



**New Henry Street Economic Benefits Statement
for
Dominus Bristol Limited**

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Executive Summary


New Henry Street, Bristol




Proposed Development




705
Student beds



1,879 sqm
Flexible commercial and community space






2%
Fully accessible and adaptable




1,400 sqm
High quality public realm


Regeneration and Market Drivers

-  Sustainable and well-connected brownfield location
-  Support ongoing regeneration of the Dings neighbourhood
-  Meeting identified need for student accommodation


Construction Impacts




£64m
Investment in construction



500 Jobs
Construction jobs supported (on and off-site) annually




£45m
Annual GVA impact




5%
Estimated construction apprenticeships supported


Operational Impacts




75-85 Jobs
Direct FTE jobs supported on-site




40 Jobs
FTE jobs supported off-site




£14.7k p.a.
Uplift in business rates revenue



Section 106 contribution (to be agreed)




£6m
Annual GVA impact




£5m
Annual student spending

+




£0.6m
Wider visitor spending


Wider Impacts




Improved student health and wellbeing



Site permeability and street level activation



Improved connectivity and active travel options



Better public safety for new and existing communities

1 Introduction

Scheme and Context

1.1 The redevelopment at 'New Henry Street' (hereafter referred to as 'the Site') is being led by Dominus Bristol Limited to provide a mixed-use development comprising employment, commercial and student accommodation uses ('the Proposed Development').

1.2 The Site currently comprises 2,615 sqm Gross Internal Area (GIA) of Use Class B8 across two buildings together with open storage and hardstanding areas.

1.3 The Site is located in the Dings area of Bristol, to the east of Bristol City Centre and a 15 minute walk to Temple Meads train station and in close proximity to local amenities including retail shops and services. The Site is bound by Sussex Street (to the south-east), Alfred Street (to the north-east) and Kingsland Road (to the south west) as well as the former Bristol and Gloucester railway to the north-west, which is now a walking and cycling path. It is also in close proximity to the Temple Quarter Enterprise Zone, one of the largest regeneration areas in the country.

Figure 1.1 Site location map



Source: Allford Hall Monaghan Morris Architects

1.4 The proposed Development aims to deliver high quality student accommodation and employment uses to support the student residents and local community. It will comprise:

- 19,980 sqm of Gross Internal Area (GIA) Purpose Build Student Accommodation (PBSA) including communal areas and 705 bedrooms across studios, townhouses and clusters;
- 1,919 sqm GIA of employment supporting uses including new community space, a local grocery store, and workshops and maker space;

- Substantial improvements to the public realm and accessibility of the Site including a new connection to the Bristol-to-Bath cycle route and new pedestrian crossing and traffic calming measures; and
- 390 cycle spaces including long and short stay spaces for student residents, visitors and workers.

1.5 ekosgen has been appointed to provide an independent assessment of the socio-economic and regeneration benefits of the Proposed Development. The remainder of this Statement includes the following:

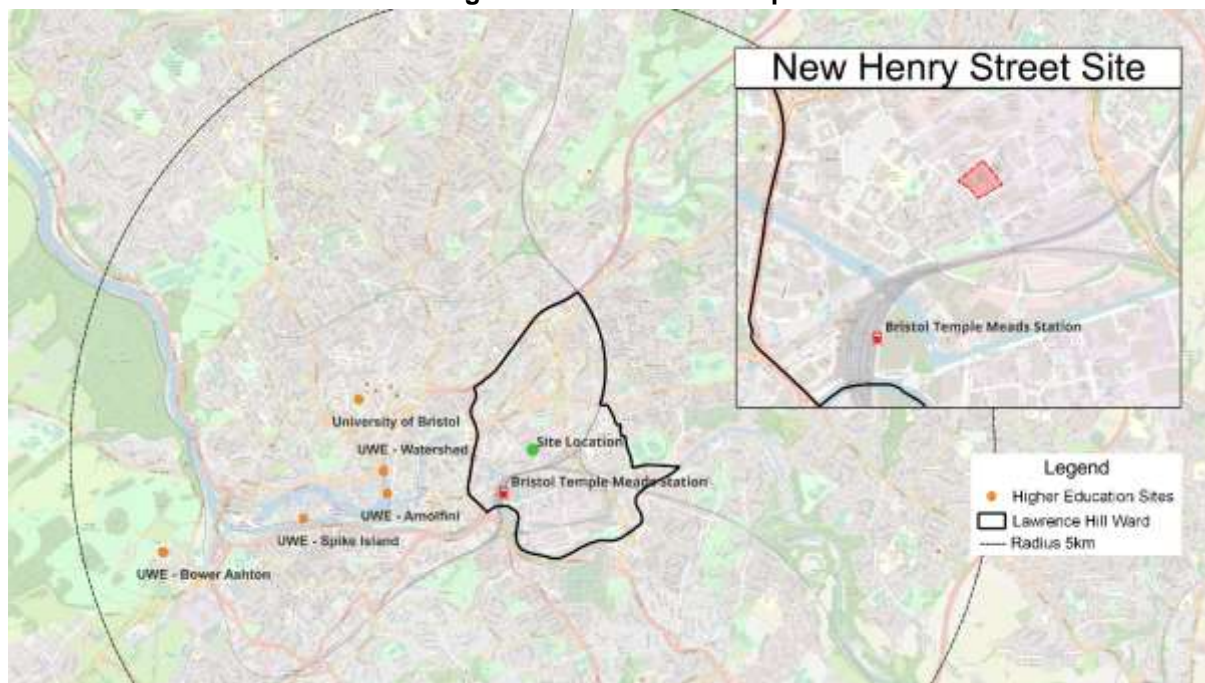
- An overview of the local socio-economic and regeneration context;
- An assessment of the socio-economic benefits of the Proposed Development, including:
 - Construction benefits – temporary employment and expenditure;
 - Operational benefits – employment, spending and GVA; and
- An overview of the wider regeneration and community benefits.

