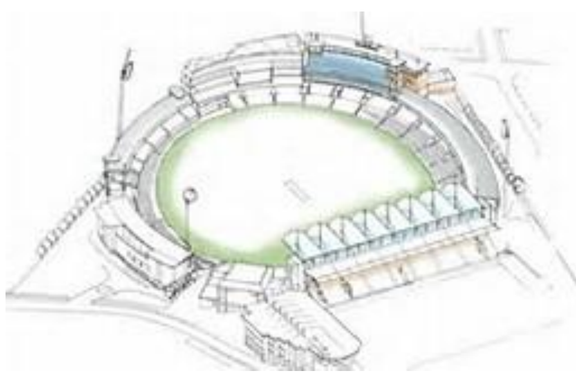
AMION
CONSULTING

Leeds City Council

Headingley Stadium Stand Redevelopment

Economic Impact Assessment

April 2017



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Executive Summary

AMION Consulting was appointed by Leeds City Council to prepare an Economic Impact Assessment of the stand redevelopment proposals at Headingley Stadium. The scheme comprises the redevelopment of the North-South Stand which is not currently considered to be of an appropriate international cricket standard, along with wider proposals to redevelop the South Stand on the rugby ground.

The economic impact assessment considers the full scheme and is based upon evidence from previous studies undertaken by AMION assessing the economic impacts of a One Day International (ODI) and an Ashes Test at Headingly.

The modelling is based on an income expenditure framework that assesses the additional expenditure at the Leeds and Leeds City Region levels and the associated impact in terms of Gross Value Added (GVA) and employment. The following four types of expenditure have been assessed: on-site spectators and corporate hospitality guests (or visitors); off-site visitor related expenditure; procurement expenditure (supply chain); and further indirect and induced multiplier effects.

Without investment to deliver the new North-South stand, Headingly is not expected to attract test matches, world cup matches and the proposed new city based T20 tournament, along with regular ODIs after 2019. The assessed economic impacts are based on assumed major cricket match schedules up to 2023 with and without the stand redevelopment which were provided by Yorkshire County Cricket Club. The results of the modelling are as follows:

- capital investment of some £40 million is expected to support around 630 person years of temporary construction employment. Based on the convention that 10 person years of employment is equivalent to one permanent job, investment would support 63 full-time equivalent (FTE) jobs associated with the construction of the new stand;
- almost 900,000 spectators are expected to attend major matches over the period 2017 to 2023 if the new stand is developed, compared with just 240,000 without the new stand;
- in total, at the Leeds level, the new stand is forecast to generate additional expenditure of £125.3 million over the period between 2017 and 2023; and
- overall, at the Leeds level, more than 270 net additional jobs would be supported in 2023.

Through securing the future of the stadium as a venue for major matches, the investment will also result in a range of wider benefits including generating additional business rates, positive external perceptions and image of the City, community benefits, and increased interest and participation in sport.

1 Introduction

1.1 Overview

AMION Consulting was appointed by Leeds City Council to prepare an Economic Impact Assessment of the redevelopment proposals at Headingley Stadium.

Headingley Stadium is the home of Yorkshire County Cricket Club (YCCC), Leeds Rhinos Rugby League and Leeds Carnegie Rugby Union, as well as currently being one of the England and Wales Cricket Board's (ECB's) international cricket (Test and One-Day) venues. There are two separate grounds, the shared rugby ground to the south and the cricket ground to the north.

At the end of 2019 the existing staging agreements with all of the current test cricket grounds will end and the ECB will review its international venues and which of these will be awarded a new staging agreement to host test cricket. Without the North South stand redevelopment, Headingley Stadium will not meet the ECB's required standards to stage international matches.

In addition to the North-South Stand renovation, there are proposals to redevelop the South Stand on the rugby ground. This Impact Assessment considers the full scheme.

1.2 Scope and nature of assessment

The approach adopted in undertaking the impact assessment is consistent with government appraisal guidance, including the HM Treasury's 'Green Book'[1], and the assessment has incorporated an analysis of the expected quantifiable and wider outputs and outcomes, principally in relation to:

- investment in the stands;
- temporary construction jobs;
- additional visitor expenditure;
- increased Gross Value Added (GVA) generated in the local economy;
- net additional jobs, generated through the enhanced facilities;
- perception and image;
- community impacts; and
- sporting legacy impacts.

The assessment has sought to estimate both the gross and net additional impact of the investment at Headingley Stadium – at the Leeds and Leeds City Region levels, in line with established appraisal guidance. Consequently, consideration has been given to who is likely to secure the benefits generated and the possible multiplier effects that could be realised within the

[1] Appraisal and Evaluation in Central Government, HM Treasury (2004)

local economy. Assumptions have also been made as to what would be expected to happen should the proposed investment not go ahead (the reference case).

The Economic Impact Assessment does not consider the impact of the proposed stand redevelopments on the financial viability of the clubs.

1.3 Structure of report

The report continues in three sections, as follows:

- *Section 2* – describes Headingley Stadium and outlines the redevelopment proposals;
- *Section 3* – identifies the socio-economic characteristics of Leeds and the wider City Region, briefly considers the wider economic value of sport and summarises previous evidence regarding the economic impact of hosting test and One Day International (ODI) matches at Headingley; and
- *Section 4* – provides an assessment of the economic and wider benefits of the project.

2 Headingley Stadium

2.1 Introduction

This section describes the current set up at Headingley, some of the challenges that this presents, and the plans for the future.

2.2 Home to cricket and rugby

Headingley Stadium is a sporting complex in the suburb of Headingley in Leeds, West Yorkshire. It is the home of YCCC, Leeds Rhinos rugby league team and Yorkshire Carnegie rugby union team.

The site has a long association with sport. Cricket has been played since 1891 and it has been used for Test matches since 1899. Today there are two separate grounds: Headingley Cricket Stadium and Headingley Rugby Stadium with a two-sided stand providing common facilities. Initially owned by the Leeds Cricket, Football and Athletic Company, the ground is now managed jointly by Yorkshire CCC and Leeds Rugby.

In respect of cricket, Yorkshire has a long tradition with more clubs (778) and players (c. 131,000) than any other county. However, having appropriate stadium infrastructure is a key factor in determining host venues for Test matches and international cricket.

2.3 Redevelopment plans

At the end of 2019 the existing staging agreements with all of the current Test cricket grounds will run out, and the ECB will review its international venues. All cricket stadium facilities must meet the criteria in the ECB's Minimum Standards Document to be considered both for a staging agreement and for the hosting of the World Cup in 2019. Headingley Stadium currently has the rights to host four World Cup International One Day Matches in 2019. However, this is subject to the delivery of the scheme for the redevelopment of the North-South Stand without which the stadium is not considered to meet the appropriate international standards.

The Masterplan for this latest phase of Headingley's redevelopment is shown indicatively in the 'mocked up' aerial photograph in Figure 2.1.

Figure 2.1: Mocked up aerial photograph of the entire stadium

Source: Caddick Developments Ltd

2.3.1 Cricket

To bring the stadium up to the ECB's required standards, YCCC has adopted the Headingley Masterplan for the redevelopment of the ground. This includes for the reconstruction of the North-South stand to the ECB's requirements. This is the stand that sits between the cricket and the rugby league ground. The North-Stand Stand redevelopment will provide up to 4,220 seats for the cricket, a gain of over 1,000, thereby increasing the cricket ground's capacity to 18,500 with enhanced and shared corporate facilities for both cricket and rugby league. Changing facilities will also be brought up to modern day standards. Figure 2.2 provides an indicative view of the Cricket Stadium elevation of the new double facing North-South Stand.

Figure 2.2: Cricket Stadium elevation of the new double facing North/South Stand

Source: Caddick Developments Ltd

Though the rugby side of the stand will lose capacity by approximately 1,400 seats due to the TV camera positions and the stand design, this will be addressed in part by the redevelopment of the South Stand as a wider part of this whole scheme.

The proposed works for the redevelopment of the North-South Stand consist of:

- the demolition of the existing stand profile and its replacement with a three-tiered seated stand providing lower, mid and upper tier seating for over 5,060 spectators, an increase of over 1,400 on the old stand, thereby increasing the cricket ground's capacity up to 18,500;
- a new ground floor concourse with male/female/disabled toilets, permanent concession units, bars, refreshments and food sales;
- a new ground floor concourse to link with existing stadium concourse to provide continuous circulation to all seating areas;
- a new concourse to serve the mid-tier seating level to provide toilet and concession facilities which link with the existing pavilion at board room level;
- a new concourse to serve the upper tier seating level to provide toilet and concession facilities;
- provision for the expansion of the Taverners Suite and the provision of a new Taverners Terrace Bar to the rear of the lower tier seating that will link with the existing Hirst and Rhodes Suite;

- a new terrace adjacent to the existing Boardroom which will provide linkages to the new stand mid-level seating tier; and
- a continuous mid-level viewing suite will also provide panoramic viewing of the stadium and premium hospitality and refreshment facilities.

2.3.2 Rugby

At the same time, the rugby clubs have a desire and need to improve their facilities. From their perspective, they need to address ground safety issues in their South Stand, which currently operates at a reduced capacity due to health and safety requirements. The rugby clubs also need to modernise their facilities, including its North Stand so that the stadium provides facilities that compare favourably with alternative venues. It is the case that a number of rugby league clubs have moved to new stadiums in recent years including, Warrington, St Helens, Salford, Wigan and Huddersfield, which means that the Headingley Stadium is fast becoming a less attractive proposition for international events.

Leeds Rugby own both the Rugby League ground and the North-South shared stand that provides seating, changing facilities and corporate hospitality and boxes for both YCCC and Leeds Rugby. Figures 2.3 and 2.4 provide indicative views of the new proposed Rugby Stadium Stands.

Figure 2.3: Rugby Stadium South Stand

Source: Caddick Developments Ltd

Figure 2.4: Rugby Stadium double facing North South Stand

Source: Caddick Developments Ltd

2.4 Cost of redeveloping the stands

In total the project (comprising the North-South and the Leeds Rugby South Stand) will cost some £40 million (see Table 2.1). The North-South Stand will cost approximately £30 million and the Leeds Rugby South Stand approximately £10 million. These figures relate to construction specifically and exclude other costs such as legal fees and stamp duty.

