

Appendix 6.6: Economic Appraisals: Sensitivity Analyses

Sensitivity to 50% drop in numbers

Sensitivity to failure to create graduate jobs

Recommended Baseline with Construction Costs Doubled

Sensitivity to 50% drop in numbers with Construction Costs Doubled

Sensitivity to failure to create graduate jobs with Construction Costs Doubled

Option 4: Phased Development with a Focus on the Addressable Component for Market Failure

Project Inputs

Item	Fiscal Cost?	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Total
Total Public Sector Contributions to Costs	Yes	£15,450,000	£8,550,000	£2,400,000	£0	£0	£0	£0	£0	£0	£0	£26,400,000
Total Costs	Yes	£15,450,000	£8,550,000	£2,400,000	£0	£0	£0	£0	£0	£0	£0	£26,400,000
Total Fiscal Costs	Yes	£15,450,000	£8,550,000	£2,400,000	£0	£0	£0	£0	£0	£0	£0	£26,400,000

Composition of input costs	Source	Year 1	Year 2	Year 3	Total	Cash
Equity investment into the University Property JV (PropCo) for capital for buildings and reveene for start-up & scale-up phase curriculum subsidies	LGF	£7,700,000	£2,400,000	£2,400,000	£12,500,000	£24,800,000
Equity investment into the University Property JV (PropCo) for capital for buildings and reveene for professional fees during planning & construction	CPCA	£6,150,000	£6,150,000		£12,300,000	
Equity investment into the University Property JV (PropCo) in the form of the land value upon which the Phase 1 Property sits	PCC	£1,600,000			£1,600,000	
Total Fiscal Costs		£15,450,000	£8,550,000	£2,400,000	£26,400,000	

Expectation of output costs		Year 1	Year 2	Year 3	Total
Property build costs including 10% risk and 4.4% inflation contingency		£15,000,000	£5,000,000		£20,000,000
Subsidy and Contingency		£2,650,000	£2,150,000		£4,800,000
Total Fiscal Costs		£17,650,000	£7,150,000	£0	£24,800,000

Project Outputs

Outcomes Generated from Staffing & Supply Chain						
	20/21	21/22	22/23	23/24	24/25	25/26
Average GVA/employee for new job	£42,000	£42,000	£42,000	£42,000	£42,000	£42,000
Total new jobs generated	0	450	257	489	702	702
Sub-Total GVA generated	£0	£18,900,000	£10,773,000	£20,538,000	£29,484,000	£29,484,000

Percentage of graduates into relevant jobs

60%

Revised

Corp Tax on GVA Growth Assumed as

8.00%

Average PBIT

17.00%

Average Corp Tax

Growth in baseline graduates pa

2.00%

Growth in baseline graduates pa (per SCM)

0.00%

Outcomes Generated from Graduate Employment																
Public Sector Financial Year	20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33	33/34	34/35	Total jobs
Cum average GVA/employee for grad pool in jobs	£25,000	£26,000	£27,040	£28,122	£29,246	£30,416	£31,633	£32,898	£34,214	£35,583	£37,006	£38,486	£40,026	£41,627	£43,292	
Baseline graduates qualifying at UCP & ARU	900	918	936	955	974	994	1,014	1,034	1,054	1,076	1,097	1,119	1,141	1,164	1,188	
Baseline cumulative graduates qualifying at UCP & ARU	900	1,818	2,754	3,709	4,684	5,677	6,691	7,725	8,779	9,855	10,952	12,071	13,212	14,377	15,564	
Additional cumulative graduates qualifying at UCP	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Additional graduates qualifying at new site						1,021	1,956	2,805	2,805	2,805	2,805	2,805	2,805	2,805	2,805	Revised
Additional cumulative graduates qualifying at new site						1,021	2,977	5,782	8,587	11,392	14,197	17,002	19,807	22,612	25,417	Revised
Cum additional students into relevant jobs (60%)	0	0	0	0	0	613	1,786	3,469	5,152	6,835	8,518	10,201	11,884	13,567	15,250	Revised
Sub-Total Cum GVA generated	£0	£0	£0	£0	£0	£18,633,039	£56,493,331	£114,120,894	£176,268,272	£243,204,848	£315,214,320	£392,595,422	£475,662,670	£564,747,144	£660,197,316	£660,197,316

Total Cum GVA generated	£0	£18,900,000	£10,773,000	£20,538,000	£29,484,000	£48,117,039	£56,493,331	£114,120,894	£176,268,272	£243,204,848	£315,214,320	£392,595,422	£475,662,670	£564,747,144	£660,197,316	£660,197,316
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Benefit Type - Fiscal		20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33	33/34	34/35	Total
Corporation tax from GVA growth	1.36%	£0	£257,040	£146,513	£279,317	£400,982	£654,392	£768,309	£1,552,044	£2,397,249	£3,307,586	£4,286,915	£5,339,298	£6,469,012	£7,680,561	£8,978,684	£8,978,684
Tax from new jobs		£4,700	£0	£0	£0	£0	£2,879,220	£8,393,730	£16,303,830	£24,213,930	£32,124,030	£40,034,130	£47,944,230	£55,854,330	£63,764,430	£71,674,530	£71,674,530
NI contributions from new jobs	£4,223	£0	£0	£0	£0	£0	£2,587,010	£7,541,856	£14,649,165	£21,756,474	£28,863,783	£35,971,092	£43,078,401	£50,185,710	£57,293,019	£64,400,328	£64,400,328
Total Fiscal Benefits		£0	£257,040	£146,513	£279,317	£400,982	£6,120,622	£16,703,895	£32,505,039	£48,367,652	£64,295,399	£80,292,136	£96,361,928	£112,509,052	£128,738,010	£145,053,541	£145,053,541

Benefit Type - Economic		20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33	33/34	34/35	Total
Total Economic Benefits		£0	£18,900,000	£10,773,000	£20,538,000	£29,484,000	£48,117,039	£56,493,331	£114,120,894	£176,268,272	£243,204,848	£315,214,320	£392,595,422	£475,662,670	£564,747,144	£660,197,316	£660,197,316

Net Present Benefits

Item	20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33	33/34	34/35	Total
Total Costs	£15,450,000	£8,550,000	£2,400,000	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£26,400,000
Fiscal Costs	£15,450,000	£8,550,000	£2,400,000	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£26,400,000
Fiscal Benefits	£0	£257,040	£146,513	£279,317	£400,982	£6,120,622	£16,703,895	£32,505,039	£48,367,652	£64,295,399	£80,292,136	£96,361,928	£112,509,052	£128,738,010	£145,053,541	£145,053,541
Public Benefits	£0	£18,900,000	£10,773,000	£20,538,000	£29,484,000	£48,117,039	£56,493,331	£114,120,894	£176,268,272	£243,204,848	£315,214,320	£392,595,422	£475,662,670	£564,747,144	£660,197,316	£660,197,316
Total Benefits	£0	£19,157,040	£10,919,513	£20,817,317	£29,884,982	£54,237,661	£73,197,226	£146,625,933	£224,635,924	£307,500,246	£395,506,456	£488,957,351	£588,171,722	£693,485,154	£805,250,858	£805,250,858

