

### Recommended Option

## Project Inputs

20/21

[illegible]

Recommended Option

Project Outputs

Outcomes Generated from Staffing & Supply Chain										
	20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30
Average GVA/employee for new job	£42,000	£42,000	£42,000	£42,000	£42,000	£42,000	£42,000	£42,000	£42,000	£42,000
Total new jobs generated	0	66	179	244	272	294	316	344	371	398
Sub-Total GVA generated	£0	£2,786,280	£7,498,292	£10,245,738	£11,422,062	£12,341,215	£13,286,215	£14,436,531	£15,564,554	£16,722,300

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
Sub-Total Cum GVA generated from student salaries + expenditure	£0	£0	£0	£0	£1,447,890	£8,832,856	£28,080,663	£62,540,911	£109,239,277	£166,936,876

Total Cum GVA generated	£0	£2,786,280	£7,498,292	£10,245,738	£12,869,952	£21,174,072	£41,366,878	£76,977,442	£124,803,831	£183,659,176
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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
Corporation tax from GVA growth	1.36%	£0	£37,893	£101,977	£139,342	£175,031	£287,967	£562,590	£1,046,893	£1,697,332	£2,497,765
Additional (uplift) Tax from new jobs		£0	£0	£0	£0	£179,862	£1,097,249	£3,488,281	£7,769,057	£13,570,097	£20,737,500
additional (uplift) NI contributions from new jobs		£0	£0	£0	£0	£99,823	£608,973	£1,935,996	£4,311,827	£7,531,404	£11,509,313
Total Fiscal Benefits		£0	£37,893	£101,977	£139,342	£454,717	£1,994,190	£5,986,867	£13,127,777	£22,798,832	£34,744,577

Benefit Type - Economic		20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30
Total Economic Benefits		£0	£2,786,280	£7,498,292	£10,245,738	£12,869,952	£21,174,072	£41,366,878	£76,977,442	£124,803,831	£183,659,176

Percentage of graduates into relevant jobs

Revised

60%

Corp Tax on GVA Growth Assumed as

8.00%      Average PBIT

17.00%      Average Corp Tax

Recommended Option with sensitivity analysis

Net Present Benefits											
Item	20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30	Total
Total Costs	£15,450,000	£8,550,000	£2,400,000	£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	£26,400,000
Fiscal Benefits	£0	£0	£37,893	£101,977	£139,342	£454,717	£1,994,190	£5,986,867	£13,127,777	£22,798,832	£44,641,595
Public Benefits	£0	£2,786,280	£7,498,292	£10,245,738	£12,869,952	£21,174,072	£41,366,878	£76,977,442	£124,803,831	£183,659,176	£481,381,661
Total Benefits	£0	£2,786,280	£7,536,186	£10,347,715	£13,009,294	£21,628,789	£43,361,068	£82,964,308	£137,931,608	£206,458,008	£526,023,257
year	PV										Total
Item											£0
Total Costs (10-year)	15,450,000	8,550,000	2,400,000	0	0	0	0	0	0	0	£26,400,000
Fiscal Costs (10-year)	15,450,000	8,550,000	2,400,000	0	0	0	0	0	0	0	£26,400,000
Fiscal Benefits (10-year)	0	0	37,893	101,977	139,342	454,717	1,994,190	5,986,867	13,127,777	22,798,832	£44,641,595
Public Benefits (10-year)	0	2,786,280	7,498,292	10,245,738	12,869,952	21,174,072	41,366,878	76,977,442	124,803,831	183,659,176	£481,381,661
Item											
GDP Deflator	1.00	0.980392157	0.961168781	0.942322335	0.923845426	0.90573081	0.887971382	0.870560179	0.853490371	0.836755266	
Discounting Ratio	1.00	0.966183575	0.9335107	0.901942706	0.871442228	0.841973167	0.813500644	0.785990961	0.759411556	0.733730972	
Item	10-year NPV	20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30
Net Present Benefits	£414,604,165	£0	£2,731,647	£7,207,124	£9,654,788	£11,889,846	£19,178,009	£36,732,604	£67,013,495	£106,518,868	£153,677,783
Net Present Public Costs (no fiscal contribution)	£25,951,295	£15,450,000	£8,260,870	£2,240,426	£0	£0	£0	£0	£0	£0	£0
Payback (Point at which Net Present Fiscal Benefits > Net Present Fiscal Costs)	Year 11										
NPV (Net present benefits - net present fiscal costs)	£388,652,870	-£15,450,000	-£5,529,223	£4,966,699	£9,654,788	£11,889,846	£19,178,009	£36,732,604	£67,013,495	£106,518,868	£153,677,783
BCR: Net present benefits / net present public costs	15.98										

	BASE CASE	50% student numbers	No graduate jobs	Double construction costs	50% cut in student numbers and construction costs double	No graduate jobs + construction costs double
Total Net Present Benefits	£414,604,165	£207,302,083	£92,965,915	£414,604,165	£207,302,083	£92,965,915
Total Net Present Costs	£25,951,295	£25,951,295	£25,951,295	£51,902,590	£51,902,590	£51,902,590
Net Present Value	£388,652,870	£181,350,787	£67,014,620	£362,701,575	£155,399,492	£41,063,325
Benefit Cost Ratio <sup>8</sup>	16	8	4	8	4	2