Table 2.1: Capital Cost (outturn prices)	
Item	**Cost**
Construction	£28.0m
Preliminaries, insurances, fees, fixed price, overheads and profit	£9.0m
Contingencies	£1.5m
Provisional sums, Fixtures, Fittings & Equipment and Fit Out	£1.5m
Total Forecast Cost (rounded)	£40.0m

2.5 Events programme

The new stand will meet the requirements of the ECB and enable the Club to compete to retain its rights to stage international cricket after the current agreement ends in 2019. YCCC has provided in confidence a schedule of major matches up to 2019 and an indication of its expectations after that date, with and without the new stand between now and 2023. This assumes that with the new North-South stand it would be able to retain One Day International (ODI) and Test Matches, as well as attract World Cup Matches and a city based t20 team, as part of the ECB's proposed new tournament. Without the stand the Club has indicated that it would not expect to host test matches and would not secure one of the city based t20 teams. It may be able to attract the occasional T20 international match.

Leeds Rugby's vision statement is 'to be the leader in club rugby both on and off the field', the stadium developments will help with this. The aspiration is to be the Rugby Football League's (RFL's) preferred partner for representative games, England Internationals, World Cup fixtures and Challenge Cup semi-finals. With the new stand, the Club is expecting a minimum of two extra games per year with three extra in the world cup year of 2021.

The stand redevelopments will ensure the Rugby stadium meets modern requirements, with better facilities, and can attract major games. Overall, the capacity will reduce by 400 from some 20,300 to 19,900 as a result of the proposed project. Average attendance for the Rhinos is just over 16,000. Overall, the new stands and facilities are expected by the Club to enable it to attract a greater number of total spectators. However, the most significant economic impact of the stands redevelopment will be associated with the staging of major cricket matches and therefore this impact assessment focuses on this issue.

In addition, the new North-South stand will also create a 400 seat conference, event and banqueting facility. This will provide views of both the cricket and rugby pitches. This will generate additional revenue for the clubs and help to ensure their financial sustainability, as well as generating economic impacts. These effects have also not been assessed within this analysis.

3 Contextual review

3.1 Introduction

The purpose of this section is to provide an indication of the socio-economic characteristics of Leeds and the wider City Region, to briefly review the economic value of sport and to summarise evidence from previous sporting facility investments.

3.2 Socio-economic and visitor economy context

An analysis of the socio-economic context has been carried out, focusing upon key demographic, economic and social indicators. Reflecting the nature of the project, which seeks to attract visitors to the Leeds metropolitan area from outside the region, this analysis has primarily been carried out for the wider city region. This analysis therefore incorporates not only the metropolitan areas of Leeds, Bradford, Calderdale, Kirklees and Wakefield, but also the outlying districts of Barnsley, Craven, Harrogate, Selby and York.

The following section provides a summary of the socio-economic and visitor economy context analysis. An extended assessment is provided at Appendix A.

3.2.1 Socio-economic context

- With a total population of 3.03 million in 2015, the Leeds City Region is one of the most populous areas of Great Britain. Leeds is the largest local authority area within the City Region with a total resident population of 0.77 million. Since 2010 the overall population of the City Region has increased by 3.2%, while that of Leeds has grown by 3.5%. This level of growth exceeded that experienced across Yorkshire and the Humber as a region (2.6%) but was lower than the average for Great Britain as a whole (3.8%);
- In 2015 63.4% of the total population of the City Region were of working age. This compares to 63.0% at the regional level and 63.3% at the national level. Within the City Region, Leeds has the second largest working age population as a proportion of the total population at 65.8%, with York the highest at 66.4%;
- An analysis of economic output, as measured in terms of gross value added (GVA), shows that at a headline level growth across the West Yorkshire Metropolitan area between 2010 and 2015 failed to keep pace with the average for England as a whole. Over this period GVA for England increased by 19.4%. By comparison, headline GVA across the West Yorkshire Metropolitan area increased by 14.9%;
- In 2015 GVA per head across the West Yorkshire area was, at £21,457, just 82% of the England average of £26,159. It was, however, somewhat higher than the GVA per head of £20,351 for Yorkshire and The Humber as a whole;
- In 2015 there were 107,625 active enterprises within the Leeds City Region, an increase of 11.4% on the number in 2010. The level of growth experienced over this period was broadly

equivalent to that of the wider region, where the number of active enterprises increased by 10.1%, but below that of Great Britain (14.1% increase;

- Business density rates for the Leeds City Region in 2015, at 56 businesses per 1,000 working age population, were broadly comparable with the regional average but substantially lower than the average for Great Britain as a whole (65 businesses per 1,000 population);
- Business start-up rates across the City Region area over the period 2010 to 2015 were broadly comparable with the rates for the region, but below that for Great Britain as a whole;
- For the period October 2015 to September 2016 the economic activity rate across the Leeds City Region was 77.1%. This was broadly comparable with rates of 76.8% and 77.8% for Yorkshire and The Humber and Great Britain respectively;
- For the period October 2015 to September 2016 the employment rate across the Leeds City Region was 73.1%. This was broadly comparable with rates of 72.4% and 73.9% for Yorkshire and The Humber and Great Britain respectively;
- The number of people employed in workplaces located within the Leeds City Region increased over the period 2010 to 2015. Growth of 6.1% over this period compares to regional and national growth of 5.0% and 7.3% of respectively;
- In 2015, levels of employment in the manufacturing sector across Leeds City Region were, at 10.5%, some two-and-a-half percentage points higher than the average for Great Britain as a whole;
- In 2015 some 31.3% of the resident working age population of the Leeds City Region were qualified to NVQ Level 4 or above. This compares with averages for Yorkshire and The Humber and Great Britain of 30.6% and 37.1% respectively;
- The number of working age people attaining higher level qualifications across the City Region increased by 17.7% between 2010 and 2015 – above the rate observed for the region (15.3%) but below the rate observed across Great Britain as a whole (20.1%);
- In 2016, gross mean weekly earnings were higher in the Leeds City Region (£587) and in the City of Leeds (£613) than they were across the Yorkshire and The Humber region (577), but lower than the average for Great Britain as a whole (£647); and
- Deprivation has tended to be concentrated within the main urban areas of the City Region, particularly Leeds, Bradford, Barnsley and Wakefield. Despite a relatively strong economic performance in recent years, there remains a need to address significant deprivation issues.

3.2.2 Visitor economy

The visitor economy is important to the Leeds City Region because of the jobs and income that are supported by the spending of people from outside the area. It thrives because of the many features and attractions that span the urban centres and rural areas of the city region, attracting business as well as leisure tourism.

Headingly currently attracts a significant number of visitors to the region. Research carries out in relation to the Ashes Test Match in 2009 and the ODI against Pakistan in 2010 reveal that a substantial number of spectators travelled to the ground from outside the region. It is estimated that the 2009 Ashes Test match attracted over 40,000 spectators to the region, while the ODI attracted almost 5,000.

3.3 Economic value of sport

Sport delivers benefits to participants, spectators and to the economy as a whole and therefore supports a wide range of policy agendas. The economic impact of sport in terms of national GVA and employment is substantial. Based on the National Accounts definition of sport and taking into account wider sport-related activity such as television/satellite broadcasting and sports gambling, in 2010 sport is estimated to have generated GVA of £20.3 billion – 1.9% of the England total. That places sport within the top 15 industry sectors in England. It makes a greater contribution to the economy than motor vehicles, telecoms services, legal services, accounting, publishing, advertising and the utilities.

However, these measures only capture part of its economic value[2]. The wellbeing or happiness of individuals through spectating sport is well documented. Connected to this is national pride and a feel-good factor through sporting success such as Ashes victories.

Sport has a range of wider benefits to individuals and to society as a whole. Both participation in and consumption of sport can result in significant wider impacts, as set out in Figure 3.1.

Figure 3.1: Wider economic value benefits of sport

	Participation in Sport	Consumption of sport
Individual	Educational attainment	Well-being – consumption of sport
	Health	
	Option value (non-user benefits)	
	Well-being – participation in sport	
Society	Crime	National pride / feel good factor
	Environment	
	Regeneration & community development	
	Volunteering	

[2] Economic Value of Sport – Sport England, AMION (2013)

Not all of the wider benefits can be easily measured. However, what is clear is that the wider economic value of sport is substantial.

3.3.1 *Economic impact of major sporting events*

2009 Ashes test match

AMION conducted an Economic Impact Assessment of the 2009 Ashes Test between England and Australia, held at Headingley between the 7th and 9th August 2009.

The number of spectators attending the Ashes Test totalled 49,430 over the three days. A further 29,098 were expected to attend during the last two days of the Test match, which would have brought the overall attendance figure to 78,528. The number of spectators does not equate to the number of visitors attracted by the Test match, as many people attended more than one day of the Test. The total number of visitors was estimated to be 41,304 or 65,618 if the match had lasted the full five days.

In order to estimate the additional number of visitors attracted to Leeds and the Yorkshire region as a result of the Test, consideration was given to the proportion of spectators who would have visited the area anyway. After allowing for visitors who indicated that they would have made the trip anyway and for 'local' residents (spectators from Leeds or Yorkshire), the number of additional visitors to Leeds was estimated to be 32,050 over three days or 50,917 if the match had lasted five days. The equivalent figures at the regional level were 23,487 and 37,313.

From the responses to the spectator survey, it was calculated that on average each visitor spent £115.67 within Leeds and £155.26 within the region as a whole. This does not include the costs of the match ticket. On the basis of these assumed levels of average expenditure, the Test match generated £3.7 million of additional spending within the City and £3.6 million of additional spending within the region (See Table 3.1).

Based on information provided by YCCC, the additional organisational spend within Leeds was estimated to be £1.7 million. The additional organisational spend at the regional level was lower, at £1.2 million, due to the larger proportion of ticket income assumed to be coming from 'local' spectators. Some of this expenditure would be expected to support temporary jobs, such as stewarding. However, the ticket income is also essential in maintaining a number of permanent jobs at YCCC. Without this income, it is likely that the Club would need to reduce its staffing levels.

The level of GVA generated through the hosting of the Ashes Test at Headingley was calculated based on the analysis of additional expenditure. From the estimates of visitor and organisational spend, the additional GVA generated as a result of the Ashes Test was £2.0 million in Leeds and £1.8 million within Yorkshire. If the Ashes Test had lasted five days, the impact in terms of GVA would have been £2.8 million at the Leeds level and £2.6 million at the regional level.