Item	20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33	33/34	34/35	Total
Net Value (Total Benefits - Total Costs)	-£15,450,000	£10,607,040	£8,519,513	£20,817,317	£29,884,982	£54,237,661	£73,197,226	£146,625,933	£224,635,924	£307,500,246	£395,506,456	£488,957,351	£588,171,722	£693,485,154	£805,250,858	£860,575,842
Net Present Value (Net Value x Discounting Ratio)	-£15,450,000	£10,047,400	£7,644,229	£17,693,070	£24,059,739	£41,361,696	£52,875,135	£100,329,151	£145,597,876	£188,790,777	£230,010,871	£269,355,124	£306,914,836	£342,775,985	£377,019,570	£572,949,074
GDP Deflator	1.00	0.980392157	0.961168781	0.942322335	0.923845426	0.90573081	0.887971382	0.870560179	0.853490371	0.836755266	0.8203483	0.804263039	0.788493176	0.773032525	0.757875025	
Discounting Ratio	1.00	0.966183575	0.9335107	0.901942706	0.871442228	0.841973167	0.813500644	0.785990961	0.759411556	0.733730972	0.708918814	0.684945714	0.661783298	0.639404153	0.61778179	
Net Budget Impact (Fiscal Costs - Fiscal Benefits)	£15,450,000	£8,292,960	£2,253,487	-£279,317	-£400,982	-£6,120,622	-£16,703,895	-£32,505,039	-£48,367,652	-£64,295,399	-£80,292,136	-£96,361,928	-£112,509,052	-£128,738,010	-£145,053,541	-£142,676,458
Net Present Budget Impact (Net Budget Impact x Discounting Ratio)	£15,450,000	£7,855,413	£2,021,967	-£237,397	-£322,822	-£4,667,592	-£12,066,314	-£22,241,652	-£31,349,516	-£39,474,369	-£46,694,722	-£53,083,524	-£58,708,530	-£63,632,650	-£67,914,270	-£85,032,282
Net Public Value (Public Benefits - Total Costs)	-£15,450,000	£10,350,000	£8,373,000	£20,538,000	£29,484,000	£48,117,039	£56,493,331	£114,120,894	£176,268,272	£243,204,848	£315,214,320	£392,595,422	£475,662,670	£564,747,144	£660,197,316	£691,499,384
Net Present Public Value (Net Public Value x Discounting Ratio)	-£15,450,000	£9,803,922	£7,512,769	£17,455,672	£23,736,917	£36,694,104	£40,808,821	£78,087,499	£114,248,360	£149,316,408	£183,316,148	£216,271,600	£248,206,306	£279,143,335	£309,105,301	£462,214,473
Net Present Benefits (Total Benefits x Discounting Ratio)	£0	£18,146,292	£9,797,657	£17,693,070	£24,059,739	£41,361,696	£52,875,135	£100,329,151	£145,597,876	£188,790,777	£230,010,871	£269,355,124	£306,914,836	£342,775,985	£377,019,570	£598,651,393
Net Present Fiscal Benefits (Fiscal Benefits x Discounting Ratio)	£0	£243,478	£131,460	£237,397	£322,822	£4,667,592	£12,066,314	£22,241,652	£31,349,516	£39,474,369	£46,694,722	£53,083,524	£58,708,530	£63,632,650	£67,914,270	£110,734,601
Net Present Public Benefits (Public Benefits x Discounting Ratio)	£0	£17,902,813	£9,666,196	£17,455,672	£23,736,917	£36,694,104	£40,808,821	£78,087,499	£114,248,360	£149,316,408	£183,316,148	£216,271,600	£248,206,306	£279,143,335	£309,105,301	£487,916,792
Net Present Total Costs (Total Costs x Discounting Ratio)	£15,450,000	£8,098,892	£2,153,427	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£25,702,319
Net Present Fiscal Costs (Fiscal Costs x Discounting Ratio)	£15,450,000	£8,098,892	£2,153,427	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£25,702,319

Item	Key Metrics
Net Present Value (Net Present Benefits - Net Present Total Costs)	£572,949,074
Payback (Point at which Net Present Fiscal Benefits > Net Present Fiscal Costs)	Year 1
Net Present Budget Impact (Net Present Fiscal Costs - Net Present Fiscal Benefits)	-£85,032,282
Financial Return on Investment (Net Present Fiscal Benefits / Net Present Fiscal Costs)	4.31
Net Present Public Value (Net Present Public Benefits - Net Present Fiscal Costs)	£462,214,473

Net Present Benefits	20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33	33/34	34/35	Total
Cumulative Cost	£15,450,000	£23,548,892	£25,702,319	£25,702,319	£25,702,319	£25,702,319	£25,702,319	£25,702,319	£25,702,319	£25,702,319	£25,702,319	£25,702,319	£25,702,319	£25,702,319	£25,702,319	£25,702,319
Cumulative Net Present Fiscal Costs	£15,450,000	£23,548,892	£25,702,319	£25,702,319	£25,702,319	£25,702,319	£25,702,319	£25,702,319	£25,702,319	£25,702,319	£25,702,319	£25,702,319	£25,702,319	£25,702,319	£25,702,319	£25,702,319
Cumulative Net Present Fiscal Benefits	£0	£243,478	£374,939	£612,336	£935,158	£5,602,750	£17,669,064	£39,910,716	£71,260,232	£110,734,601	£157,429,323	£210,512,847	£269,221,377	£332,854,027	£400,768,297	£400,768,297
Cumulative Total Benefit	£0	£18,146,292	£27,943,948	£45,637,018	£69,696,757	£111,058,454	£163,933,589	£264,262,740	£409,860,616	£598,651,393	£828,662,263	£1,098,017,388	£1,404,932,223	£1,747,708,209	£2,124,727,779	£2,124,727,779

BCR = Cumulative Net Present Fiscal Benefits / Cumulative Net Present Fiscal Costs

£110,734,601 divided by £25,702,319 = 4

BCR = Net Present Total Benefits / Net Total Costs

£598,651,393 divided by £25,702,319 = 23

Option 4: Phased Development with a Focus on the Addressable Component for Market Failure

Project Inputs

Item	Fiscal Cost?	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Total
Total Public Sector Contributions to Costs	Yes	£15,450,000	£8,550,000	£2,400,000	£0	£0	£0	£0	£0	£0	£0	£26,400,000
Total Costs	Yes	£15,450,000	£8,550,000	£2,400,000	£0	£0	£0	£0	£0	£0	£0	£26,400,000
Total Fiscal Costs	Yes	£15,450,000	£8,550,000	£2,400,000	£0	£0	£0	£0	£0	£0	£0	£26,400,000

Composition of input costs	Source	Year 1	Year 2	Year 3	Total	Cash
Equity investment into the University Property JV (PropCo) for capital for buildings and reveene for start-up & scale-up phase curriculum subsisdies	LGF	£7,700,000	£2,400,000	£2,400,000	£12,500,000	£24,800,000
Equity investment into the University Property JV (PropCo) for capital for buildings and reveene for professional fees during planning & construction	CPCA	£6,150,000	£6,150,000		£12,300,000	
Equity investment into the University Property JV (PropCo) in the form of the land value upon which the Phase 1 Property sits	PCC	£1,600,000			£1,600,000	
Total Fiscal Costs		£15,450,000	£8,550,000	£2,400,000	£26,400,000	

Expectation of output costs		Year 1	Year 2	Year 3	Total
Property build costs including 10% risk and 4.4% inflation contingency		£15,000,000	£5,000,000		£20,000,000
Subsidy and Contingency		£2,650,000	£2,150,000		£4,800,000
Total Fiscal Costs		£17,650,000	£7,150,000	£0	£24,800,000

