



HOME Impact Assessment 2019/20

A Report for HOME

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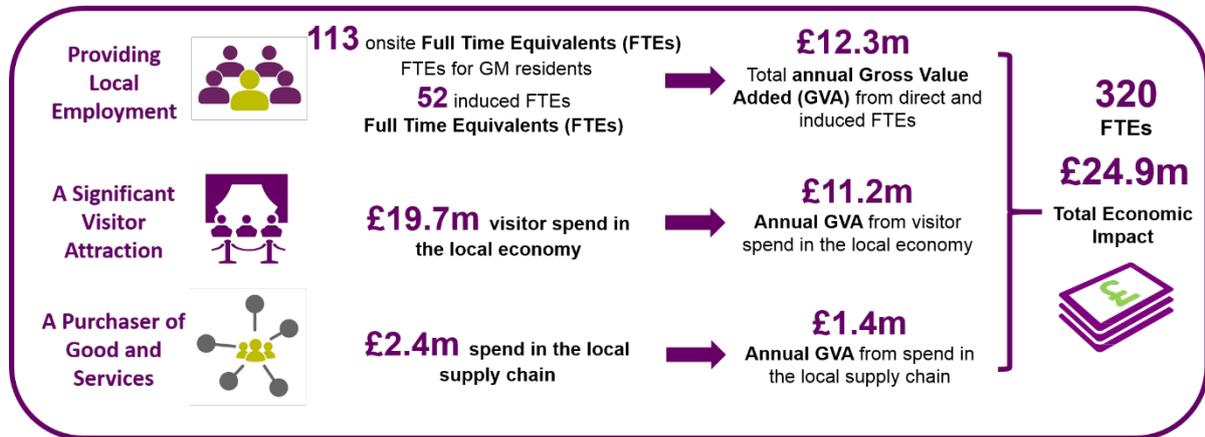
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Key Messages

Throughout 2019/20 HOME continued to make an important contribution to the Greater Manchester economy, with year on year growth reported since 2017/18, despite the impact of Covid-19 starting to be experienced by the venue during February and March.

In terms of economic benefits, HOME continues to be an important employer as well as supporting further indirect and induced benefits through employee expenditure, the scale of visitors HOME attracts and its supply chain activities. The headline benefits are:



In addition, HOME generates significant wider social benefits through its operation, extensive engagement programme and training and volunteering opportunities. The headline impacts are:



1 Introduction

1.1 This report examines the estimated annual gross economic and social impact of HOME's – the contemporary arts centre in Manchester City Centre – activities in 2019/20, at a Greater Manchester (GM) level. The quantification of these impacts demonstrates the contribution of HOME to the conurbation's economy.

The Assessment Scope

1.2 The assessment has taken account of the multiple roles HOME plays and considers:

- The direct economic impacts of HOME based on the employment it provides and the economic contribution these posts generate.
- The supply linkage (indirect) impacts due to HOME's purchases from Greater Manchester firms.
- The income (induced) effects associated with spend in the Greater Manchester economy from individuals who derive their income from the activities of HOME.
- The visitor impacts of HOME, with visitors generating wider benefits through their off-site spending (for example in local hotels and restaurants).
- The social impacts of HOME generated through arts and community engagement activities.

1.3 The assessment is split into distinct sections to capture and explain the full scope of HOME's economic and social impact, quantifying benefits in monetary terms where possible. Each section acknowledges the roles that HOME plays within the local economy including: HOME's contribution as an employer; visitor attraction; purchaser of goods and services; and generator of social benefits.

1.4 An aggregate assessment is then presented to recognise the total impacts supported by HOME's activities.

Information Sources

1.5 The assessment has drawn on multiple information sources including:

- Information held by the Greater Manchester Arts Centre (GMAC – for which HOME is the trading name) and Wardley Ltd (the operator of HOME's on-site café bar) including: staffing numbers; breakdown of spend by supplier; and KPI monitoring data.
- The results of the HOME 2019/20 visitor survey, providing insights into the profile of visitors and their expenditure patterns.
- The application of benchmarks for the Gross Value Added (GVA) per full time equivalent (FTE) job, spend to support an FTE and the ratio of turnover to GVA are calculated from the following official ONS datasets: the Annual Business Survey; Annual Population Survey; the Business Register and Employment Survey and GVA by Combined Authority.
- The scale of multiplier (indirect and induced) effects is based on the HCA's latest additionality guidance and supplemented by sector specific reports by Cebr and Oxford Economics.