Overall, it was calculated that the match supported some 68 net additional person years of employment at the Leeds level and 97 net additional person years of employment at the regional level. The net additional impact if the Test were to have lasted five days was estimated to be 91 and 137 person years of employment at the Leeds and Yorkshire level respectively. The employment generated through the Ashes Test can be considered to be permanent if matches of a similar stature are played at Headingley each year.

Table 3.1: Additional visitor expenditure by category

	Over 3 days		Projected over 5 days	
	Spend per visitor (£)	**Total additional spend (£)**	**Spend per visitor (£)**	**Total additional spend (£)**
Leeds level				
Accommodation	24.26	777,554	24.26	1,235,278
Food & drink	71.48	2,290,997	71.48	3,639,640
Entertainment	0.62	19,852	0.62	31,538
Programmes & merchandise	6.15	197,217	6.15	313,313
Shopping	5.77	184,775	5.77	293,547
Travel	7.39	236,696	7.39	376,031
Total	**115.67**	**3,707,091**	**115.67**	**5,889,347**
Yorkshire level				
Accommodation	36.83	865,132	36.83	1,374,410
Food & drink	85.15	1,999,984	85.15	3,177,316
Entertainment	1.20	28,237	1.20	44,859
Programmes & merchandise	6.55	153,756	6.55	244,267
Shopping	11.19	262,820	11.19	417,534
Travel	14.33	336,670	14.33	534,857
Total	**155.26**	**3,646,598**	**155.26**	**5,793,243**

Along with the economic impacts associated with the Test match, the hosting of international cricket can help to generate a number of wider, less easily quantifiable benefits. These include improvements to the image and reputation of the area and stimulating further economic activity within the region through linked events and initiatives. In addition, international cricket can result in a range of community and sporting benefits, such helping to increase participation in sport and generating a sense of pride amongst the local community.

Overall, the Ashes Test at Headingley was viewed positively by the media, players and officials. Perceptions of the match were also generally positive amongst spectators and local businesses, as described above. The Ashes in Leeds Festival played an important part in the success of the Test, as it helped to broaden the appeal and impact of the match to local residents and visitors who were not themselves attending the game.

2010 One Day International between England and Pakistan

AMION conducted an Economic Impact Assessment of the 2010 One Day International (ODI) between England and Pakistan, held at Headingley on 12th September 2010.

The hosting of the ODI is considered to have generated a range of benefits for the local community and within the wider economy. The economic impact assessment sought to quantify these benefits, where possible. The analysis of benefits focused mainly upon the estimated level of expenditure generated within both Leeds and the Yorkshire and the Humber region. The key benefits are expected to include additional visitors and visitor expenditure and additional GVA and employment opportunities.

In terms of additional visitors to the City and wider region, the overall number of spectators attending the ODI totalled 15,669. Not all of these can be considered additional though, as some may have made the trip anyway and others were local residents. Based on the responses to the spectator survey, the number of additional visitors to Leeds and the Yorkshire region as a whole was 11,968 and 4,833 respectively.

It was calculated that on average each additional day visitor spent £45.93 within Leeds and £46.42 within the region. In comparison, staying visitors spent on average £205.17 within Leeds and £232.05 within Yorkshire as a whole. On the basis of these assumed levels of average expenditure, the ODI generated £792,000 of additional spending within the City and £470,000 of additional spending within the region.

Table 3.2: Additional visitor expenditure by visitor type

	Spend per visitor (£)	Total additional spend (£)
Leeds level		
Day visitor	45.93	479,875
Staying visitor	205.17	311,882
Total	-	**791,757**
Yorkshire level		
Day visitor	46.42	162,856
Staying visitor	232.05	307,515
Total	-	**470,371**

As well as additional visitor spend, it is estimated that the ODI resulted in £488,000 of additional organisational spend within Leeds and £211,000 of additional organisational spend in Yorkshire – the lower level of additional spend at the regional level is due to ticket income from both Leeds residents and residents from the rest of Yorkshire being excluded to take account of displacement of activity from elsewhere in the region.

The level of GVA generated through the hosting of the ODI at Headingley was calculated based on the analysis of additional visitor and organisational expenditure. It was assumed that the additional spend estimated for Leeds and the Yorkshire region is equivalent to increased turnover across a range of tourism associated businesses. From the estimates of visitor and organisational spend, the additional GVA generated as a result of the ODI was £475,000 in Leeds and £253,000 within the region as a whole.

In terms of the employment impact, overall it is estimated that the hosting of the ODI at Headingley will have created some 16 net additional person years of employment at the Leeds level and 15 net additional person years of employment at the regional level. The employment generated through the ODI can again be considered to be permanent if matches of a similar stature are played at Headingley each year.

3.4 Investment in sporting facilitates – empirical evidence

3.4.1 Headingley Carnegie project

The Headingley Carnegie project involved the construction of a new building at the Carnegie Pavilion. In order to ensure that international cricket continued to be staged at Headingley, the cricket ground was in need of modernisation and investment. In response to the need to modernise facilities at the cricket ground, YCCC, Leeds Metropolitan University and Yorkshire Forward (YF) invested in development of a new building at Carnegie Pavilion. This involved the creation of a new, £22 million, dual purpose building, combining higher education facilities, a media centre (TV and radio, written press and internet) and new player changing and spectator facilities. The building was completed in July 2010.

Building on the findings of the Economic Impact Assessments of the 2009 Ashes Test match at Headingley and the 2010 ODI between England and Pakistan, AMION's 2011 evaluation of YF's investment found that the Headingley Carnegie project has resulted in a range of benefits.

- **Sustainability benefits** – the new building secured an overall BREEAM rating of 'excellent' based on an overall weighted score of 71.5%. A rating of excellent is particularly noteworthy in relation to sporting venues and stadia;
- **Student / educational benefits** – The building provides academic offices and teaching spaces for the students from Event Management, Hospitality and Retailing and Tourism and Entertainment courses, from the Carnegie Faculty of Leeds Met. Some 680 students are timetabled within the building and with 66 academic and administrative staff residing on the top floor. Much of the space can be converted from learning support into a media centre and hospitality suites for major international cricket matches;
- **Economic benefits** – The economic benefits of the project relate principally to the retention of international cricket at Headingley. Due to the construction of the Carnegie Pavilion, it is assumed that, on average, one Test match and one ODI will be held at Headingley each year, up until at least the end of the current staging agreement in 2019. On this basis, the economic impact assessments of the 2009 Ashes Test match and 2010 ODI between England and Pakistan have been used as the basis for evaluating the economic benefits associated with the project.

  The key economic benefits that can be attributed to the Headingley Carnegie project are summarised in Table 3.3. Against each benefit, an allowance has been made for deadweight, leakage, displacement and multiplier effects, where relevant. The analysis of benefits has been undertaken at both the Leeds level and regional level.

Table 3.3: Key economic benefits		
	Leeds level	**Yorkshire level**
Additional visitors attracted per annum	44,018	28,320
Additional visitor spend generated per annum	£4,498,848	£4,116,969
Additional organisational spend per annum	£2,205,308	£1,447,595
Gross Value Added (GVA) created per annum*	£2,728,592	£2,676,556
Net additional construction jobs generated (fte)	11	17
Net additional operational jobs generated (fte)	84	112

- **Wider benefits** – In addition to the benefits identified above, the development of the Carnegie Pavilion has also delivered a number of wider impacts. These impacts have benefited communities throughout Leeds and the wider region. They revolve primarily around impacts associated with the development of the stadium in securing the future of Headingley as an international cricket venue and contributing to an enhanced image of Yorkshire, building upon an existing sporting heritage. Alongside this, wider benefits relate to the impact of the project on YCCC's community outreach activities, particularly in relation to the promotion of sport development, education and social cohesion.

- **Strategic Added Value (SAV)** - SAV aims to capture the effects of the wider co-coordinating, catalytic and influencing role of YF and its investment, which is not captured in the outputs, outcomes and impacts of direct project support.

  It is considered that a high level of strategic added value has been provided by the Agency through the project. In particular, YF is considered to have used the leverage of its financial and human resources and engagement to demonstrate strategic leadership and influence in bringing YCCC and Leeds Met together around a common set of objectives, and as a result achieve an innovative solution. The project is considered to provide a very good example of strategic activity, enabled by the application and use of public sector resources.

Value for Money

In terms of Value for Money, Table 3.4 summarises the project's cost effectiveness in relation to the public sector cost per net additional job created. The cost per net additional job achieved by the project is within standard benchmarks for physical regeneration schemes – the then English Partnerships' Best Practice Guidelines on cost per job identify cost per net additional job benchmarks ranging from £19,100 to £48,200 (2009 prices), whereas the review of RDA spending undertaken by PwC identified a cost per net additional job for projects that bring land back into use of £42,101.

With regard to return on investment, the ratio of 5.6:1 achieved by the project is below the national average identified by PwC for all RDA projects of 6.4:1 and for projects associated with brining land back into use of 6.5:1. Nevertheless, given the nature of the project and the scale of wider benefits achieved (for example, the educational and community benefits of the project), it is considered that overall the project represents reasonable value for money.

Table 3.4: Value for money analysis	
	Yorkshire level
Public sector cost	£4,000,000
Net additional construction and operational jobs	129
Net additional operational jobs	112
Net additional cumulative GVA (discounted)*	£22,259,854
Public sector cost per net additional construction and operational job	£31,035
Public sector cost per net additional operational job	£35,751
Ratio of GVA to public sector cost (return on investment)	5.6:1

3.4.2 Ongoing development of Headingley

PWC conducted an assessment of the importance of Headingley Stadium to the local economy with regard to the ongoing development of the facilities. The research provided an estimate of the economic impact of visitors on the local economy:

- based on previous surveys carried out in 2009, together with previous economic impact assessments, international cricket at Headingley is estimated to generate approximately £4.8 million of additional visitor spend in Leeds and £5.3 million within Yorkshire by 2020;
- the report notes that these spending levels could rise with increased capacity in the future, potentially resulting in £5.75 million of additional visitor spend within Leeds and £5.3 million within Yorkshire by 2020; and
- the research concludes that if Headingley were to lose international cricket, the visitor spend would drop considerably, with a very noticeable effect on the local economy.