Project Outputs

Outcomes Generated from Staffing & Supply Chain						
	20/21	21/22	22/23	23/24	24/25	25/26
Average GVA/employee for new job	£42,000	£42,000	£42,000	£42,000	£42,000	£42,000
Total new jobs generated	0	450	513	978	1,404	1,404
Sub-Total GVA generated	£0	£18,900,000	£21,546,000	£41,076,000	£58,968,000	£58,968,000

Percentage of graduates into relevant jobs	0%	Corp Tax on GVA Growth Assumed as	Growth in baseline graduates pa
		8.00% Average PBIT	2.00%
		17.00% Average Corp Tax	Growth in baseline graduates pa (per SCM)
			0.00%

Outcomes Generated from Graduate Employment																
Public Sector Financial Year	20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33	33/34	34/35	Total jobs
Cum average GVA/employee for grad pool in jobs	£25,000	£26,000	£27,040	£28,122	£29,246	£30,416	£31,633	£32,898	£34,214	£35,583	£37,006	£38,486	£40,026	£41,627	£43,292	
Baseline graduates qualifying at UCP & ARU	900	918	936	955	974	994	1,014	1,034	1,054	1,076	1,097	1,119	1,141	1,164	1,188	
Baseline cumulative graduates qualifying at UCP & ARU	900	1,818	2,754	3,709	4,684	5,677	6,691	7,725	8,779	9,855	10,952	12,071	13,212	14,377	15,564	
Additional cumulative graduates qualifying at UCP	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Additional graduates qualifying at new site						2,042	3,911	5,610	5,610	5,610	5,610	5,610	5,610	5,610	5,610	
Additional cumulative graduates qualifying at new site						2,042	5,953	11,563	17,173	22,783	28,393	34,003	39,613	45,223	50,833	
Cum additional students into relevant jobs (60%)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Sub-Total Cum GVA generated	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0

Revised
Revised
Revised

Total Cum GVA generated	£0	£18,900,000	£21,546,000	£41,076,000	£58,968,000	£58,968,000	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0
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Benefit Type - Fiscal		20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33	33/34	34/35	Total
Corporation tax from GVA growth	1.36%	£0	£257,040	£293,026	£558,634	£801,965	£801,965	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0
Tax from new jobs	£4,700	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0
NI contributions from new jobs	£4,223	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0
Total Fiscal Benefits		£0	£257,040	£293,026	£558,634	£801,965	£801,965	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0

Benefit Type - Economic		20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33	33/34	34/35	Total
Total Economic Benefits		£0	£18,900,000	£21,546,000	£41,076,000	£58,968,000	£58,968,000	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0

Net Present Benefits

Item	20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33	33/34	34/35	Total
Total Costs	£15,450,000	£8,550,000	£2,400,000	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£26,400,000
Fiscal Costs	£15,450,000	£8,550,000	£2,400,000	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£26,400,000
Fiscal Benefits	£0	£257,040	£293,026	£558,634	£801,965	£801,965	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0
Public Benefits	£0	£18,900,000	£21,546,000	£41,076,000	£58,968,000	£58,968,000	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0
Total Benefits	£0	£19,157,040	£21,839,026	£41,634,634	£59,769,965	£59,769,965	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0

Item	20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33	33/34	34/35	Total
Net Value (Total Benefits - Total Costs)	-£15,450,000	£10,607,040	£19,439,026	£41,634,634	£59,769,965	£59,769,965	£0	£0	£0	£0	£0	£0	£0	£0	£0	£175,770,629
Net Present Value (Net Value x Discounting Ratio)	-£15,450,000	£10,047,400	£17,441,886	£35,386,139	£48,119,479	£45,580,637	£0	£0	£0	£0	£0	£0	£0	£0	£0	£141,125,541
GDP Deflator	1.00	0.980392157	0.961168781	0.942322335	0.923845426	0.90573081	0.887971382	0.870560179	0.853490371	0.836755266	0.8203483	0.804263039	0.788493176	0.773032525	0.757875025	
Discounting Ratio	1.00	0.966183575	0.9335107	0.901942706	0.871442228	0.841973167	0.813500644	0.785990961	0.759411556	0.733730972	0.708918814	0.684945714	0.661783298	0.639404153	0.61778179	
Net Budget Impact (Fiscal Costs - Fiscal Benefits)	£15,450,000	£8,292,960	£2,106,974	-£558,634	-£801,965	-£801,965	£0	£0	£0	£0	£0	£0	£0	£0	£0	£23,687,371
Net Present Budget Impact (Net Budget Impact x Discounting Ratio)	£15,450,000	£7,855,413	£1,890,507	-£474,794	-£645,644	-£611,579	£0	£0	£0	£0	£0	£0	£0	£0	£0	£23,463,903
Net Public Value (Public Benefits - Total Costs)	-£15,450,000	£10,350,000	£19,146,000	£41,076,000	£58,968,000	£58,968,000	£0	£0	£0	£0	£0	£0	£0	£0	£0	£173,058,000
Net Present Public Value (Net Public Value x Discounting Ratio)	-£15,450,000	£9,803,922	£17,178,966	£34,911,345	£47,473,835	£44,969,058	£0	£0	£0	£0	£0	£0	£0	£0	£0	£138,887,125
Net Present Benefits (Total Benefits x Discounting Ratio)	£0	£18,146,292	£19,595,313	£35,386,139	£48,119,479	£45,580,637	£0	£0	£0	£0	£0	£0	£0	£0	£0	£166,827,860
Net Present Fiscal Benefits (Fiscal Benefits x Discounting Ratio)	£0	£243,478	£262,921	£474,794	£645,644	£611,579	£0	£0	£0	£0	£0	£0	£0	£0	£0	£2,238,416
Net Present Public Benefits (Public Benefits x Discounting Ratio)	£0	£17,902,813	£19,332,393	£34,911,345	£47,473,835	£44,969,058	£0	£0	£0	£0	£0	£0	£0	£0	£0	£164,589,444
Net Present Total Costs (Total Costs x Discounting Ratio)	£15,450,000	£8,098,892	£2,153,427	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£25,702,319
Net Present Fiscal Costs (Fiscal Costs x Discounting Ratio)	£15,450,000	£8,098,892	£2,153,427	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£25,702,319

Item	Key Metrics
Net Present Value (Net Present Benefits - Net Present Total Costs)	£141,125,541
Payback (Point at which Net Present Fiscal Benefits > Net Present Fiscal Costs)	Year 1
Net Present Budget Impact (Net Present Fiscal Costs - Net Present Fiscal Benefits)	£23,463,903
Financial Return on Investment (Net Present Fiscal Benefits / Net Present Fiscal Costs)	0.09
Net Present Public Value (Net Present Public Benefits - Net Present Fiscal Costs)	£138,887,125

Net Present Benefits	20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33	33/34	34/35	Total
Cumulative Cost	£15,450,000	£23,548,892	£25,702,319	£25,702,319	£25,702,319	£25,702,319	£25,702,319	£25,702,319	£25,702,319	£25,702,319	£25,702,319	£25,702,319	£25,702,319	£25,702,319	£25,702,319	£25,702,319
Cumulative Net Present Fiscal Costs	£15,450,000	£23,548,892	£25,702,319	£25,702,319	£25,702,319	£25,702,319	£25,702,319	£25,702,319	£25,702,319	£25,702,319	£25,702,319	£25,702,319	£25,702,319	£25,702,319	£25,702,319	£25,702,319
Cumulative Net Present Fiscal Benefits	£0	£243,478	£506,399	£981,193	£1,626,837	£2,238,416	£2,238,416	£2,238,416	£2,238,416	£2,238,416	£2,238,416	£2,238,416	£2,238,416	£2,238,416	£2,238,416	£2,238,416
Cumulative Total Benefit	£0	£18,146,292	£37,741,605	£73,127,744	£121,247,223	£166,827,860	£166,827,860	£166,827,860	£166,827,860	£166,827,860	£166,827,860	£166,827,860	£166,827,860	£166,827,860	£166,827,860	£166,827,860

