

What role does Hopwood Hall College play in the economy? The results of this study demonstrate that Hopwood Hall College is a sound investment from multiple perspectives. Learners benefit from improved lifestyles and increased earnings. Taxpayers benefit from an enlarged economy and lower social costs. And the community as a whole benefits from increased job and investment opportunities, higher business revenues, greater availability of public funds, and an eased tax burden.

Hopwood Hall College stimulates the local economy

- The economy in Greater Manchester received roughly **£16.3 million in net income** due to Hopwood Hall College payroll and operations spending (after adjusting for leakage and monies withdrawn from the economy in support of the college).
- About 23% of Hopwood Hall College's learners either commuted or relocated to Greater Manchester to attend college, bringing monies that would not have otherwise entered the local economy. These learners spent a total of £11.7 million while attending, whether for books and supplies, rent, or other personal expenses. These expenditures generated roughly **£5.6 million in added regional income**.
- Over the past fifteen-year period, the skills and qualifications obtained at Hopwood Hall College have accumulated in the local workforce where former learners live and work. These added skills translate into higher earnings for learners and increased productivity for the businesses that employ them.
- The accumulated contribution of Hopwood Hall College's past and present learners still active in the local economy came to roughly **£109.8 million in added income** in Financial Year 2008-09, including labour (i.e., earnings) and non-labour income (i.e., dividends, interests, and rents).

Hopwood Hall College accounted for £131.8 million in added regional income in 2008-09.

- In all, about **£131.8 million of total income in the current economy of Greater Manchester** is due to the past and present efforts of Hopwood Hall College and its learners. Clearly the college can be described as an engine of economic growth.

Hopwood Hall College provides value for money for taxpayers

- The UK will avoid social costs amounting to **£78 per year for every qualification gained** by Hopwood Hall College learners — savings associated with improved health, reduced crime, and fewer income assistance claims.
- This translates to **£481,800 in social savings** to the Exchequer each year that learners are in the workforce.
- Learners benefit from higher earnings, thereby expanding the tax base and reducing the burden on taxpayers. In the aggregate, learners generate **£4.6 million annually in higher earnings** due to their Hopwood Hall College education.

Hopwood Hall College generates a return on investment

- The UK government allocated approximately **£22.3 million in support of Hopwood Hall College** in Financial Year 2008-09.
- For every pound allocated to Hopwood Hall College by government, taxpayers will see a **cumulative return of £1.40** over the course of the learners' working careers (in the form of higher tax receipts and avoided social costs).

Hopwood Hall College returns £1.40 for every pound of taxpayer financial support.

- The public will see a **rate of return of 6%** on their support for Hopwood Hall College, which compares favourably with private sector rates on similar long-term investments.

Hopwood Hall College increases learners' earning potential

- A total of **8,020 full and part time learners** attended the college in Financial Year 2008-09.
- **Nearly all of these learners stay in the UK** and contribute to the growth of the national economy after they leave college.
- Studies demonstrate that education increases lifetime earnings. **The average annual earnings of a learner with a Level 2 qualification are £19,700**, 22% more than someone without a formal qualification. **The average earnings of a learner with Level 3 qualification are £22,300**, 38% more than someone without a formal qualification.

Learners see a 13% annual rate of return on their educational investment.

- Throughout his or her working career, the average Hopwood Hall College learner's discounted lifetime earnings (i.e., future values expressed in present value terms) will increase **£3.60 for every pound invested** (in tuition fees and foregone wages while attending).
- Learners enjoy an **annual rate of return of 13%** on their Hopwood Hall College educational investment.