

Spilsby Session House

An Economic Impact Assessment

1. INTRODUCTION

This report provides an assessment of the potential economic impact of Spilsby Session House in the local economy. The economic assessment covers the main income generating visitor activities associated with SSH, namely attendance at paid-for performances, participatory classes and café visits.

The assessment identifies the impact on the visitor economy that would be generated in a typical year at the local East Lindsey level assuming achievement of the visit numbers identified in the SSH Business Plan. The visit numbers are considered to be the minimum which could be attracted and therefore this should be considered the minimum economic impact.

The assumptions underpinning the impact assessment are based on a combination of industry estimates and our own understanding gained through considerable experience working with arts facilities within a variety of contexts.

2. VISITOR ECONOMIC IMPACT

Attendee Numbers and Type of Visitors

Table 1 presents the anticipated visit attendances by visitor type to SSH in the first Steady State Year as expressed in the SSH Business Plan.

Table 1: Attendee Numbers By Visit Type

VISIT TYPE	NO. OF VISITS
Paid-For Performances	10,250
Classes & Private Events	17,488
Café	32,000
Total	59,738

Net Additional Expenditure

To gain an indication of the additional economic contribution visitors to SSH make in the local area we need to determine the average daily expenditure in order to calculate the additional impact outside of their direct spend at SSH.

As illustrated in Table 1, the Business Plan attendance projections calculate that SSH will receive 59,738 visitors during its first Steady State year. We estimate that 85% of these will be local visitors living within the PE23 postcode area, 15% will be day visitors and 5% overnight visitors.

The average daily expenditure is based on the following assumptions:

- ▶ Paid-for performance visits amongst the local market (living within 30 minute drive time of SSH) spending an average admission across all performance types of £12.58 and spending a modest amount on travel & food/drink from cafe Value for a 'local' visitor has been assumed to be 50% of a full day trip Based on AIM East Lindsey Visitor Spend Metric¹
- ▶ East Lindsey day visitor market spending on travel and a modest amount on catering, a modest amount on retailing in the area and a modest amount on other entertainment (e.g.

¹ Economic Value of the Independent Museum Sector - Association of Independent Museums 2019

visitor attractions etc) within the area².

- ▶ Overnight visitor market spending a more substantial amount on travel and spending a more substantial amount on catering, retailing and other entertainment in the area and also spending on accommodation. In East Lindsey an expected average spend per head amongst tourists is £52 per day³.

Table 2: Attendee Visitor Spend

VISITOR TYPE	VISITOR NO.S	AVERAGE SPEND PER HEAD	LESS ONSITE SPEND OF £12.58	TOTAL SPEND IN LOCAL ECONOMY
Local	47,790	17.56	£4.98	£237,996
Day Visitors:	8,961	29.97	£17.39	£155,826
Overnight Visitors	2,987	52.00	£39.42	£117,743
	59,738			£511,566

The net additional expenditure anticipated to be produced by SSH in the local economy is estimated at approximately £511,566.

3. ADDITIONAL EMPLOYMENT IMPACT

This section enables us to express the wider economic impacts (indirect and induced) of paid SSH employees will have on the local East Lindsey economy.

In the SSH Business Plan's Steady State position the organisation is projected to employ a total of 5 staff (1 x full time and 4 x part-time) which equates to 2.4 FTE jobs. It is anticipated that all would live locally.

Based on official earnings data taken from the Annual Survey of Hours and Earnings (ASHE), the assumption we have used for our calculations is based on the arts and culture industry paid a median salary of £32,566 in 2016⁴

Table 3: Employee Impact

STAFF FTE	ECONOMIC VALUE	TOTAL IMPACT
2.4	£32,600	£78,240

Total additional employment direct, indirect and induced employment impact of SSH's 2.4 staff is estimated to be £78,200

4. AGGREGATE NET ECONOMIC IMPACTS OF SPILSBY SESSION HOUSE

Net Additional Off-site Visitor Expenditure Impact	£511,566
Net Additional Employment Impact Related Turnover	£78,240
TOTAL ECONOMIC IMPACT	£589,806

² Ibid.

³ East Lindsey (Draft) Destination Strategy 2020-2025

⁴ Source: Cebr analysis for Contribution of the arts and culture industry to the UK economy Report for Arts Council England 2019