



Centre for Local  
Economic Strategies

**October 2013**

***ECONOMIC IMPACT STUDY***

Draft report prepared by

**Centre for Local Economic Strategies**

Presented to

**Belfast City Council**

## EXECUTIVE SUMMARY

This study presents the local economic impact of the money spent by Belfast City Council (BCC) on its suppliers, grant recipients, and employees. The analysis of the economic impact of BCC's spend is explored at four geographic levels: Belfast boundary; post-reform Belfast; Greater Belfast; and Northern Ireland. Using the Local Multiplier 3 methodology, the impact of BCC's spend on the local economy is assessed over three rounds of spending:

- ❑ the first round is BCC's total spend;
- ❑ the second round is BCC's spend on suppliers, grant recipients and employees;
- ❑ the third round is the money spent by the suppliers, grant recipients and employees themselves.

In each round, the proportion of money spent in the local economy is calculated in order to assess the overall impact of BCC's spend on the local economy.

### Round one: Total spend

The total spend by BCC for the financial year 2012/2013:

- ❑ spend on suppliers, grant recipients and employees (gross) = £140,646,465.64.

### Round two: Spend on suppliers, contractors and employees

- ❑ BCC spent a total of £50,008,531.40 with revenue suppliers. Of this:
  - £26,357,934.89 (53%) was among suppliers based in Belfast;
  - £27,188,929.90 (54%) was among suppliers based in the post-reform Belfast boundary;
  - £30,653,687.07 (61%) was among suppliers based in Greater Belfast;
  - £40,073,573.68 (80%) was among suppliers based in Northern Ireland.
- ❑ BCC spent a total of £15,173,383.01 with capital suppliers. Of this:
  - £3,788,389.00 (25%) was among suppliers based in Belfast;
  - £3,794,864.67 (25%) was among suppliers based in the post-reform Belfast boundary;
  - £8,643,757.84 (57%) was among suppliers based in Greater Belfast;
  - £13,680,903.18 (90%) was among suppliers based in Northern Ireland;
- ❑ BCC spent a total of £12,336,966.80 with grant recipients. Of this, £12,038,203.76 (98%) was spent with Belfast based organisations.
- ❑ BCC spent a total (gross) of £63,127,614.43 (£46,411,308.22 net) upon 3,307 different employees. Of this:
  - £22,660,867.23 (49%) was on employees resident in Belfast;
  - £25,957,066.84 (56%) was on employees resident in the post-reform Belfast boundary;
  - £35,419,988.21 (76%) was on employees resident in Greater Belfast.
  - £46,345,900.75 (99.9%) was on employees resident in Northern Ireland.

### Round three: re-spend of suppliers and employees

- ❑ Suppliers re-spent £27,975,181.96 back in the Belfast economy (or 36p in every £1) and £34,870,554.43 in the Greater Belfast economy (or 45p in every £1).
- ❑ Employees re-spent £14,546,429.80 back in the Belfast boundary, which is equivalent to 29p in every £1 spent. Employees re-spent £20,863,866.72 back in Greater Belfast or 42p in every £1 spent.

### Local multiplier 3 analysis

- ❑ For every £1 spent by BCC 76pence is spent or re-spent in the Belfast economy.
- ❑ For every £1 spent by BCC 80pence is spent or re-spent in the Belfast economy (post reform of local government).
- ❑ For every £1 spent by BCC 102pence is spent or re-spent in the Greater Belfast economy.
- ❑ For every £1 spent by BCC 135pence is spent or re-spent in the Northern Ireland economy.