BCR = Cumulative Net Present Fiscal Benefits / Cumulative Net Present Fiscal Costs

£2,238,416 divided by £25,702,319 = 0

BCR = Cumulative Net Present Total Benefits / Cumulative Net Total Fiscal Costs

£166,827,860 divided by £25,702,319 = 6

Option 4: Phased Development with a Focus on the Addressable Component for Market Failure

Sensitivity to Doubling of Project Costs

Project Inputs

Item	Fiscal Cost?	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Total
Total Public Sector Contributions to Costs	Yes	£30,900,000	£17,100,000	£4,800,000	£0	£0	£0	£0	£0	£0	£0	£52,800,000
Total Costs	Yes	£30,900,000	£17,100,000	£4,800,000	£0	£0	£0	£0	£0	£0	£0	£52,800,000
Total Fiscal Costs	Yes	£30,900,000	£17,100,000	£4,800,000	£0	£0	£0	£0	£0	£0	£0	£52,800,000

Composition of input costs	Source	Year 1	Year 2	Year 3	Total	Cash
Equity investment into the University Property JV (PropCo) for capital for buildings and reveene for start-up & scale-up phase curriculum subsidies	LGF	£7,700,000	£2,400,000	£2,400,000	£12,500,000	£24,800,000
Equity investment into the University Property JV (PropCo) for capital for buildings and reveene for professional fees during planning & construction	CPCA	£6,150,000	£6,150,000	£0	£12,300,000	
Equity investment into the University Property JV (PropCo) in the form of the land value upon which the Phase 1 Property sits	PCC	£1,600,000	£0	£0	£1,600,000	
Total Fiscal Costs		£15,450,000	£8,550,000	£2,400,000	£26,400,000	

Expectation of output costs		Year 1	Year 2	Year 3	Total
Property build costs including 10% risk and 4.4% inflation contingency		£15,000,000	£5,000,000		£20,000,000
Subsidy and Contingency		£2,650,000	£2,150,000		£4,800,000
Total Fiscal Costs		£17,650,000	£7,150,000	£0	£24,800,000

Project Outputs

Sensitivity to Doubling of Project Costs

Outcomes Generated from Staffing & Supply Chain						
	20/21	21/22	22/23	23/24	24/25	25/26
Average GVA/employee for new job	£42,000	£42,000	£42,000	£42,000	£42,000	£42,000
Total new jobs generated	0	450	513	978	1,404	1,404
Sub-Total GVA generated	£0	£18,900,000	£21,546,000	£41,076,000	£58,968,000	£58,968,000

Percentage of graduates into relevant jobs

60%

Corp Tax on GVA Growth Assumed as

8.00%

Average PBIT

17.00%

Average Corp Tax

Growth in baseline graduates pa

2.00%

Growth in baseline graduates pa (per SCM)

0.00%

Outcomes Generated from Graduate Employment																
Public Sector Financial Year	20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33	33/34	34/35	Total jobs
Cum average GVA/employee for grad pool in jobs	£25,000	£26,000	£27,040	£28,122	£29,246	£30,416	£31,633	£32,898	£34,214	£35,583	£37,006	£38,486	£40,026	£41,627	£43,292	
Baseline graduates qualifying at UCP & ARU	900	918	936	955	974	994	1,014	1,034	1,054	1,076	1,097	1,119	1,141	1,164	1,188	
Baseline cumulative graduates qualifying at UCP & ARU	900	1,818	2,754	3,709	4,684	5,677	6,691	7,725	8,779	9,855	10,952	12,071	13,212	14,377	15,564	
Additional cumulative graduates qualifying at UCP	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Additional graduates qualifying at new site						2,042	3,911	5,610	5,610	5,610	5,610	5,610	5,610	5,610	5,610	
Additional cumulative graduates qualifying at new site						2,042	5,953	11,563	17,173	22,783	28,393	34,003	39,613	45,223	50,833	
Cum additional students into relevant jobs (60%)	0	0	0	0	0	1,225	3,572	6,938	10,304	13,670	17,036	20,402	23,768	27,134	30,500	
Sub-Total Cum GVA generated	£0	£0	£0	£0	£0	£37,266,078	£112,986,662	£228,241,787	£352,536,545	£486,409,695	£630,428,640	£785,190,844	£951,325,339	£1,129,494,288	£1,320,394,633	£1,320,394,633

Revised

Revised

Revised

Total Cum GVA generated	£0	£18,900,000	£21,546,000	£41,076,000	£58,968,000	£96,234,078	£112,986,662	£228,241,787	£352,536,545	£486,409,695	£630,428,640	£785,190,844	£951,325,339	£1,129,494,288	£1,320,394,633	£1,320,394,633
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Benefit Type - Fiscal		20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33	33/34	34/35	Total
Corporation tax from GVA growth	1.36%	£0	£257,040	£293,026	£558,634	£801,965	£1,308,783	£1,536,619	£3,104,088	£4,794,497	£6,615,172	£8,573,830	£10,678,595	£12,938,025	£15,361,122	£17,957,367	£17,957,367
Tax from new jobs	£4,700	£0	£0	£0	£0	£0	£5,758,440	£16,787,460	£32,607,660	£48,427,860	£64,248,060	£80,068,260	£95,888,460	£111,708,660	£127,528,860	£143,349,060	£143,349,060
NI contributions from new jobs	£4,223	£0	£0	£0	£0	£0	£5,174,020	£15,083,711	£29,298,329	£43,512,947	£57,727,565	£71,942,183	£86,156,801	£100,371,419	£114,586,037	£128,800,655	£128,800,655
Total Fiscal Benefits		£0	£257,040	£293,026	£558,634	£801,965	£12,241,243	£33,407,790	£65,010,078	£96,735,304	£128,590,797	£160,584,273	£192,723,857	£225,018,104	£257,476,020	£290,107,082	£290,107,082

Benefit Type - Economic		20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33	33/34	34/35	Total
Total Economic Benefits		£0	£18,900,000	£21,546,000	£41,076,000	£58,968,000	£96,234,078	£112,986,662	£228,241,787	£352,536,545	£486,409,695	£630,428,640	£785,190,844	£951,325,339	£1,129,494,288	£1,320,394,633	£1,320,394,633

Net Present Benefits

Sensitivity to Doubling of Project Costs

Item	20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33	33/34	34/35	Total
Total Costs	£30,900,000	£17,100,000	£4,800,000	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£52,800,000
Fiscal Costs	£30,900,000	£17,100,000	£4,800,000	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£52,800,000
Fiscal Benefits	£0	£257,040	£293,026	£558,634	£801,965	£12,241,243	£33,407,790	£65,010,078	£96,735,304	£128,590,797	£160,584,273	£192,723,857	£225,018,104	£257,476,020	£290,107,082	£290,107,082
Public Benefits	£0	£18,900,000	£21,546,000	£41,076,000	£58,968,000	£96,234,078	£112,986,662	£228,241,787	£352,536,545	£486,409,695	£630,428,640	£785,190,844	£951,325,339	£1,129,494,288	£1,320,394,633	£1,320,394,633
Total Benefits	£0	£19,157,040	£21,839,026	£41,634,634	£59,769,965	£108,475,321	£146,394,452	£293,251,865	£449,271,849	£615,000,493	£791,012,913	£977,914,701	£1,176,343,443	£1,386,970,308	£1,610,501,715	£1,610,501,715