1.6 The resulting findings reflect both facility specific intelligence and the application of recognised assumptions and benchmarks to allow the gross impacts of HOME in the Greater Manchester economy to be recognised.

2 HOME: Providing Local Employment

Summary

- **Four fifths** of on-site employment (**113** on-site full time equivalent (FTE) jobs) are occupied by Greater Manchester residents, out of a total of **142** FTEs
- A further **52 FTEs** are supported in the Greater Manchester economy through induced impacts, generated by employee spend
- The GVA impact of direct and induced employment is almost **£12.3m per annum**

2.1 The section considers the benefits of employment generated by the two organisations responsible for the operation at HOME – GMAC and Wardley Ltd – considering each in turn.

HOME Direct Employment

2.2 HOME – which is run by GMAC – directly supports 97 full time equivalent (FTE) jobs, of which GM residents account for **68 FTEs**, 70% of the total. Given the Manchester average GVA per FTE for the arts, entertainment and recreation sectors, this equates to a GVA impact in Greater Manchester of **£7.7m** in 2019/20.

HOME Direct Employment Impacts 2019/20

	Total	GM
FTEs	97	68
GVA	£10.97m	£7.69m

Source: GMAC; ekosgen estimates

2.3 Cebr’s analysis of the “Contribution of the arts and culture industry to the UK economy” calculated for every one job in the sector another 0.9 are supported through the employees’ spending (induced employment).¹ Cebr estimates that the North West multiplier effects are 32% lower than overall nationally, therefore for every GM resident employed at HOME another 0.62 are supported in the wider GM economy as an induced impact.

2.4 In total, the induced employment effect of HOME’s direct employment is 87.3 FTEs nationally and **42.2 FTEs** locally. These 42 FTEs are estimated to generate **£2.7m** in GVA given the economy wide GVA per FTE for Greater Manchester.

Café Employment

2.5 The on-site café bar within HOME is operated by Wardley Ltd, a restaurant firm independent of GMAC, which employs 70 staff all of which are GM residents, equating to **45 FTEs**. Applying the Manchester average GVA per FTE for the accommodation and food service sector, this equates to a GVA impact of **£1.4m** in 2019/20.

¹ CEBR (November 2017), Contribution of the arts and culture industry to the UK economy

2.6 Applying the estimates of Oxford Economics' "The economic contribution of the UK hospitality industry" to the HCA's additionality guidance, the induced sub-regional employment multiplier for the café bar jobs, generated as the employees spend their income in the local economy, is 1.21². Therefore, a further **9.5 FTEs** are supported in the Greater Manchester economy as a result of employment at the café bar, generating **£0.6m** in GVA given Greater Manchester's mean GVA per FTE economy wide.

2.7 The indirect (supply chain) multiplier effects of both GMAC and the café bar are calculated separately in Section 4.

² Oxford Economics (September 2015), The economic contribution of the UK Hospitality Industry

3 HOME: A Significant Visitor Attraction

Summary

- In 2019/20, HOME attracted almost **900,000 visitors**, a 32% uplift from the year before
- **Off-site visitor spend** was estimated to total **£14.2m** – enough to support 139 FTE posts in the local economy
- This employment impact supports a **GVA contribution of £11.2m**, following the application of multipliers

3.1 This section considers the role HOME plays as an important attractor of visitors and the contribution they make to the Manchester economy.

Visitor Numbers

3.2 Despite the impact of Covid-19 (which impacted on HOME's activities and performance from February before lockdown was imposed in March 2020), the visitor numbers and footfall for 2019/20 highlight the strong performance across 2019 and early 2020. According to HOME's monitoring records, in 2019/20:

- An annual audience of over 343,000 for HOME's cinema, theatre, and visual arts exhibitions has been recorded, a 20% increase on the 2018/19 position and 27% above the annual target.
- Booked visits (cinema, theatre and visual arts exhibitions) accounted for 38% of HOME's annual footfall during the year.
- Total annual footfall reached almost 900,000; a 32% rise on the 2018/19 figure.

