



Socio-Economic Benefits Statement

Land off Henthorn Road, Clitheroe

December 2025



gladman.co.uk



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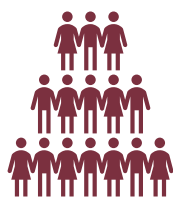
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EXECUTIVE SUMMARY

- i. Gladman is seeking planning permission in outline for a residential development on Land off Henthorn Road, Clitheroe.
- ii. This report summarises trends and impacts at the national and local level regarding housing delivery and its economic benefits.
- iii. Through a number of factors, including a lack of housing supply, affordability ratios have increased significantly at a national and local level. Wages have failed to keep pace, and the stark reality of this is many people have been unable to afford their own home and get on the property ladder.
- iv. In Ribble Valley, the affordability ratio is 6.23. This is significantly higher than the ratio of 3.5 that is traditionally seen as an affordable housing market.
- v. This report summarises estimated key economic benefits expected to be realised as a result of this scheme's realisation with increased housing supply. Expected socio-economic benefits include:

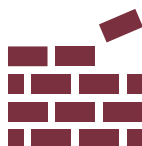


Delivery of up to 115 homes, including 30% affordable housing, that could be home to up to 261 residents.



154 new residents of working age, 126 of whom would be in employment.

Residents could generate total gross expenditure of over £3.13 million per annum.



A construction spend of £17.72 million, contributing significantly to GDP.



97 direct FTE construction jobs including 7 apprenticeships as well as 132 indirect FTE jobs in associated industries available for local workers per annum over the 3-year build-out period.



Council Tax payments of approximately £2.26 million over 10 years.



Significant section 106 contributions to be spent in the local community.

1 INTRODUCTION

1.1 Context

- 1.1.1 The planning world is operating in times of rapid change with social, environmental and political shifts having wide-reaching implications for councils, developers and other businesses that contribute towards a healthy economy.
- 1.1.2 The benefits of housebuilding have been shown to be persistent through times of economic upheaval, and the planning sector has played a central role in aiding recovery from economic challenges throughout recent history. Housebuilding will continue to be a key factor in spurring economic growth.
- 1.1.3 The ongoing housing crisis means the economic benefits of new housing are now more important than ever and should not be viewed as a given benefit but as a crucial component of the planning balance.
- 1.1.4 This statement examines the economic impact of the under delivery of housing and explains how the proposed development for up to 115 dwellings on Land off Henthorn Road, Clitheroe will bring significant economic benefits. The proposal will contribute towards strengthening the local economy and the realisation of key objectives of both the Government and Ribble Valley Borough Council.

1.2 National Planning Policy

- 1.2.1 The National Planning Policy Framework (NPPF or the Framework) was first introduced in 2012 and most recently updated in December 2024.
- 1.2.2 At the heart of the Framework is a ‘presumption in favour of sustainable development’. Paragraph 8 of the Framework outlines that the planning system has three overarching achieving objectives that are interdependent and need to be pursued in mutually supportive ways. These objectives are economic, social and environmental.
- 1.2.3 The NPPF is particularly clear on the importance of economic benefits arising from new development:

39 Local planning authorities should approach decisions on proposed development in a positive and creative way. They should use the full range of planning tools available, including brownfield registers and permission in principle, and work

proactively with applicants to secure developments that will improve the economic, social and environmental conditions of the area. Decision-makers at every level should seek to approve applications for sustainable development where possible.

85 Planning policies and decisions should help create the conditions in which businesses can invest, expand and adapt. Significant weight should be placed on the need to support economic growth and productivity, taking into account both local business needs and wider opportunities for development. The approach taken should allow each area to build on its strengths, counter any weaknesses and address the challenges of the future. ...

1.2.4 The view of the Government is that the planning system can help kick-start economic recovery. The planning system unlocks the investment and development that underpins regeneration, enabling business growth and job creation. Indeed, the economic benefits of new housing developments have recently been awarded ‘**significant weight**’ by appeal inspectors¹.

1.2.5 The provision of up to 115 dwellings on Land off Henthorn Road, Clitheroe will not only provide much-needed housing to the local area but will also contribute towards the much-needed economic recovery across the nation.

1.3 Written Ministerial Statements

1.3.1 A Written Ministerial Statement (‘WMS’) was made on 30th July 2024 by Angela Rayner, the then Deputy Prime Minister and Secretary of State for Housing, Communities and Local Government, titled ‘Building the homes we need’.