2 Socio-Economic Context

Local economic and regeneration context

2.1 The Site is located in the Dings area in Bristol in the ward of Lawrence Hill (Figure 2.1). It lies to the east of Bristol City Centre, located within a 15 minute walk to Temple Meads railway station and within the immediate vicinity of bus stops, cycleways and public footpaths, providing residents with access to the rest of the city and further afield.

Figure 2.1 Site context map



Source: ekosgen

2.2 The local economic and regeneration context is described below, drawing on Bristol City's adopted Local Plan documents and emerging Local Plan evidence base. The context is supportive of the development proposals and it is clear there are a number of ways in which the Proposed Development will help meet City-wide, local and neighbourhood objectives and priorities for regeneration and growth.

2.3 Overall, the adopted **Local Plan**¹ aspires for “*successful and vibrant mixed-use city centre environments to be delivered which provide for safe and mixed residential communities integrated with businesses, shops, leisure and open spaces*”. The Site is located within a Principal Industrial and Warehousing Area (PIWA) as designated by **the Site Allocations and Development Management Policies**,² which aims to protect strategic employment sites and areas that provide valuable employment. The thrust of this policy is to ensure there is sufficient available space to meet anticipated growth across a number of economic sectors including distribution and warehousing, particularly in areas close to where people live, and to ensure a diverse range of size and types of premises. However, the Council's Core Strategy was adopted in 2011 and is now twelve years out of date. More recently, the Council's evidence base in relation to demand for employment land³ to support the emerging new Local Plan cites core growth sectors of the economy as creative industries, high tech and low carbon sectors, with demand for premises likely to include locations close to the City Centre and local amenity

¹ Bristol City Core Strategy (2011)

² Bristol City Site Allocations and Development Management Policies Local Plan (2014)

³ Bristol City Council, Employment Land Review, June 2019, JLL

as well as the Temple Quarter Enterprise Zone. **The Site is well positioned to meet demand from creative, high-tech and low carbon sectors and the nature of the space proposed on the Site is flexible and will suit a range of occupiers including those that have been identified a growth sectors.**

2.4 At the local level, the **Bristol Central Area Plan (BCAP)**⁴ which incorporates the Site, outlines the desire for “*growth in the economy to be complemented by continued investment in the city’s flourishing higher education sector, including the provision of specialist student accommodation*”. Policy BCAP4 of the BCAP outlines the need for consideration of new PBSA to be given to the mix of uses delivered on any individual site. **The Proposed Development will contribute to these aspirations providing a mixed-use site, providing both a ground floor light industrial/maker space and employment opportunities, cultivating a successful and vibrant mixed-use environment and providing specialist PBSA for the flourishing higher education sector.**

2.5 Policy BCAP46 of the BCAP focuses on the Old Market and The Dings, the latter of which the proposed PBSA will be a part of. It outlines the need for “*appropriate evening uses and community facilities to support the neighbourhood’s growing role as a mixed residential community*” as well as the desire for public realm improvements. **The Proposed Development addresses both of these aims, providing a flexible community use area, employment/maker space and a food store on the ground floor, as well as substantial public realm improvements which incorporate sociable and active spaces.**