3.3 Further details are provided in the table below:

Booked visits and footfall 2019/20		
	Number	% footfall
Number of visitors to all visual arts projects and exhibitions	105,330	11.8%
Audience numbers to theatre performances	56,232	6.3%
Audience numbers to cinema screenings	181,610	20.3%
Booked visits	343,172	38.3%
Casual Visits	552,874	61.7%
Total footfall	896,046	100.0%

Source: HOME footfall and ticket sale data

3.4 The 2019/20 visitor survey provides additional visitor characteristics. The key information taken from this survey to inform the economic impact assessment are shown in the table below, alongside the aggregated profile for total booked visitor numbers.

Visitor profile 2019/20		
	Surveyed visitors	Booked Visits
Planned a trip to Manchester particularly to go to HOME	53.2%	182,710
Stayed overnight	3.3%	11,360
Both of the above	2.2%	7,573
Planned a trip to Manchester particularly to go to HOME but did not stay overnight	49.9%	171,349

Source: HOME footfall and ticket sale data and visitor survey

Visitor Spend

3.5 Impacts of visitor spending within HOME (including on tickets, purchases from the shop and food and drink) have been captured elsewhere in this report, in the form of the employment and the supplier spend supported by HOME and the café bar operations. This section focuses on the impacts associated with what visitors to HOME spend outside of the venue as part of their visit.

3.6 Using the footfall and survey data for 2019/20, it is estimated that on average HOME visitor spend outside the venue was £12.38 for day visitors and £136.79 for overnight visitors per day. Based on the average length of stay for overnight visitors (2.13 nights) the total spend for a typical overnight trip was £290.68.

Average visitor spend by purchase 2019/20					
	Local travel (Manchester only)	Accommodation	Food, drink, shopping outside HOME	Other purchases	Total
Day trip spend	£2.87	£-	£7.93	£1.57	£12.38
Overnight spend per day	£6.17	£69.38	£43.75	£17.50	£136.79
Average number of nights stayed					2.13
Average total spend for overnight visitors	£13.10	£147.42	£92.97	£37.19	£290.68

Source: HOME footfall and ticket sale data and visitor survey

3.7 In 2019/20 – applying the average day trip spend level to all recorded casual visits, and the non-overnight booked visits (96.7% of the total as per the visitor profile), and the average total overnight trip spend to the remaining booked visits – it is estimated that visitors to HOME spent a further almost £14.3 million in Greater Manchester, outside HOME.

Total local spend (Outside HOME) of visitors to HOME 2019/20			
	Local spend per visit	Number of trips to HOME	Total local spend
Casual Visitors	£12.38	552,874	£6,842,703
Booked Day Visitors	£12.38	331,812	£4,106,704
Booked Overnight Visitors	£290.68	11,360	£3,302,202
Total	£15.90	896,046	£14,251,609

Source: HOME footfall and ticket sale data and visitor survey

3.8 Accounting for multiplier effects, applying the HCA Additionality Guide's sub-regional multiplier of 1.38 for leisure activities, suggests the local spend associated with visits to HOME increases to **£19.7m** over the year.

Economic Impacts Arising from Visitor Spend

3.9 The off-site expenditure by visitors to HOME will support an estimated **138.6 FTEs** in the local economy, calculated by applying the turnover required to support one job in the North West of England (estimated from Annual Business Survey, Annual Population Survey and BRES data for 2018) to the local spend estimate. The GVA impact of visitor expenditure has been calculated as **£11.2m**, based on the ratio of GVA to turnover for the accommodation and food services sector in the North West (57%), derived from the Annual Business Survey 2018.

