

# Executive Summary

## Introduction

In 2010, the Ulster Council of the GAA (Ulster GAA) proposed a scheme to upgrade Casement Park to a 38,000-capacity all-seater stadium, with all the attributes of a contemporary world class events arena such as conference facilities, corporate seating and extensive commercial unit space. Planning permission was originally granted for Casement Park in December 2013. However, following a Judicial Review, the planning application was quashed, with the review stating that the Minister for the Environment had acted unlawfully in granting planning permission for Casement Park.

Following extensive additional programme works and consultation, a revised stadium scheme was publicly unveiled in October 2016 with a capacity of 34,500. Deloitte has been commissioned by Lead Design Consultants for the Casement Park project, Mott MacDonald, to assess the potential socio-economic impact of the new Casement Park development. The purpose of this report is to provide an independent and robust assessment to inform the planning application for the stadium, proposed for submission in December 2016 by Ulster GAA.

## The Local Catchment Area

The baseline socio-economic position in the areas surrounding Casement Park is relatively low compared to the rest of Northern Ireland (NI). Local residents face comparatively high levels of economic and health issues and there are also issues with anti-social behaviour and limited recreational facilities. Utilised appropriately, a redeveloped Casement Park will provide both direct and indirect positive impacts on the economic status and health of the local populace, and offer new and varied facilities for residents to avail of.

## The Method

The types of impacts assessed are defined in Table 1.1 below. These impacts are expressed in terms of expenditure, gross value added (GVA) and jobs created. These impacts are assessed at the Belfast level and the NI level.

**Table 1.1 – Impact Definitions**

| Onsite Impacts  |  | Offsite Impacts   |
|-----------------|--|---|
| <b>Direct</b>   | Impacts supported by the day-to-day operations of Casement Park including income from match days, events and conferences, as well as the operation of commercial elements, e.g. sponsorship and merchandising. | Impacts generated from the spectators/attendees who purchase goods or services in the area as a result of attending matches, events or conferences held at Casement Park. |
| <b>Indirect</b> | Impacts generated through the Casement Park supply chain.  | Impacts generated through increased activity in the supply chain of offsite businesses where the direct offsite impacts occur.  |
| <b>Induced</b>  | Impacts from consumer spending by the direct and supply chain workforces.  | Impacts from consumer spending by the direct and supply chain workforces of offsite businesses impacted.  |

## The Baseline

The baseline economic impact of Casement Park is estimated using historical data supplied by Ulster GAA for stadium activity in 2011, considered by Ulster GAA as the last year at which the stadium was at a typical level of operation.

The total economic impacts (onsite and offsite) of Casement Park in 2011 at both the Belfast level and NI level are set out in Table 1.2 below. The figures show that in economic terms, Casement Park had a relatively small economic footprint. Casement Park supported 8 full-time equivalent (FTE) jobs and a total GVA of £391k at the Northern Ireland level as a result of onsite and offsite activities. 96% of this GVA was generated in the Belfast area.

**Table 1.2 – Baseline Economic Impact Summary**

|   | Expenditure<br>Belfast (£'000) | Belfast Jobs | Belfast GVA<br>(£'000) | NI<br>Expenditure<br>(£'000) | NI Jobs  | NI GVA<br>(£'000) |
|---|--------------------------------|--------------|------------------------|------------------------------|----------|-------------------|
| <b>Gross Direct<br/>Impact</b>                      | 607                            | 6            | 322                    | 607                          | 6        | 322               |
| <b>Gross Indirect &amp;<br/>Induced<br/>Impacts</b> | 97                             | 1            | 52                     | 129                          | 2        | 69                |
| <b>Total Gross<br/>Impact</b>                       | <b>704</b>                     | <b>7</b>     | <b>374</b>             | <b>736</b>                   | <b>8</b> | <b>391</b>        |

Source: Deloitte

The above figures are gross and with no consideration for additionality factors. It cannot therefore be assumed that all of the impacts calculated in Table 1.2 are additional to the economy. The additionality of baseline economic impacts are considered in the calculation of the net economic impacts of the new Casement Park, to show only those benefits which are additional to the economy at the Belfast level and the NI level.

### The Future

The economic impact of the new Casement Park comprises transitory impacts generated through the two year construction phase, operational impacts from the commercial elements of the stadium onsite, and the offsite impacts generated from money spent by attendees in the local and wider Belfast area at stadium matches and events.

For the purposes of this exercise, the 2025 financial year has been selected for calculating the future state economic impact, being a year in which the stadium is performing at a steady-state operating capacity, with a full programme of matches, events and conferences.

### Temporary Construction Impacts

Direct construction expenditure is estimated to generate £31.8m GVA during the construction period. It is estimated that the construction of the stadium will support approximately 315 FTE construction job years during the construction period.

### Gross Economic Impacts

Table 1.3 below summarises the total gross economic impacts. It is estimated that Casement Park will generate a total of £5,282k gross GVA per annum in the Belfast area and £5,528k in total across Northern Ireland. These figures represent the gross benefit created by the onsite stadium activities and off-site visitor spend, as well as the knock-on indirect and induced impacts.