2.6 At the neighbourhood level, the **Old Market Quarter** is a defined area within the Central Area and in 2015 a **Neighbourhood Development Plan**⁵ for the area was published which forms part of the Council’s Local Plan. The Neighbourhood Plan’s vision aims to promote a ‘*balanced and diverse community with a mix of housing types for people at all stages of their lives*’ and to ‘*promote opportunities for new businesses*’. In relation to Principle Industrial and Warehousing Areas (PIWAs), the Neighbourhood Plan supports the creation of opportunities for change and recognises that uses such as warehouses (as existing on site) can have negative impacts on the vibrancy and attractiveness of areas. The Plan notes that the area is well suited to smaller businesses, particularly those that might provide services to larger organisations in the City Centre or the neighbouring Bristol Temple Quarter Enterprise Zone. **It cites a need for flexible workspaces that can accommodate a range of employment uses and it supports the integration of workspaces with other uses. The Proposed Development will meet these objectives.**

2.7 The aforementioned Employment Land Review (2019)⁶ identified the increasing trend of demand for “*mixed-use developments including light industrial with residential above*”. It suggested that the private market may be apprehensive to deliver this mix of space due to potential amenity issues, therefore, **the Proposed Development should be encouraged to provide an example of the potential for private investment in similar developments.** The report goes on to suggest that in the face of potential private market reluctance in such mixed-use schemes, the Council should consider playing a proactive role in the delivery of new types of commercial space that are not yet visible in Bristol, such as residential above light industrial. The Employment Land Study also suggests that areas within the Lawrence Hill area, which the site falls in, hold “*potential to include higher density forms of B use class employment, such as flexible office and workshop space*”.

2.8 The Site is also in close proximity to the aforementioned Bristol Temple Quarter Enterprise Zone which is one the largest urban regeneration projects in the UK with Temple Meads railway station at its centre and with the University of Bristol expanding their innovation campus there. This area of the City

⁴ Bristol Central Area Plan (2015)

⁵ Old Market Neighbourhood Development Plan, 2015-2026, Bristol

⁶ JLL Employment Land Study (2019)

will become home to new and businesses, higher education institutes and cultural uses which are likely to generate spin-off demand for good quality premises.

2.9 At a **wider level**, the headline messages from key measures of **gross value added (GVA)**, **employment** and **population growth** are summarised below.

GVA

2.10 The City of Bristol's GVA accounts for around 11% of the wider South West region as whole, and grew by 18% between 2015 and 2020, compared to the 12% growth experienced by the South West and 13% by England. The City of Bristol's GVA per head of population was £49,850 in 2020, compared to £41,620 for the South West and £47,760 for England.

2.11 The key sectors driving GVA performance in the City of Bristol in 2020 were real estate activities (£1,999m), professional, scientific and technical activities (£1,906m), wholesale and retail trade; repair of motor vehicles (£1,718m), human health and social work (£1,690), and financial and insurance activities (£1,579m).

Employment and Businesses

2.12 The total number of jobs in the City of Bristol stood at around 296,000 in 2021, with the largest sectors being human health and social work & professional, scientific and technical activities. The City of Bristol accounts for around 11% of jobs in the South West and since 2015, around 33,500 (13%) new jobs have been created in the City, which is just over double the average growth across the South West and England over the same period (both 6%).

2.13 Jobs numbers grew in the City of Bristol from 2020 to 2021, despite the continued impact of the global pandemic. There were 9,500 new jobs created between 2020 and 2021, a rise in line with both the South West and England over the same period. However, evidence suggests that a large number of residents in the City of Bristol have still lost their jobs or regular income. The number of residents claiming benefits principally for the reason of being unemployed (otherwise known as claimant count) stood at 13,300 in December 2021 compared to 4,700 in December 2015, an increase of 178%.

2.14 The human health and social work sector is the largest in the City of Bristol and makes up 16% of total employment, compared to in the South West (14%) and England (13%). The professional, scientific and technical services sector is the second largest sector and makes up 14% of total employment, this is a larger proportion than in both the South West (8%) and England (9%). This can likely be contributed in part to the success and continued flourishing of the higher educational institutes in the City of Bristol, which the proposed site will help to consolidate and build on. The manufacturing sector in the City of Bristol makes up 3% of total employment, this is less than half of the proportion in the South West (8%) and England (7%).

2.15 Bristol is ranked 2nd in the UK as a destination to develop a business as per the JLL Employment Land Review. The continued encouragement of start-ups will be aided by the maker and light-employment space provided on the ground floor of the Proposed Development. The Proposed Development would provide additional area for start-ups to work from in the maker and light industrial space. The JLL report also underlines the importance of location for potential start-ups and SMEs, with increasing demand from occupiers to be located in the city centre, and particularly a 15-minute walk from the station. The proposed site is well placed in this regard, being approximately 15-minutes from Temple Meads railway station.