1.3.2 The WMS clearly states that the country is in the middle of the most acute housing crisis in living memory, recognising that the shortage in housing is putting homeownership out of reach for too many, driving high rents and leaving many living in unsuitable accommodation.

1.3.3 The importance of housing provision as a foundation for economic growth is also made clear throughout the WMS, evidencing the fact that the economic benefits of housing delivery are an important material consideration and benefit worthy of being afforded weight in the planning balance. The WMS states:

¹ APP/P1940/W/22/3311477 (PINS 2024) and APP/Z3825/W/23/3321658 (PINS 2024)

“Sustained economic growth is the only route to improving the prosperity of our country and the living standards of working people. Our approach to delivering this growth will focus on three pillars; stability, investment and reform. But this growth must also be generated for everyone, everywhere across the country - and so nowhere is decisive reform needed more urgently than in housing.”²

- 1.3.4 A further WMS was published by Matthew Pennycook, Minister of State for Housing and Planning, on 12th December 2024 again titled ‘Building the homes we need’. The WMS reiterates the severity of the housing crisis facing the country and seeks to emphasise the impact it has had on people’s lives and their living accommodation³.
- 1.3.5 It is well established that the clear terms set out within a WMS are a statement of government policy and constitute a material consideration in the determination of planning applications.

1.4 Housebuilding as part of Gross Domestic Product

- 1.4.1 In 2023, the output of the construction sector in Great Britain was £139 billion, supporting approximately 1.4 million jobs. Construction of housing was valued at over £53 billion, contributing significantly more to GDP than any other sector⁴.
- 1.4.2 It’s clear that construction and, in particular, housebuilding are significant factors in delivering a prosperous economy. Recent housebuilding activity has helped to deliver a wide range of economic benefits nationally, including £6.4 billion in tax revenues and £1.5 billion towards new community infrastructure in 2023. This is on top of the £16.6 billion spent within the housebuilding supply chain⁵.

² Angela Rayner (2024) ‘Building the homes we need’ Statement UIN HCWS48. Available at: <https://questions-statements.parliament.uk/written-statements/detail/2024-07-30/hcws48>

³ Matthew Pennycook (2024) ‘Building the homes we need’ Statement UIN HCWS308. Available at: <https://questions-statements.parliament.uk/written-statements/detail/2024-07-30/hcws48>

⁴ ONS Construction Statistics, Great Britain: 2023. Available at: <https://www.ons.gov.uk/businessindustryandtrade/constructionindustry/articles/constructionstatistics/2023>

⁵ Lichfields ‘The Economic Footprint of Home Building in England and Wales’. Available at: https://www.hbf.co.uk/documents/13965/The_Economic_Footprint_of_Home_Building_in_England_and_Wales_report_-_September_2024_v.pdf

2 THE HOUSING CRISIS AND AFFORDABILITY OF HOUSING

2.1 Introduction

- 2.1.1 There is a wealth of evidence from figures at the highest levels of the Government, the Bank of England and, internationally, within the European Commission and International Monetary Fund that demonstrates there is a consistent and pressing requirement to build more homes to meet the significant level of unmet need in Britain.
- 2.1.2 This housing crisis has arisen because, over recent decades, new housebuilding has not kept pace with population growth and household formation rates. In turn, due to the shortage in housing stock being outstripped by demand, house prices in the UK have continually increased, both in real terms and relative to incomes.
- 2.1.3 The human consequences of the housing crisis are stark, real and unchanged. A report published by Crisis and the National Housing Federation estimated that there were 4.75 million households in housing need across Great Britain (including 4 million in England)⁶.
- 2.1.4 The housing crisis is not a new problem but has only been exacerbated by the COVID-19 pandemic and ongoing cost-of-living crisis.