With regard to the construction employment benefits from the proposed development of Headingley's facilities:

- £23.4m of construction expenditure would equate to 175 full-time constructions jobs created nationally, with 60 coming from the Leeds City Region and 38 from the Leeds City Council area; and
- the proportion employed locally could increase if the construction contract was structured to source work more locally.

4 Economic and wider benefits

4.1 Introduction

The redevelopment proposals at Headingley Stadium will generate a range of economic, social and wider benefits. An economic impact model has been developed to quantify the economic benefits of the scheme, which are set out in this section alongside a description of the wider benefits.

4.2 Economic impact model

The economic impact model has been constructed based on best practice and building upon the approach used in the impact assessments undertaken by AMION of the 2009 Ashes Test match and the 2010 England vs Pakistan ODI at Headingley.

The model is based on an income expenditure framework that assesses the additional expenditure at the Leeds City Region and local Leeds level and the associated impact in terms of GVA and employment.

The following four types of expenditure have been assessed:

- on-site spectators and corporate hospitality guests (or visitors);
- off-site visitor related expenditure;
- procurement expenditure (supply chain); and
- further indirect and induced multiplier effects.

In assessing the effect of the project on the city regional and local economy, it is important to measure its impact compared with what would have happened anyway (in other words its net additional impact). This has involved consideration of the following factors:

- deadweight: outputs which would have occurred without the project – this is assessed through the reference case, modelling the impact of not investing in the redevelopment of Headingley Stadium (the without stand scenario);
- leakage: the proportion of outputs that benefit those outside of the reference (or specific spatial) area. As outlined above, the assessment has been undertaken at both the local Leeds level and the wider City Region level;
- displacement: the proportion of project outputs accounted for by reduced outputs elsewhere in the target area. Displacement may occur in both the factor and product markets;[3]

[3] Product market displacement arises where the output of a supported activity takes market share from local firms producing the same good or service. In the case of factor market displacement a supported activity uses locally scarce factors of production (e.g. skilled labour or land) or bids up factor prices.

- substitution: the proportion of outputs that are accounted for by beneficiaries substituting one activity for a similar one; and
- multiplier effects[4]: further economic activity associated with additional local income and local supplier purchases.

The main elements of the economic impact model are described below:

- estimate of gross additional visitors – this includes an analysis of the estimated overall number of spectators to the major matches and the extent to which they would be 'influenced' to visit the area by the hosting of international and City based T20 cricket. Visitor numbers have been analysed in terms of their assumed place of residence and whether they are anticipated to be day or staying visitors, based on the evidence from the previous test match and ODI impact assessments, updated and adjusted to reflect the proposed major match schedule;
- estimate of gross additional spectator expenditure – an analysis of forecast spectator expenditure in the City Region and in Leeds (both on and off-site) has been carried out, again based on previous survey responses. The different types of expenditure have been assessed and an estimate of average spend per spectator for day and staying visitors has been produced;
- calculating the net additional impact – in estimating the forecast economic net impact, gross additional expenditure has been adjusted for deadweight, leakage, displacement and indirect and induced multiplier effects;
- estimate of GVA impact – the potential level of GVA generated has been estimated based on an analysis of visitor spend, using national data from the ONS Annual Business Survey (ABS) to determine the ratio between turnover and GVA within the tourism sector; and
- estimate of employment impacts – to estimate the forecast number of jobs generated, the level of additional visitor expenditure has been divided by the average expenditure per job for tourism related uses. These jobs have been added to the direct employment supported on-site.

The economic impact model has been used to calculate the impact of the proposed stand project at both the city regional level and within Leeds.

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[4] For analytical purposes two types of multiplier can be identified:

- a supply linkage multiplier - due to purchases made as a result of the project and further purchases associated with linked firms along the supply chain. In the absence of a fully articulated model of the local economy these effects are difficult to trace. However, multipliers derived through empirical research in previous studies can be used to approximate these impacts. Alternatively, estimates of the local content of purchases can be used to calculate the local supply linkage multiplier effects, assuming the proportion of expenditure net of non-recoverable indirect taxes incurred on local goods and services is similar throughout the supply chain.
- an income multiplier - associated with local expenditure as a result of those who derive incomes from the direct and supply linkage impacts of the project. Again, precise estimates are difficult to calculate. As a proxy, the results of previous research can be used or estimates can be calculated on the basis of local consumption patterns through the local economy. Again, the assumption is that behaviour is similar at each point in the supply chain.

A number of impact studies have also identified a longer-term development multiplier associated with the retention of expenditure and population in an area.

4.3 Construction jobs

The redevelopment works at Headingley Stadium are expected to support a number of temporary jobs in the design and construction phases of the project. Table 4.1 summarised the projected breakdown of construction related expenditure.

Table 4.1: Construction spend

Component	Spend
Construction	£28.0m
Prelims, insurance, fees, OH and profit	£9.0m
Contingencies	£1.5m
Provisional sums, FF&E, fit out	£1.5m
Total investment	**£40.0m**

Table 4.2 sets out construction direct jobs coefficients by category of activity. The coefficients express the number of workers required over one year to deliver £1m of construction investment[5].

Table 4.2: Labour coefficients (workers per £1m output)

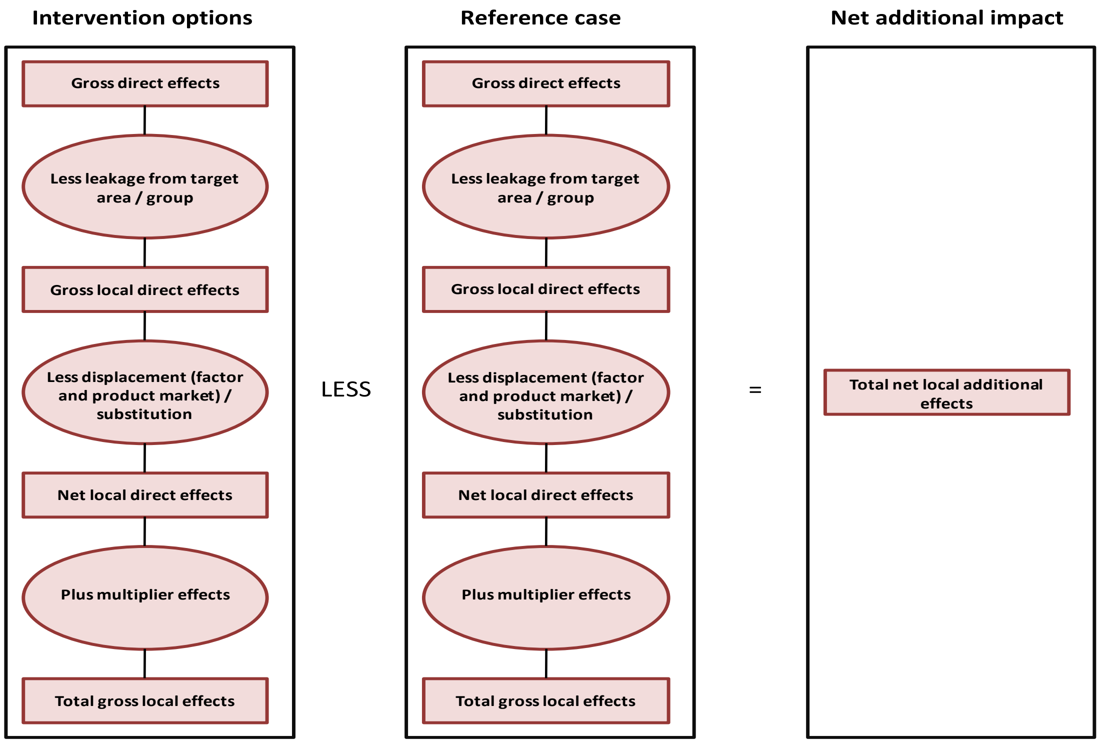
	Housing	Infrastructure	Public non-housing	Private industrial	Private commercial	Housing repair & maintenance	Non-housing repair & maintenance
Jobs	**19.9**	**13.9**	**10.7**	**10.0**	**16.6**	**30.8**	**29.7**

The expenditure at Headingley relates predominately to 'Private Commercial' development. Allowing for patterns of full and part-time working in the construction and related sectors, an adjusted coefficient of 15.7 workers per £1.0m of output has been applied (equating to £63,750 of output per worker). On this basis, the scheme has the potential to support 627 gross person years of temporary employment in the construction phase. Based on the convention that 10 person years of employment is equivalent to one permanent job, investment would support 63 FTE jobs associated with the proposed redevelopment of the stadium.

To assess the net additional impact of not just the construction jobs, but all the other outputs flowing from the initiative, the analysis has used the following additionality framework in Figure 4.1.

[5] Calculating Cost Per Job, HCA (2015)

Figure 4.1: Additionality Framework



In determining the net additional jobs generated through the construction phase, each of the additionality factors have been assessed as follows:

- **leakage** – based on local market intelligence, it is assumed that 60% of labour spend is within the City and 80% within the City Region. As such, leakage has been set at 40% for the Leeds level and 20% for the City Region;
- **displacement** – in terms of construction activity and in relation to future development, it is considered that there is capacity to accommodate increased demand. Overall, it has therefore been assumed that the displacement rate for this whole development scheme, in terms of construction activity, is relatively low at 20% at the City level and 25% in the City Region;
- **multiplier effects** – alongside directly supporting employment creation, the construction activity related to the developments will also lead to additional job opportunities through supply chain expenditure (indirect effects) and induced effects through construction employee spend on goods and services within the City Region. In order to take into account both the indirect and induced multiplier effects associated with the construction phase, reference has been made to benchmarks outlined within additionality guidance produced for BIS[6]. A composite multiplier of 1.25 has been assumed for the Leeds level and 1.46 for the City Region level; and

[6] BIS (2009) Occasional Paper 1: Research to improve the assessment of additionality

- **deadweight** – in the absence of the proposed redevelopment project, it has been assumed for the purposes of this assessment that there would little in the way of construction activity if the stands project were not to proceed. As such, deadweight is assumed to be zero.

Based on this analysis, Table 4.3 sets out the estimated number of **net additional** person years of construction employment generated.