Item	20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33	33/34	34/35	Total
Net Value (Total Benefits - Total Costs)	-£30,900,000	£2,057,040	£17,039,026	£41,634,634	£59,769,965	£108,475,321	£146,394,452	£293,251,865	£449,271,849	£615,000,493	£791,012,913	£977,914,701	£1,176,343,443	£1,386,970,308	£1,610,501,715	£1,701,994,644
Net Present Value (Net Value x Discounting Ratio)	-£30,900,000	£1,948,508	£15,288,459	£35,386,139	£48,119,479	£82,723,393	£105,750,271	£200,658,302	£291,195,752	£377,581,554	£460,021,741	£538,710,249	£613,829,671	£685,551,971	£754,039,141	£1,127,751,856
GDP Deflator	1.00	0.980392157	0.961168781	0.942322335	0.923845426	0.90573081	0.887971382	0.870560179	0.853490371	0.836755266	0.8203483	0.804263039	0.788493176	0.773032525	0.757875025	
Discounting Ratio	1.00	0.966183575	0.9335107	0.901942706	0.871442228	0.841973167	0.813500644	0.785990961	0.759411556	0.733730972	0.708918814	0.684945714	0.661783298	0.639404153	0.61778179	
Net Budget Impact (Fiscal Costs - Fiscal Benefits)	£30,900,000	£16,842,960	£4,506,974	-£558,634	-£801,965	-£12,241,243	-£33,407,790	-£65,010,078	-£96,735,304	-£128,590,797	-£160,584,273	-£192,723,857	-£225,018,104	-£257,476,020	-£290,107,082	-£285,095,876
Net Present Budget Impact (Net Budget Impact x Discounting Ratio)	£30,900,000	£15,954,305	£4,043,934	-£474,794	-£645,644	-£9,335,185	-£24,132,628	-£44,483,304	-£62,699,031	-£78,948,739	-£93,389,445	-£106,167,048	-£117,417,060	-£127,265,300	-£135,828,539	-£169,821,085
Net Public Value (Public Benefits - Total Costs)	-£30,900,000	£1,800,000	£16,746,000	£41,076,000	£58,968,000	£96,234,078	£112,986,662	£228,241,787	£352,536,545	£486,409,695	£630,428,640	£785,190,844	£951,325,339	£1,129,494,288	£1,320,394,633	£1,364,098,767
Net Present Public Value (Net Public Value x Discounting Ratio)	-£30,900,000	£1,705,030	£15,025,538	£34,911,345	£47,473,835	£73,388,208	£81,617,643	£156,174,998	£228,496,720	£298,632,816	£366,632,296	£432,543,201	£496,412,611	£558,286,671	£618,210,602	£906,526,133
Net Present Benefits (Total Benefits x Discounting Ratio)	£0	£18,146,292	£19,595,313	£35,386,139	£48,119,479	£82,723,393	£105,750,271	£200,658,302	£291,195,752	£377,581,554	£460,021,741	£538,710,249	£613,829,671	£685,551,971	£754,039,141	£1,179,156,494
Net Present Fiscal Benefits (Fiscal Benefits x Discounting Ratio)	£0	£243,478	£262,921	£474,794	£645,644	£9,335,185	£24,132,628	£44,483,304	£62,699,031	£78,948,739	£93,389,445	£106,167,048	£117,417,060	£127,265,300	£135,828,539	£221,225,723
Net Present Public Benefits (Public Benefits x Discounting Ratio)	£0	£17,902,813	£19,332,393	£34,911,345	£47,473,835	£73,388,208	£81,617,643	£156,174,998	£228,496,720	£298,632,816	£366,632,296	£432,543,201	£496,412,611	£558,286,671	£618,210,602	£957,930,771
Net Present Total Costs (Total Costs x Discounting Ratio)	£30,900,000	£16,197,783	£4,306,854	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£51,404,638
Net Present Fiscal Costs (Fiscal Costs x Discounting Ratio)	£30,900,000	£16,197,783	£4,306,854	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£51,404,638

Item	Key Metrics
Net Present Value (Net Present Benefits - Net Present Total Costs)	£1,127,751,856
Payback (Point at which Net Present Fiscal Benefits > Net Present Fiscal Costs)	Year 1
Net Present Budget Impact (Net Present Fiscal Costs - Net Present Fiscal Benefits)	-£169,821,085
Financial Return on Investment (Net Present Fiscal Benefits / Net Present Fiscal Costs)	4.30
Net Present Public Value (Net Present Public Benefits - Net Present Fiscal Costs)	£906,526,133

Net Present Benefits	20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33	33/34	34/35	Total
Cumulative Cost	£30,900,000	£47,097,783	£51,404,638	£51,404,638	£51,404,638	£51,404,638	£51,404,638	£51,404,638	£51,404,638	£51,404,638	£51,404,638	£51,404,638	£51,404,638	£51,404,638	£51,404,638	£51,404,638
Cumulative Net Present Fiscal Costs	£30,900,000	£47,097,783	£51,404,638	£51,404,638	£51,404,638	£51,404,638	£51,404,638	£51,404,638	£51,404,638	£51,404,638	£51,404,638	£51,404,638	£51,404,638	£51,404,638	£51,404,638	£51,404,638
Cumulative Net Present Fiscal Benefits	£0	£243,478	£506,399	£981,193	£1,626,837	£10,962,022	£35,094,650	£79,577,954	£142,276,985	£221,225,723	£314,615,168	£420,782,216	£538,199,276	£665,464,576	£801,293,116	£801,293,116
Cumulative Total Benefit	£0	£18,146,292	£37,741,605	£73,127,744	£121,247,223	£203,970,616	£309,720,887	£510,379,188	£801,574,940	£1,179,156,494	£1,639,178,235	£2,177,888,484	£2,791,718,155	£3,477,270,126	£4,231,309,267	£4,231,309,267

BCR = Cumulative Net Present Fiscal Benefits / Cumulative Net Present Fiscal Costs

£221,225,723 divided by £51,404,638 = 4

BCR = Cumulative Net Present Total Benefits / Cumulative Net Total Fiscal Costs

£1,179,156,494 divided by £51,404,638 = 23

Option 4: Phased Development with a Focus on the Addressable Component for Market Failure

Sensitivity to Doubling of Project Costs & 50% Fall in Key Numbers

Project Inputs

Item	Fiscal Cost?	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Total
Total Public Sector Contributions to Costs	Yes	£30,900,000	£17,100,000	£4,800,000	£0	£0	£0	£0	£0	£0	£0	£52,800,000
Total Costs	Yes	£30,900,000	£17,100,000	£4,800,000	£0	£0	£0	£0	£0	£0	£0	£52,800,000
Total Fiscal Costs	Yes	£30,900,000	£17,100,000	£4,800,000	£0	£0	£0	£0	£0	£0	£0	£52,800,000