2.2 Affordability of Housing

- 2.2.1 Over recent decades, house prices have persistently grown faster than average incomes. In England, full-time employees could expect to spend around 7.71 times their workplace-based annual earnings on purchasing a home in 2024. There has been a significant increase over the past two decades, as house prices were 7.09 times median income in 2014 and 6.60 times median income in 2004⁷.
- 2.2.2 It is the younger generations that are directly affected by this crisis. In 1989, 51% of those aged 25 to 34 owned their own home. By 2019, that figure had fallen to just 28%. Homeownership among the poorest younger people (those in the lowest two

⁶ Crisis and the National Housing Federation 'Housing supply requirements across Great Britain: for low-income households and homeless people. Available at: <https://www.crisis.org.uk/ending-homelessness/homelessness-knowledge-hub/housing-models-and-access/housing-supply-requirements-across-great-britain-2018/>

⁷ ONS House price to workplace-based earnings ratio 1997-2024. Available at: <https://www.ons.gov.uk/peoplepopulationandcommunity/housing/datasets/ratioofhousepricetoworkplacebasedearningslowerquartileandmedian> (Data from release date 24 March 2025)

fifths on the income scale) more than halved over the same period, falling from 24% to just 11%⁸.

2.2.3 This has coincided with a significant rise in rental prices, with average monthly rents rising by 44.5% between 2010 and 2021⁹. As a result, it is increasingly challenging for younger generations to save sufficient funds to meet the average cost of a deposit.

2.2.4 In 2023, 3.6 million people aged 20 to 34 years were living at home with their parents, representing 28% of people in this age group¹⁰. This is reflective of the increasing unaffordability of housing.

2.2.5 House price growth has accelerated over recent years; the average UK house price was £272,995 in August 2025. This is £52,832 higher than in August 2020.

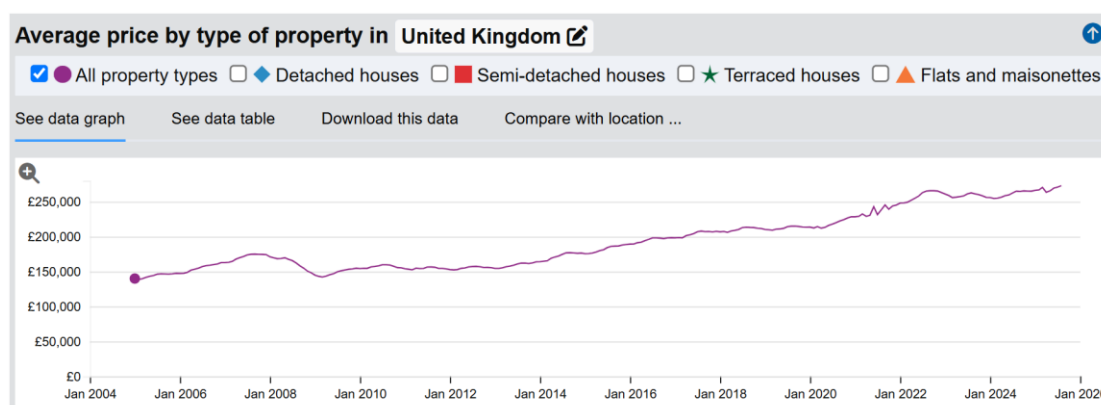


Figure 1 - Average house price, UK, January 2005 to August 2025. Source: HM Land Registry, Registers of Scotland, Land and Property Services Northern Ireland, Office for National Statistics - UK House Price Index.

2.2.6 The increase in house prices has led to inflated affordability ratios in 2024. The affordability ratio of Ribble Valley stands at 6.23¹¹. This is significantly higher than the ratio of 3.5 that is traditionally seen as the signifier of an affordable housing market. Additionally, when compared against regional and national ratios, it can be

⁸ Centre for Policy Studies, January 2023. Available at: https://cps.org.uk/wp-content/uploads/2023/01/CPS_THE_CASE_FOR_HOUSEBUILDING2.pdf

⁹ *ibid*

¹⁰ ONS Families and households in the UK: 2023, 8 May 2024, <https://www.ons.gov.uk/peoplepopulationandcommunity/birthsdeathsandmarriages/families/bulletins/familiesandhouseholds/latest>

¹¹ ONS House price to workplace-based earnings ratio 1971-2024. Available at: <https://www.ons.gov.uk/peoplepopulationandcommunity/housing/datasets/ratioofhousepricetoworkplacebasedearningslowerquartileandmedian> (Data from release date 24 March 2025)

seen that homes are less affordable in Ribble Valley than the regional average, signifying a real problem regarding local housing unaffordability.

- England: 7.71
- North West: 5.86
- Ribble Valley: 6.23

2.2.7 House prices have increased significantly in Ribble Valley. Between August 2020 and August 2025, the average house price rose by £61,520 from £223,934 to £285,454, with the average price of a detached house rising by £96,550 across the same period from £353,461 to £450,011.

