Making the economic case for development
Lichfields is the pre-eminent planning and development consultancy in the UK

We’ve been helping create great spaces for over 50 years.

lichfields.uk
Evaluate
Assessing the economic benefits of development

Economic growth is a fundamental priority for central government and local authorities, and a core objective of national planning policy regimes throughout the UK.

In England, there is a legislative imperative: the Localism Act 2011 clarified that local finance considerations are material to the determination of a planning application, and the Housing and Planning Act 2016 requires local authorities to report financial benefits in determining applications.

Further, devolution enhances the ability of local authorities to capture financial proceeds from development and re-invest to support delivery of infrastructure and public services.

The challenge is clear: developers and local authorities need to understand and articulate how development sustains a competitive national economy, whilst also delivering significant local benefits for residents, businesses and the local authority.

The economic dimension in national planning policy

“There proactively drive and support sustainable economic development”
NPPF, para 17

“Giving due weight to net economic benefit”
Scottish Planning Policy, para 29

“Ensure that the economic benefits associated with a proposed development are understood”
Planning Policy Wales, para 7.2.2
Evaluate is our economic impact framework. It draws on our extensive experience of advising on the economic impacts of policy and development schemes.

- valuing social and regeneration impacts, including community infrastructure and welfare savings

Underpinned by Lichfields' expertise in economic impact and twenty-strong economics team, Evaluate combines focused analysis on a range of key benefits with the latest infographic presentation techniques shown opposite. Evaluate is now regularly used by many of the UK's leading developers, investors and house-builders to measure the economic benefits of their development and infrastructure proposals across a range of sectors and to communicate these to local and national audiences.

The Evaluate framework

- Construction and Operational Impacts
  - Construction Jobs, GVA Expenditure
  - Operational Jobs, GVA Expenditure
  - Indirect Jobs and Spending (Multipliers)

- Fiscal Implications for Government
  - Tax Revenue
  - Development Value Capture
  - Delivery of Public Services
  - Resources for Local Growth

- Economic Competitiveness and Efficiency
  - Restructuring the Local Economy
  - Potential Catalytic Investment
  - Delivery of Infrastructure and Housing
  - Quality of Place and Public Realm

- Social and Community Impacts
  - Welfare Expenditure
  - Skills and Training
  - Health, Crime and Deprivation
  - Social Inclusion/Community Integration

The framework includes:

- Jobs, GVA and Spending
  - Improved Public Finances
  - Local Economic Growth
  - Improved Community Wellbeing

Evaluate strengthens the economic justification for a development strategy or individual project by considering the full range of local benefits, including:

- employment and Gross Value Added (GVA) impacts in construction and operational phases
- contribution to government revenues, including, where relevant, planning obligations, Community Infrastructure Levy, Council Tax, Stamp Duty, New Homes Bonus and Business Rates
- expenditure from residents, workers and visitors to support local shops and services
- enhancements to the competitiveness of the local economy and labour market

How Lichfields can help

Evaluate is our economic impact framework. It draws on our extensive experience of advising on the economic impacts of policy and development schemes.
Lichfields has clearly and effectively demonstrated the economic impact of the development. The economic outputs have been of particular interest to both local residents and key stakeholders.

Matt Johnson
Development Director, Wynyard Park
Evaluate in action

SPORT AND LEISURE
- Emirates Durham ICG
  Durham County Cricket Club
- Thorpe Park
  Merlin Entertainments Group
- Lee Valley White Water Centre
  Lee Valley Water Centre
  Legacy Board

RESIDENTIAL
- Apex House, London Borough of Haringey
  Grainger PLC
- Socio-Economic Footprint
  Barratt Developments PLC
- Eaves Green, Chorley
  HCA and Taylor Wimpey

Economic Footprint of UK Housebuilding
  Home Builders Federation

COMMERCIAL AND MIXED USE
- Cross Quarter, Abbey Wood
  Development Securities PLC
- Chilmington Green, Ashford
  Developers Consortium
- Science Central
  ING

INFRASTRUCTURE
- Economic Growth Study
  Biggin Hill Airport
- Parkway Station, Chelmsford
  Chelmsford City Council
- Daventry International
  Rail Freight Terminal
  Prologis Developments Ltd

- Metropolitan Line Extension
  Watford Borough Council

Riverside Stand, Craven Cottage
  Fulham Football Club

ARM HQ, Peterhouse Technology Park
  CEG
As usual, Lichfields proved themselves to be the market leaders. They speak in plain English and their reports present complex topics in a very digestable way.

Chelmsford City Council