Composition of input costs	Source	Year 1	Year 2	Year 3	Total	Cash
Equity investment into the University Property JV (PropCo) for capital for buildings and reveene for start-up & scale-up phase curriculum subsidies	LGF	£7,700,000	£2,400,000	£2,400,000	£12,500,000	£24,800,000
Equity investment into the University Property JV (PropCo) for capital for buildings and reveene for professional fees during planning & construction	CPCA	£6,150,000	£6,150,000		£12,300,000	
Equity investment into the University Property JV (PropCo) in the form of the land value upon which the Phase 1 Property sits	PCC	£1,600,000			£1,600,000	
Total Fiscal Costs		£15,450,000	£8,550,000	£2,400,000	£26,400,000	

Expectation of output costs		Year 1	Year 2	Year 3	Total
Property build costs including 10% risk and 4.4% inflation contingency		£15,000,000	£5,000,000		£20,000,000
Subsidy and Contingency		£2,650,000	£2,150,000		£4,800,000
Total Fiscal Costs		£17,650,000	£7,150,000	£0	£24,800,000

Project Outputs

Sensitivity to Doubling of Project Costs & 50% Fall in Key Numbers

Outcomes Generated from Staffing & Supply Chain						
	20/21	21/22	22/23	23/24	24/25	25/26
Average GVA/employee for new job	£42,000	£42,000	£42,000	£42,000	£42,000	£42,000
Total new jobs generated	0	450	257	489	702	702
Sub-Total GVA generated	£0	£18,900,000	£10,773,000	£20,538,000	£29,484,000	£29,484,000

Percentage of graduates into relevant jobs

60%

Corp Tax on GVA Growth Assumed as

8.00% Average PBIT
17.00% Average Corp Tax

Growth in baseline graduates pa

2.00%

Growth in baseline graduates pa (per SCM)
0.00%

Outcomes Generated from Graduate Employment																
Public Sector Financial Year	20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33	33/34	34/35	Total jobs
Cum average GVA/employee for grad pool in jobs	£25,000	£26,000	£27,040	£28,122	£29,246	£30,416	£31,633	£32,898	£34,214	£35,583	£37,006	£38,486	£40,026	£41,627	£43,292	
Baseline graduates qualifying at UCP & ARU	900	918	936	955	974	994	1,014	1,034	1,054	1,076	1,097	1,119	1,141	1,164	1,188	
Baseline cumulative graduates qualifying at UCP & ARU	900	1,818	2,754	3,709	4,684	5,677	6,691	7,725	8,779	9,855	10,952	12,071	13,212	14,377	15,564	
Additional cumulative graduates qualifying at UCP	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Additional graduates qualifying at new site						1,021	1,956	2,805	2,805	2,805	2,805	2,805	2,805	2,805	2,805	
Additional cumulative graduates qualifying at new site						1,021	2,977	5,782	8,587	11,392	14,197	17,002	19,807	22,612	25,417	
Cum additional students into relevant jobs (60%)	0	0	0	0	0	613	1,786	3,469	5,152	6,835	8,518	10,201	11,884	13,567	15,250	
Sub-Total Cum GVA generated	£0	£0	£0	£0	£0	£18,633,039	£56,493,331	£114,120,894	£176,268,272	£243,204,848	£315,214,320	£392,595,422	£475,662,670	£564,747,144	£660,197,316	£660,197,316

Revised

Revised

Revised

Total Cum GVA generated	£0	£18,900,000	£10,773,000	£20,538,000	£29,484,000	£48,117,039	£56,493,331	£114,120,894	£176,268,272	£243,204,848	£315,214,320	£392,595,422	£475,662,670	£564,747,144	£660,197,316	£660,197,316
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Benefit Type - Fiscal		20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33	33/34	34/35	Total
Corporation tax from GVA growth	1.36%	£0	£257,040	£146,513	£279,317	£400,982	£654,392	£768,309	£1,552,044	£2,397,249	£3,307,586	£4,286,915	£5,339,298	£6,469,012	£7,680,561	£8,978,684	£8,978,684
Tax from new jobs	£4,700	£0	£0	£0	£0	£0	£2,879,220	£8,393,730	£16,303,830	£24,213,930	£32,124,030	£40,034,130	£47,944,230	£55,854,330	£63,764,430	£71,674,530	£71,674,530
NI contributions from new jobs	£4,223	£0	£0	£0	£0	£0	£2,587,010	£7,541,856	£14,649,165	£21,756,474	£28,863,783	£35,971,092	£43,078,401	£50,185,710	£57,293,019	£64,400,328	£64,400,328
Total Fiscal Benefits		£0	£257,040	£146,513	£279,317	£400,982	£6,120,622	£16,703,895	£32,505,039	£48,367,652	£64,295,399	£80,292,136	£96,361,928	£112,509,052	£128,738,010	£145,053,541	£145,053,541

Benefit Type - Economic		20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33	33/34	34/35	Total
Total Economic Benefits		£0	£18,900,000	£10,773,000	£20,538,000	£29,484,000	£48,117,039	£56,493,331	£114,120,894	£176,268,272	£243,204,848	£315,214,320	£392,595,422	£475,662,670	£564,747,144	£660,197,316	£660,197,316

Recommended Option Sensitivity to Doubling of Project Costs and 50% Fall in Key Numbers

Net Present Benefits

Sensitivity to Doubling of Project Costs & 50% Fall in Key Numbers																
Item	20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33	33/34	34/35	Total
Total Costs	£30,900,000	£17,100,000	£4,800,000	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£52,800,000
Fiscal Costs	£30,900,000	£17,100,000	£4,800,000	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£52,800,000
Fiscal Benefits	£0	£257,040	£146,513	£279,317	£400,982	£6,120,622	£16,703,895	£32,505,039	£48,367,652	£64,295,399	£80,292,136	£96,361,928	£112,509,052	£128,738,010	£145,053,541	£145,053,541
Public Benefits	£0	£18,900,000	£10,773,000	£20,538,000	£29,484,000	£48,117,039	£56,493,331	£114,120,894	£176,268,272	£243,204,848	£315,214,320	£392,595,422	£475,662,670	£564,747,144	£660,197,316	£660,197,316
Total Benefits	£0	£19,157,040	£10,919,513	£20,817,317	£29,884,982	£54,237,661	£73,197,226	£146,625,933	£224,635,924	£307,500,246	£395,506,456	£488,957,351	£588,171,722	£693,485,154	£805,250,858	£805,250,858