Table 4.3: Net additional person years of construction employment (by end use)

	Leeds level	Leeds City Region level
Person years	550	376
Ten year equivalent	55	38

4.4 Additional visitors attracted

Based on information from YCCC, Table 4.4 sets out the assumed overall total number of spectators for major cricket matches, with and without the stand. In total it is estimated that the delivery of the new stand will result in an overall increase in the number of spectators of more than 650,000 over the period to 2023.

Table 4.4: Forecast number of spectators to major cricket matches with and without new stand (2017-2023)

	With	Without	Variance
Total	**895,650**	**239,400**	**656,250**

Based on the evidence from a previous ODI and Test Match, Table 4.5 sets out the estimated number of gross spectators who would be expected to come just for the day and those that would stay for one or more nights over the full period to 2023.

Table 4.5: Number of day and staying spectators

Origin	With new stand			Without new stand		
	Day visitors	Staying visitors	Total	Day visitors	Staying visitors	Total
Leeds	181,429	2,937	184,366	44,624	1,236	45,860
Leeds City Region	257,762	13,914	271,676	63,770	5,523	69,292
Rest of UK/overseas	281,710	157,898	439,607	70,805	53,443	124,248
Total	**720,901**	**174,749**	**895,650**	**179,198**	**60,202**	**239,400**

There is the possibility that some spectators would visit Leeds and/or the city region anyway, even in the absence of the major match. However, an analysis of the previous survey information suggests that in relation to the ODI only 1% of day visitors and 0% of staying visitors would have made the trip if the ODI had not taken place. For the test match, again just 1% day visitors indicated that they would have made the trip if the match had not taken place, alongside 5% of the staying visitors.

Although nearly all of the visitors from Leeds and the Leeds City Region would not make the specific trip in the absence of the major event, it is possible that a large proportion of their expenditure would still be incurred anyway within the City and/or city region. Thus the major matches would potentially displace the spend of residents from Leeds and the city region from other local events, activities or services.

To establish the economic impact that can be attributed directly to the stands, an estimate of additional visitors has been calculated. This equates to the number of spectators who would not have visited Leeds or the wider city region anyway and who live outside of the City/city region (see Table 4.6), based on previous survey work at ODI and test match internationals. The analysis has been run at both the Leeds level and city regional level, with visitors from Leeds excluded from the former and visitors from the wider city region (including Leeds) excluded from the latter.[7]

Table 4.6: Number of additional visitors

	With new stand		Without new stand	
	Leeds	Leeds City Region	Leeds	Leeds City Region
Day visitor	533,228	278,441	132,871	69,907
Staying visitor	165,117	150,701	56,148	50,748
Total	**698,344**	**429,142**	**189,019**	**120,655**

Along with the general spectators and corporate hospitality guests, the hosting of the major matches would attract a number of other groups, including players/team staff, media, officials and volunteers. For example, in the case of a ODI this could equate to some 50 players/team officials, 70 media personnel and 15 volunteers. These are assumed to be additional staying visitors.

4.5 Additional visitor expenditure

4.5.1 Spectator expenditure

On the basis of the responses to the previous ODI and Test Match visitor surveys, an analysis has been undertaken of the total additional visitor expenditure generated as a result of the major matches. This has been calculated through deriving an average spend per visitor figure, broken down by day and staying visitors. The estimate of average visitor spend includes expenditure on-site and off-site. It does not include the costs of the match ticket, as ticket revenue has been accounted for under the assessment of organisational spend (see Section 4.5.2).

Table 4.8 sets out the estimated additional visitor expenditure by visitor type, including details of the estimated expenditure per visitor for both day visitor and staying visitors. The identified expenditure figures are based on the previous spectator surveys and updated to 2017 prices. On this basis, the additional spectators are forecast to generate £92.2 million of additional spending

[7] This is considered to be a prudent assumption, as in reality it is likely that a number of local residents would have still travelled to the game even it had been held outside of the region (for example, at Old Trafford cricket ground). Therefore, the hosting of the major matches at Headingley would probably prevent leakage of expenditure by local residents.

at the Leeds level and £72.2 million of additional spending within the city region in the period up to 2023.

Table 4.7: Additional visitor expenditure by visitor type (total 2017-23)					
2017 prices	**Test matches**		**ODI, World cup and T20 matches**		**Total spend (£m)**
	Spend per visitor (£)	**Total additional spend (£m)**	**Spend per visitor (£)**	**Total additional spend (£m)**	
Leeds level					
Day visitor	£140	£29.1	£59	£19.2	£48.2
Staying visitor	£535	£31.5	£263	£12.5	£43.9
Total		£60.5		£31.7	£92.2
Leeds City Region level					
Day visitor	£140	£15.4	£59	£9.9	£25.3
Staying visitor	£634	£33.5	£297	£13.4	£46.9
Total		£48.9		£23.3	£72.2

Table 4.8 sets out the estimated on and off-site expenditure based on the results of the previous visitor surveys. Overall, it is estimated that the additional major matches could result in £62.4 million of additional on-site expenditure and £29.8 million of additional off-site expenditure at the Leeds city level in the period to 2023. At the wider city region level, major matches could generate £39.8 million of additional on-site expenditure and £32.4 million of additional off-site expenditure within the city region over the same period.

Table 4.8: Additional visitor expenditure on-site and off-site			
	Test matches (£m)	**ODI, World cup and T20 matches (£m)**	**Total additional spend (£m)**
Leeds level			
On-site	£42.9	£19.5	£62.4
Off-site	£17.7	£12.1	£29.8
Total	£60.5	£31.7	£92.2
City Region level			
On-site	£28.6	£11.2	£39.8
Off-site	£20.3	£12.1	£32.4
Total	£48.9	£23.3	£72.2

There will also be further off-site visitor spend associated with the players/team staff, media, volunteers and officials. However, it is uncertain what this level of spend might be, as these groups of visitors were not picked up as part of the previous spectator survey. In addition, many of the volunteers and a number of the media personnel were local residents and consequently their spend would not considered to be additional. Consequently, this expenditure has been excluded from the analysis.

4.5.2 Organisational spend

An analysis of potential ticket revenue and hospitality income has also been undertaken based on previous research. Revenue from ticket sales supports employment directly at the Club, as well as within the local and city regional economy through supply chain expenditure by YCCC. However, some of the income from ticket sales will not be retained by the Club or within the local or city regional economy. For example, a proportion of the income received was used to cover the staging fee charged by the ECB[8].

In addition, as with the analysis of visitor expenditure, it has been assumed that ticket income from residents within Leeds or Yorkshire would have been spent in the City/City Region even if the major matches had not gone ahead. Therefore, spend on tickets by Leeds residents has been excluded from the analysis at the Leeds level and spend on tickets by those living in City Region has been excluded from the analysis at the regional level.

Overall, it is estimated that the major matches could result in £33.2 million of additional organisational spend within Leeds and £20.9 million of additional organisational spend in the City Region over the period to 2023.

4.6 Gross Value Added

The forecast level of GVA generated through the hosting of the assumed additional major matches at Headingley has been calculated based on the analysis of additional visitor and organisational expenditure carried out above. It has been assumed that the additional spend estimated for Leeds and the Yorkshire region is equivalent to increased turnover across a range of tourism associated businesses. These businesses are likely to fall within the following SIC categories:

- SIC55 – accommodation;
- SIC56 – food and beverage service activities;
- SIC79 – travel agency, tour operator and other reservation service and related activities;
- SIC90 – creative, arts and entertainment activities;
- SIC91 – libraries, archives, museums and other cultural attractions; and
- SIC93 – sports activities and amusement and recreation activities.

An average ratio between turnover and GVA within the above tourism related industries has been derived from national ABS data. Overall, total GVA in 2015 for these industries is recorded as being approximately 48% of total turnover. For organisational activities, a ratio of 51.4% has been applied reflecting benchmarks for sports activities (SIC93). Based on these ratios, the additional GVA generated as a result of securing the identified indicative programme of major matches

[8] The staging fee represents the fee charged by the ECB for the right to host an international cricket match. It varies depending on the profile of the match. In relation to the ODI between England and Pakistan, the staging fee was £55,850. For the 2009 Ashes Test match, the fee paid to the ECB by YCCC was £490,000.

through stadium redevelopment works is estimated to be £61.2 million in Leeds and £45.4 million within the wider city region (see Table 4.9).

Table 4.9: Gross Additional expenditure and GVA (2017-23)			
	Expenditure (£)	GVA (£)	
		Undiscounted	Discounted[9]
Leeds level			
Visitor spend	£92.2	£44.2	£39.4
Organisational spend	£33.2	£17.1	£15.1
Total	**£125.3**	**£61.2**	**£54.5**
Leeds City Region level			
Visitor spend	£72.2	£34.6	£30.9
Organisational spend	£20.9	£10.8	£9.5
Total	**£93.1**	**£45.4**	**£40.4**

Allowing for multiplier effects and deadweight (based on the without new stand scenario)[10], the net additional discounted GVA impact over the period to 2023 is estimated to be £40.2 million at the Leeds level and £32.1 million at the City Region level.

4.7 Gross and net additional operational jobs

In relation to the potential employment impact that could be attributed to the hosting of the additional major matches at Headingley due to the stands, an assessment has been made of both the gross additional and net additional number of jobs created/safeguarded.

More generally, the retention of international cricket at Headingley is essential for YCCC to maintain its current employment profile. The loss of international cricket would lead to the Club having to scale back the number of permanent and temporary staff it employs.

4.7.1 Gross additional employment

Based on evidence from previous impact studies, activity will support significant levels of temporary employment within the cricket ground including stewards/security staff, police, medical staff and volunteers, club shop causal staff, hospitality staff, concession staff, YCCC catering staff and external hospitality and catering staff. On the basis of this previous evidence, it has been assumed that one day of temporary employment will be created for each 680 spectators attending a ODI, world cup or T20 match. Evidence suggests that the rate of temporary employment for test matches is higher, with one day of employment supported for every 410 spectators. Overall, it is estimated that this activity will support 32 jobs in 2023 and an average of 24 each year over the period 2017-23.