Population

2.16 The population of Bristol City as a whole is approaching half a million (at 472,460) and has increased by over 10% (44,000) over the last decade. The estimated student population of Bristol City (53,400) has increased by 20% (+9,000) over the same time period.

2.17 The student population of Lawrence Hill ward, where the Site is situated, accounts for 18% (2,800) of the total resident population, which is a higher proportion than for Bristol City as a whole (13%). The working age population (16-64 years) across Bristol City accounts for 70% of the total population and is slightly higher for the ward of Lawrence Hill (71%).

2.18 Economic activity rates of residents aged 16 and over were around 65% for the City as a whole and slightly lower for the Lawrence Hill ward at 62%. The proportion of those who are economically active but unemployed was 10% for Lawrence Hill ward, nearly double the rate of Bristol City as a whole.

2.19 According to the English Indices of Multiple Deprivation (2019), the 10 most deprived neighbourhoods in Bristol are all in the South Bristol areas of Hartcliffe, Whitchurch and Knowle West. At ward level, the greatest levels of deprivation in Bristol are in the wards of Hartcliffe & Witherwood, Lawrence Hill and Filwood.

Student Accommodation Context

2.20 There continues to be strong demand nationally for PBSA with latest UCAS data (January 2023) suggesting that 41.5% of 18-year olds submitted an application to an undergraduate course at a Higher Education (HE) provider.⁷ This represents the second highest proportion ever and only marginally down from the previous year high of 43.4%.

2.21 Despite a slight reduction in applications overall, the number of applicants from outside the UK has continued to grow, with a 3.1% increase on the previous year.⁸ Overseas applicants constituted one in every five applications, with countries such as Nigeria, India, the United States and China (despite Covid-19 restrictions limiting growth in Chinese students) strongly represented.

2.22 Students enrolled at HEIs in Bristol make up approximately 35% of the student population across the entire South West region. Bristol is therefore the dominant student market in the region.⁹ An accompanying demand report, prepared by Cushman & Wakefield, provides analysis of full-time student numbers, their domicile and recent growth for Bristol's two main HE Institutions:

- **The University of Bristol (UB)** – UB's main campus is located within a 15 minute bus journey from the Temple Way bus stop (located a 5 minute walk from the Site).
- **The University of the West of England (UWE)** – whilst UWE's main campus is located roughly 5 miles to the north, there are a number of smaller, city centre campuses located within a commutable distance from the Site (Figure 2.1).

2.23 These two universities account for over 55,000 full time students.¹⁰ Over the last five years, UB's full-time student population has increased by 39% to 28,140 – double the national growth rate over the same period. Similarly, the UWE's full-time student population has grown at almost double the national rate over the same period with 27,425 students in 2020/21. Reflecting its reputation as a research-intensive Russell Group university, the vast majority of UB's student population (84%) is domiciled outside of the South West region. For UWE, the equivalent figure is lower at 57%, however, the out of

⁷ [Second-highest ever number of UK 18-year-olds apply to university or college by January deadline | Undergraduate | UCAS](#)

⁸ [2023 cycle applicant figures – 25 January deadline | Undergraduate | UCAS](#)

⁹ Higher Education Student Statistics: UK, 2021/22 - Where students come from and go to study | HESA

¹⁰ Cushman & Wakefield analysis of HESA 2020/21 data

region population at both universities has shown strong growth in the past five years. In particular, the non-EU student market segment at both universities has shown significant growth. These trends suggest strong demand for student bedspaces within Bristol.

2.24 The provision of high-quality accommodation and associated facilities is key to supporting an '*outstanding student experience*' according to a report from the Russell Group of the UK's leading universities, and is a considerable factor in choice of university by international students in particular. It is widely recognised that the retention rate of university students post-graduation can be influenced, amongst other things, by their experience of living in an area whilst at university.

2.25 The Cushman & Wakefield report indicates a total of 17,560 PBSA bed spaces (university and private) available in Bristol for the 2022/23 academic year. The report also highlights the fact that Bristol has the highest rate of students living in Houses in Multiple Occupancy (HMOs) of any major market in the UK. Despite recent additions, the report concludes that the market requires considerable additional supply. Furthermore, after discounting a proportion of students who are unlikely to require accommodation away from their home address, Cushman & Wakefield's analysis indicates that there is student to bed ratio across Bristol of 2.57:1. This is significantly above the Cushman & Wakefield benchmark observed nationally and therefore indicates a need for additional PBSA.

3 Economic Benefits

3.1 This section establishes that the Proposed Development will support a substantial uplift in employment levels and associated Gross Value Added (GVA) compared to the current on-site uses and in so doing will help to create additional opportunities for local residents to access employment.