2.2.8 Over this time period, overall house prices in Ribble Valley have increased by approximately 28%, with detached house prices increasing by around 27%.

2.2.9 Property prices for first-time buyers are also significant, with the average price paid by first-time buyers in Ribble Valley being £223,253 in August 2025. Therefore, increasingly large deposits are required, making it harder for young people to get onto the housing ladder.

2.2.10 As demonstrated by the indicators at both national and local levels, affordability of housing in Ribble Valley is a significant issue that has real consequences for those in need of a home.

3 ECONOMIC BENEFITS ARISING FROM DEVELOPMENT

3.1 Introduction

3.1.1 The granting of planning permission for the development of new housing on Land off Henthorn Road, Clitheroe will result in significant economic benefits.

3.1.2 Detailed below are estimates of the economic benefits arising from the construction of up to 115 dwellings and the arrival of new residents into Clitheroe.

3.2 Construction Costs

3.2.1 The estimated cost of the development of up to 115 homes, including 30% affordable housing and associated infrastructure, equates to £17.72 million. This will give rise to employment and associated expenditure in the local economy as detailed in the following sections.

3.2.2 This information is derived from the Building Cost Information Service (BCIS)¹² and takes account of regional variations in the average cost of building a home.

3.3 Job Creation

Construction Employment

3.3.1 Within Ribble Valley, approximately 1,500 people are employed in the construction industry¹³.

3.3.2 The estimated construction costs can be used to approximate the amount of direct construction employment that would be generated by the proposed scheme, using the national labour coefficient which assumes that housing developments create around 20 full-time equivalent (FTE) jobs per annum for every £1 million of construction cost (with costings backdated to the time of the study)¹⁴.

3.3.3 By approving the proposals, there will be 97 direct FTE construction jobs, including 7 apprenticeships, generated each year over the estimated 3-year build-out period

¹² Build Cost Information Service, April 2022.

¹³ Nomis Local Authority Profile. Available at: <https://www.nomisweb.co.uk/reports/lmp/la/contents.aspx>

¹⁴ HCA 2015, Calculating Cost per Job - Best Practice Note.

of the development. These jobs will be available for local workers, furthering the development of specialist skills and spending within Ribble Valley.

Indirect and Induced Job Creation

- 3.3.4 The impacts of the development will extend beyond construction employment to include indirect benefits for the local and national economy. This is because construction is one of the most effective sectors in stimulating wider economic activity. For every £1 of output by construction, a quantum of demand greater than the sum of its parts is generated for the supply of products, materials and professional services used by the construction process. This is known as a ‘multiplier effect’.
- 3.3.5 Those sectors benefiting from increased construction output include manufacturing, real estate, business services (including architecture and surveying), quarrying and transportation.
- 3.3.6 Using the ‘Type II’ employment multiplier for the construction industry derived from the ‘CEBR Local Economic Impacts Calculator’¹⁵, it is anticipated that an additional 132 FTE jobs per year will be supported elsewhere in the economy by the proposed development.

3.4 Gross Value Added

Direct Gross Value Added

- 3.4.1 The economic productivity, or additional value added to the local economy during the construction phase, can be measured through its contribution to Gross Value Added (GVA).
- 3.4.2 GVA is a key economic indicator measuring the performance of an area and its contribution to national economic growth. It comprises the income produced by earnings and profits as a result of production.
- 3.4.3 GVA generated through the construction phase of the proposed development will act as a stimulus to the wider construction sector through induced multiplier effects. Multiplying the average GVA output per FTE construction worker by the estimated

¹⁵ CEBR Local Economic Impacts Calculator, 2019.

number of direct construction jobs supported (97 FTE jobs per annum), it is anticipated that around £6.87 million direct GVA will be generated each year¹⁶.

Indirect Gross Value Added

3.4.4 To quantify the GVA from the jobs generated elsewhere in the economy (132 FTE jobs per annum), the ‘Type II’ employment multiplier for the construction industry derived from the ‘CEBR Local Economic Impacts Calculator’ is applied to the direct GVA figure. Then, the direct GVA figure is subtracted from the total to separate out the indirect/induced GVA effects. This identifies that the amount of indirect and induced economic output generated is approximately £9.34 million each year¹⁷.