Item	20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33	33/34	34/35	Total
Net Value (Total Benefits - Total Costs)	-£30,900,000	£2,057,040	£6,119,513	£20,817,317	£29,884,982	£54,237,661	£73,197,226	£146,625,933	£224,635,924	£307,500,246	£395,506,456	£488,957,351	£588,171,722	£693,485,154	£805,250,858	£834,175,842
Net Present Value (Net Value x Discounting Ratio)	-£30,900,000	£1,948,508	£5,490,802	£17,693,070	£24,059,739	£41,361,696	£52,875,135	£100,329,151	£145,597,876	£188,790,777	£230,010,871	£269,355,124	£306,914,836	£342,775,985	£377,019,570	£547,246,755
GDP Deflator	1.00	0.980392157	0.961168781	0.942322335	0.923845426	0.90573081	0.887971382	0.870560179	0.853490371	0.836755266	0.8203483	0.804263039	0.788493176	0.773032525	0.757875025	
Discounting Ratio	1.00	0.966183575	0.9335107	0.901942706	0.871442228	0.841973167	0.813500644	0.785990961	0.759411556	0.733730972	0.708918814	0.684945714	0.661783298	0.639404153	0.61778179	
Net Budget Impact (Fiscal Costs - Fiscal Benefits)	£30,900,000	£16,842,960	£4,653,487	-£279,317	-£400,982	-£6,120,622	-£16,703,895	-£32,505,039	-£48,367,652	-£64,295,399	-£80,292,136	-£96,361,928	-£112,509,052	-£128,738,010	-£145,053,541	-£116,276,458
Net Present Budget Impact (Net Budget Impact x Discounting Ratio)	£30,900,000	£15,954,305	£4,175,394	-£237,397	-£322,822	-£4,667,592	-£12,066,314	-£22,241,652	-£31,349,516	-£39,474,369	-£46,694,722	-£53,083,524	-£58,708,530	-£63,632,650	-£67,914,270	-£59,329,963
Net Public Value (Public Benefits - Total Costs)	-£30,900,000	£1,800,000	£5,973,000	£20,538,000	£29,484,000	£48,117,039	£56,493,331	£114,120,894	£176,268,272	£243,204,848	£315,214,320	£392,595,422	£475,662,670	£564,747,144	£660,197,316	£665,099,384
Net Present Public Value (Net Public Value x Discounting Ratio)	-£30,900,000	£1,705,030	£5,359,342	£17,455,672	£23,736,917	£36,694,104	£40,808,821	£78,087,499	£114,248,360	£149,316,408	£183,316,148	£216,271,600	£248,206,306	£279,143,335	£309,105,301	£436,512,154
Net Present Benefits (Total Benefits x Discounting Ratio)	£0	£18,146,292	£9,797,657	£17,693,070	£24,059,739	£41,361,696	£52,875,135	£100,329,151	£145,597,876	£188,790,777	£230,010,871	£269,355,124	£306,914,836	£342,775,985	£377,019,570	£598,651,393
Net Present Fiscal Benefits (Fiscal Benefits x Discounting Ratio)	£0	£243,478	£131,460	£237,397	£322,822	£4,667,592	£12,066,314	£22,241,652	£31,349,516	£39,474,369	£46,694,722	£53,083,524	£58,708,530	£63,632,650	£67,914,270	£110,734,601
Net Present Public Benefits (Public Benefits x Discounting Ratio)	£0	£17,902,813	£9,666,196	£17,455,672	£23,736,917	£36,694,104	£40,808,821	£78,087,499	£114,248,360	£149,316,408	£183,316,148	£216,271,600	£248,206,306	£279,143,335	£309,105,301	£487,916,792
Net Present Total Costs (Total Costs x Discounting Ratio)	£30,900,000	£16,197,783	£4,306,854	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£51,404,638
Net Present Fiscal Costs (Fiscal Costs x Discounting Ratio)	£30,900,000	£16,197,783	£4,306,854	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£51,404,638

Item	Key Metrics
Net Present Value (Net Present Benefits - Net Present Total Costs)	£547,246,755
Payback (Point at which Net Present Fiscal Benefits > Net Present Fiscal Costs)	Year 1
Net Present Budget Impact (Net Present Fiscal Costs - Net Present Fiscal Benefits)	-£59,329,963
Financial Return on Investment (Net Present Fiscal Benefits / Net Present Fiscal Costs)	2.15
Net Present Public Value (Net Present Public Benefits - Net Present Fiscal Costs)	£436,512,154

Net Present Benefits	20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33	33/34	34/35	Total
Cumulative Cost	£30,900,000	£47,097,783	£51,404,638	£51,404,638	£51,404,638	£51,404,638	£51,404,638	£51,404,638	£51,404,638	£51,404,638	£51,404,638	£51,404,638	£51,404,638	£51,404,638	£51,404,638	£51,404,638
Cumulative Net Present Fiscal Costs	£30,900,000	£47,097,783	£51,404,638	£51,404,638	£51,404,638	£51,404,638	£51,404,638	£51,404,638	£51,404,638	£51,404,638	£51,404,638	£51,404,638	£51,404,638	£51,404,638	£51,404,638	£51,404,638
Cumulative Net Present Fiscal Benefits	£0	£243,478	£374,939	£612,336	£935,158	£5,602,750	£17,669,064	£39,910,716	£71,260,232	£110,734,601	£157,429,323	£210,512,847	£269,221,377	£332,854,027	£400,768,297	£400,768,297
Cumulative Total Benefit	£0	£18,146,292	£27,943,948	£45,637,018	£69,696,757	£111,058,454	£163,933,589	£264,262,740	£409,860,616	£598,651,393	£828,662,263	£1,098,017,388	£1,404,932,223	£1,747,708,209	£2,124,727,779	£2,124,727,779

BCR = Cumulative Net Present Fiscal Benefits / Cumulative Net Present Fiscal Costs

£110,734,601 divided by £51,404,638 = 2

BCR = Net Present Total Benefits / Net Total Costs

£598,651,393 divided by £51,404,638 = 12

Option 4: Phased Development with a Focus on the Addressable Component for Market Failure

Sensitivity to Doubling of Project Costs & Failure to Generate any Graduate Jobs

Project Inputs

Item	Fiscal Cost?	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Total
Total Public Sector Contributions to Costs	Yes	£30,900,000	£17,100,000	£4,800,000	£0	£0	£0	£0	£0	£0	£0	£52,800,000
Total Costs	Yes	£30,900,000	£17,100,000	£4,800,000	£0	£0	£0	£0	£0	£0	£0	£52,800,000
Total Fiscal Costs	Yes	£30,900,000	£17,100,000	£4,800,000	£0	£0	£0	£0	£0	£0	£0	£52,800,000

Composition of input costs	Source	Year 1	Year 2	Year 3	Total	Cash
Equity investment into the University Property JV (PropCo) for capital for buildings and reveene for start-up & scale-up phase curriculum subsidies	LGF	£7,700,000	£2,400,000	£2,400,000	£12,500,000	£24,800,000
Equity investment into the University Property JV (PropCo) for capital for buildings and reveene for professional fees during planning & construction	CPCA	£6,150,000	£6,150,000		£12,300,000	
Equity investment into the University Property JV (PropCo) in the form of the land value upon which the Phase 1 Property sits	PCC	£1,600,000			£1,600,000	
Total Fiscal Costs		£15,450,000	£8,550,000	£2,400,000	£26,400,000	

Expectation of output costs		Year 1	Year 2	Year 3	Total
Property build costs including 10% risk and 4.4% inflation contingency		£15,000,000	£5,000,000		£20,000,000
Subsidy and Contingency		£2,650,000	£2,150,000		£4,800,000
Total Fiscal Costs		£17,650,000	£7,150,000	£0	£24,800,000

Recommended Option Sensitivity to Doubling of Project Costs and Failure to Create Graduate Jobs

Project Outputs

Sensitivity to Doubling of Project Costs & Failure to Generate any Graduate Jobs

	20/21	21/22	22/23	23/24	24/25	25/26										
Average GVA/employee for new job	£42,000	£42,000	£42,000	£42,000	£42,000	£42,000		Percentage of graduates into relevant jobs	0%	Corp Tax on GVA Growth Assumed as	8.00%	Average PBIT	2.00%	Growth in baseline graduates pa		
Total new jobs generated	0	450	513	978	1,404	1,404	Revised			17.00%	Average Corp Tax		Growth in baseline graduates pa (per SCM)	0.00%		
Sub-Total GVA generated	£0	£18,900,000	£21,546,000	£41,076,000	£58,968,000	£58,968,000										