3.2 However, the economic impact of the Proposed Development extends beyond the employment and GVA generated throughout the lifecycle of the project. Student and visitor spending, as well as operational expenditure associated with the management of the accommodation, are likely to generate lasting economic impacts. Furthermore, the provision of on-site workspace as well as substantial public realm improvements will benefit the local economy.

Construction Benefits

3.3 The construction phase is expected to support demand for **500 direct and indirect jobs per annum, which translates to £45 million in GVA (Gross Value Added) supported each year throughout the construction period**. The calculations rely on the labour coefficient for new housing and private commercial development provided by the Homes and Communities Agency (2015) guidance¹¹, which expresses the number of workers needed over one year to deliver £1 million of construction investment (at 2011 prices).

3.4 The development is expected to require a £63.9 million investment over a 2.5 year period. The relevant labour coefficients are applied to the expected annual construction costs and adjusted for inflation¹², which generates an estimated demand for 335 construction workers per annum over the life cycle of the project. The average GVA per worker in the construction sector for the City of Bristol for the years 2019-2021 was c.£90,000.¹³ Applying this benchmark to the total construction workers supported each year indicates that the Proposed Development would lead to an annual GVA impact in the order of £30 million at 2022 prices.

3.5 The large supply chain associated with residential and accommodation building can result in substantial indirect and induced impacts. According to work commissioned by the Home Builders Federation¹⁴, one direct job in the construction sector supports 0.5 indirect jobs in the supply chain. Applying a multiplier of 1.5 implies that the Proposed Development could support an additional 165 indirect jobs and hence an extra £15 million in GVA.

3.6 These jobs will be a mixture of both on-site and off-site pre-fabrication and supply chain employment through the various tiers of the supply chain. This estimate also represents an average level of construction employment over the duration of the build period, recognising that the levels of workers required could be higher at peak periods of construction activity.

3.7 There is likely to be a requirement for some specialist construction companies to be used as part of the construction process. It is anticipated that these contractors may well be from outside of the local area, given the specification of the contract. However, there are also likely to be a wider range of sub-contracting packages that would potentially be available to local contractors (eg groundworks, civil engineering, brick/block work, plastering, electrical, plumbing etc) that could help to maximise the local employment impact from the scheme.

¹¹ Calculating Cost per Job Best Practice Note (3rd Edition), Homes and Communities Agency, 2015

¹² The construction cost figure is adjusted from 2022/23 prices to 2011/12 (GDP deflators at market prices, and money GDP March 2023, HM Treasury)

¹³ Regional gross value added (balanced) by industry: local authorities by ITL1 region: TLK South West, ONS, 2022

¹⁴ The Economic Footprint of House Building in England and Wales, Lichfields, 2018

3.8 In addition, the construction period is also likely to generate **opportunities for training and apprenticeships**, which will have long-term benefits for local residents. Based on data concerning the ration of construction apprenticeships per FTE in the construction in industry in England, this could amount to 5% of overall construction jobs.

Operational Benefits

3.9 This section sets out the potential long term economic benefits of the Proposed Development once fully operational.

Employment and GVA

3.10 It is understood from the Applicant and current Asset Manager that the Site currently provides 2,615 sqm (GIA) of Class B8 Industrial floorspace across several units accommodating in the order of 20-25 jobs.

3.11 The Proposed Development comprises a series of elements that will generate operational employment. Once completed, the **student accommodation** will be owned, operated and managed by Dominus. Based on an understanding of the operation of similar sized facilities, it is anticipated that the facility will **support around 10 full time equivalent (FTE) staff**, including full-time managerial positions and part-time employees across a range of occupations.

3.12 The Proposed Development also includes **1,919 sqm (GIA) of employment, commercial and community floorspace**, comprising:

- Community food store/Maker Space – 468 sqm (Use Class E(g)(iii))
- Maker space including workshops – 1,016 sqm (Use Class E(g)(iii))
- Flexible Industrial use – 114 sqm (Use Class E(g)(iii)/B8/Sui generis)
- Flexible commercial space – 146 sqm (Use Class E(b-g))
- Ancillary community space – 175 sqm (Sui Generis)

3.13 All of these uses will support long-term employment opportunities. Through the application of appropriate minimum and maximum employment densities to this floorspace, it is estimated that these uses could support c.65 to 75 FTE jobs.¹⁵ Combined with the 10 FTEs generated through operation and management of student accommodation, this brings the total gross direct employment supported on-site to 75 to 85 FTEs.

3.14 The employment supported on site would include a range of full-time and part-time roles. By applying the ratio of jobs to FTEs as well as the split of part-time and full-time workers based on the latest available data from the Business Registers and Employment Survey (BRES 2021), it is possible to estimate that total number of jobs supported by the scheme would be in the region of 100, with around 63% of these being full-time.