Future onsite and offsite activities at Casement Park could support up to 83 direct FTE jobs in the Belfast area. This reflects employment at the stadium and in businesses where offsite spend will occur. An additional 36 jobs are likely to be supported at a Northern Ireland level through indirect and induced impacts on supply chain businesses and consumer spend by their workers, the majority of which (24) are expected to be within the Belfast area.

**Table 1.3 – Gross Economic Impacts Summary**

|   | Expenditure<br>Belfast (£'000) | Belfast Jobs | Belfast GVA<br>(£'000) | NI Expenditure<br>(£'000) | NI Jobs    | NI GVA (£'000) |
|---|--------------------------------|--------------|------------------------|---------------------------|------------|----------------|
| <b>Gross Direct Impact</b>                  | 8,590                          | 83           | 4,553                  | 8,590                     | 83         | 4,553          |
| <b>Gross Indirect &amp; Induced Impacts</b> | 1,374                          | 24           | 729                    | 1,818                     | 36         | 975            |
| <b>Total Gross Impact</b>                   | <b>9,964</b>                   | <b>107</b>   | <b>5,282</b>           | <b>10,408</b>             | <b>119</b> | <b>5,528</b>   |

Source: Deloitte

### Net Economic Impacts Summary

The net economic impact offers consideration of the impact from the new Casement Park once other dynamic effects such as deadweight, leakage and displacement have been considered. Table 1.4 summarises the net economic impacts once these effects have been taken into account.

**Table 1.4 – Net Economic Impacts Summary**

|   | Expenditure<br>Belfast (£'000) | Belfast Jobs | Belfast GVA<br>(£'000) | NI<br>Expenditure<br>(£'000) | NI Jobs   | NI GVA<br>(£'000) |
|---|--------------------------------|--------------|------------------------|------------------------------|-----------|-------------------|
| <b>Net Direct Impact</b>                  | 5,861                          | 57           | 3,106                  | 2,634                        | 26        | 1,396             |
| <b>Net Indirect &amp; Induced Impacts</b> | 891                            | 14           | 471                    | 535                          | 11        | 287               |
| <b>Total Impacts</b>                      | <b>6,752</b>                   | <b>71</b>    | <b>3,577</b>           | <b>3,169</b>                 | <b>37</b> | <b>1,683</b>      |

Source: Deloitte

It is estimated that Casement Park will generate a total of £3,577k net GVA per annum in the Belfast area. Future onsite and offsite activities at Casement Park could support up to 71 net FTE jobs in the Belfast area. This reflects employment at the stadium and in businesses where offsite spend will occur. The net impact is lower than the gross impact due to the following:

- Some of the economic impact attributable to the new Casement Park would have happened anyway without the intervention of a new stadium (if reopened and restored to the baseline state).
- Some of the economic impact generated at Casement Park is likely to be displaced from other venues in Belfast, particularly for conferences and events.
- It is expected that some of the visitors to Casement Park will be from the Belfast area and would have spent money elsewhere in the Belfast economy in the absence of a redeveloped Casement Park.

The net impact is expected to be lower at the Northern Ireland level (£1,683k) when compared to the impact at the Belfast level. It is estimated that 37 jobs will be additional to the Northern Ireland economy through direct stadium impacts as well as indirect and induced impacts on supply chain businesses and the consumer spend of their workers. The net impact is lower at the Northern Ireland level because:

- Additionality factors will be higher at the Northern Ireland level, with a wider range of venues through which displacement could occur.

- The majority of the visitors/attendees at Casement Park are projected to come from Northern Ireland and it is expected that their expenditure would have happened elsewhere in the Northern Ireland economy in the absence of a redeveloped Casement Park.

It is possible that the net economic impact calculation could change based on variation in any of the following key factors:

- The origin of the participating teams - particularly for Type 1 and Type 2 matches, as this is likely to impact upon the number of out-of-state visitors;
- The types of conferences held – conferences with international appeal are likely to attract more out-of-state visitors than if the facilities are used by local organisations;
- The types of events held – attracting international artists that usually perform only at venues of the scale and quality of Casement is likely to have greater out-of-state appeal;
- The number of overnight visitors – significant differences exist between the spend of day visitors and overnight visitors. Changes in this variable are directly linked to the origin of teams participating in matches, the types of conferences held and the desirability of the events hosted.
- The location of suppliers – an increase in the use of Belfast/Northern Ireland based suppliers will have a positive effect on the net economic impact figure as less benefit leakage into other economies is likely to occur.

### **The Wider Impacts**

The wider impacts of a redeveloped Casement Park could be substantial and if realised even in part, would demonstrate a considerable uplift in the non-monetary impact of the stadium compared to its impact during the baseline year. Wider impacts are expected to be realised in the following areas:

- Economic and employment;
- Image and environment;
- Culture and heritage; and
- Sporting and participation.