Economic Impacts of HOME Visitor spend outside HOME 2019/20	
Total associated local spend	£19,667,220
FTEs supported	138.6
GVA generated	£11,210,316

Source: ekosgen estimates

4 HOME: An Important Purchaser of Goods and Services

Summary

- HOME and the on-site café bar **spent almost £1.8m** with Greater Manchester based suppliers during 2019/20
- This scale of expenditure is estimated to have supported **17 FTE jobs** in the local economy and a **GVA impact of £1.4m**

HOME Supplier Spend

4.1 GMAC spent over £3.8m on goods and services in 2019/20, over 24% of which went to suppliers based in Greater Manchester. In addition, the café bar operated by Wardley Ltd at HOME spent almost £1m with its suppliers in 2019/20, 88% of which was with those based in Greater Manchester.

Purchases of Goods and Services 2019/20

	Total	Greater Manchester
GMAC Spend	£3,820,178	£925,801
Café Spend	£963,037	£843,928
Total	£4,783,215	£1,769,729

Source: HOME and Wardley Ltd supplier records

4.2 Adjusting for multiplier effects, using the HCA's Additionality Guide's benchmark for leisure activities at a sub-regional level of 1.38, increases the local spend associated with HOME as a purchaser of goods and services to **£2.4m**.

Economic Impacts Arising

4.3 Based on the turnover required to support one job in the North West of England, taken from the Annual Business Survey, Annual Population Survey and BRES data for 2018, relative to supplier spend in Greater Manchester of £2.4m, suggests spend will have supported **17.2 FTEs** in 2019/20 within Greater Manchester. The ratio of GVA to turnover for the accommodation and food services sector in the North West (57%) suggests that the estimated GVA impact of spend with Greater Manchester suppliers will be almost **£1.4m**.

Economic Impact of Purchases of Goods and Services 2019/20

Impact	Greater Manchester
Local Supplier Spend (including multiplier)	£2,442,226
FTEs Supported	17.2
GVA Generated	£1,392,069

Source: ekosgen estimates

5 HOME: Delivering Social Benefits

Summary

- HOME delivers a wide range of engagement activities across five programmes, delivering opportunities for emerging artists and young people as well as **engaging the priority audiences** which include: Black, Asian and Minority Ethnic audiences, D/deaf and disabled people, and multigenerational audiences.
- As part of its engagement programme in 2019/20 HOME:
 - Worked in partnership with **124 schools and colleges**
 - Supported **three paid internships, four apprenticeships, 364 work experience participants** and **2,795 talent development opportunities**.
 - Delivered 3,528 sessions engaging **21,910 active participants**.
- During 2019/20, **8,149 volunteer hours** were delivered by **285 volunteers**, with an estimated value of **£77,600** of social capital
- An estimated **£1.0m worth of cost savings to the NHS** was generated as a result of improvements in health and wellbeing for a proportion of audience members at HOME

5.1 There is significant research highlighting the social benefits arising from engagement in arts and culture. Participation in the arts and culture has been linked to: improvements in health and well-being; increased educational and economic outcomes and prospects; and higher levels of positive civic participation. The social benefits generated by HOME are outlined in this section and quantified where possible.

Engagement Activities

5.2 HOME's extensive Engagement Programme encompasses all of HOME's art forms and operates both from within the venue and across Greater Manchester, helping to actively engage more people in the arts, delivering benefits to individuals and communities. The programme provides opportunities for emerging artists as well as targeting HOME's priority audiences which includes Black Asian and Minority Ethnic audiences, D/deaf and disabled people, young people aged 16-25 and older people (over 65).

