



### Appendix 22 – Benefit Cost Ratio Methodology

The LEP model which is used by its Economic Intelligence Unit takes the outputs from projects and calculates the benefit cost ratio for employment, business creation, business assists, learners assists and housing outputs and combines them to calculate the GVA impact and a total project Benefit Cost Ratio based on the public sector ask.

Total project BCR
GVA at net present value (all benefit groups)
Total public sector ask
Benefit Cost Ratio
<b>Employment</b>
Economic Benefits Summary
Total Direct Jobs
Total Net Jobs
Cumulative total GVA
Cumulative total discounted GVA
Cost per job
Benefit Cost Ratio (BCR)
<b>Business Creation</b>
Economic Benefits Summary
Total Direct Business Creations
Total Gross Business Creations
Total Net Business Creations
Cumulative total GVA
Cumulative total discounted GVA
Cost per Business Creation
Benefit Cost Ratio (BCR)
<b>Business Assists</b>
Economic Benefits Summary
Total Direct Business Assists
Total Net Business Assists
Cumulative total GVA
Cumulative total discounted GVA
Cost per business assist
Benefit Cost Ratio (BCR)
<b>Learner Assists</b>
Economic Benefits Summary

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