9 Discounted at 3.5% in line with HM Treasury guidance set out within the Green Book

10 No allowance is made for the effect of leakage as GVA is a workplace based assessment of impact

The revenue received by the Club will also contribute to maintaining a number of permanent jobs at YCCC, as well as supporting employment in the local and regional economy through additional supply chain expenditure. As described in Section 4.5.2, it is estimated that the programme of matches envisaged following the delivery of the new stand will result in an additional organisational spend over the period 2017-23 of £33.2 million at the Leeds level and £20.9 million at the city regional level. Applying an average turnover per employee figure of £50,000[11], the programme of activity in 2023 is estimated to support 124 gross additional jobs at the Leeds level and 78 gross additional jobs at the City Region level due to organisational spend.

In addition to the direct employment at YCCC and supply chain activity supported by on-site expenditure, off-site visitor spend will generate additional employment within the wider economy. On the basis of an average turnover per employee figure of £50,000, the indirect employment supported through this spend will be some 110 gross additional jobs at the Leeds level and 120 gross additional jobs at the city regional level by 2023.

Table 4.10 summarises the gross additional employment allowing for the redevelopment of the North-South stand at Headingley. In total, it is estimated that the programme of matches could support 267 gross additional jobs at the Leeds level and 231 gross additional jobs at the City Region level in 2023. Over the period 2017-23, the average employment level is expected to be 205 and 178 gross jobs respectively.

Table 4.10: Gross additional employment – total in 2023 and average over period 2017-23

	Test matches		ODI, world cup and T20		Total	
	2023	**Average**	**2023**	**Average**	**2023**	**Average**
Leeds level						
Temporary staff	18	14	15	11	33	25
Organisational spend	50	39	73	55	124	95
Off-site visitor spend	64	50	46	35	110	85
Total	**133**	**104**	**134**	**101**	**267**	**205**
City Region level						
Temporary staff	18	14	15	11	33	25
Organisational spend	33	26	45	34	78	60
Off-site visitor spend	74	58	46	35	120	93
Total	**125**	**98**	**106**	**80**	**231**	**178**

4.7.2 Net additional employment

In relation to the net additional employment impact of the additional major matches, an allowance has already been made for displacement in the calculating the number of additional

[11] Source: National ABS financial data adjusted to reflect full-time / part-time working patterns within the identified sectors

visitors to the City and city region (Section 4.5). However, an allowance also needs to be made for leakage, multiplier effects and deadweight in order to establish the net additional impact.

Deadweight has been estimated based on the reference case, reflecting the anticipated profile of matches that is expected without the benefit of the proposed investment.

UK Census travel flow data has been used to estimate the level of leakage. According to travel flow data, around 66% of employees within Leeds also reside within the City and some 92% live within the City Region. Therefore, leakage has been assumed to be 34% at the Leeds level and 8% at the city regional level.

A multiplier of 1.1 has been applied at the Leeds level and a multiplier of 1.2 has been assumed at the city regional level. These are lower than benchmarks set out in the Department for Business Innovation and Skills' (BIS) guidance on assessing additionality[12], which reports an average multiplier of 1.21 at the sub-regional level and 1.43 at the regional level. However, the first round indirect effects of the activity have already been taken into account as part of the analysis of gross additional employment.

The total net additional employment impact of the proposed investment is set out within Table 4.11. Overall, it is estimated that the hosting of the additional major matches at Headingley will create more than 270 net additional jobs at the Leeds level and 180 net additional jobs at the City Region level in 2023. The average over the period 2017-23 is expected to be 152 and 100 net additional jobs at the Leeds and the City Region levels respectively.

Table 4.11: Net additional employment – total in 2023 and average over period 2017-23

	Test matches		ODI, world cup and T20		Total	
	2023	Average	2023	Average	2023	Average
Leeds level						
Temporary staff	18	8	15	10	34	18
Organisational spend	52	24	75	49	127	72
Off-site visitor spend	66	30	47	31	113	61
Total	**136**	**62**	**138**	**90**	**274**	**152**
City Region level						
Temporary staff	14	6	12	8	26	14
Organisational spend	26	12	36	23	62	35
Off-site visitor spend	59	27	36	24	95	50
Total	**99**	**45**	**84**	**55**	**183**	**100**

[12] BIS 2009, 'Research to improve the assessment of additionality'.

4.8 Wider benefits

In addition to the benefits identified above, the redevelopment proposals at Headingley Stadium will also deliver a number of wider impacts. It is expected that these impacts will benefit communities throughout Leeds and the wider City Region. The benefits are described below. These revolve primarily around impacts associated with the development of the stadium in securing the future of Headingley as an international cricket venue and contributing to an enhanced perception and image, building upon an existing sporting heritage. Alongside this, the redevelopment proposals will help to sustain a range of important community and participation benefits.

In addition to these wider benefits, it is expected that the proposed investment will make an important contribution to safeguarding and enhancing the business rates generated directly through the stadium and surrounding businesses. Through securing the future of the stadium as a venue for major matches, investment will make an important contribution to supporting local business activity within Headingley, alongside sustaining and growing the business rates generated through these uses.

4.8.1 Perception and image

Headingley cricket ground forms an important component of the region's overall visitor offer and contributes to creating a critical mass of attractions within Yorkshire. In particular, international cricket at Headingley helps to promote the local area and region to people across the UK and abroad. High profile events help to generate a sense of pride for those directly involved, as well as amongst local residents and businesses. They can also engender a feel good factor and an increase in the collective self-esteem through a heightened sense of self belief and capacity, as success will be accredited to the wider area and not the Club alone. As such, improving the image and perception of Headingley can have a catalytic effect on other attractions and businesses within the City Region.

Through delivering high quality facilities, the project allows Headingley to remain within the top tier of grounds. Maintaining the right to stage international cricket is a critical benefit arising from the project. International cricket reaches a global audience of fans. For many of these fans Yorkshire, as a result of the traditional local passion for the sport, is synonymous with cricket. The project will significantly enhance the quality of the facilities and the appearance of the Headingly Stadium. The proposed renovation of the North-South Stand and redevelopment of the South Stand will ensure that the stadium continues to be one of the most recognisable landmarks within Yorkshire. This highlights the potential importance of high quality image and design as a catalyst for changing perceptions.

It is anticipated that the project will contribute to the projection of a positive image of Leeds and the Leeds City Region to a global audience in the future.

4.8.2 Community

Consultation with the Club emphasised the importance of securing international cricket, and the associated revenue, as a means of enabling the club and the Yorkshire Cricket Board to continue to operate and invest in activities, such as its outreach work. Through meeting the ECB requirements, the development of the new North-South stand delivers greater certainty in relation to future revenue streams. This in turn allows the cricket club to maintain its commitment to outreach initiatives.

Through supporting the role and status of the club within the local community, the project will also enable YCCC to continue to invest effectively in social capital projects. These projects involve delivering messages to communities around key issues including health, exercise and lifestyle. For example, The Yorkshire Cricket Foundation and Leeds Peer Support Service, Adult Social Care, are working together to create an experience to connect people to their love of cricket. The 'Catch Up Club' provides facilitated sessions for people living with dementia and their partners to be involved in the cricket experience. Visits to YCCC started in January 2015 and it is hoped that they will continue, creating a strong support network for sports, and more specifically crocket supporters who are suffering with this disease.

4.8.3 Participation

Along with the economic impacts described above and the improvements to the perception and image and of the area, the hosting of international cricket can also lead to a number of other wider benefits. For example, the facilities at Headingley provide opportunities for amateur and professional sports participation, with multi-purpose facilities open to all ages and abilities to encourage both the development of young talent and elite sports performance. The hosting of international cricket is an essential source of revenue for YCCC, which is needed to maintain and improve such facilities.

High profile matches, such as the Ashes Test, also contribute to efforts to increase interest in sport generally, providing the opportunity to translate this interest into increased participation by people of all ages and abilities. This in turn helps to create a sporting culture across the City and wider region and encourage greater levels of physical activity. The hosting of international cricket therefore helps to ensure that YCCC has a key role to play in progressing the sports agenda across Leeds, the Leeds City Region and Yorkshire. In addition, attracting high profile Rugby matches will also contribute to increasing interest and participation in sport.

Appendix A: Socio-economic context

An An analysis of the socio-economic context has been carried out, focusing upon key demographic, economic and social indicators. Reflecting the nature of the project, which seeks to attract visitors to the Leeds metropolitan area from outside the region, this analysis has primarily been carried out for the wider city region. This analysis therefore incorporates not only the metropolitan areas of Leeds, Bradford, Calderdale, Kirklees and Wakefield, but also the outlying districts of Barnsley, Craven, Harrogate, Selby and York.

Population and demographics

With a total population of 3.03 million in 2015, the Leeds City Region is one of the most populous areas of Great Britain. Leeds is the largest local authority area within the City Region with a total resident population of 0.77 million. Since 2010 the overall population of the City Region has increased by 3.2%, while that of Leeds has grown by 3.5%. This level of growth exceeded that experienced across Yorkshire and the Humber as a region (2.6%) but was lower than the average for Great Britain as a whole (3.8%). (Source: ONS Population estimates).

In 2015 63.4% of the total population of the City Region were of working age. This compares to 63.0% at the regional level and 63.3% at the national level. Within the City Region, Leeds has the second largest working age population as a proportion of the total population at 65.8%, with York the highest at 66.4%. While the working age population of the City Region as a whole increased by 0.7% between 2010 and 2015, higher growth was observed within Leeds (1.4%), although not as high as that observed for York (5.1%) and Barnsley (1.8%). In comparison, the working age population of the Yorkshire and The Humber region remained unchanged between 2010 and 2015, while growth of 1.4% was observed for Great Britain as a whole over the same period. (Source: ONS Population estimates).

Economy

An analysis of economic output, as measured in terms of gross value added (GVA), shows that at a headline level growth across the West Yorkshire Metropolitan area between 2010 and 2015 failed to keep pace with the average for England as a whole. Over this period GVA for England increased by 19.4%. By comparison, headline GVA across the West Yorkshire Metropolitan area increased by 14.9%. (Source ONS NUTS3 GVA).

In 2015 GVA per head across the West Yorkshire area was, at £21,457, just 82% of the England average of £26,159. It was, however, somewhat higher than the GVA per head of £20,351 for Yorkshire and The Humber as a whole. Between 2010 and 2015 GVA per head across West Yorkshire increased by 11.4%. By comparison, regional and national (England) GVA increased by 9.9% and 14.8% respectively. (Source: ONS NUTS3 GVA).