Outcomes Generated from Graduate Employment																
Public Sector Financial Year	20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33	33/34	34/35	Total jobs
Cum average GVA/employee for grad pool in jobs	£25,000	£26,000	£27,040	£28,122	£29,246	£30,416	£31,633	£32,898	£34,214	£35,583	£37,006	£38,486	£40,026	£41,627	£43,292	
Baseline graduates qualifying at UCP & ARU	900	918	936	955	974	994	1,014	1,034	1,054	1,076	1,097	1,119	1,141	1,164	1,188	
Baseline cumulative graduates qualifying at UCP & ARU	900	1,818	2,754	3,709	4,684	5,677	6,691	7,725	8,779	9,855	10,952	12,071	13,212	14,377	15,564	
Additional cumulative graduates qualifying at UCP	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Additional graduates qualifying at new site						2,042	3,911	5,610	5,610	5,610	5,610	5,610	5,610	5,610	5,610	Revised
Additional cumulative graduates qualifying at new site						2,042	5,953	11,563	17,173	22,783	28,393	34,003	39,613	45,223	50,833	Revised
Cum additional students into relevant jobs (60%)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	Revised
Sub-Total Cum GVA generated	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0
Total Cum GVA generated	£0	£18,900,000	£21,546,000	£41,076,000	£58,968,000	£58,968,000	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0

Benefit Type - Fiscal		20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33	33/34	34/35	Total
Corporation tax from GVA growth	1.36%	£0	£257,040	£293,026	£558,634	£801,965	£801,965	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0
Tax from new jobs	£4,700	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0
NI contributions from new jobs	£4,223	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0
Total Fiscal Benefits		£0	£257,040	£293,026	£558,634	£801,965	£801,965	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0

Benefit Type - Economic		20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33	33/34	34/35	Total
Total Economic Benefits		£0	£18,900,000	£21,546,000	£41,076,000	£58,968,000	£58,968,000	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0

Net Present Benefits

Sensitivity to Doubling of Project Costs & Failure to Generate any Graduate Jobs																
	20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33	33/34	34/35	Total
Total Costs	£30,900,000	£17,100,000	£4,800,000	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£52,800,000
Fiscal Costs	£30,900,000	£17,100,000	£4,800,000	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£52,800,000
Fiscal Benefits	£0	£257,040	£293,026	£558,634	£801,965	£801,965	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0
Public Benefits	£0	£18,900,000	£21,546,000	£41,076,000	£58,968,000	£58,968,000	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0
Total Benefits	£0	£19,157,040	£21,839,026	£41,634,634	£59,769,965	£59,769,965	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0

Item	20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33	33/34	34/35	Total
Net Value (Total Benefits - Total Costs)	-£30,900,000	£2,057,040	£17,039,026	£41,634,634	£59,769,965	£59,769,965	£0	£0	£0	£0	£0	£0	£0	£0	£0	£149,370,629
Net Present Value (Net Value x Discounting Ratio)	-£30,900,000	£1,948,508	£15,288,459	£35,386,139	£48,119,479	£45,580,637	£0	£0	£0	£0	£0	£0	£0	£0	£0	£115,423,222
GDP Deflator	1.00	0.980392157	0.961168781	0.942322335	0.923845426	0.90573081	0.887971382	0.870560179	0.853490371	0.836755266	0.8203483	0.804263039	0.788493176	0.773032525	0.757875025	
Discounting Ratio	1.00	0.966183575	0.9335107	0.901942706	0.871442228	0.841973167	0.813500644	0.785990961	0.759411556	0.733730972	0.708918814	0.684945714	0.661783298	0.639404153	0.61778179	
Net Budget Impact (Fiscal Costs - Fiscal Benefits)	£30,900,000	£16,842,960	£4,506,974	-£558,634	-£801,965	-£801,965	£0	£0	£0	£0	£0	£0	£0	£0	£0	£50,087,371
Net Present Budget Impact (Net Budget Impact x Discounting Ratio)	£30,900,000	£15,954,305	£4,043,934	-£474,794	-£645,644	-£611,579	£0	£0	£0	£0	£0	£0	£0	£0	£0	£49,166,221
Net Public Value (Public Benefits - Total Costs)	-£30,900,000	£1,800,000	£16,746,000	£41,076,000	£58,968,000	£58,968,000	£0	£0	£0	£0	£0	£0	£0	£0	£0	£146,658,000
Net Present Public Value (Net Public Value x Discounting Ratio)	-£30,900,000	£1,705,030	£15,025,538	£34,911,345	£47,473,835	£44,969,058	£0	£0	£0	£0	£0	£0	£0	£0	£0	£113,184,806
Net Present Benefits (Total Benefits x Discounting Ratio)	£0	£18,146,292	£19,595,313	£35,386,139	£48,119,479	£45,580,637	£0	£0	£0	£0	£0	£0	£0	£0	£0	£166,827,860
Net Present Fiscal Benefits (Fiscal Benefits x Discounting Ratio)	£0	£243,478	£262,921	£474,794	£645,644	£611,579	£0	£0	£0	£0	£0	£0	£0	£0	£0	£2,238,416
Net Present Public Benefits (Public Benefits x Discounting Ratio)	£0	£17,902,813	£19,332,393	£34,911,345	£47,473,835	£44,969,058	£0	£0	£0	£0	£0	£0	£0	£0	£0	£164,589,444
Net Present Total Costs (Total Costs x Discounting Ratio)	£30,900,000	£16,197,783	£4,306,854	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£51,404,638
Net Present Fiscal Costs (Fiscal Costs x Discounting Ratio)	£30,900,000	£16,197,783	£4,306,854	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£51,404,638

Item	Key Metrics
Net Present Value (Net Present Benefits - Net Present Total Costs)	£115,423,222
Payback (Point at which Net Present Fiscal Benefits > Net Present Fiscal Costs)	Year 1
Net Present Budget Impact (Net Present Fiscal Costs - Net Present Fiscal Benefits)	£49,166,221
Financial Return on Investment (Net Present Fiscal Benefits / Net Present Fiscal Costs)	0.04
Net Present Public Value (Net Present Public Benefits - Net Present Fiscal Costs)	£113,184,806

Net Present Benefits	20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33	33/34	34/35	Total
Cumulative Cost	£30,900,000	£47,097,783	£51,404,638	£51,404,638	£51,404,638	£51,404,638	£51,404,638	£51,404,638	£51,404,638	£51,404,638	£51,404,638	£51,404,638	£51,404,638	£51,404,638	£51,404,638	£51,404,638
Cumulative Net Present Fiscal Costs	£30,900,000	£47,097,783	£51,404,638	£51,404,638	£51,404,638	£51,404,638	£51,404,638	£51,404,638	£51,404,638	£51,404,638	£51,404,638	£51,404,638	£51,404,638	£51,404,638	£51,404,638	£51,404,638
Cumulative Net Present Fiscal Benefits	£0	£243,478	£506,399	£981,193	£1,626,837	£2,238,416	£2,238,416	£2,238,416	£2,238,416	£2,238,416	£2,238,416	£2,238,416	£2,238,416	£2,238,416	£2,238,416	£2,238,416
Cumulative Total Benefit	£0	£18,146,292	£37,741,605	£73,127,744	£121,247,223	£166,827,860	£166,827,860	£166,827,860	£166,827,860	£166,827,860	£166,827,860	£166,827,860	£166,827,860	£166,827,860	£166,827,860	£166,827,860

BCR = Cumulative Net Present Fiscal Benefits / Cumulative Net Present Fiscal Costs

£2,238,416 divided by £51,404,638 = 0

BCR = Cumulative Net Present Total Benefits / Cumulative Net Total Fiscal Costs

£166,827,860 divided by £51,404,638 = 3