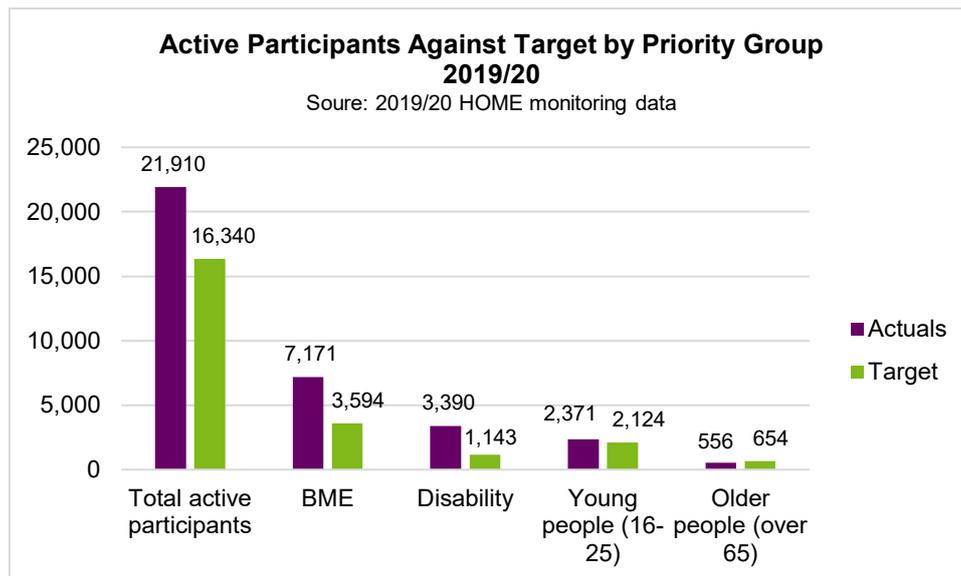
5.3 The programme is split into the following five strands:

- **Creative Insight** – aims to deepen people's understanding of creativity, artists, ideas and artistic processes through enabling people to get closer to artists, promoting debate, offering learning opportunities and delivering taster sessions.
- **Communities** – seeks to diversify the range of people utilising and working at HOME and contributing to economic and social development in identified areas by: raising the profile of HOME in targeted communities; developing community based partnerships; and providing creative opportunities for community groups within the facility. Example activities under this strand include the £1 Inspire Ticket Scheme, Outreach projects and the #HOMEinspires programme.
- **Schools & Colleges** – HOME works in partnership with schools, colleges, learning providers and other arts organisations, to provide opportunities for young people to experience the arts and encourage the use of creativity and art within teaching to inspire young people and to raise educational attainment via the arts. In 2019/20 HOME worked with 124 schools and colleges.

- **Young People (HOME Young Creatives)** – aims to raise creative ambition and increase employment opportunities in arts and culture for young people aged 15-25 including by: providing informal access points for those aged 15+ to get involved in the arts; allowing young people to play a role in programming at HOME; identifying, developing and promoting talented young people; and targeting young people within identified communities by building strong links within the communities to provide opportunities for young people who would not usually access provision at HOME; and ensuring all activity is free under this strand to reduce barriers.
- **Work Based Training** – this strand aims to develop employability skills, contributing to the cultural sector's next generation workforce, and diversifying the workforce at HOME through a programme of supported volunteering and work-based learning. This includes delivering high quality apprenticeships, internships, work placements and volunteering opportunities across the organisation, working in partnership with education and training establishments and community partners, as well as offering bespoke and dynamic career development opportunities and developing confidence and key skills for people who have been long term unemployed or who require additional support. During 2019/20 HOME supported three paid internships (two of which were Manchester residents), four apprenticeships (of which two were Manchester residents), 364 work experience participants (42% Manchester residents) and a significant 2,795 talent development opportunities (38% of which were BME and 13% were people with disabilities).

5.4 In total 3,528 sessions as part of the engagement programme were delivered at HOME in 2019/20 according to monitoring data, 18% more than the previous year and more than twice the target for the year.

5.5 There were 21,910 active participants in 2019/20, 34% higher than the target for the year. The chart below shows the profile of active participant against target KPI's, showing the breadth of groups engaged.



Volunteering

5.6 Monitoring data shows there were 285 volunteers in 2019/20, 36% more than the year before and 30% above the target. In total, **8,149 volunteer hours** were recorded during 2019/20, 9% more than 2018/19 and 2% above the target number of hours for the year.

5.7 The ONS approach to valuing the economic contribution of volunteering is based on calculating how much it would cost to replace volunteers by paid staff. Therefore, applying the median hourly wage

in the North West for those working within arts, entertainment and recreation activities sector from the Annual Survey of Hours and Earnings (ASHE) gives the value of **£77,600 of social capital generated** as a result of volunteering at HOME.