Business activity

In 2015 there were 107,625 active enterprises within the Leeds City Region, an increase of 11.4% on the number in 2010. The level of growth experienced over this period was broadly equivalent to that of the wider region, where the number of active enterprises increased by 10.1%, but below that of Great Britain (14.1% increase). (Source: ONS Business Demography statistics).

Business density rates for the Leeds City Region in 2015, at 56 businesses per 1,000 working age population, were broadly comparable with the regional average but substantially lower than the average for Great Britain as a whole (65 businesses per 1,000 population). In 2015, business density in Leeds was 57. (Source: ONS Business Demography statistics).

Business start-up rates across the City Region area over the period 2010 to 2015 were broadly comparable with the rates for the region, but below that for Great Britain as a whole. However, it should be noted that the number of business start-ups across the City Region in 2015 was, at 137, significantly higher than levels of 102 in 2010. This reflects wider trends of increasing business density across Great Britain within this period. (Source: ONS Business Demography statistics).

Economic activity and employment

For the period October 2015 to September 2016 the economic activity rate across the Leeds City Region was 77.1%. This was broadly comparable with rates of 76.8% and 77.8% for Yorkshire and The Humber and Great Britain respectively. The rate of economic activity across the Leeds City Region has remained relatively stable over the past five years, mirroring wider trends. By contrast, the rate for the City of Leeds has been more variable, with levels of economic activity peaking at 79% for the period October 2014 to September 2015 before falling back to 77.8% for the period October 2015 to September 2016. (Source: ONS Annual Population Survey).

For the period October 2015 to September 2016 the employment rate across the Leeds City Region was 73.1%. This was broadly comparable with rates of 72.4% and 73.9% for Yorkshire and The Humber and Great Britain respectively. The employment rate across the Leeds City Region has remained relatively stable over the past five years, mirroring wider trends. As with the economic activity rate, the employment rate for the City of Leeds has been more variable, with a significant change observed between October 2013-September 2014 and October 2014-September 2015, when the employment rate increased from 68.1% to 74.3%, before falling back to 74.1% for the period October 2015 to September 2016. (Source: ONS Annual Population Survey).

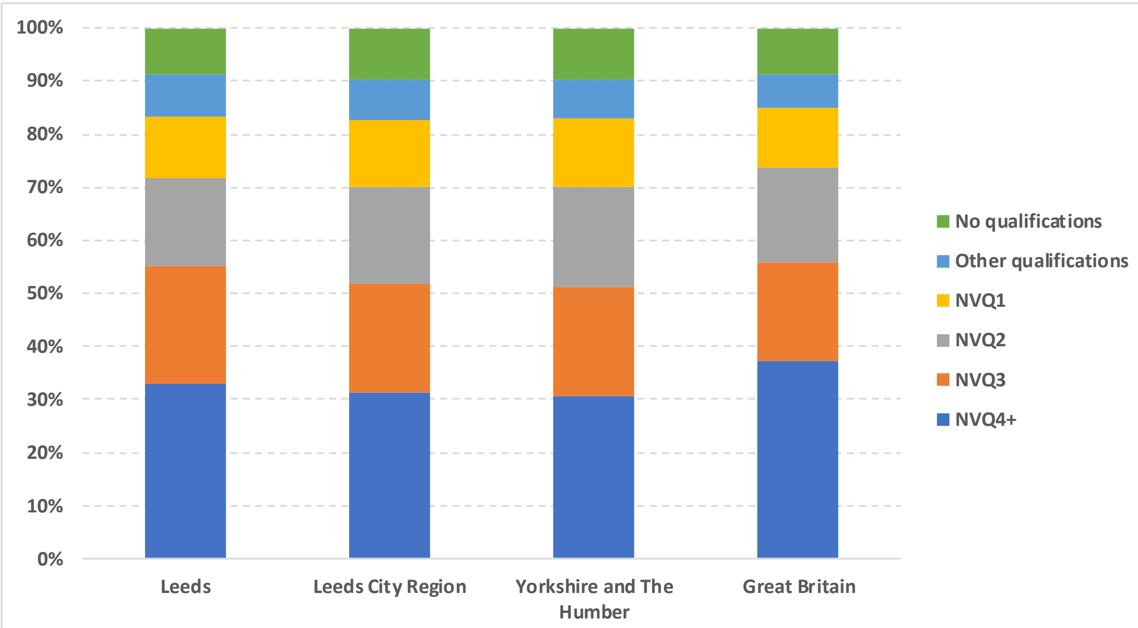
A review of data from the Business Register and Employment Survey (BRES) suggests that the number of people employed in workplaces located within the Leeds City Region increased over the period 2010 to 2015. Growth of 6.1% over this period compares to regional and national growth of 5.0% and 7.3% of respectively. The analysis of trends indicates that the number of employees across all areas increased quickly between 2012 and 2015. (Source: ONS BRES).

In 2015, levels of employment in the manufacturing sector across Leeds City Region were, at 10.5%, some two-and-a-half percentage points higher than the average for Great Britain as a whole. Levels of employment across the majority of other sectors were broadly in line with averages for Great Britain. (Source: ONS BRES).

Local workforce

In 2015 some 31.3% of the resident working age population of the Leeds City Region were qualified to NVQ Level 4 or above. This compares with averages for Yorkshire and The Humber and Great Britain of 30.6% and 37.1% respectively. Within the City of Leeds, the proportion qualified to NVQ Level 4 or above was higher still at 33.0%. Qualification levels are illustrated in Figure A1.

Figure A1: Working age population NVQ attainment levels



Source: ONS Annual Population Survey

The number of working age people attaining higher level qualifications across the City Region increased by 17.7% between 2010 and 2015. This compares to 15.3% for the region and 20.1% for Great Britain as a whole. By contrast, the number of working age people with no qualifications across the Leeds City Region decreased by 23.4% over the same period. This compares to a national decline of 23.6%. (Source: ONS Annual Population Survey).

The occupational profile of the Leeds City Region between October 2015 and September 2016 was broadly comparable with that of Great Britain as a whole. As such, the profile for the City Region was more skewed towards managerial and professional occupations than that of the region as a whole. (Source: ONS Annual Population Survey).

Gross mean weekly earnings across the Leeds City Region were £587 in 2016. This compares with averages of £577 for Yorkshire and The Humber and £647 for Great Britain as a whole. It is noted that mean earnings were higher in Leeds in 2016, at £613. Wage increases between 2014 and 2016 have remained the same for Leeds as for the City Region (both 4.4%). However, wages have increased at a lower rate, across both the Yorkshire and The Humber region and across Great Britain as a whole at 3.5% and 3.6% respectively over the same period. (Source: Annual Survey of Hours and Earnings).

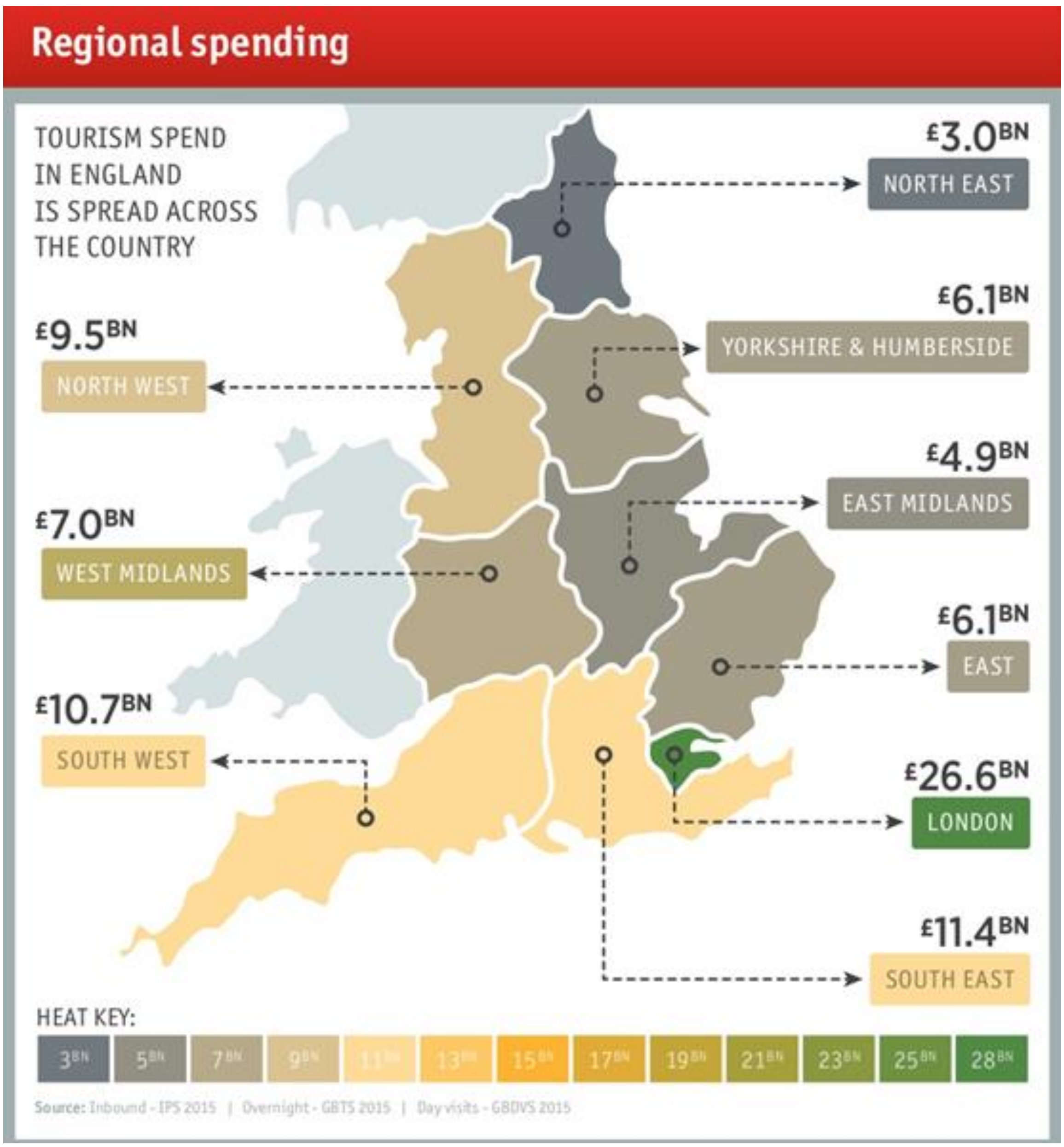
Deprivation

Deprivation has tended to be concentrated within the main urban areas of the City Region, particularly Leeds, Bradford, Barnsley and Wakefield. Across the City Region as a whole, 33.6% of LSOAs are ranked within the 25% most deprived nationally, with 16.9% ranked within the most deprived 10%. Of the 482 LSOAs within the City of Leeds, 36.3% are ranked within the 25% most deprived in England, with 21.8% ranked within the 10% most deprived. This indicates that despite relatively strong economic performance in recent years, there remains a need to address significant deprivation issues. (Source: DCLG IMD 2015).