3.4.5 In total, the construction of the proposed scheme is likely to generate an additional £16.21 million GVA each year, equating to a total of approximately £48.63 million GVA over the estimated build-out period.

3.5 Local Spending Power

Economically Active Population

3.5.1 The English Housing Survey demonstrated that in 2022, private tenants could expect to spend around 33% of their income on housing costs compared to 22% for homeowners. Therefore, homeowners are more likely to have a greater disposable income¹⁸.

3.5.2 The delivery of up to 115 homes is likely to be home to a total of 261 new residents; this is based on the average household size of 2.27 in line with the 2022 population projections for Ribble Valley¹⁹.

3.5.3 Assuming that 58.9% of the population is of working age (corresponding with Nomis official labour market statistics 2024 for Ribble Valley²⁰), the delivery of up to 115 homes could result in an additional 154 people of working age residing in Clitheroe.

¹⁶ Experian, 2022.

¹⁷ CEBR Local Economic Impacts Calculator, 2019.

¹⁸ DLUHC 2023. Available at: <https://www.gov.uk/government/statistics/english-housing-survey-2021-to-2022-private-rented-sector/english-housing-survey-2021-to-2022-private-rented-sector>

¹⁹ ONS Household projections for England. 2022-based household projections: table 427. Available at: <https://www.ons.gov.uk/peoplepopulationandcommunity/populationandmigration/populationprojections/datasets/householdprojectionsforengland>

²⁰ Nomis Local Authority Profile. Available at: <https://www.nomisweb.co.uk/reports/lmp/la/contents.aspx>

3.5.4 Of these people, given an economically active rate of 82.4% in those aged 16 and over in Ribble Valley, at least 126 could be expected to be economically active and in employment.

First Occupation Resident Expenditure

3.5.5 The average household spends around £7,645 to make their house ‘feel like a home’ within a year and a half of moving into a new property (adjusted to account for inflation to September 2025 using the Bank of England Inflation Calculator). This money is generally spent on furnishing and decorating a property and provides a range of benefits for the economy including supporting local employment.

3.5.6 Applying this average level of one-off spending on household products and services, it is estimated that 115 new households would generate around £879,175 of first occupation expenditure. This injection of expenditure would provide a significant boost to businesses in the local economy.

Ongoing Expenditure

3.5.7 The proposed development of the application site will support local businesses in Clitheroe through the addition of new residents bringing increased retail and general household expenditure.

3.5.8 The scale of these benefits will be determined by the expenditure patterns of residents alongside the proportion of residents moving into the area from elsewhere. However, it is anticipated that the proposed development on Land off Henthorn Road, Clitheroe should support around £3.13 million of resident spending annually following the completion of the development²¹.

3.5.9 It is anticipated that this level of annual expenditure would support the vitality and viability of local businesses, with an anticipated 16 FTE jobs supported each year as a result of this uplift in resident expenditure levels²².

²¹ ONS Family Spending Survey, 2021 Edition.

²² Business Population Estimates For The UK And Regions, 2021.

3.6 Community Financial Benefits

Council Tax

- 3.6.1 The development of up to 115 new dwellings has the potential to generate approximately £226,100 in Council Tax per annum. This totals over £2.26 million across a ten-year period and could provide an important source of revenue funding for the local authority in delivering services as well as investing in the locality.

Planning Contributions

- 3.6.2 Each development proposal will include different planning obligations dependent on necessary infrastructure to make the development acceptable in planning terms. Those that are most commonly associated with new housing development include payments toward education settings, health care services, off-site sports and leisure facilities and improvements to public transport and highways infrastructure.
- 3.6.3 All Gladman schemes meet the CIL Regulations 2010 (as amended) and, therefore, offer compliant contributions to assist with infrastructure and additional provision of services.

4 CONCLUSION

4.1 Report Summary

- 4.1.1 To support a healthy economy, we need to meet the shortfall of high-quality homes in places where people want to live and work, enabling more people to own their own home and strengthen their stake in our society.
- 4.1.2 This report has set out how the housing sector is crucial to the local and broader economic landscape, showing why it should be carefully considered by local planning authorities.
- 4.1.3 The delivery of up to 115 houses on Land off Henthorn Road, Clitheroe will support the housing sector's ongoing contribution to the economy, generating important and lasting economic benefits. As such, the considerable economic benefits of the proposals should be attributed significant weight in the planning balance.

