.82	£517.50
Hertfordshire	Watford	£5,245,000	£1,277.31	£1,085.72
	Hemel Hempstead	£1,575,000	£383.56	£326.03
Humber	Kingston upon Hull	£865,000	£210.65	£179.06
Lancashire	Blackpool	£865,000	£210.65	£179.06
	Blackburn	£865,000	£210.65	£179.06
Leeds City Region	Leeds	£11,120,000	£2,708.03	£2,301.85
	Bradford	£865,000	£210.65	£179.06
Leicester and Leicestershire	Leicester	£865,000	£210.65	£179.06
Liverpool City Region	Liverpool	£865,000	£210.65	£179.06
	Birkenhead	£865,000	£210.65	£179.06
London	Victoria	£480,680,000	£49,750.56	£39,800.29
	Southwark	£282,000,000	£29,187.11	£23,349.59
	Harrow	£6,270,000	£610.77	£519.16
	Bromley	£2,470,000	£240.61	£204.52
New Anglia	Norwich	£865,000	£210.65	£179.06
	Ipswich	£865,000	£210.65	£179.06
North East	Newcastle upon Tyne	£1,380,000	£336.07	£285.66
	Sunderland	£865,000	£210.65	£179.06
Oxfordshire	Oxford	£4,830,000	£1,176.24	£999.81
Sheffield City Region	Doncaster	£865,000	£210.65	£179.06
	Rotherham	£865,000	£210.65	£179.06
Solent	Southampton	£1,010,000	£245.96	£209.07
	Portsmouth	£865,000	£210.65	£179.06
South East	Redbridge	£2,470,000	£601.51	£511.29
	Bexley	£2,470,000	£601.51	£511.29
South East Midlands	Northampton	£865,000	£210.65	£179.06
	Luton	£1,250,000	£304.41	£258.75
Stoke-on-Trent and Staffordshire	Stoke-on-Trent	£865,000	£210.65	£179.06
	Wolverhampton	£865,000	£210.65	£179.06
Swindon and Wiltshire	Swindon	£865,000	£210.65	£179.06
Tees Valley	Middlesbrough	£865,000	£210.65	£179.06
	Darlington	£865,000	£210.65	£179.06
Thames Valley Berkshire	Reading	£26,200,000	£6,380.44	£5,423.42
	Slough	£15,580,000	£3,794.17	£3,225.07
The Marches	Telford	£865,000	£210.65	£179.06
West of England	Bristol	£14,030,000	£3,416.70	£2,904.22
	Bath	£3,700,000	£901.05	£765.90
Worcestershire	Worcester	£865,000	£210.65	£179.06
York, North Yorkshire and East Riding	Scarborough	£865,000	£210.65	£179.06

**Commercial : Out of Town/Business Park  
April 2019**

<b>LEP</b>	<b>Town (Largest First)</b>
Black Country	Dudley
Buckinghamshire Thames Valley	Aylesbury
Cheshire and Warrington	Warrington Chester
Coast to Capital	Croydon Brighton and Hove
Cornwall and Isles of Scilly	St Austell
Coventry and Warwickshire	Coventry Nuneaton
Cumbria	Carlisle
Derby, Derbyshire, Nottingham and Nottinghamshire	Sheffield Nottingham
Dorset	Bournemouth Poole
Enterprise M3	Kingston upon Thames Basingstoke
Gloucestershire	Gloucester Cheltenham
Greater Birmingham and Solihull	Birmingham Solihull
Greater Cambridge and Greater Peterborough	Peterborough Cambridge
Greater Lincolnshire	Lincoln Grimsby
Greater Manchester	Manchester Bolton
Heart of the South West	Plymouth

	Exeter
Hertfordshire	Watford Hemel Hempstead
Humber	Kingston upon Hull
Lancashire	Blackpool Blackburn
Leeds City Region	Leeds Bradford
Leicester and Leicestershire	Leicester
Liverpool City Region	Liverpool Birkenhead
London	Victoria Southwark Harrow Bromley
New Anglia	Norwich Ipswich
North East	Newcastle upon Tyne Sunderland
Oxfordshire	Oxford
Sheffield City Region	Doncaster Rotherham
Solent	Southampton Portsmouth
South East	Redbridge Bexley
South East Midlands	Northampton Luton
Stoke-on-Trent and Staffordshire	Stoke-on-Trent Wolverhampton
Swindon and Wiltshire	Swindon
Tees Valley	Middlesbrough Darlington

Thames Valley Berkshire

Reading  
Slough

The Marches

Telford

West of England

Bristol  
Bath

Worcestershire

Worcester

York, North Yorkshire and East Riding

Scarborough

**Site Value Per Sq.M. (GIA)**

<b>£/ha</b>	<b>Office Space Only</b>	<b>including all Common Areas</b>
£550,000	£53.99	£45.89
£900,000	£88.35	£75.10
£800,000	£78.53	£66.75
£325,000	£31.90	£27.12
N/A		
£1,750,000	£171.79	£146.02
£350,000	£34.36	£29.20
£825,000	£80.99	£68.84
£720,000	£70.68	£60.08
£400,000	£39.27	£33.38
£600,000	£58.90	£50.07
£740,000	£72.64	£61.75
£1,000,000	£98.17	£83.44
£1,000,000	£98.17	£83.44
£4,000,000	£392.67	£333.77
£1,700,000	£166.88	£141.85
£900,000	£88.35	£75.10
£1,000,000	£98.17	£83.44
£1,100,000	£107.98	£91.79
£750,000	£73.63	£62.58
£800,000	£78.53	£66.75
£3,940,000	£386.78	£328.76
£225,000	£22.09	£18.77
£335,000	£32.89	£27.95
£1,170,000	£114.86	£97.63
£575,000	£56.45	£47.98
£400,000	£39.27	£33.38

£990,000	£97.19	£82.61
£1,910,000	£187.50	£159.37
£1,800,000	£176.70	£150.20
£470,000	£46.14	£39.22
£400,000	£39.27	£33.38
£500,000	£49.08	£41.72
£835,000	£81.97	£69.67
£500,000	£49.08	£41.72
£740,000	£72.64	£61.75
£440,000	£43.19	£36.71
£325,000	£31.90	£27.12
N/A		
N/A		
N/A		
N/A		
£600,000	£58.90	£50.07
£720,000	£70.68	£60.08
£370,000	£36.32	£30.87
£220,000	£21.60	£18.36
£3,805,000	£373.53	£317.50
£550,000	£53.99	£45.89
£550,000	£53.99	£45.89
£1,500,000	£147.25	£125.16
£1,500,000	£147.25	£125.16
£4,500,000	£441.75	£375.49
£4,250,000	£417.21	£354.63
£800,000	£78.53	£66.75
£1,610,000	£158.05	£134.34
£475,000	£46.63	£39.63
£550,000	£53.99	£45.89
£850,000	£83.44	£70.93
£285,000	£27.98	£23.78
£175,000	£17.18	£14.60

£8,250,000	£809.88	£688.39
£2,250,000	£220.88	£187.74
£500,000	£49.08	£41.72
£1,100,000	£107.98	£91.79
£1,305,000	£128.11	£108.89
£705,000	£69.21	£58.83
£370,000	£36.32	£30.87