5.8 In addition, volunteering provides benefits to individuals, including increased confidence levels, which in turn supports local communities and society as a whole.³

5.9 The Mental Health Foundation suggests volunteering provides psychological and physiological benefits to individual. Volunteering can help to promote positive changes in the brain associated with happiness and satisfaction, while face-to-face activities can help reduce loneliness and isolation. Positive emotions driven by volunteering can reduce stress levels and boost an individual's immune system, protecting against disease and supporting healthier lives. This can help to alleviate the burden on public health resources, in turn reducing demand and waiting times for key services, as well as leading to fewer sick days, supporting a positive impact on the economic productivity of organisations⁴.

Health and Wellbeing Benefits to Visitors

5.10 A 2017 report by the All-Party Parliamentary Group on Arts, Health and Wellbeing examined how engagement with the arts and culture can have a positive impact on health, wellbeing and quality of life for people of all ages, demonstrating how the arts make an invaluable contribution to a healthy and health-creating society. The report provides specific evidence on how participation in the arts can have a positive impact across society, including for example improving the mental health of new mothers, encouraging the emotional, social and cognitive development of children, and promoting healthy ageing and counteracting loneliness within older people.⁵

5.11 Research by SIMETRICA and the Department for Digital, Culture, Media and Sport (DCMS) in 2015⁶ explored the wider benefits of participation in arts and culture, and provided evidence to help quantify some of the health and well-being benefits generated through participating in culture.

5.12 The key benefits identified are:

- The predicted reduction in GP visits as a result of good health associated with engaging in the arts as an audience member, has a value to society in that it leads to costs savings for the NHS of £5.07 per person per annum.
- The predicted reduction in the use of mental health services as a result of good health associated engaging in the arts as an audience member, has a value to society in that it leads to costs savings for the NHS of £6.84 per person per annum.

5.13 In 2019/20, records show that there were 105,330 visitors to visual arts projects and exhibitions, an audience of 56,232 to theatre performances and an audience of 181,610 to cinema screenings at HOME. Assuming these benefits apply to an estimated 25% of the audience numbers recognising that HOME will attract repeat visits and applying the SIMETRICA and DCMS benchmarks suggest that HOME generates **cost savings of £1.0m per annum for the NHS**.

³ <https://www.volunteerscotland.net/for-volunteers/why-volunteer/benefits-of-volunteering/>

⁴ <https://www.open.edu/openlearn/education-development/working-young-people/what-are-the-benefits-volunteering>

⁵ All-Party Parliamentary Group on Arts, Health and Wellbeing, Creative Health: The Arts for Health and Wellbeing (2017)

⁶ DCMS and SIMETRICA, Further Analysis to Value the Health and Educational Benefits of Sport and Culture (2015)

6 Overall Economic and Social Impact of HOME 2019/20

Economic Benefits

6.1 In 2019/20, over £22 million of spend in the wider Greater Manchester economy can be linked to the activities of HOME. In its multi-faceted roles as an employer, visitor attraction and purchaser of local goods and services, HOME supported an employment impact equivalent to 320 full time equivalent (FTE) posts in Greater Manchester, supporting an estimated annual GVA impact of £24.9m, once direct, indirect and induced impacts (with the application of multipliers) are considered. This represents growth year on year since the 2017/18 contribution, despite the impact of Covid-19 being experienced by the venue during February and March.

Economic Impacts of HOME in Greater Manchester 2019/20			
	Local Spend	Jobs (FTEs)	GVA
Employer		165	£12,296,095
Visitor Spend	£19,667,220	139	£11,210,316
Supply Chain	£2,442,226	17	£1,392,069
Total	£22,109,447	320	£24,898,480

Source: ekosgen estimate

Social Value

6.2 HOME, through its broad engagement programme and volunteering activities, helps to actively engage local residents in the arts and provide employment and training opportunities, generating a wide range of social benefits to individuals and communities. The quantifiable social benefits including the value of the health and wellbeing and volunteering benefits as a result of the operation of HOME, suggests that over £1.1 million of additional value was generated in 2019/20. The unquantified benefits to individuals of participating in activities at HOME will also be significant.

Social Value Impact of HOME in Greater Manchester 2019/20	
	Social Value
Volunteering	£77,600
Health and Wellbeing NHS cost savings	£1,021,795
Total	£1,099,373

Source: ekosgen estimate