3.15 After subtracting the existing on-site employment, the Proposed Development will lead to an **uplift in direct on-site employment in the order of 50-60 FTEs**.

3.16 The Proposed Development will also deliver a range of positive off-site employment multiplier effects in Bristol. This refers to supply chain purchases made by the operator and occupiers which can support further local employment (i.e. indirect effects). It also refers to the expenditure from wages

¹⁵ Employment Density Guide (Third Edition), Homes and Communities Agency, 2015: 17.5 sqm per FTE (NIA) for retail; 27.5 sqm per FTE for maker spaces/commercial space, 20 sqm per FTE for flexible commercial space & 165 sqm per FTE for community space . Mid-points of the range used in both instances.

injected into the local economy by both direct and indirect worked (i.e. induced effects) which can also support further local employment.

3.17 The extent to which these off-site benefits are captured in Bristol would depend upon the supply chain patterns of the operator and occupiers. Given that this is unknown at this stage, a local composite (indirect and induced) multiplier of 1.5 is used.¹⁶ Using this multiplier, it is estimated that in the South West region the Proposed Development could support a further **40 FTE indirect and induced off-site jobs, an uplift of 25 FTEs compared to the existing Site.**

3.18 Using Bristol-based GVA per FTE jobs benchmarks for workers in appropriate sectors linked to on-site uses, and applying these to the on-site FTE jobs created as a result of the Proposed Development, it is estimated that the contribution to the local economy, once fully operational, would be approximately **£3.7 million per annum in GVA, an uplift of £2.4m compared to the existing Site.**

3.19 The south west-based GVA per FTE benchmark for all sectors (c.£67,000) has been applied to the indirect and induced jobs to estimate a further **£2.5m in GVA per annum could be generated across the wider South West region, equating to an uplift of £1.7m compared to the existing Site.**

Student Spending

3.20 Student expenditure makes an important, and often overlooked contribution to the economy. Firstly, students pay money to the universities for their fees, accommodation and other ancillaries (on campus catering etc) which is then re-spent by universities. Whilst the benefits of this are captured in the impact of universities themselves and not directly attributable to PBSA, as noted above, the provision of high quality accommodation can have a substantial bearing on decision making and attracting students to particular universities.

3.21 Secondly, students spend money off campus on a variety of goods and services including food, clothing, bars and cafes. The presence of students in any particular area often coincides with the presence of retail and retail services which can add to the vibrancy and vitality of high streets and increase weekend and evening activity in an area which is traditionally quieter at these times.

3.22 The Proposed Development could generate up to **£5 million in student spending every year, thus supporting a total of 50 jobs (34 direct and 16 indirect jobs).** Since the development responds to a shortfall in student housing provision identified in Section 2, it will contribute towards the retention of spending in the local area and include supporting on-site retail and maker space jobs as well as off-site jobs within the local area.

3.23 Student expenditure calculations assume that the accommodation is operated at full occupancy levels (705 students) and that all its occupants are in full-time education. Survey data provides insight into spending patterns of English domiciled students.¹⁷ It is estimated that the median full-time student spends £7,123 every year, after adjusting for inflation.¹⁸ Table 3.1 provides a breakdown of the spending items included in the total figure. It excludes housing costs as it is assumed that the accommodation fees collected are not spent locally. Tuition fees are also not included, as they would capture employment supported through higher education provision.

¹⁶ Additionality Guide (Fourth Edition), Homes and Communities Agency, 2014

¹⁷ Student income and expenditure survey 2014 to 2015, Department for Education, 2018

¹⁸ GDP deflators at market prices, and money GDP March 2023, HM Treasury

Table 3.1 Student expenditure by FT students (at 2022/23 prices)

Spending item	Median
Living costs (excluding accommodation, including non-course related travel)	£6,688
Direct course costs (excluding tuition costs, eg books and equipment)	£375
Costs of facilitating participation (eg travel)	£60
Total	£7,123

Source: Student income and expenditure survey 2014 to 2015

3.24 Note that according to the Accommodation Costs Survey (NUS and Unipol, 2020), the share of international students living in PBSA is disproportionately higher than the share of full-time overseas students nationally.¹⁹ It reports that about 41% of institutional providers responded that 25-50% of their portfolio is let to international students, whilst 51% of private providers report that 55-95% of their portfolio is let to international students. Given that overseas students have a higher spending propensity than domestic students, the figure reported here is likely to underestimate the full impact that the Proposed Development could have.

3.25 The turnover per FTE worker for the South West region is estimated at c.£154,000 in 2022 prices.²⁰ Hence, the spending of students at the accommodation is expected to support 34 jobs directly. For the regional level, a 1.5 multiplier is applied which yields an additional 16 indirect jobs supported through student spending. Given the central and connected location of the Site, which is in close proximity to retail services and amenities, it is likely that a proportion of this expenditure will be spent locally.