Visitor economy

Figure A2 shows that in 2015, approximately £6.1 billion of tourism spending occurred within the Yorkshire and The Humber region.

Figure A2: Regional tourism spending across England (2015)



Source: VisitBritain

With regard to tourism by residents of Great Britain visiting Yorkshire and The Humber, in 2015 there were:

- 11.32 million overnight all tourism trips;
- 30.88 million all tourism bednights spent;
- £1,922 million of overnight all tourism expenditure;
- 5.236 million overnight holiday trips;
- 15.88 million holiday nights spent; and
- £1,120 million of overnight holiday expenditure.

(Source: The GB Tourist 2015)

With regard to tourism from overseas visitors, Table A1 provides a summary of inbound tourism data for Yorkshire and The Humber in 2015, indicating declines since 2014.

Table A1: Inbound visits to Yorkshire and The Humber (2015)

	Volume / value	Change from 2014
Number of visits	1.29 million	-5.62%
Total expenditure	£515.52 million	-9.54%
Total night spent	10.36 million	-7.52%
Average length of stay (nights)	8.02	-2.08%
Average spend per visit	£400	-4.04%

Source: VisitBritain – Inbound nation, region & county data

Similar declines were observed in tourism from overseas visitors to West Yorkshire between 2014 and 2015, as shown in Table A2. However, the average spend per visit in West Yorkshire from overseas tourists has increased by 4.92% between 2014 and 2015.

Table A2: Inbound visits to West Yorkshire (2015)

	Volume / value	Change from 2014
Number of visits	498,823	-12.39%
Total expenditure	£203.61 million	-8.04%
Total night spent	3.94 million	-12.65%
Average length of stay (nights)	7.91	-0.27%
Average spend per visit	£408	4.92%

Source: VisitBritain – Inbound nation, region & county data

4.8.4 Leeds City Region visitor economy

The visitor economy is important to the Leeds City Region because of the jobs and income that are supported by the spending of people from outside the area. It thrives because of the many features and attractions that span the urban centres and rural areas of the city region, attracting business as well as leisure tourism.

These include cultural and sporting assets such as the Yorkshire Sculpture Park and The Hepworth in Wakefield, Saltaire World Heritage Site, the National Media Museum in Bradford, Halifax Piece Hall and Headingley Stadium, as well as concentrations of major visitor attractions and assets in town and city centres such as Leeds, York and Harrogate. It also includes:

- diverse and vibrant towns and cities;
- conferencing and exhibition facilities;
- the natural environment - including much of the Yorkshire Dales national park, part of the Peak District and other areas of outstanding natural beauty; and
- parks, green spaces and wildlife within towns and cities.

The City Region has excelled in attracting major events in recent years, including the Tour de France and Tour de Yorkshire. These have not only supported tourism and hospitality businesses by attracting substantial visitor numbers, but also helped to build the City Region's domestic and international profile. The extent to which it is possible to enhance this profile, along with the quality of place identified above, is a key factor that affects the City Region's ability to attract and retain skilled and talented people, investment and visitors in a highly competitive and mobile global market place. A wide range of bodies will be involved in further building our visitor economy, cultural and quality of place assets, and in destination planning. This will primarily be the responsibility of those focused on tourism, sport and culture, and spans activity from local level to that which is best coordinated and taken forward across Yorkshire. It is hard to assess precisely the scale of the economic contribution of the visitor economy. In total, there are around 136,000 people employed in 'tourism related industries', with this figure including hotels, bars, restaurants, cultural and sporting facilities, etc. which serve a mixture of visitors and local people.

City of Leeds visitor economy

The results of a recent STEAM[13] survey, that measures the economic impact of the tourism industry, shows that the Leeds visitor economy has strengthened between 2013 and 2015. The survey indicates that:

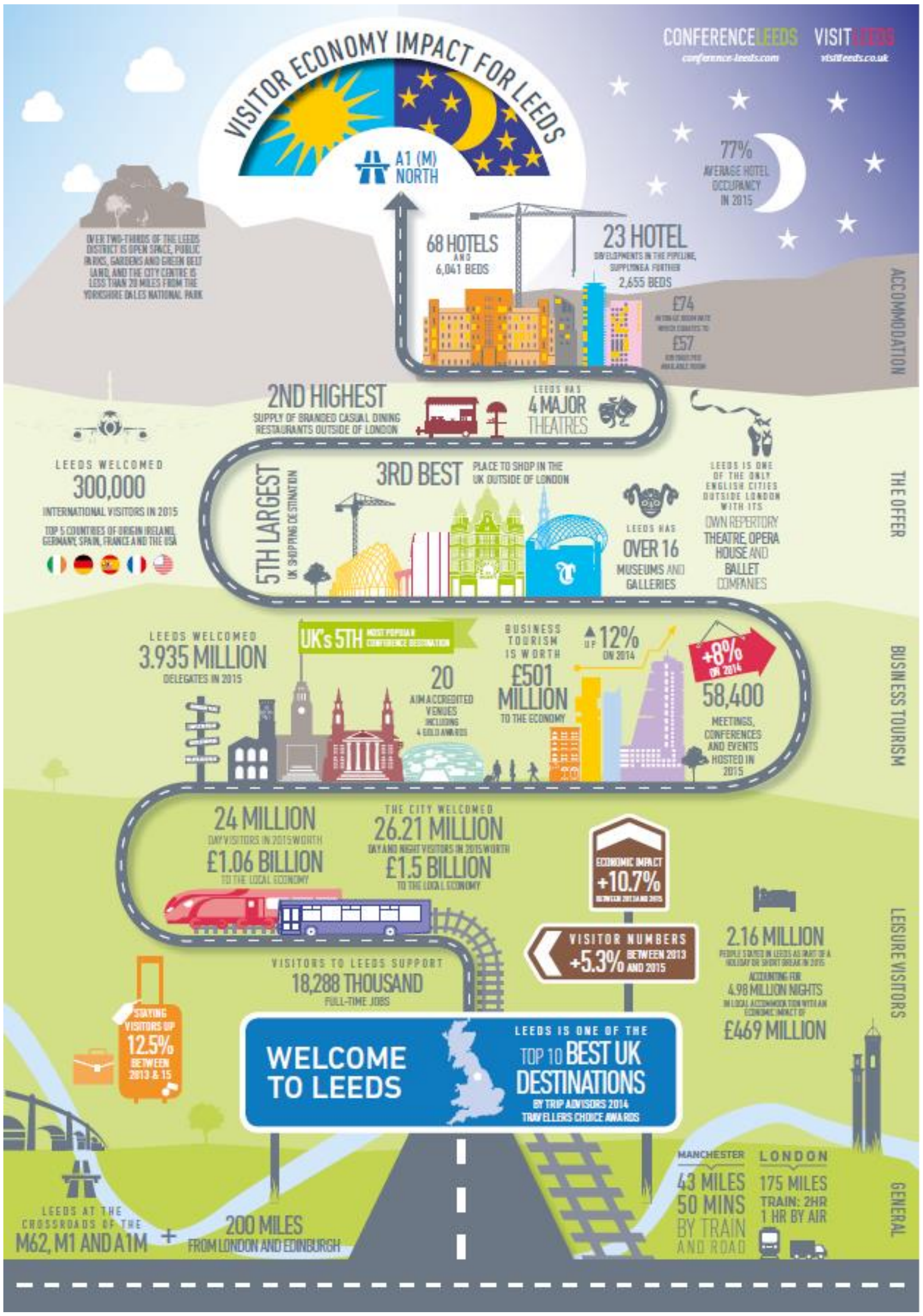
- in 2015 there were a total of 26.21 million tourism visits to Leeds, a 5.3% increase from 2013;
- between 2013 and 2015, the number of day visitors increased by 4.7% and the number of overnight stays increased by 12.5%;
- whilst business tourism continues to grow and contributes £501m to the local economy, attracting around 4 million delegates, leisure tourism visits were estimated to have generated £1.532 billion in 2015, a change of +10.7% compared to 2013; and

[13] STEAM is a tourism economic impact modelling process, commissioned by core cities which quantifies the local economic impact of tourism, from both staying and day visitors, through analysis and use of a variety of inputs including visitor attraction numbers, tourist accommodation bed stock, events attendance, occupancy levels, accommodation tariffs, macro-economic factors, visitor expenditure levels, transport use levels and tourism-specific economic multipliers.

- the tourism industry in Leeds plays a vital role in supporting more than 18,000 full time equivalent jobs which is an increase of 4% from 2013.

Figure A3 shows an infographic of the Leeds visitor economy and provides an overview of the importance of the visitor economy to Leeds, together with it how it ranks against other parts of the UK.

Figure A3: Leeds visitor economy infographic



Source: Visit Leeds

Cricket

Headingly currently attracts a significant number of visitors to the region. While Yorkshire and Headingly retain a strong association with cricket, the standard of facilities at grounds across England and Wales has improved significantly in recent years. Investment in facilities has been focused towards enabling county cricket clubs to complete for international and test match cricket. As highlighted above, international cricket matches continue to act as a key driver of the contribution of Headingley to the Yorkshire visitor economy.

Many emerging competitor venues, including Glamorgan, Hampshire and Durham, have recently invested large capital sums in modernising their playing and spectator facilities, resulting in them becoming serious players on the international cricketing scene. Other traditional Test match grounds such as Lords and the Oval have also secured significant investment packages that have enabled them to invest heavily in their facilities and consolidate their position as pre-eminent venues for International and test match cricket, as well as capitalise on the opportunities presented by Twenty20 cricket.