Student Visitor Spending

3.26 Students – and particularly international students – attract visits from friends and relatives who generate further expenditure. For the Proposed Development the impact of visitor expenditure attributable to this could be in the order of **£0.4 to £0.6 million per year which would imply between 2 and 4 FTE jobs being supported.**

3.27 A study by London Economics²¹, which uses UK level evidence for 2015/16, is used to approximate the visitor spending per student. It finds that visitor expenditure from EU students is £888 (three visitors per year at an average of £296 per visit) and £740 for non-EU students (0.9 visitors per year at an average of £822 per visit). Reconciled with 2015/16 HESA data relating to the balance of EU and non-EU international students at Bristol universities²², it is estimated that annual visitor spending per international student is £936 once an adjustment for inflation has been made.

3.28 Information on the likely characteristics of future residents is not available at present. However, it is considered likely that the PBSA will be considered attractive to international students. Indeed, as referenced above, the share of international students living in PBSA is disproportionately higher than the share of non-UK full-time students nationally with private providers reporting between 55%-95% of their portfolio being let to international students. On this basis it has been assumed that between 55% and 95% of students at the Proposed Development will be international students, suggesting that expenditure could range from £0.4-£0.6 million per year which would imply between 2 and 4 FTE jobs being supported (through applying the same turnover per job assumptions referenced above).

¹⁹ Accommodation Costs Survey, NUS and Unipol, 2020

²⁰ Non-financial business economy (Sections A to S), Annual Business Survey, 2019; Business Register and Employment Survey, 2019

²¹ The Costs and Benefits of International Students by Parliamentary Constituency, London Economics, January 2018

²² HE student enrolments by HE provider, domicile, level of study, mode of study and country of HE provider (2015-16), HESA

Fiscal Benefits – Business Rates

3.29 Whilst student accommodation is not subject to business rates or council tax payments, the freeing up of housing within the private rented sector will likely result in additional council tax payments from properties that would otherwise be occupied by students in the absence of sufficient PBSA.

3.30 The ancillary commercial uses will be liable to pay business rates and could generate an **additional c.£14,756 per year in business rates compared to the existing site.**

3.31 The total rateable value of industrial premises occupying the Site at present is known to be in the order of £91,000.

The potential for business rates revenue from the proposed commercial uses has been estimated having regard to Valuation Office Agency data by sector at the Middle Super Output Area (MSOA) level.²³ The assumptions and calculations are summarised in Table 3.2. This demonstrates that despite an overall reduction in commercial premises liable to pay business rates across the Site as a whole, through the types of proposed uses the scheme could in fact lead to a small net increase in business rates revenue. Under the current arrangements, as a Business Rates Retention Pilot Authority, Bristol City Council retains 100% of business rates revenue to support public service provision.

Table 3.2 Business rates calculations for proposed commercial uses

Use	Applicable VOA sector (best fit)	Floorspace (NIA)	Rateable value / sqm	Rateable value
Community food store	Retail	397	£182	£72,399
Maker space	Industrial	1276	£44	£47,722
Total				£120,122
Existing on-site uses				£91,300
Net change on-site				£28,822
<i>Business rates multiplier @ 0.512</i>				
Total business rates uplift				£14,756

Source: Valuation Office Agency, 2022

3.32 Additionally, the Proposed Development will be subject to a Section 106 agreement, with heads of terms to be agreed with Bristol City Council.

²³ Non-domestic rating: stock of properties including business floorspace, Valuation Office Agency, 2022 (MSOA: E02006887 : Bristol 054)

4 Wider Regeneration and Community Benefits

4.1 The Proposed Development will also generate a series of wider regeneration and community benefits which will contribute to the ongoing regeneration, vitality and vibrancy of the local area. Drawing upon information outlined within the accompanying Design and Access Statement as well as a range of secondary research and evidence, the following bullets summarise the key wider regeneration and community benefits:

- Site optimisation:** the Proposed Development will contribute towards the ongoing rejuvenation of the East Dings neighbourhood through redevelopment of existing industrial / warehousing uses on the Site with a balance of student residential, community and commercial uses. The scheme will reinvigorate this part of the city through increasing street legibility and creating a more animated, dynamic and connected environment. This will contribute towards the optimisation of a brownfield site in a sustainable, central location. Additionally, the Site lies just to the north of the Temple Quarter Enterprise Zone – a zone subject to a City Council ambition to deliver a world class gateway to the West of England by creating a series of well-connected and thriving mixed-use communities. The Proposed Development offers the potential to align strongly with this strategic objective.
- Improved public realm:** The provision of a high quality public environment can generate significant economic, social and environmental benefits in all types of urban areas.²⁴ The Proposed Development will provide an additional 1,400 sqm of new public realm alongside enhancement of existing public realm. Enhancements include the widening of existing footways, reinstatement of a former street creating a direct connection to the Bristol-to-Bath cycle route and significant street greening. This will create friendly, inviting streets that improve site permeability and connectivity with active travel (pedestrian and cycle) infrastructure, thereby encouraging sustainable travel choices. Research undertaken by Just Economics on behalf of Living Streets cites a growing body of evidence which shows that public realm investments deliver significant and cost-effective benefits to a wide range of users.²⁵ This includes impacts in existing business performance (in terms of footfall and turnover), regeneration (in terms of new businesses, land value uplift, employment and tackling social exclusion) as well as improved business and customer perceptions.
- Contribution to student retention, health and wellbeing:** The provision of high quality accommodation and associated facilities is key to supporting an '*outstanding student experience*' according to a report from the Russell Group of the UK's leading universities, and a considerable factor in choice of university by international students. This in turn can impact on student retention rates post-graduation, potentially also improving local skills and talent retention. High quality accommodation and an enhanced student experience can also contribute to student wellbeing and health, providing enhanced safety and security, access to a student community and increased access to welfare support. Furthermore, the ambition for the Proposed Development is to create an exemplar student accommodation scheme designed around user experience. In delivering on this ambition, the scheme proposes to include an 50% uplift on the level of student amenity space per bed in comparison with typical levels of provision. This will create a variety of social learning and amenity spaces, including private study areas, collaborative learning space and internal and external amenity space for socialising.
- Supporting inclusivity:** the Proposed Development has been designed with a broad approach to accessibility and cognisant of the University of Bristol's accessibility guidance for student accommodation. 2% of the 705 rooms are designed to be fully wheelchair adaptable

²⁴ The value of public space: how high quality parks and public spaces create economic, social and environmental value, CABI Space, 2020

²⁵ The Pedestrian Pound: the business case for better streets and places, Just Economics o/b Living Streets

/accessible, with 50% of these available at the opening of the scheme. The whole scheme has been designed to be suitable for people with visual impairments.

- **Local community support:** The activation and reanimation of the public realm will provide more opportunities to engage with existing communities and by creating employment opportunities. The Proposed Development will also provide dedicated and flexible community space that will have a specific focus on addressing adult literacy and numeracy. More broadly, students support the city's economy through their spending (as set out above) but also by driving inward investment, entrepreneurialism and through volunteering in the community and participating in sporting and cultural activities. University students contribute significantly to their wider community through the hours they give to groups, organisations and sporting teams through participation, formal and informal volunteering.²⁶ According to the National Union of Students, 31% of all those in higher education volunteer in their local area. The Institute of Volunteering Research places this figure much higher and suggests that 63% of students have taken part in formal and informal volunteering since starting at university.
- **Local job opportunities:** As outlined in Section 3, the proposed development could lead to an uplift of 50-55 direct FTE jobs on site plus further indirect and induced employment in the wider local economy. This will include street level maker spaces targeted at local small businesses with further flexible spaces for a small food store and an education focused community offer. These will provide inclusive opportunities for local residents to secure employment across a range of occupations and the spaces are designed to be flexible to adapt to the needs of different users. This will help to address some of the challenges identified in Section 2 of this report including deprivation and unemployment levels.
- **Supporting the visitor economy:** On-site community uses and visitors to students will support the visitor economy, however, there is potential for further economic benefits to be generated by the Proposed Development through its temporary use outside university term dates, for conference delegates and short term course attendees, for example. The Site's location close to the national railway network at Bristol Temple Meads offers potential for the buildings to be used in this way during holiday periods and would generate further footfall and visitor expenditure in the local area.
- **Supporting the night-time and weekend economy:** the increased presence of students can help to support and sustain both the night-time and weekend economy of a local area, making a valuable contribution to the wider economy as well as helping to support a safer and more welcoming area at night. Depending on operating hours of the community space, this will also help to activate the area in otherwise quieter periods.
- **Meeting PBSA need:** as outlined in Section 2, the Proposed Development meets a clear local need to deliver more student accommodation. Helping to meet this need will help to ensure that economic benefits associated with students and visitors are captured in the local area. In addition, the scheme represents an opportunity to provide well located, high-quality, professionally managed and purpose-built student accommodation.
- **Alleviating housing market pressures:** the provision of PBSA to help meet the identified need may also support the release of privately rented and owned properties back onto the market thus helping to alleviate local pressures in the housing market.

²⁶ Communities and social responsibility, Universities UK, 2022